The Clash of Economic Interest: BEE’s and the Exclusion of Emerging SMME’s in KZN

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Introduction
This paper is a continuation of an earlier project done by the author. The earlier overall objective of that project was to undertake an in-depth assessment of the status of BEE in KZN since 1994 with a special emphasis towards Black owned small to medium enterprises (SMME). Within that context that project provided an analysis of the impact of the government’s BEE policies since 1994 on black owned SMMEs by investigating – (1) the impediments to their success or expansion? (2) the sectors of the economy BEE companies were likely to thrive? and (3) what BEE companies thought government should do to help them contribute meaningfully in the country’s economic growth?

Before conducting the research the answers seemed fairly obvious i.e. lack of financing, skills/experience shortages, the reluctance of big business to accommodate new Black entrants and so forth. Quite correctly, those were the answers mentioned by the respondents but the research also stumbled on something quite unexpected. It was a more deep-seated resentment by small BEE companies towards big BEE companies rather than established white owned companies.

In 2004 the newspaper, This Day, published an article attacking the nouveau riche black businessmen. However, that critique was conveniently dismissed as attacks from conservative sectors of the economy lamenting the loss of business that would otherwise have been there in an earlier period. Some even ‘played the race card’ by suggesting that it was racism on the part
of the white business establishment and white working class males excluded from a transforming economy. Those who suggested these reasons, tended to overlook the complexity of the problem, and precluded a critical examination of a phenomenon were few Black businessman dominated much of the highly publicised BEE deals post 1994. This paper investigates the reasons of the resentment that small scale BEE players have towards those whom they perceive as having unfairly benefited from BEE deals since 1994. In other words, the paper calls for a broader based BEE strategy.

Background
The Sunday Times reported that the combined wealth of millionaires in South Africa is approximately US$25 000 million. It further reported that the increase in these millionaires is a ‘thanks to the scores of upcoming Black businessmen in the country’ (Sunday Times 7:07:04). Empowerdex, the BEE research consultants, reported that Patrick Motsepe, Saki Macozoma, Cyril Ramaphosa, Mzi Khumalo and Tokyo Sexwale are some of the richest and most influential businesspeople in the country. Ntombikanina Malinga, in her article entitled ‘A growing gap between the black elite and the black masses: Don’t confuse a consumer elite with a capitalist elite’, eloquently says that,

...the BEE programme has managed to accelerate to the capitalist class a few black people (e.g. Cyril Ramaphosa, Mzi Khumalo, Patrice Motsepe and Tokyo Sexwale to name but a few examples). As Zolisa Soji put it [Business Report Contributor] ‘.... for the black masses, the BEE programme is a fantasy that is lived out by those with the right political connections’.

In December of 2004 the Sowetan published an article headlined ‘Fat cats take the loot’ in reference to the small number of a few very rich ‘tycoons’ that were apparently monopolising most BEE deals. Southall using more or less the same argument as Malinga that the current outrage by BEE critics

1 http://www.busrep.co.za/inex.php?fSectionId=553&fArticle Id=2335831
had been provoked by a number of ... transactions [which] would promote elite enrichment at the cost of broad-based empowerment ... (Southall 2005:175).

Southall points out that what particularly incensed the general public, and started the debate on 'elite' BEE, was the two major bank deals that were done in 2004. Till then public sentiment had been supportive of such BEE deals. However, it became sceptical of their value in transforming the economic landscape so that more Blacks would be in charge of the 'commanding heights of the economy'. The two deals in question involved Standard Bank and ABSA, the two largest banks in the country. The first deal involved Standard Bank,

whereby it would sell a ten percent stake in its South African Operations to Black partners in what would be one of the largest BEE deal concluded so far .... What attracted most attention was that ... 40% [of the 10%] would go to consortium led by Saki Macozoma and Cyril Ramaphosa (Southall 2005).

And the second deal,

involved the R20 billion purchase of 50.1 per cent shares in ABSA which would directly involve the Batho Bonke consortium, led by Tokyo Sexwale and indirectly, the Ubuntu-Batho consortium, led by Patrice Motsepe (Southall 2005).

