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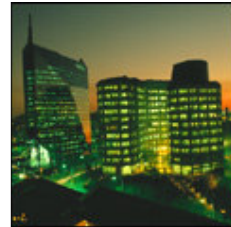
Research Report for the Centre For Rhetoric Studies

University of Cape Town

Broad Based Black Economic Empowerment

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Introduction

This paper was bestowed with the task of conducting research on Broad Based Black Economic Empowerment in South Africa. The aim of the research was to

Key Issues:

- Examine Broad Based Black Economic Empowerment
- Examine all gender aspects of BBBEE
- Look at statements by large firms & civil society
- Track Black women business leaders

The ANC government slogan has always been “a better life for all” and the aim was to achieve this through socio – economic policies that were aimed at providing access to economic opportunities, employment, skills development, creating access to social assistance, land reform, and most importantly poverty eradication. The government thus implemented various programmes aimed at redistribution of wealth. The paper will begin by presenting a brief historical overview of Broad Based Black Economic Empowerment (often referred to as BEE) starting from 1994 to present day South Africa. The paper will then proceed to explore BEE by looking at legislation that was crafted to provide support for BEE; namely: The BBBEE Codes of Good Practice, the BBBEE strategy and the actual BBBEE act. The paper will present the successes of this policy, and examined the individuals who had achieved success as a result of this policy. The backgrounds, career paths of six individuals were looked at these being; Cyril Ramaposa; Tokyo Sexwale; Saki Macozoma; Patrice Motsepe; Gloria Serobe; Wendy Luhabe.

The challenges of BEE were will be examined, and under this sub – heading, the question that needs to be addressed is whether BEE has benefitted the ordinary man on the street as it was designed to. The paper will then asked the question of what this all means rhetorically. In order to answer this question the research will use public the President’s State of the Nation Address for 2008. The research also provides extracts of two cabinet Ministers. Various rhetorical tools will be used in the attempt to answer this question.

The research will then focus on extracts from reports by three companies namely Bidvest, Barloworld and Engen and examine their public deliberation.

Methodology

The methodology used for conducting research for this paper was qualitative. Data gathered was obtained from the internet, through online research articles, online newspapers and company websites.

Analysis

HISTORICAL OVERVIEW

As South Africa's democratic political era came into being in 1994, with a Constitution that upheld human rights, and as the world marveled at the miracle of the birth of the new South Africa, a variety of socio – economic obstacles lurked. The new political dispensation was burdened with the effects of many years of economic sanctions, which had been levied against South Africa as a consequence of the country's racial segregation laws. In the decades ¹before South Africa achieved democracy in 1994, the apartheid government systematically excluded African, Indian and Coloured people from meaningful participation in the country's economy. This inevitably caused much poverty and suffering - and a profoundly sick economy. This resulted in the distortions in the ²economy eventually led to a crisis, started in the 1970s, when gross domestic product (GDP) growth fell to zero, and then hovered at about 3.4% in the 1980s. At a time when other developing economies with similar resources were growing, South Africa was stagnating. The South African government had to introduce transformation which would ensure that there was poverty eradication, access to economic opportunities, provision of social assistance for all, redistribution of wealth and an agrarian revolution, which would provide historically previous disadvantaged South Africans with the land that they had lost through forced removals in the previous regime.

Transformation was to become the buzz word for the new government. The use of ³the term in political rhetoric, academic discourse, national legislation, and government policies also implicitly equates the process of transformation with the process of establishing a “just” South African society in which the founding values of the constitution (including democracy, human dignity, equality, non-racialism and non-sexism) and the constitutional rights of all citizens (which includes a broad range of

¹ Black Economic Empowerment; <http://www.southafrica.info/business/trends/empowerment/bee.htm>; southafrica info website; July 2008

² Black Economic Empowerment; <http://www.southafrica.info/business/trends/empowerment/bee.htm>; southafrica info website; July 2008

³ The FW DE Klerk Foundation ; “[Transformation and Black Economic Transformation in South Africa](#)” April 2006; page 2 (pdf doc)

socio-economic rights) are recognized in a manner which gives expression to the ethos on which the new [South Africa] is founded. Transformation of the countries socio – economic policies was to take place in order to ensure “a better life for all.”

As a response to the burdens that the government was faced with, it inserted ⁴South Africa’s economy into the global marketplace and promoting foreign investment and job creation. This was done through the introduction of the following polices:

- the Reconstruction and Development Programme [RDP],
- the Growth, Employment and Redistribution programme [GEAR]
- Accelerated and Shared Growth Initiative of South Africa [ASGISA])
- (and most recently) Joint Initiative on Priority Skills Acquisition (Jipsa)

These macro economic policies were all introduced to ensure that black economic empowerment was taking place, with the aim of ensuring job creation, provision of access to economic opportunities and to ensure the provision of skills to all the historically previously disadvantaged South Africans.

The new South African government had to create various initiatives aimed at poverty alleviation, especially among the rural and peri – urban communities, who were in communities whereby there was a lack of employment opportunities, and basic amenities. The post 1994 period saw the rapid rise of people moving into the urban areas in search of economic opportunities and responding to the governments’ promise of “a better life for all”. Since 1994, South Africa’s government⁵ has set up policies to dismantle Apartheid social relations and to create a democratic society based on the principles of equality, non – racialism and non – sexism. Those members of these rural communities who had the means to relocate to the cities and economic hubs such as Johannesburg, in such of employment, faced another challenge that of a lack of social housing. The rise of the demand for housing and shelter resulted in the development of slums or informal settlements.

Research has proven that slum development ⁶is fuelled by a combination of rapid rural-to-urban migration, spiraling urban poverty and the inability of the urban poor to access affordable land for housing and insecure land tenure. Informal settlements or slums can either be legal or illegal. The

⁴ Black Economic Empowerment: Addressing Socio – Economic Inequality in South Africa, Epoliticssa Vol. 2 2003; page 2; (pdf doc)

⁵ McLean, K, 2006: Housing in Stuart Woolman (ed.) Constitutional law of South Africa (2nd edition) pp55.1 – 55.57

⁶ UN – Habitat Report 2003 www.geographyinthenews.rgs.org/news/article/?id=225

legal informal settlements take place when the occupiers of the shelters have been allocated the land they occupy legally e.g. Alexandra Township in Johannesburg Gauteng Province. The government had to create initiatives that would alleviate poverty, through job creation, and provision of skills.

Legislators thus created the following legislation, which ensured land reform, employment equity and the opening up of economic opportunities for historically previously disadvantaged South Africans. These were as follows:

- The Promotion of Equality and Prevention of Unfair Discrimination Act
- Extension of Security of Tenure Act
- Restitution of Land Rights Act
- Employment Equity Act
- National Empowerment Fund Act
- Competition Act
- Preferential Procurement Policy Framework Act
- National Small Business Act
- Integrated Human Resources Development Strategy
- Integrated Sustainable Rural Development Programme
- National Small Business Development Promotion Programme

The introduction of Broad Based Economic Empowerment was aimed at ⁷essentially a growth strategy, targeting the South African economy's weakest point: inequality. Black economic empowerment within the context of a broader national empowerment strategy ... focused on historically disadvantaged people, and particularly black people, women, youth, the disabled, and rural communities. Government has stressed that BEE is not affirmative action, although employment equity does form part of it, BEE is centrally aimed at ⁸redressing the imbalances of the past by transferring ownership and management of South Africa's business sector of the majority of its people. This would in turn serve to deracialise business, redistribute income and wealth and fighting systemic poverty within black communities.

⁷ Black Economic Empowerment; <http://www.southafrica.info/business/trends/empowerment/bee.htm>; southafrica info website; July 2008

⁸ Black Economic Empowerment: Addressing Socio – Economic Inequality in South Africa, Epoliticssa Vol. 2 2003; page 2; (pdf doc)

Research has shown that ⁹poverty goes hand in hand with economic marginalization in the sense that poor people, particularly black people in rural areas, have no or limited command over factors of production other than unskilled labour. In this respect ¹⁰the land reform programme together with the housing projects are important elements in the anti-poverty campaign. BEE is supplementing these measures.

What is Broad Based Black Economic Empowerment?

According to the Broad Based Black Economic Empowerment Act 53 of 2003 Section 1, it means “¹¹the economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies.” The term “black” is described as been generic and referring to all African, Coloured and Indian people. (Although, recently it has been ruled by the courts to include South African born Chinese South Africans, this and the Minister of Trade and Industry comments, the reaction of Black South Africans, will be explored later in the paper.) The act states the objectives of BEE are as follows:

The Broad Based Economic Empowerment Act 53 of 2003 in S 29(a) – (c) in the objectives states that:

- (a) The objectives of this Act are to facilitate broad-based black economic empowerment by promoting economic transformation in order to enable meaningful participation of black people in the economy;
- (b) achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises:
- (c) increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training:
- (d) increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training;
- (e) promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity;

⁹<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

¹⁰<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

¹¹ Broad Based Black Economic Empowerment Act 53 of 2003 Section 1

- (f) empowering rural and local communities by enabling access to economic activities. land, infrastructure, ownership and skills; and
- (g) promoting access to finance for black economic empowerment.

The Act requires that government, the private sector have to transform and ensure that they were BEE compliant. Companies had to ensure this through a generic score card, which companies had to use to measure that they were empowered in the following areas:

- ¹²Direct empowerment through ownership and control of enterprises and assets.
- Management at senior level.
- Human resource development and employment equity.
- Indirect empowerment through:
 - preferential procurement,
 - enterprise development, and
 - corporate social investment (a residual and open-ended category).

The interpretation of BEE and the loop holes which Small companies found in the act, and most importantly the lack of compliance by the large corporations, and above all else the corruption through fronting (this will be addressed later in the paper) resulted in the drafting of the Broad Based Black Economic Empowerment Codes, the Broad Based Black Economic Empowerment Strategy, all aimed at streamlining the Broad Based Black Economic Empowerment Act.

Why the Codes for Good Practice for Broad Based Black Economic Empowerment were introduced?

It is stated in the BEE strategy document that the Codes for Good Practice were introduced for the following reasons:

- ¹³For BBEE to work properly consistency, visibility and clearer direction is needed
- BEE initiatives to date have been characterized by:
- lack of understanding leading to inconsistent application and appreciation of B-BBEE
- lack of clarity resulting in delays in the implementation of B-BBEE initiatives

¹² <http://www.southafrica.info/business/trends/empowerment/bee.htm>

¹³ Codes of Good Practice for Broad Based Black Economic Empowerment; Department of Trade and Industry Document (pdf doc)

- disparity in Charter definitions and targets between various sectors of the economy
- lack of implementation guidelines resulting in 'Most going to few', 'Fronting' or 'Sham' transactions
- Lack of underlying economic substance to many BEE transactions
- Focus on narrow based BEE leading to a narrow base of beneficiaries

The codes are ¹⁴binding on all state bodies and public companies, and the government is required to apply them when making economic decisions on:

- procurement,
- licensing and concessions,
- public-private partnerships, and
- the sale of state-owned assets or businesses.

Private companies must ¹⁵apply the codes if they want to do business with any government enterprise or organ of state - that is, to tender for business, apply for licences and concessions, enter into public-private partnerships, or buy state-owned assets.

What have been the successes of Broad Based Black Economic Empowerment?

Governments Black Economic Empowerment initiatives have resulted in the emergence of a black middle class. The rise in this affluent group has spurred research into finding out whom exactly does this group of people encompass, where they live and what do they do. Research conducted in 2006 deduced that South Africa's black middle class has ¹⁶grown by 30% in just over a year, with their numbers increasing from 2-million to 2.6-million and their collective spending power rising from R130-billion to R180-billion. This is according to a study done by the ¹⁷University of Cape Town's

¹⁴ Black Economic Empowerment; <http://www.southafrica.info/business/trends/empowerment/bee.htm>; southafrica info website; July 2008

¹⁵ Black Economic Empowerment; <http://www.southafrica.info/business/trends/empowerment/bee.htm>; southafrica info website; July 2008

¹⁶ [SA's booming black middle class](#); SAinfo; 24 May 2007; <http://www.southafrica.info/business/trends/empowerment/blackdiamonds-230507.htm>

¹⁷ [SA's booming black middle class](#); SAinfo; 24 May 2007; <http://www.southafrica.info/business/trends/empowerment/blackdiamonds-230507.htm>

Unilever Institute of Strategic Marketing and the TNS Research Surveys. The study, *“Black Diamond 2007: On the Move,”* is based on a sample of 4 500 people and follows two previous studies by the research partners.

Research has shown that this particular group of individuals are well educated, have good paying jobs, are credit worthy, earn a minimum of R 7 000 a month, live in the suburbs, own their homes and their cars, single, if married, have small families.

The research found out that ¹⁸nearly half live in suburbs previously inhabited only by whites, with 12,000 families or 50,000 individuals moving from the townships every month. Seventy percent reside in the financial hub province Gauteng. The research was able to reveal that the emergence of the “Black Diamonds” is the result of the countries employment equity policies, which form part of BEE, which have provided this group with sound employment opportunities. The “Black Diamonds” encompass civil servants, private sector employees and a significant number of entrepreneurs. The study was also able to deduce the following results:

¹⁹Black-Diamonds are a complex and diverse group of people ranging from:

- the Mzansi Youth who are still living at home and studying towards their future;
- Start-me-ups who are starting out in the big wide world;
- Young Families, who have young kids; and
- the Established who are the older, wealthier families

²⁰Some facts about Black Diamonds

- 58% live in houses in the townships
- 70% have five or more people living in their households
- 86% believe in Lobola
- 75% believe in slaughtering to thank ancestors
- 84% of Black Diamond children speak English fluently

¹⁸ [“SA’s black diamonds grow by 30% in a year”](http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html) Tuesday, 14 August 2007 ; SAPA;
http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html

¹⁹ [“SA’s black diamonds grow by 30% in a year”](http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html) Tuesday, 14 August 2007 ; SAPA;
http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html

²⁰ [“SA’s black diamonds grow by 30% in a year”](http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html) Tuesday, 14 August 2007 ; SAPA;
http://www.sagoodnews.co.za/bee/sas_black_diamonds_grow_by_30_in_a_year.html

- 72% believe that “the way your children dress, speak and are educated is a reflection of your wealth “
- 46% have access to some kind of formal credit
- 50% feel trapped by the amount of debt they have
- 87% say its necessary to have medical aid, 26% have medical aid
- 70% say Thabo Mbeki is doing a good job of running the country

One can state that the “Black Diamonds” only account for a small percentage of the black or historically previously disadvantaged groups, what changes or success has BEE achieved for the masses of South Africans who are meant to benefit from it?

During the 1990s the ²¹private sector embarked on several BEE initiatives. The aim of the private sector was to show their commitment to black economic empowerment. ²²Sanlam sold its major shareholding in Metropolitan Life, a JSE quoted company, to a black-owned consortium. This was followed ²³by similar transactions that were characterized by financing procedures that were based on complicated corporate structures in order to generate the investment funds on behalf of the new black-owned shareholders. ²⁴Unfortunately the sharp fall in the JSE during 1998 exposed the vulnerability of these transactions in the sense that the black-owned shareholders were unable to finance their debt in terms of the original scheme.

The first effects of BEE started being felt in the boardrooms in terms of racial representation among board members by 1997. As from 1997, the ²⁵ratio of black executive directors had climbed to 1:3 from 1:14 in 1992. With the collapse ²⁶of big corporate in the US and locally, corporate governance

²¹<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

²² <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

²³ <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

²⁴ <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

²⁵ Jack V; Chia-Chao Wu; Makhari S; Lorio P; “Pioneers, Powers and Pundits: Influential and Powerful Black Directors on the JSE”; Empowerdex; Economic Empowerment Rating Agency; February 2004

²⁶ Jack V; Chia-Chao Wu; Makhari S; Lorio P; “Pioneers, Powers and Pundits: Influential and Powerful Black Directors on the JSE”; Empowerdex; Economic Empowerment Rating Agency; February 2004

took centre stage in structuring company boards. The King Report ²⁷ on Corporate Governance recommended that there should be more non executive directors and independent directors to foster good corporate governance. These recommendations were ²⁸ released in 2001, and their effect, in particular to the increase in the number of black executive directors, is yet to be felt. As at December 2003, there ²⁹ were 307 black individuals holding 432 directorships in 187 South African based companies that are listed on the main boards of the JSE Securities Exchange (JSE).

As a direct result of black economic empowerment South Africa has seen a rise in the number registered and non registered small to medium black businesses. Stats SA estimates that ³⁰ approximately 2, 3 million people in March 2001 were owners of at least one non-VAT-registered business. Statistics South Africa also found that the ³¹ vast majority (89, 4%) of these business owners were African. Approximately 1, 4 million (60, 6%) were women. Of these owners of non-VAT-registered businesses, 1, 3 million people (57, 8%) lived in urban, and 1, 0 million (42, 2%) in non-urban areas.

What are the long term goals for Broad Based Black Economic Empowerment?

It would seem that BEE will be here for a good number of years. The Government has identified a number of targets which are planned until 2014. Government has identified the following targets for the various sectors from now until 2014.

- The financial sector scoreboard has 25% as the ownership target for this sector by 2010. The tourism industry scoreboard has an ownership target of 21% for 2009 and 30% for 2014.

²⁷ Jack V; Chia-Chao Wu; Makhari S; Lorio P; "Pioneers, Powers and Pundits: Influential and Powerful Black Directors on the JSE"; Empowerdex; Economic Empowerment Rating Agency; February 2004

²⁸ Jack V; Chia-Chao Wu; Makhari S; Lorio P; "Pioneers, Powers and Pundits: Influential and Powerful Black Directors on the JSE"; Empowerdex; Economic Empowerment Rating Agency; February 2004

²⁹ Jack V; Chia-Chao Wu; Makhari S; Lorio P; "Pioneers, Powers and Pundits: Influential and Powerful Black Directors on the JSE"; Empowerdex; Economic Empowerment Rating Agency; February 2004

³⁰ Statistics South Africa (statssa); **The contribution of small and micro enterprises to the economy of the country: A survey of non-VAT-registered businesses in South Africa Part 2 – Narrative report; 2002**

³¹ Statistics South Africa (statssa); **The contribution of small and micro enterprises to the economy of the country: A survey of non-VAT-registered businesses in South Africa Part 2 – Narrative report; 2002**

The financial sector's scorecard has the following targets in terms of employment equity and skills development by 2008:

- Senior management 20%-25%
- Middle management 30%
- Junior management 40%-50%
- Skill development comprises 1, 5% of the annual payroll to be spent on skill development of black employees.

Tourism

- 35% of black people in management by 2009 and 50% in 2014
- 53% of total staff will be black by 2009 and 75% by 2014
- For skills development 3% of payroll expenditure will be devoted to skills development over the period 2009-2014.
- Black employees will receive 75% of the expenditure on skill development over the period 2009-2014.

The paper will now focus its attention on those individuals who are products of black economic empowerment and who have made a significant mark in the South African economy, and hold Directorships on the boards of South African companies listed on the JSE.

Who are the Black Directors serving on boards of Companies listed on the JSE?