As mentioned above, these individuals are some of the richest businessmen in the country. In fact all four appeared in the Sunday Times Rich List published in September of 2006. The Sunday Times Rich list ranked Patrice Motsepe as the 4th richest South African with an estimated wealth of R7.9-billion that is after the British/Indian Tycoon Mittal of Mittal Steel (formerly ISCOR) at R14.6 billion, Nicky Oppenheimer (R14-billion) and the Rupert family (R8.5 billion).

Many have lamented the close relationship between senior politicians/retired government officials and major empowerment deals. In recent months the media has begun to refer to the phenomenon as the
revolving door of business and politics'. For example, in late 2005 Andile Ngcaba, former Department of Communications director general, who a couple of months after leaving his post, a company that he was involved with, Data's Internet Solutions, was chosen as the government's sole Internet Service Provider (ISP). In fact, he was the chairperson-designate of Data's Internet Solutions it had won the contract. He subsequently became the chair of the DiData, an established Information Technology company with the expertise to execute the contract but lacking a credible BEE partner, which eventually merged with Data’s Internet Solutions through a BEE deal. The insidiousness of the whole deal raises the question of ethics because

[Andile] Ngcaba's arrival at DiData reignited debate around the revolving door between the government and business. [Because] before quitting the government, he played a significant role in constructing legislation in the technology and telecommunications fields that directly affected DiData and Internet Solutions and the profits they can make (Mail and Guardian 29:08:05).

Other personalities are of course Cyril Ramaphosa former ANC Secretary General, Tokyo Sexwale is a former premier of Gauteng, and Saki Macozoma is still a member of the National Executive Committee of the ANC. Many others are also related to people who hold senior positions in the ruling party, one example is the former Director of Public Prosecution, Bulelani Ngcuka, husband of the deputy president of the country, who also recently secured a tender to buy a 31 percent interest in Lancewood Cheese, a leading player in the dairy industry through a BEE deal.

As public anger increase because of what was perceived as cronyism senior figures in the ruling and government like ANC secretary general Kgalema Motlanthe, Finance Minister Trevor Manuel, and Zwelini Zuma also echoed the public sentiment. Jeremy Cronin deputy general secretary of the SACP was quoted criticizing 'the greed of [these] BEE-llionaires' (Southall 2005: 177). The anger, suspicion, and the perceived close relationship between business and politics is not misplaced considering that in the National Executive Committee of the ANC has at least five members that were mentioned in the Sunday Times Rich List. For example Saki Macozoma was ranked 35th on the list; Cyril Ramaphosa, 36th; Popo
Fazel Khan

Molefe, 64th; Mohammed Valli Moosa, 65th; and Smuts Ngonyama, the head of President Thabo Mbeki's Luthuli House office, whose Elephant Consortium is ranked fifth on the list (Mail and Guardian 06:08:06).

Moreover, these perceptions (of cronyism, corruption etc) should be understood in the context of the material conditions in which the majority of Black South Africans still find themselves living. The criticism is better understood in a climate where the national unemployment rate is 40%, in black townships it is sometimes as high as 70%.

The intellectual elite also had much to criticize about those BEE deals. Their criticism though a more sophisticated was no less damning. For example, financial reporters at Finance Week criticised some of the BEE deals made in the last eleven years because:

- **Most of the deals were not broad-based.** Again the gist of this argument was that these deals only involved high profile individuals from Gauteng, with close business and political ties with the elites running corporate South Africa.
- **JSE based deals.** They involved equity of large mining companies and mining houses, yet did not meaningfully involve small to medium enterprises that are more dynamic and contribute to employment creation.
- **Leveraged Buyouts.** These deals were essentially leveraged buyouts, in that the BEE partners essentially bought into the business without putting up capital. Thus, partners were more likely to be chosen for their closeness to powerful politicians who could grease the ways to lucrative government tenders (Finance Week 13:04:05).