There has been a significant rise in the numbers of Black Directors serving on various boards of South African large conglomerates. However a large number of these Directors serve as non – Executive Directors and thus their decision making capabilities and influence becomes limited as a result of this. According to a report done by Empowerdex, a Black Empowerment rating company, in its 2004 report,³² it lists the 25 most influential BEE directors on the JSE, based on the market capitalization of the companies on whose boards they serve. Recent research done by Empowerdex, in a book entitled "*Trail Blazers*", which is what the company has labeled these influential individuals reveals that, the

³² http://www.safrica.info/doing_business/trends/empowerment/directors.htm

³³number of executive directorships held by blacks grew by 19% from 2006, and overall there is growth, though it slowed between 2007 and 2008 according to Empowerdex, which did the research on Citadel's behalf. Non-executive directorships have grown healthily, but the number of executive directors of listed companies is low. The book also revealed that ³⁴there are only 100 black executive directors of listed companies compared with 93 and 94 in 2006 and 2007 respectively. This suggests that the ³⁵skills crunch at the top of corporate South Africa is acute and also that there are many big black business people holding multiple non-executive directorships. The Black Management Forum has been quoted as stating that its observations are that corporate South Africa is still resistant to change.

Among the list are, former University of Cape Town Vice Chancellor, and former World Bank director, Dr Mamphela Ramphele, who was 2007's most influential black director. She is in third place this year ³⁶with influence over R657-billion. Ramphele is a director of Anglo-American and Medi-Clinic. In fourth place is the ³⁷ former petrochemicals executive Koosum Kalyan followed by the former chairperson of Eskom, Valli Moosa. Moosa has influence over R356-billion because he sits on the boards of Anglo Platinum, Imperial Holdings, Lereko Mobility, Real Africa Holdings, Sanlam and Sun International.

³³ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

³⁴ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

³⁵ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

³⁶ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

³⁷ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

The paper will now identify six individuals who have benefitted greatly from BEE and have made their mark on the South African economy, by being part of some major BEE deals. However critics have argued, that these six individuals have risen owing to their political connections, this will be explored later in the paper. These six individuals are Cyril Ramaphosa, Patrice Motsepe, Tokoyo Sexwale, Saki Macozoma, Wendy Luhabe and Gloria Serobe.

1. Cyril Ramaphosa

Cyril Ramaphosa is considered one of the richest black men in South Africa owing to the fact that he has influence over R694-billion; his influence is measured by the market capitalization of the company boards he sits on. These are: ³⁸Assore, Bidvest, Mondi, MTN, SABMiller PLC, Standard Bank, Anglo-American and Medi-Clinic. Ramaphosa is the second most-powerful black director in South Africa, according to the annual Trailblazer research published by Citadel and Empowerdex. Who is Ramaphosa, and how did he get to where he is today? Here is a brief summation of the man some in the ANC were lobbying to be in the running for President in the run up to the Polokwane ANC conference, and who repeated refused the nomination, stating that he had retired from politics.

Full names ³⁹	Mr. Matamela Cyril "Cyril" RAMAPHOSA
Synopsis	Non-Executive Chair: Bidvest Group Ltd.; Non-Executive Chair: MCI Properties Pty Ltd.; Kangra Coal (Pty) Ltd; Non-Executive Chair: MTN Group Ltd.
Date of Birth	17/11/1952
Place of Birth	Johannesburg
Country of Residence	South Africa
Nationality	South African
Father's Name	Samuel Ramaphosa
Mother's Name	Erdmuth
School	Sekano-Ntoane HS, Mphaphui HS
Club Memberships	Rand*(Johannesburg)
Recreational Activities	fly-fishing

Education

Degrees

³⁸ **"Blazing the BEE trail: men and women of influence";**
Mail & Guardian; 2 September 2008;<http://www.mg.co.za/article/2008-09-02-blazing-the-bee-trail-men-and-women-of-influence>

³⁹ <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=1113>

Type	Institution	Specialization	Year
Baccalaureus Procuratoris	University of South Africa		1981

Honorary Degrees

Type	Institution	Year
Honorary Doctorate	University of the North	2002
Honorary Doctor of Laws	National University of Lesotho	2002
Honorary Doctorate	University of Natal, Durban	
Honorary Doctorate	University of Port Elizabeth	
Honorary Doctorate	University of Massachusetts, United States of America	
Honorary Doctorate	University of Cape Town	

Career**Chairmanships**

Position	Organization	Place	Appointed	Concluded
Deputy Chair	Commonwealth Business Council			
Executive Chairman	Shanduka Group			
Chair	TBW Hunt Lascaris			
Non-Executive Chair	Bidvest Group Ltd.		2004	
Non-Executive Chair	MCI Properties Pty Ltd.		2004	
	Kangra Coal (Pty) Ltd		2003	
Non-Executive Chair	MTN Group Ltd		2001	
Chair	Johnnic Holdings Ltd.			2006
Chair	South African Special Risks Insurance Association (SASRIA)			

Directorships

Position	Institution	Place	Appointed	Concluded
Director	MTN Holdings			
Director	Macsteel Holdings			
Non-Executive Director	Standard Bank		2004	
Non-Executive Director	Alexander Forbes			
Non-Executive Director	SABMiller plc			
Director	South African Special Risks Insurance Association (SASRIA)			
Non-Executive Director	Assore Ltd.			

Current Positions

Position	Organization	Place	Appointed	Concluded
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	Black Economic Empowerment Commission			
Member	International Advisory Board, Coca-Cola Company			
Member	Advisory Council, Unilever Africa			

Previous Positions

Position	Organization	Place	Appointed	Concluded
Member of Parliament	South African Parliament		1994	1996
Secretary General	ANC		1991	1994
General-Secretary	National Union of Mineworkers		1982	1991
Advisor	Council of Unions of South Africa		1981	1991

General

Community Activities

Position	Community / Non-Profit Organization	Place	Appointed
Chairman	Constitutional Assembly		

Career Related Activities

Activity	Institution	Place	Appointed	Concluded
Chancellor	University Venda, Technikon Northern Gauteng			
Hon Consul-General	Iceland			

Noteworthy Events/Interesting Facts

Noteworthy Events
In 2004, he was voted 34th in the Top 100 Great South Africans.
His political career includes: Secretary-General ANC 1991-96; Chair Constitutional Assembly, Government of National Unity 1994-96; Member Management Committee on Transitional Executive Council 1994; led ANC Delegation at Multi-party Negotiations, World Trade Centre 1992-94.
He led the COSATU delegation talks with ANC & SACTU, Lusaka, March 1986; First General Secretary National Union of Mineworkers 1982-91; organized 2 major country-wide NUM strikes 1985-86; held discussions with leading trade unionists in England & Europe 1984-85; organized first legal 1 day strike by black mineworkers in South Africa in September 1984; 2nd strike in December 1984.
He was arrested and briefly detained under the now defunct Riotous Assemblies Act in Lebowa 1984; he joined Council of Unions of SA as Legal Advisor 1981; he joined firm of attorneys as Articled Clerk 1977; detained in terms of Terrorism Act for 6 months in 1976; detained in terms of Section 6 of Terrorism Act for 11 months for involvement in a pro-Frelimo rally in 1974; active in Black People's Convention in 1975.

Awards

Award	Granting Body	Place	Year
Visiting Prof of Law	Stanford University	United States of America	1991
Olaf Palme Prize		Stockholm	1987

2. Tokyo Sexwale

Tokyo Sexwale is known to a variety of South Africans, owing to the fact that he was the former Premier of Gauteng, and recently hosted the reality T.V. show "The Apprentice" which is a South African version of the American Show. Most importantly he resurfaced on the political landscape after being nominated as a candidate for Presidency, a nomination he accepted. In the weeks running up to the ANC conference, Mr. Sexwale was very vocal about the policies he would introduced if elected by the ANC as president. He was not elected and has since supported ANC president Jacob Zuma. Mr. Sexwale is the founder Mvelaphanda Holdings, which merged with Rebserve Holdings Limited ⁴⁰conceived of the idea to create South Africa's leading BEE group through the merger of certain of the businesses and assets of Mvelaphanda Holdings and Rebserve. Through the BEE merger the company became Mvelaphanda Group and Mr. Sexwale is the chairman. Mvelaphanda Group ⁴¹has combined the stature and entrepreneurial reputation of the Mvelaphanda Holdings' brand and team, as well as the prospect of substantial BEE deal flow, with the cash-generative base and proven operational and transactional skills of the former Rebserve and its management. Here is a brief summary about the former Premier.

Full names ⁴²	Mr. Tokyo Mosima Gabriel "Tokyo" SEXWALE
Synopsis	Non-Executive Chair: Mvelaphanda Holdings; Member: World Cup 2010 Preparatory Committee; Member: Brookings Institution's International Advisory Council (IAC); Member Black Consciousness Movement late 1960s and early 1970s; Joined ANC underground 1970s; Went into exile in Soviet Union, undergoing officer's military training specializing in army engineering, 1975.
Date of Birth	05/03/1953
Place of Birth	Orlando West, Soweto
Country of Residence	South Africa
Nationality	South African
Spouse's Name	Judy Moon
Children	1 son(s) 1 daughter(s)
Recreational Activities	books, music, sport

Education

Diplomas

⁴⁰ <http://www.mvelagroup.co.za/>

⁴¹ <http://www.mvelagroup.co.za/>

⁴² <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=1111>

Type	Institution	Field	Year
Business Studies	UB, NUL & Swaziland		

Honorary Degrees

Type	Institution	Year
Honorary Technical Doctorate	University of Nottingham, United Kingdom	

Career**Chairmanships**

Position	Organization	Place	Appointed	Concluded
Chair	Arcus Gibb (Engineering Consultancy)			
Chair	Rand Mutual Group of Companies			
Chair	Trans Hex Group Ltd			
Chair	MOCOH Energy			
Chair	Northam Platinum			
Chair	MOCOH Energy			
Non-Executive Chair	Mvelaphanda Holdings		2007	
Executive Chair	Mvelaphanda Holdings (Diamonds, Platinum, Energy)		2002	2007
Chair	ANC Gauteng Region		1991	1997

Directorships

Position	Institution	Place	Appointed	Concluded
Non-Executive Director	Altech			
Director	De Montfort University, UK			
Director	Destra Power Matla			
Director	Voltex			
Director	Gold Fields Ltd			
Member	World Cup 2010 Preparatory Committee		2004	
Non-Executive Director	ABSA Bank & Group		2001	2008
Ex-Officio Member	ANC National Executive Committee		1991	1997

Current Positions

Position	Organization	Place	Appointed	Concluded
Member	Brookings Institution's International Advisory Council (IAC)		2007	

Previous Positions

Position	Organization	Place	Appointed	Concluded
Premier	Gauteng Prov Government		1994	1998
Head	ANC Military Headquarters		1990	1991
Head	Public Liaison Department, ANC Headquarters			1994
Head	Special Projects, ANC Headquarters			1994

General**Society Memberships**

Position	Society	Appointed	Concluded
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President	South African-Russian Business Initiative, Technology & Cultural Association		
Vice-Chair	South Africa\Japan Business Association		
Honorary Member	South African Airforce Association		

Community Activities

Position	Community / Non-Profit Organization	Place	Appointed
Trustee	Nelson Mandela Foundation		
Trustee	Global Philanthropists Circle		
Trustee	Robben Island Ex-Prisoners Trust		
Trustee	Business Trust		
Patron	Johannesburg Child and Family Welfare Society		
Patron	Streetwise South Africa		
Patron	The Sky is No Limit		
Founder	Sexwale Family Foundation		
Initiator & Patron	Save the Family Trust		

Voluntary Activities

Position	Organization / Club	Place	Appointed	Concluded
Board Member	Aero Club of South Africa (aviation)			
Initiator & Patron	Save the Family Trust			

Career Related Activities

Activity	Institution	Place	Appointed	Concluded
Chancellor	Vaal Triangle Technikon			
Patron	several non-governmental organizations in South Africa			

Noteworthy Events/Interesting Facts

Noteworthy Events
He bought a stake in the parent company of Maverick Magazine, Business Century, in March 2007.
His philosophy: "The challenge comes from the capacity not to be afraid of problems. I am not afraid of problems. Failure to me is not a permanent setback but a challenge."
He was voted "the sexiest politician in SA" by white women "from Pretoria to Sandton" in a phone-in survey on John Berks Radio 702 show.
He was called Tokyo because he enjoyed karate as a youngster.
Member Black Consciousness Movement late 1960s and early 1970s; Joined ANC underground 1970s; Went into exile in Soviet Union, undergoing officer's military training specializing in army engineering, 1975; In 1978 convicted & charged with terrorism & conspiracy to overthrow SA Government; Sentenced to 18 years imprisonment. Released from Robben Island in 1990 having served 13 years imprisonment
Member of Safa/SA's 2010 Bid Co delegation to Zurich World Cup 2010 announcement 2004

Awards

Award	Granting Body	Place	Year
Wits Business School Management	Wits Business School		2005

Excellence (MANEX) Award			
Top Black Businessman of the Year	Impumeleo's Top 300 Empowerment Companies Awards		2004
Honorary Consul-General	Finland		
Légion d'honneur	France		
Paul Harris Fellow of Rotary Foundation			
Order of the Freedom of Havana	Cuba		
Hon Colonel	South African Air force		
Reach and Teach Leadership Award	United States		
Cross for Valour (Ruby Class)			

3. Ms. Wendy Luhabe

Wendy Luhabe is one of the four founding members of the company called Whiphold, which is aimed at economic empowerment of women. In 1999, WIPHOLD⁴³ became the first women's group to be listed on the JSE Securities Exchange in South Africa.

Ms. Luhabe considers⁴⁴ herself as a social entrepreneur and is regarded as one of South Africa's most visionary and pioneering women. She has stated that she is committed to the economic empowerment of women in South Africa.⁴⁵ She spent 10 years in marketing before venturing on her own. Her first enterprise was in⁴⁶ human resources and she is most known for her role in the founding of Women Investment Portfolio Holdings – an initiative that revolutionised the participation of women in the economic landscape of South Africa.⁴⁷ She launched a R120 million Private Equity Fund for women – South Africa's first fund to provide capital to women-owned businesses. She is an academic who often receives invitations on discussion forums, conferences on a variety of socio – economic issues. She is also the author of⁴⁸ "Defining Moment" on the experiences of black

⁴³ <http://www2.oldmutual.com/CR/reports/ccr/2004/transformation/partners/newpartners.htm>

⁴⁴ Citation; www.bwasa.co.za/Portals/4/docs/archive/Wendy%20Luhabe%20citation.doc

⁴⁵ Citation; www.bwasa.co.za/Portals/4/docs/archive/Wendy%20Luhabe%20citation.doc

⁴⁶ Citation; www.bwasa.co.za/Portals/4/docs/archive/Wendy%20Luhabe%20citation.doc

⁴⁷ Citation; www.bwasa.co.za/Portals/4/docs/archive/Wendy%20Luhabe%20citation.doc

⁴⁸ Citation; www.bwasa.co.za/Portals/4/docs/archive/Wendy%20Luhabe%20citation.doc

executives in South Africa's workplace over 30 years. Recently she was voted ⁴⁹“South Africa's most powerful business woman measured in terms of influence, not wealth” by a top Business magazine.

Full names ⁵⁰	Ms Wendy Nomathemba LUHABE
Synopsis	Chancellor: University of Johannesburg; Member: Club of Rome; Marketing Professional: Vanda Cosmetics, BMW South Africa & North America for 10 years.; Published a book called Defining Moments on the experiences of black managers over 3 decades.;
Date of Birth	29/05/1957
Place of Birth	Daveyton, Gauteng
Country of Residence	South Africa
Nationality	South African
Father's Name	Stanley Garfield Luhabe
Mother's Name	Adelaide Boniwe Bulana
Spouse's Name	Mbhazima Shilowa
Children	2 son(s)
School	Healdtown, Fort Beaufort, Ec, 1974
Recreational Activities	Travel, metaphysics, decoupage, nature, culture, music

Education

Diplomas

Type	Institution	Field	Year
Management Advancement Programme	Witwatersrand Graduate School of Business Administration		

Degrees

Type	Institution	Specialization	Year
Bachelor of Commerce	University of Lesotho		1981
Bachelor of Arts	University of Fort Hare	Social Science I, II	1977

Honorary Degrees

Type	Institution	Year
Commerce	University of Stellenbosch	2006
Commerce	University of Fort Hare	2005

Career

Chairmanships

Position	Organization	Place	Appointed	Concluded

⁴⁹ “Wendy Luhabe: on the broad walk” Wits business school website;
<http://www.wbs.ac.za/?q=node/80>

⁵⁰ <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=3164>

Chair	International Marketing Council			
Chair	Industrial Development Corporation			

Directorships

Position	Institution	Place	Appointed	Concluded
Non-Executive Director	BMW SA			
Director	Cycad Financial Holdings			
Non-Executive Director	Women Private Equity Fund			
Board Member	Johannesburg Securities Exchange			

Current Positions

Position	Organization	Place	Appointed	Concluded
Chancellor	University of Johannesburg		2006	
International Trustee	The Duke of Edinburgh's Award International Foundation for young people			
Member	Consultative Network of the Helsinki Process on Globalization and Democracy			
Entrepreneur	Women Private Equity for women-owned enterprises, asset management & advertising			
Entrepreneur	Wendy Luhabe Foundation for the education and leadership development of women			
Founder	Wiphold, Women Private Equity Fund			
Various positions	BMW South Africa & North America			

Previous Positions

Position	Organization	Place	Appointed	Concluded
Founder	Bridging the Gap		1992	2001

General**Society Memberships**

Position	Society	Appointed	Concluded
Member	Club of Rome	2006	

Career Related Activities

Activity	Institution	Place	Appointed	Concluded
	The Resilience Company			

Noteworthy Events/Interesting Facts

Noteworthy Events
Published a book called Defining Moments on the experiences of black managers over 3 decades.
Marketing Professional: Vanda Cosmetics, BMW South Africa & North America for 10 years.

Awards

Award	Granting Body	Place	Year
Award in Recognition of Championing Women Empowerment	Black Management Forum		2004
One of 50 Leading Women Entrepreneurs of the			1999

World			
The Outstanding Young Person	Osaka Jnr Chamber	Japan	1997
Leadership in Practice	Unisa Business Leadership School		1997
Global Leader for Tomorrow	World Economic Forum		1997

Published Works

Title	Publication Type	Role	Publisher	Year
Defining Moments	Book	Author		2002

4. Ms. Gloria Serobe

Ms. Gloria Serobe is one of the founding members of Whiphold, a company dedicated to women's empowerment. WIPHOLD is one ⁵¹of the most genuinely broad-based black empowerment companies in South Africa today with 1 200 direct beneficiaries and 18 000 indirect beneficiaries through the WIPHOLD Investment Trust.

She was ⁵²Transnet's Group Financial Director from 1996 to 2001 and member of the board of Transnet and its major subsidiaries, including Spoornet, Portnet, Petronet, SAA and Transtel. Her professional experience ⁵³includes positions at Exxon Corporation USA, Munich Reinsurance Company of SA, the Premier Group and SCMB. Gloria serves on ⁵⁴several boards including the JSE Securities Exchange and the Export Credit Insurance Corporation.