Shouldn't we step back a minute and consider whether the BEE concept itself is important to South Africa? Or rather should the government spend more time 'redistributing the cake' instead of making more cake? The answers are obvious. In fact, this paper assumes that it's imperative upon government to implement strategies that ensure that the majority of South Africans are involved in the mainstream economy, especially for population groups that were previously systematically excluded. The debate around ‘Affirmative Action’ and/or BEE has been explored before by many thinkers, giving various perspectives, and none have clearly argued against

104
... BEE’s and the Exclusion of Emerging SMME’s in KZN

dynamics underpinning of ensuring that policies to redress the inequities of
the apartheid should be pursued.

Therefore, if BEE is not ‘broad-based’ – not seen to benefit as many
people as possible and only benefits a few individuals – those left out are
surely to feel that their historical grievances have been unfulfilled. History is
littered with examples of newly independent states that neglected the
aspirations of a rising middle class much to the nation’s detriment. In
Uganda Idi Amin kicked out Asian businessmen so that his army cronies
could help themselves to the spoils and recently in Zimbabwe, where
disgruntled war veterans, illegally took over white-owned farmers then
proceeded to plunge the country into an economic abyss. It can be argued
that the root causes of the strife mentioned above are a result of a black elite
that marginalised other emerging entrepreneurs. The anger and resentment of
this marginalised group posed a threat to the government and thus
scapegoats had to be found in the form of minority groups i.e. whites or East
Asians. In other words, the unrealised expectations of the majority of the
people are a political time bomb.

Theory of ‘broad-based’ Empowerment

This article assumes that it is imperative upon government to implement
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The question is if it is imperative for BEE to be part of the national
policy then how should it be implemented? Steven Friedman (1993) provides
an appropriate conceptual basis for an understanding of empowerment. He
defines empowerment as ‘an alternative development, which places
emphasis on the improvement in the conditions of life and livelihood of the
excluded majority’. He further argues that empowerment is an alternative
development because it aims to redress the historical process of systemic
disempowerment or exclusion of the vast majority of people from economic
and political power. He believes that disempowerment denies the majority of
Fazel Khan

‘human flourishment’ as their lives are characterised by hunger, poor health, poor education, backbreaking labour, a constant fear of dispossession, and chaotic social relations. For Friedman, empowerment aims to humanise the system that has shut out the majority, and its long-term aims are to fundamentally transform the whole society including the structures of power (in Sibeta, 2005).

Friedman (1993) has pointed out that ‘although empowerment is centered on people rather than profit, it faces a profit-driven development as its dialectical other’. This further exacerbates the situation since the global economy is driven by the notion of liberalism, which makes an emphasis on the market as the primary actor. Liberalism is the strong proponent of a free market system. That is, it argues that, markets in the interest of efficiency, growth and consumer choice should be free from political interference. This is in conflict with empowerment since it places development of people as a primary goal rather than broad accumulation of profit. Hence as BEE pans out, it was important for government to balance profit, economic growth with the broad-based aspect (see Sibeta 2005).

BEE Legislation and BEE Charters and Codes
The ANC-led government’s first task after taking power in 1994 was to eliminate discriminatory laws and regulations that prevented the growth of a Black capitalist class. The blueprint for the transformation of the economic system is set out in the Black Economic Empowerment Act (No. 53 of 2003). There are also other Acts that form an integral part of BEE especially those that promote preferential procurement for BEE companies and skills enhancement for the previously disadvantaged, etc. The acts are as follows:

- Employment equity Act
- Skill Development Act (No.97 of 1998)
- Preferential Procurement Act
- Tourism Transformation Act
- National Treasury Private Public Partnership Project
- National Small Businesses Development Promotional Programme
- Integrated sustainable rural development programme.
However, besides these Acts, the Strategy for Broad-Based Black Economic Empowerment (Strategy) document published in March 2003, and the BEE Code of Good Practice noticed the inadequacies of the above Acts. The Acts failed to make BEE as broad-based as possible because their primary focus was only on the BEE share structure regardless of who owned them. In fact, there was a danger, and the government finally recognized it, that BEE as it were would simply replace the old elite with a new black one, leaving fundamental inequalities intact. For that reason 'broad-based' became to precede the abbreviation BEE.