Ms. Serobe was appointed onto the SABC board last year, and as a result there was great outcry from the opposition parties in parliament, owing to the fact that, it was alleged her appointment had been the influence of a certain fax from the Union Buildings, the Presidency, sent to the Parliamentary Communications Portfolio Committee. Ms. Gloria Serobe denied these allegations which continued to be thrown at her, for the remainder of the year.

Full names ⁵⁵	Ms Gloria Tomatoe SEROBE
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⁵¹ <http://www2.oldmutual.com/CR/reports/ccr/2004/transformation/partners/newpartners.htm>

⁵² <http://www2.oldmutual.com/CR/reports/ccr/2004/transformation/partners/newpartners.htm>

⁵³ <http://www2.oldmutual.com/CR/reports/ccr/2004/transformation/partners/newpartners.htm>

⁵⁴ <http://www2.oldmutual.com/CR/reports/ccr/2004/transformation/partners/newpartners.htm>

⁵⁵ <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=1107>

Synopsis	Non-Executive Director: Johannesburg Stock Exchange (JSE); Economic Advisor: Accelerated and Shared Growth Initiative for South Africa; She received a Fullbright Scholarship to study an MBA at Rutgers University in the United States.; She regards her maternal grandfather as her biggest formative influence.;
Date of Birth	20/09/1959
Place of Birth	Cape Town
Country of Residence	South Africa
Nationality	South African
Spouse's Name	Gaur Serobe
Marriage Date	10/01/1987

Education**Degrees**

Type	Institution	Specialization	Year
Master of Business Administration	University of Rutgers State, United States of America		
Bachelor of Commerce	University of Transkei		

Career**Chairmanships**

Position	Organization	Place	Appointed	Concluded
Chair	Department of Trade & Industry Audit Committee			
Chair	Metropolitan Life			
Chair	New Africa Capital			
Deputy Chair	Export Credit Insurance Corporation			
Chair	Greenhouse Child Care			

Directorships

Position	Institution	Place	Appointed	Concluded
Founder & Director	Women Investment Portfolio Holdings Ltd (Wiphold)			
Director	Johannesburg Stock Exchange			
Director	University of Cape Town Graduate School of Business			
Founder & Director	Wipcapital			
Director	Alliance Capital Southern African Fund			
Non-Executive Director	Johannesburg Stock Exchange (JSE)		2000	
Executive Director Financial	Transnet Ltd		1996	2001
Non-Executive Director	Life Offices Association			
Managing Director	Elephant Consortium			
Non-Executive	Old Mutual			

Director				
Non-Executive Director	Nedcor			
Director	NAIL (New Africa Investments Ltd.)			

Current Positions

Position	Organization	Place	Appointed	Concluded
Economic Advisor	Accelerated and Shared Growth Initiative for South Africa		2007	

Previous Positions

Position	Organization	Place	Appointed	Concluded
Various positions	Standard Corp & Merchant Bank			????
Various positions	Munich Reinsurance Co of SA			????
Various positions	Premier Group			????
Trainee Accountant	Exxcom Corp	United States of America		????

General**Society Memberships**

Position	Society	Appointed	Concluded
Honorary Member	Actuarial Society of South Africa (ASSA)		

Voluntary Activities

Position	Organization / Club	Place	Appointed	Concluded
Trustee	City Press Child Care Fund			

Noteworthy Events/Interesting Facts

Noteworthy Events
She regards her maternal grandfather as her biggest formative influence.
She received a Fullbright Scholarship to study an MBA at Rutgers University in the United States.

Awards

Award	Granting Body	Place	Year
President's Award	Institute of People Management (IPM) President		2006
In Recognition of Championing Women Empowerment	Black Management Forum		2004
Civic Merit Award	Germiston City Council		1994
Sowetan Woman of the Year	Eskom		1992

5. Mr. Saki Macozoma

⁵⁶Sakumzi (Saki) Macozoma, President of Business Leadership since January 2007, is chairman of financial institutions STANLIB and Andisa Capital, a director of the Standard Bank of South Africa, the Standard Group, the Liberty Group and Volkswagen SA. He is also a significant shareholder in and deputy chairman of Safika Holdings.

Mr. Macozoma was elected in 1991 as a member of the ANC's National Executive Committee, a highly influential position politically, a position he has held until December 2007 at the ANC Conference, at the end of the ANC Conference; where he was replaced when the "change of guard" took place; with election of Jacob Zuma as the new ANC President, and he was replaced by the appointee's voted in by conference; and supporters of the newly elected president.

Full names ⁵⁷	Mr. Sakumzi "Saki" MACOZOMA
Synopsis	Chair: Nail Outdoor Natanya; Chair: Hertz Rent-a-Car; Deputy Chair: Standard Bank of SA, South Africa; Chair: Lliso Consulting.
Date of Birth	12/05/1957
Place of Birth	Port Elizabeth
Country of Residence	South Africa
Nationality	South African
School	Kwazakele High School

Education

Degrees

Type	Institution	Specialization	Year
Bachelor of Arts		Politics & Economics	
Bachelor of Arts (Honours)			

Career

Chairmanships

Position	Organization	Place	Appointed	Concluded
Chair	Nail Outdoor Natanya		2002	
Deputy Chair	Standard Bank of SA	South Africa	2001	
Chair	Lliso Consulting		2001	
Chair	Hertz Rent-a-Car		2001	
Co-Chair	Business Trust		1999	

⁵⁶ <http://www.businessleadership.org.za/boardmembers.php>

⁵⁷ <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=1131>

Deputy Chair	Standard Bank Group Ltd		1998	
Chair	ANC National Elections Committee		1995	
Chair	Parliamentary Portfolio Committee on Committees		1994	1996

Directorships

Position	Institution	Place	Appointed	Concluded
Board Member	VW SA		2002	
Member	ANC NEC		1991	
Chief Executive Officer	New Africa Investments Ltd		2001	2004
Independent Non-Executive Director	Murray & Roberts Holdings Ltd		2001	2006
Non-Executive Director	Standard Bank Group Ltd		1998	
Member	National Working Com of ANC		1995	1995
Political Member	MP		1994	1996
Non-Executive Director	Liberty Group			

General**Society Memberships**

Position	Society	Appointed	Concluded
Member	Ex-Political Prisoner's Committee	2004	
Council Member	Robben Island Committee		
Council Member	University of the Witwatersrand		

Career Related Activities

Activity	Institution	Place	Appointed	Concluded
Head	Media Liason Unit Department of Information & Publicity, ANC		1990	1992
Head	Legal Aid Department of Dependents Conference of SA Council of Churches			1990

Noteworthy Events/Interesting Facts

Noteworthy Events
Participated in 2 election observer missions during Palestine elections 1995 & 1996. Represented Churches in mass democratic movement during 1980's including National Committee which negotiated for release of political prisoners; active in detainees support committees & formation of UDF; arrested & sentenced to 5 years on Robben Island for leading student protest march 1976, released 1982; involved in organizing SA students movement during mid 1970's.
Studied Political Science, Economics & Journalism at the University of South Africa & Boston University, USA.

6. Mr. Patrice Motsepe

Mr. Patrice Motsepe is a BEE success story; an attorney by profession, he became the first black partner at Johannesburg's ⁵⁸Bowman Gilfillan Law Firm, and then started a low – level contracting business doing mine work. He then ventured to buy low – producing gold mine shafts in 1994 and turned them profitable. Motsepe has managed to increase his empire and has become South Africa's first black billionaire and is number 503 on the Forbes list. Motsepe also holds a 5, 5 percent stake in Sanlam. He is an active member of the ruling party and was also present during the ANC conference in Polokwane.

Full names ⁵⁹	Mr. Patrice Tlhopane MOTSEPE
Synopsis	Non-Executive Chair: African Rainbow Minerals (ARM), Johannesburg; Non-Executive Chair: Harmony Gold Mining Company Ltd.; Chair: Naledi Mining, Orkney; Chair: Future Mining;
Date of Birth	28/01/1962
Place of Birth	Johannesburg
Country of Residence	South Africa
Nationality	South African
Father's Name	Augustine Butana Motsepe
Mother's Name	Margaret Lekoma
Spouse's Name	Dr Precious Makgosi Moloji
Marriage Date	20/06/1989
Children	3 son(s)
Recreational Activities	nature conservation, rugby, soccer

Education

Degrees

Type	Institution	Specialization	Year
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⁵⁸ "Mining magnate Patrice Motsepe makes Forbes' list," SAPA; 6 March 2008

http://www.miningweekly.com/article.php?a_id=128608

⁵⁹ <http://www.whoswhosa.co.za/Pages/profilefull.aspx?IndID=1140>

Bachelor of Law	University of the Witwatersrand		
Bachelor of Arts	University of Swaziland	Law	

Career**Chairmanships**

Position	Organization	Place	Appointed	Concluded
Non-Executive Chair	African Rainbow Minerals (ARM)	Johannesburg	2004	
Chair	Naledi Mining	Orkney	1997	
Chair	Future Mining		1995	
Deputy Chair	Sanlam Ltd.		2004	
Non-Executive Chair	Harmony Gold Mining Company Ltd.		2003	
Executive Chair	African Rainbow Minerals (ARM)	Johannesburg	1997	2004
Chair	Teal Exploration and Mining			

Directorships

Position	Institution	Place	Appointed	Concluded
Non-Executive Director	Absa Group Ltd		2004	
Non-Executive Director	Absa Bank Ltd		2004	
Non-Executive Director	Sanlam Life Insurance Ltd.		2006	
Non-Executive Director	Sanlam Ltd.		2004	
President & Owner	Mamelodi Sundowns Football Club. The "Brazilians"			
Director	African Fashion International			

Previous Positions

Position	Organization	Place	Appointed	Concluded
Partner	Bowman Gilfillan Attorneys		1995	1996
Associate Partner	Bowman Gilfillan Attorneys		1994	1995

General**Society Memberships**

Position	Society	Appointed	Concluded
Member	Gauteng Law Society		
President	National African Federated Chamber of Commerce (Nafcoc)		
Vice-President	South African Chamber of Mines		
President	Business Unity South Africa (BUSA)		

Awards

Award	Granting Body	Place	Year
South Africa's Best Entrepreneur Award			2002

What have been the pitfalls or challenges of Broad Based Black Economic Empowerment?

When asking this question, the first issue to look at would be, has Broad Based Black Economic Empowerment, empowered the historically disadvantaged South Africans it was designed to serve? In order to answer this crucial question it is important to look at the issue of unemployment. Recent research results by Statistics South Africa have revealed that the unemployment rate has decrease, from 23.4 % to 23.1 %. For the average South African walking the streets of this country, this hardly seems like a significant drop in the unemployment rate; however we are told by Statistics South Africa that this is good news. If the unemployment rate in this country sits at 23.1% one can state that to ⁶⁰date, the process of Black Economic Empowerment (BEE), whilst largely creating an emergent black business elite, has failed to generate far-reaching economic empowerment at the grassroots level. However perhaps, it would be irresponsible to quickly jump to this conclusion; one would not to look at a variety of other variables.

One of the arguments against BEE states that it breaches economic principles.

⁶¹Namely:

- a) by artificially endeavoring to determine ownership levels on a racial and gender basis;
- b) by introducing race rather than merit, suitability and experience as a key factor in the appointment of management and other staff;
- c) by dispensing with price, quality and service as the main factors in procurement; and
- d) by shifting onto companies social responsibilities that should be addressed by government.

Other argues against BEE have been about whether ⁶²micro-economic policy should favour skills or labour-intensive industries, [critics have highlight that] highly skilled people create opportunities for

⁶⁰ Black Economic Empowerment: Addressing Socio – Economic Inequality in South Africa, Epoliticssa Vol. 2 2003; page 2; (pdf doc)

⁶¹ The FW DE Klerk Foundation ; “Transformation and Black Economic Transformation in South Africa” April 2006; page 2 (pdf doc)

⁶² Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

less skilled people.⁶³ That means expanding those sectors of the economy that can absorb large quantities of unskilled labour -- principally those that produce exportable goods. There are elements of BEE that should form part of any strategy for shared growth in South Africa. Critics suggest that⁶⁴ reversing discrimination allows society to use the talents of its entire people. Therefore a⁶⁵ more equal distribution of ownership and control will make property rights more secure, encouraging investment and risk-taking. All empirical studies of⁶⁶ labour demand show that high-skilled and low-skilled workers are strongly complementary, not substitutes. The shortage of highly⁶⁷ skilled workers causes a lower demand for low-skilled workers. For example, the⁶⁸ lack of engineers may cause the loss of hundreds of blue-collar jobs. If the rate of substitution is low, the constraint on highly skilled workers may cause such a low demand for low-skilled workers that the wage at which they would be employed is unacceptably low. Since the shared-growth strategy⁶⁹ involves maximizing the job opportunities of the less skilled, it is fundamental that the high-skill constraint be relaxed.

⁶³ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁴ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁵ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁶ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁷ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁸ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

⁶⁹ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

So it would seem that those who are critics of BEE also attribute the “brain drain” or the loss of professionals to our international neighbours as a result of BEE.⁷⁰ A number of studies have shown that the skills shortage is a real obstacle to economic growth in South Africa, and that for many companies the biggest constraint upon doing business in this country is the shortage of skilled personnel. According to a⁷¹ report by an international accounting firm, Grant Thornton, some 58% of medium- to-large businesses said that the shortage of skills was a particular problem. Another accounting firm,⁷² Deloitte, released a report in June 2007 indicating that 81% of companies struggled to find appropriate staff, with 76% saying that finding employment equity candidates was a particular problem.

It has also been observed by economists that the currently skills shortage is also a contributing factor to driving up inflation, as labour costs go up.⁷³ Skilled labour is at a premium, especially skilled ‘employment equity’ candidates, and therefore labour becomes more expensive, contributing to the current inflationary pressures in the economy. The previously referenced⁷⁴ CDE survey of 40 Gauteng based companies, found that 25% of these companies paid a premium for staff which were highly-experienced or sought-after, while seven of the 40 respondents similarly paid a premium for employment equity personnel. Critics of BEE in addition have stated that there is substantial anecdotal evidence⁷⁵ that BEE rules may be sending a negative message to both young white university graduates and those in senior management.

The six individuals who this report looked at in terms of the success which they have achieved as a result of black empowerment, it can be stated that some critics have argued

⁷⁰“ The Skills Deficit Looks Permanent”; Fast Facts; South African Institute of Race Relations (SAIRR); No 12/2007; December 2007;

⁷¹ The Skills Deficit Looks Permanent”; Fast Facts; South African Institute of Race Relations (SAIRR); No 12/2007; December 2007;

⁷² The Skills Deficit Looks Permanent”; Fast Facts; South African Institute of Race Relations (SAIRR); No 12/2007; December 2007;

⁷³ The Skills Deficit Looks Permanent”; Fast Facts; South African Institute of Race Relations (SAIRR); No 12/2007; December 2007

⁷⁴ The Skills Deficit Looks Permanent”; Fast Facts; South African Institute of Race Relations (SAIRR); No 12/2007; December 2007

⁷⁵ Comments by panel chair Professor Ricardo Hausman -- director of Harvard's Centre for International Development; Nic Davies, Mail & Guardian, 27 May 2008; <http://www.mg.co.za/article/2008-05-27-the-skills-paradox>

that BEE has often empowered mainly an elite few, who have the political and social connections. If we look at the individuals have been identified, Mr. Cyril Ramphosa, Mr. Tokyo Sexwale, Mr. Saki Macozoma are all ANC cadres, struggle hero's with an extensive political CV. Ms Wendy Luhabe is married to Gauteng Premier Mbhazima Shilowa and Ms Gloria Serobe made headline news when she was nominated onto the controversial SABC board, when her nomination was received through an urgent fax from the Union Buildings, from an influential politician.

One would also need to ask the question of, has BEE benefitted women in general? According to the Business Women's Association, there is still an under representation of women in all management positions throughout the public and private sector. This year government made the commitment that it would ensure that by 2009 women made up 50% of the public service. It is yet to be seen whether government will fulfill this self proclaimed commitment. The Businesswomen's Association in 2005 found that:

- ⁷⁶Although women represents 52.1% of South Africa's adult population and 41.3% of the worker population; only 19.8% of all executive managers, 10.7 % of all directors, and 6.2% of all chief executive officers and board chairs are women.
- The figure for women executive managers and directors increased by respectively 5.1 and 3.6 percentage points from 2004.
- Women held only 306 of a total of 2851 directorships,
- whilst 48.4% of these directorships were held by black women,
- 43.8% by white women,
- 4.6% by coloured women and
- 3.2% by Indian women.

Other arguments against BEE and resistant by Corporate against BEE have been the cost of BEE. The next question one can ask is what are the costs of Broad-Based Black Economic Empowerment? Many companies have raised concerns over BEE implementation, stating that it adds "a notable and unnecessary cost burden" on businesses. Research by Empowerdex a Black Economic Empowerment Rating Agency examined and compared the BEE status and the net profit margins of 99 JSE listed industrial companies over the last three years in their document *"Impact of Black Economic*

⁷⁶ The FW DE Klerk Foundation ; "Transformation and Black Economic Transformation in South Africa" April 2006; page 2 (pdf doc)

Empowerment On Profit Margin and Productivity 2006". The company found ⁷⁷that results show the concerns over the cost of BEE implementation to be unfounded. Given the inherent bias against change, the so-called BEE costs are often perceived rather than real. For instance, many people use the hiring black management or staffs, who perform little or no function, as one of the potential cost of BEE. Not realizing that these perceived costs relates to the specific behaviours and practices the BEE rules is trying to stamp out.

In addition Empowerdex found out the following:

A study of the Net Profit Margin of the four BEE-ranked quartiles provides a very interesting analysis. The top two quartiles, by BEE score, improve their profit margin by a higher-than-average 34.5 per cent and 40.7 per cent respectively, while both bottom quartiles, improve their profit margin by less than the general average. The improvements in profit margins were used as every company begin with different profit margins as baselines. The profit margins for the 3 years preceding BEE score are used to capture the potential longer term cost of BEE implementation. The result shows that companies who have implemented Broad based BEE enjoyed a higher improvement in Profit Margin from 2003 to 2005. If BEE is costly for companies to implement, we should have expected the opposite. That is, improvement in profit margin should slower or negative when a company maintains high BEE score.

The paper has looked at the pitfalls which critics point out when talking about BEE. A recent concern for those for BEE has been the classification of Chinese nationals as entitled to benefit under BEE. Reactions to this ruling by the courts sparked great outcry from the Black Communities and a number of racial slurs in the member by high profile politicians. Opposition Parties such as the Inkatha Freedom Party welcomed the ruling. None of the ⁷⁸ government departments cited as respondents in the case, brought by the Chinese Association of SA (Casa), opposed the application and also accepted liability to pay the legal costs. A failure to ⁷⁹define "coloured" in the 1999 Employment Equity Act and the 2004 Broad-Based Black Economic Empowerment Act had left this (Chinese people) group of people in limbo. Some people treated them as black while others, including Standard Bank, did not.