Furthermore, the Acts also were not specific to various sectors of the economy which might differ on their specific concerns, impediments and available resources to become BEE compliant. Therefore, the government together with business and other stakeholders came up with BEE charters for different sectors of the economy. The charters are not complete, and the development of industry-specific black economic empowerment (BEE) charters in South Africa is an on-going process. At the moment the following charters have been finalized:

- Mining charter
- Petroleum and liquid fuels industry charter
- Maritime charter
- Tourism charter
- Financial services charter

Although each charter is tailored to suit a particular industry, the common thread in all the BEE charter is that they have a scorecard that have to be met by each company in their different sectors. Furthermore, the charters generally stipulate a target of 25% black ownership over the next 10 years.

'When we achieve that goal by 2014, we will have substantial levels of empowerment in the economy of about 25 to 30 percent', said Department of Trade and Industry director-general Lionel October. 'That is the critical mass one needs to create a non-racial and de-racialised economy which can grow on a sustainable basis'.

2 http://www.southafrica.info/doing_business/trends/empowerment/ charters.htm
Methodology
An analysis of the data was based on the responses (both quantitative and qualitative) provided by 122 respondents from 122 BEE owned companies who were first briefed on the aims and objectives of the study. The respondents were in positions of responsibility (i.e. owners, directors or managers). The 122 BEE companies were selected from the 12 magisterial districts of KwaZulu-Natal. However, the drawback was that the majority of the respondents were situated in the eThekwini municipality (68), as the municipality is the ‘hub’ of BEE in the province. Nevertheless, it was ensured that all municipalities in the province were represented.

The study used a combination of both quantitative and qualitative methods (semi-interview) because, it was felt that the two methods complement each other, in that it improves the objectivity of the findings and improves the analysis.

The sample was not stratified by any particular sector such as service since the remaining questions in the research brief is directed towards finding growth patterns within BEEs i.e. to ascertain the extent to which BEEs have grown over the years in terms of their staff composition, productivity and financial outputs. However, the sample was stratified in terms of locality and in terms of the spatial distribution of economic activity across the province’s districts. This ensures that the study was exploratory in nature, as it was intended to be, and provides indicators only.

Hence the research instrument included aspects pertaining to the demographic profile of the company, their composition, ownership and control of the company, the number of people employed in the company, the skills of these employees, the financial turnover of the company, the number of tenders secured and the strengths and limitations confronting BEEs in an environment of tight economic competition.

The primary research instruments used in the study were semi-structured interviews. Thus the interviewers made appointments, and during the interview filled in a standardised questionnaire from the responses of the interviewee. By their very nature the interview schedule, as mentioned earlier, contain both qualitative and quantitative data. Interview schedules were designed in keeping with the primary research questions posed by the study.
Qualitative data was categorized into themes relevant to the answering of the research questions. Although qualitative data is known to provide a rich texture to the understanding complex phenomenon, where possible these were quantified in order to form statistical distinctions in the interpretation of the results of the study.

Results and Analysis
As mentioned above, a study was conducted by the authors to evaluate the growth of a broader-based BEE in KwaZulu-Natal. The analysis below does not include the results of the entire project. The results shown below were selected for their relevance to the topic above. This is justifiable because the department gave a wide mandate to the research team to obtain as much information about BEE in KwaZulu-Natal. Therefore, regurgitating all the information from that earlier report would be pointless and irrelevant to the current topic. Therefore, the results and analysis only pertains to the reasons and impediments thereof, of the broad-based BEE as perceived by owners/managers of BEE SMMEs. This sections first provides the demography of the participants of the survey and then proceeds to the analysis of the results.

Demographic Characteristics of the Respondents
The respondents who (70%) were males and (30%) were females do not present a true picture of the gender of the KwaZulu-Natal population. The gender distribution of the respondents in the study does reflect that females are still lagging behind in the private sector.

Race Distribution of Respondents
Of the 122 respondents, there were 62% Africans, 33% Indians, and 4% Coloureds. One respondent was White because he runs his business with an African partner. This shows that a substantial majority of the respondents were African because it was felt that they constitute 81.75% of the province’s population.
**Age**
The majority of respondents were below 40 years old but most of them between 30-40 years. This fact indicates clearly that good numbers of younger people believe there are dividends to be gained from being entrepreneurs. This augurs well for the future BEE in the province because the young have always been known to be optimistic and zestful in their endeavours. Furthermore, it seems a starting point in alleviating youth unemployment in the province.