⁷⁷ "Impact of Black Economic Empowerment On Profit Margin and Productivity 2006;"Empowerdex: Economic Empowerment Rating Agency; page 2

⁷⁸ "Chinese qualify for BEE"; 18 June 2008

http://www.news24.com/News24/South_Africa/News/0,,2-7-1442_2342606,00.html

⁷⁹ <http://www.businessday.co.za/specialist/articles/AcrossTheTable.aspx?ID=BD4A796066>

If one was to then ask the question of despite the challenges BEE has faced, has it been successful?

⁸⁰Black economic empowerment as a specific programme to reverse the systematic exclusion of blacks from full participation in the economy in the past is a commendable effort. The present approach ⁸¹by government to form partnerships with the private sector through charters in achieving this goal is moving in the right direction.

A major criticism ⁸²against the BEE programme is the fact that it is primarily redistribution inspired. It would have ⁸³been far more effective if the emphasis had been on the development of new black-owned businesses.

What does Broad Based Black Economic Empowerment mean from a Rhetorical Perspective?

Broad Based Black Economic Empowerment has been a pillar of the Mbeki presidency, which the President has championed passionately through various economic and skills driven programmes which seek to ensure job creation and curbing the skills deficit currently being experienced in the country. During this year's State of the Nation Address, the President introduced the Apex Priorities. Which when closely examined, are similar to JIPSA, and ASGISA; which are all aimed as supportive structures for Black Economic Empowerment, and aimed at curbing unemployment and aimed at poverty eradication.

The identification of the [Apex Priorities](#) means that all three spheres of government, the national, provincial and local, at both executive and administrative levels, are hereby making the firm undertaking that we will use the short period ahead of us further to energise our advance towards the realization of the all-important goal of a better life for all our people.

The entirety of our system of governance is therefore making the commitment that in the period ahead of us; it will do its best to live up to the imperative – Business Unusual! We speak of Business Unusual not referring to any changes in our established policies but

⁸⁰ <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

⁸¹ <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

⁸² <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

⁸³ <http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

with regard to the speedy, efficient and effective implementation of these policies and programmes, so that the lives of our people should change for the better, sooner rather than later.

Extract : State⁸⁴ of the Nation Address President Thabo Mbeki February 2008 National Assembly

In the above extract by the President, he reminds the audience of the promise which the ANC government as from 1994 to provide all South Africans with a better life. He stress that in order to realize the Apex Priorities, all levels of Government need to work together. By referring to the 1994 government slogan of “a better life for all” the President is using popular memory, of a period when the people of South Africa had entrusted the lives in the government to fulfill their dreams of a better life. The President is aware that these words will take the audience back to a time when it truly believed in the government. The point of ⁸⁵political deliberation is to solve social problems, overcome conflict and insecure cooperation without suppressing diversity or disagreement.

More than at any other time, the situation that confronts our nation and country, and the tasks we have set ourselves, demand that we inspire and organize all our people to act together as one, to do all the things that have to be done, understanding that in a very real sense, all of us, together, hold our own future in our hands!

As we act together everywhere in our country, this we must also understand that what we have to be about is – Business Unusual!

Extract: State of the Nation Address President Thabo Mbeki 8 February 2008 National Assembly

The President is well aware that majority of South Africans have criticized the policies that support Black Economic Empowerment and have voiced out that it benefits just a few South

⁸⁴ State of the Nation Address; President Thabo Mbheki; 8 February 2008; National Assembly; <http://www.info.gov.za/speeches/2008/08020811021001.htm>

⁸⁵ Quarterly Journal of Speech 84 (1998): 491-530 Book Reviews, John Louis Lucaites, Editor, Democratic Deliberation in a Rhetorical Republic, Robert L. Ivie

Africans. Black Economic Empowerment has been criticized by both black and white South Africans. A major criticism against the BEE programme is ⁸⁶the fact that it is primarily redistribution inspired. government has been unsuccessful in reducing poverty meaningfully through its redistribution policy stance over the past 10 years. In view of the ⁸⁷redistribution character of BEE it is likely to disappoint in its efforts to eradicate poverty, to create employment and to enhance economic growth. Its redistribution nature will in all probability merely be beneficial to small black elite. It is also interesting that the President states that South African's future is in their own hands, meaning that people should devise means to change their socio – economic situations.

An element of government's Apex of Priorities will be deliberate focus on matters of skills development. Work to review the National Human Resource Development Strategy will be completed this year, and the projects that the joint team of government, labour, business and academic institutions organized under the Joint Initiative on Priority Skills Acquisition (JIPSA) will be intensified. Indeed, we are greatly encouraged by the good response from the private sector as demonstrated through the commitment by the CEOs of 70 of the JSE-listed companies to work with government in addressing the challenge of scarce skills.

Extract: State of the Nation Address President Thabo Mbeki 8 February 2008 National Assembly

In the Extract above the President is in the process of convincing the audience that the Apex Priorities will be able to curb the widely talked about skills gap and will provide continuation for JIPSA which is the process of being slowly phased out. The aim here is to show that there the government is well aware of the skills gap and has the supportive policies.

We are in these things together, the war on poverty, infrastructure development and financial stability, responding to global warming, we share these obligations: rich and poor, urban and rural, men and women, business and community organisations, labour and government.

...because we march together under the banner of social solidarity to improve the lives of all South Africans.

⁸⁶<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

⁸⁷<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

Public priorities and spending plans

The economic expansion since 1999 has allowed public spending to rise rapidly in all areas. We have accelerated investment in housing, water, sanitation and economic infrastructure, we have extended education services, health care, welfare programmes social grants, policing and access to the courts, we are strengthening the machinery of government and enhancing South Africa's contribution to Africa's development and conflict resolution. Over the period ahead, government's spending plans again allow for a progressive extension of public services, informed by the "apex priorities" outlined by President Mbeki in the State of the Nation Address.

Economic growth and employment

Our high rate of unemployment remains our greatest economic challenge. Over the past decade we have done much to reshape our economy and since 2002 there has been significant progress in job creation. But our response to the unemployment challenge needs to be better coordinated – this is at the centre of our war on poverty. In particular, efforts to increase employment of young people have to be intensified and skills development better focused. Options for a wage subsidy to contribute to employment creation are being examined. Tax measures introduced in this budget broaden the internship allowance to include longer term apprenticeships, targeted at technical skills.

Extract: Budget⁸⁸ Speech Minister of Finance Trevor Manuel 20 February 2008 National Assembly

The above Extract presents the government's view on the current economic landscape in South Africa. The Minister uses the line "we are all in this together" as a point of departure. It is a line that he repeats throughout the budget speech. Repetition is used rhetorically as a persuasive tool, for emphasis. The Minister is emphasizing that the economic hardships that are taking place are being felt by all South African's black, white, rich or poor.

The Minister then moves on to admit that unemployment has remained a challenge for the South African government, but then in the very same breather he draws the audience to the fact that the government has created a number of economic and skills development initiatives to attempt at combating unemployment. These economic initiatives would involve the various programmes mentioned earlier in this paper and most importantly Black Economic Empowerment.

⁸⁸ Budget Speech; Minister of Finance Trevor Manuel; 20 February 2008; National Assembly; <http://www.info.gov.za/speeches/2008/08022016151001.htm>

Although the Minister of Finance does not mention Black Economic Empowerment throughout the budget speech, he does speak of the government intensifying initiatives for economic development, and skills development.

The extract below presents the governments view on the challenges that are faced by BEE

A frequent criticism of empowerment strategies, wherever they are implemented, includes accusations that they encourage corruption, cronyism, and even nepotism. Clearly, these diseases of economic development are assisted greatly when empowerment is implemented outside of a publicly defined policy framework, adequate legislation, and suitable policing structures. In South Africa, we have all three of these crucial elements to prevent corruption in all its forms.

Extract ADDRESS BY MINISTER OF PUBLIC ENTERPRISES, JEFF RADEBE, ON BLACK ECONOMIC EMPOWERMENT: DEVELOPMENTS AND CHALLENGES INTO THE FUTURE, Durban, and 10 May 2001

Thus one can see from the Extract above that the government is of the view that there are adequate policy structures to provide adequate support for BEE. ⁸⁹Without an extensive investment in people BEE will in all likelihood follow the example of other South African redistribution policies in the sense that it will contribute towards a greater unequal distribution of income because it will create larger income disparities within the black community by benefiting elitist groups. From a rhetorical perspective we can state that ⁹⁰mass oratory, whether crudely demagogic or highly inspirational, would undermine the rational and enlightened self – interest of the citizenry.

the National Industrial Policy Framework and Action Plan we have developed has, as its central objective, the diversification and strengthening of manufacturing with an emphasis on non traditional tradable goods and services and labour intensive activities. This framework has therefore become the fulcrum around which our interventions in the real economy will rest. So, we will continually expand our access to markets, encourage

⁸⁹<http://www.sabusinesshub.com/section/content.php?SectionId=23&SubsectionId=12&ContentId=1381>

⁹⁰ Quarterly Journal of Speech 84 (1998): 491-530 Book Reviews, John Louis Lucaites, Editor, Democratic Deliberation in a Rhetorical Republic, Robert L. Ivie

investments and boost our exports. Simultaneously, we have and will continue to promote competition, vigorously combat anti-competitive behaviour in certain industries, protect consumers, and broaden participation, by encouraging massive growth in small businesses and co-operatives as well as promote broad based black economic empowerment (BBBEE).

As a whole, these initiatives which must be undertaken in a co-ordinated and integrated manner which will enable us to reach the objectives of halving unemployment and poverty by 2014 as set out in the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) programme. It is clear that pursuing these objectives is not the responsibility of the dti alone and we have been involved in intensive intra-departmental and inter-governmental co-ordination including through the Economic Cluster and MinMEC

Extract Minister of Trade & Industry Mandisi Mphahla Budget Vote Debate 2008/09 NCOP 29/05/2008

It is clear from the Extract above by the Minister of Trade & Industry that government clearly believes in the redistribution of wealth policy of BBBEE and is clearly dedicated to it in every way possible. Government believes in the supportive initiatives of ASGISA to ensure that BBBEE success in creating economic opportunities.

Top Empowerment Companies list on the JSE 2008 Results

Ranking	Overall Score	Company Name	Sector
1	81.69	Adcorp Holdings Ltd	Services
2	79.15	Merafe Resources Ltd	Resources
3	76.80	Hosken Consolidated Investments Ltd	Financials
4	75.64	Tongaat-Hulett Ltd	Food & Beverage
5	73.01	Metropolitan Holdings Ltd	Financials
6	72.32	Investec Ltd	Financials
7	70.93	Oceana Group Ltd	Food & Beverage
8	70.70	Super Group Ltd	Transport
9	70.08	Standard Bank of South Africa Ltd	Financials
10	69.90	Firststrand Ltd	Financials
11	69.51	Coronation Fund Managers Ltd	Financials
12	69.11	Paracon Holdings Ltd	ICT
13	68.84	Gijima AST Group Ltd	ICT

14	68.53	Glenrand MIB Ltd	Financials
15	67.81	Nedbank Ltd	Financials
16	67.54	Sun International Ltd	Travel & Leisure
17	67.21	Dimension Data Holdings Ltd	ICT
18	66.41	InfoWave Holdings Ltd	ICT
19	66.15	Business Connexion Ltd	ICT
20	65.59	Aveng Group Ltd	Basic Industries
21	65.43	Naspers Ltd	Media
22	65.34	Phumelela Gaming and Leisure Ltd	Travel & Leisure
23	65.20	Cadiz Holdings Ltd	Financials
24	65.11	Santam Ltd	Financials
25	64.28	The Don Group Ltd	Travel & Leisure
26	63.89	Discovery Holdings Ltd	Financials
27	63.35	Absa Ltd	Financials
28	62.95	Faritec Holdings Ltd	ICT
29	62.85	MTN Group Ltd	ICT
30	62.38	Telkom SA Ltd	ICT
31	61.54	Trans Hex Group Ltd	Resources
32	61.52	Mvelaphanda Group Ltd	Services
33	60.30	Medi-Clinic Corporation Ltd	Health
34	59.80	Barnard Jacobs Mellet Holdings Ltd	Financials
35	59.60	Raubex Group Ltd	Basic Industries
36	59.55	Aspen Pharmacare Holdings Ltd	Health
37	58.20	Network Healthcare Holdings Ltd(rating)	Health
38	57.56	Kelly Group Ltd	Services
39	57.40	Enviroserv Holdings Ltd	Services
40	57.40	Sekunjalo Investments Ltd	General Industrials
41	56.87	Petmin Ltd	Resources
42	56.53	Datacentrix Holdings Ltd	ICT
43	56.27	The York Timber Organization Ltd	Resources
44	56.00	Metrofile Holdings Ltd	Services
45	55.27	Group Five Ltd	Basic Industries
46	55.21	Sanlam Ltd	Financials
47	55.17	Bidvest Group Ltd	Services
48	55.08	Argent Industrial Ltd	General Industrials
49	54.85	Allied Electronics Corporation Ltd	General Industrials
50	53.83	Hulamin Ltd(recently listed waiting for submission)	Resources

Extract Broad Based Black Economic Empowerment Top Scores of South African Companies

The above extract presents a list of South Africa's top empowerment companies, by Empowerdex the Black Economic Empowerment Rating Agency. The survey is aimed at providing the public with a snapshot of the empowerment status of JSE-listed companies in order to raise awareness of Broad-Based Black Economic Empowerment (B-BBEE) and stimulate the use of B-BBEE as a competitive

advantage. The publication of this list in the financial mail is an interesting rhetorical tool owing to the fact that it ensures that every company in the private sector will strive to be listed in the following year.

The Private Sector & Broad Based Black Economic Black Empowerment

This paper will now look at three private sector companies and their communications to the greater public on BEE. The paper will examine extracts found in the Company's Chief Executive's Report owing to the fact that, they present the main voice of the company, as the Chief Executive is the captain of the ship, so to speak. The Chief Executive's report also comes out at the end of the company's financial year, and can be viewed as a form of Epideictic speech, as it is in a way ceremonial. Voice for the purpose of this report will be viewed in the rhetorical sense as not ⁹¹a unitary thing that inhabits texts or persons either singularly or collectively. It is itself a happening that is invigorated by a public awareness of the ethical and emotional concerns of discourse.

The companies that will be looked at are Bidvest, Barloworld and Engen.

1. Bidvest

Black economic empowerment

Our empowerment partners in the Dinatla consortium have successfully refinanced their investment in Bidvest, ensuring the continuation of a highly successful partnership.

Since this relationship began, our market capitalization has grown from R13, 0 billion to R48, 4 billion, – substantially increasing the value of Dinatla's investment while confirming that BEE represents a major opportunity for those with a proactive approach.

Empowerment is a strategic business imperative

⁹¹ Quarterly Journal of Speech; Vol. 87 No. 2 May 2001 pp 179 – 196; Voice and Voicelessness in Rhetorical Studies; Eric King Watts

and the financial aspects of BEE at Group level are important, but over time the impact at subsidiary level becomes the key element. New entrepreneurs and joint venture partners, ambitious executives and diligent workers have to see day-by-day transformation of their prospects.

Broad-based transformation is entrenched at Bidvest and we are determined to maintain momentum as reflected in our total spend on enterprise development, BEE procurement and training.

The above Extract by the Chief Executive of the Bidvest group, Mr. Brian Joffe, presents their BEE partners, the successes that they have achieved and the promises and commitment that Bidvest is making to BEE. This extract is significant owing to the fact that it presents the company as being totally devoted to BEE and focused on day to day transformation. Thus their message is that if you choose the ideal BEE partner, BEE can be successful. Mr. Joffe thus succeeds in just a few lines to present to his audience that BEE has been a success for his company and that one needs to keep the momentum for BEE to prosper. The company is listed I the list of top empowerment companies listed on the JSE as number 47, which is a good place to be at, it has a score of 55.17.

2. Barloworld

Bee Policy

Black economic empowerment (BEE) in South Africa

Barloworld's BEE policy has been in place for four years. This policy is translated into shorter-term objectives aligned to Barloworld's five-year strategic planning horizon.

Barloworld's operations in South Africa comply with the letter and spirit of broad-based black economic empowerment through the implementation of its BEE policy.

Direct empowerment

Black employees and previously disadvantaged communities should have an equity stake in our South African business interests. Our target for historically disadvantaged South Africans (HDSAs) ownership is an effective 25.1% over the

value of South African assets. We do, and will continue to participate in joint ventures and other commercial arrangements with black enterprises.

In South Africa Barloworld will:

- finalize an appropriate BEE structure for the Barloworld group that recognizes the leadership role that Barloworld needs to assume, in terms of transformation of the South African economy, ensuring BEE delivers long-term shareholder benefits;
- promote initiatives aimed at progressing broad-based black economic empowerment (BBBEE);
- identify and pursue BEE opportunities at all levels to either unlock value for the business or preserve current value into the future;
- choose BEE partners, where possible, who have both a broad-based ownership structure and can play an appropriate value-adding role in our businesses;
- promote the productive and sustainable participation of black enterprises and black people in Barloworld; and
- ensure that joint ventures or partnership arrangements are meaningfully structured with equitable division of the risks and rewards to each party.

In the above extract Barloworld presents its commitment to BEE and its highlights key areas that it will focus on. In terms of the points highlighted above one gets the impression that Barloworld has not taken great strides in BEE and plans to do so. In the Top Empowerment Companies listed on the JSE, Barloworld does not feature in the top 50, this is a further indication that the company has its work cut out for it, in terms of implementing BEE, and one does get this sense from the above extract.

3. Engen

At Engen, black economic empowerment (BEE) is embraced as a value creating strategy, designed to create realistic, meaningful and enduring and sustainable partnerships with those previously denied them.

Engen's BEE is thus a value creation driven strategy as this is the strongest possible motivation in a value-based company and we believe the only truly sustainable reason for

implementing a BEE strategy. We welcome the move away from the narrow based BEE assessment model based on black ownership only to the more comprehensive and inclusive Broad Based BEE model espoused in the “Codes of Good Practice” for BEE. Our BEE strategy remains focused on; capacity building, job creation and economic growth. There are five main focus areas:

- Shareholding and equity participation – with focus on seeking value added partnerships and making the shareholder base representative
- Employees - with focus on employment equity, capacity building, training and skills development
- Dealers - with focus on training, entrepreneurship and broadening the dealer mix
- Business Partners - with focus on value creating opportunities for our suppliers and other business partners
- The wider community - with focus on nation building.

The first major achievement in the area of shareholding and equity participation was the purchase in late-1999 of 20% of Engen by Worldwide African Investment Holdings (Pty) Ltd.

The above extract is from Engen, and it presents as welcoming the revamp of BEE and the drafting of the BEE codes. There is a strong emphasis in the extract on “value” and how BEE partnerships should focus on value. One almost gets the sense that the company is suggesting that BEE has resulted in creating partnerships that were created just for legislative requirements, whereby there was no benefits for either party.

Conclusion

This report has examined Broad Based Black Economic Empowerment by exploring the successes and challenges of the policy. The report also asked the crucial question of whether ordinary South African have benefitted from this policy. The paper examined BBEE from a

rhetorical perspective. Three companies were identified and their commitment to BEE was also examined.

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