**Educational Status of Respondents**
The data shows that 16% of respondents had a post graduate qualification, 34% had tertiary education, 43% had secondary education, 6% had primary education and 2% had no schooling of any kind.

Therefore, 50% of the respondents had tertiary education. This indicates that respondents had high standards of education, this possibly means that the existence of high levels of knowledge and skills are important for the successful setting up, or managing BEE companies. Therefore, the results prove that the KZN BEE strategy of focussing on skills development as part of empowerment is correct.

**Analysis**
**Table 1: Question: Has BEE been a Success/Failure in KZN since 1994?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEE only benefits big companies and a few individuals</td>
<td>18</td>
</tr>
<tr>
<td>BEE has been a success</td>
<td>2</td>
</tr>
<tr>
<td>BEE is growing slowly</td>
<td>26</td>
</tr>
<tr>
<td>BEE is reverse apartheid</td>
<td>2</td>
</tr>
<tr>
<td>BEE has yet to create jobs</td>
<td>7</td>
</tr>
<tr>
<td>BEE has been a failure</td>
<td>33</td>
</tr>
<tr>
<td>Don’t know/No comment</td>
<td>15</td>
</tr>
</tbody>
</table>

Table 1 responses show that a feeling of disillusionment about BEE amongst the interviewees with a 33% alluding to the fact that BEE has been a failure in the province. 18% responded that although BEE does exist in the province, however it mostly benefits big companies and prominent individuals. A further 26% think that BEE is growing slowly because there is
lack of effective BEE strategies that include SMMEs in the province. Only 2% said that BEE has been a success in the KZN. The quote below (from an interviewee who opted to remain anonymous) represents a view that encapsulates the general perceptions of the respondent when they were asked to explain their earlier answer:

There are many problems in BEE in KZN. The biggest problem is the arrogance of the politicians and the municipal officials. Many of them are corrupt and look after their brothers and sisters, they give them tenders and in the end all of them get eggs in their faces, but they continue to do it. I have tried to get work from the Department of Public Works, put my company in the data base; they said they will call to give me chances. They called to tell me that my time will come. I called them. They told me to come and check the Tenders that were on the walls. I went, I saw and I tendered. I paid a consultant to help me fill the forms, he did it well, but people told me that I should know how to fill the forms. No one called again, I went to the office, and a few Indian guys were there, talking to the manager. he told me to wait, I waited for over half an hour, I knocked on the door, he told me in isiZulu that he was busy and I must wait. Then I left. I know at least six people in Umlazi who got tenders. These people know nothing, they have no skills, but they get the tenders. How come? I have got nothing, but I have skills, then I approached some companies in Westmead, I told them what I can, they gave me a chance, they were happy. These are White companies, but they do not see me as an African contractor, they see me as someone who can do the job well and cheap. If the government gave me a chance, I could create more jobs, train people, make more businessmen, they have done nothing for me.

It can be seen that although there is a stronger positive feeling regarding the question whether BEE in KZN is growing or in decline, the reasons given for the response has revealed more negative than positive outcomes. Especially, with regards to the big BEE players in KZN.
Fazel Khan

Respondents were then asked the reasons for the growth or decline of BEE in the KZN and the results were as follows

Table 2: Reasons advanced on the growth and decline of BEE in KZN

<table>
<thead>
<tr>
<th>Reason</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whites stalling BEE implementation</td>
<td>1</td>
</tr>
<tr>
<td>It has support from the Government</td>
<td>3</td>
</tr>
<tr>
<td>There is wider participation of Blacks in the economy</td>
<td>4</td>
</tr>
<tr>
<td>BEE has a slow growth</td>
<td>5</td>
</tr>
<tr>
<td>Government/ANC</td>
<td>5</td>
</tr>
<tr>
<td>It is only urban, not in rural areas</td>
<td>5</td>
</tr>
<tr>
<td>There is lack of information</td>
<td>10</td>
</tr>
<tr>
<td>BEE is working well for the benefit of the people</td>
<td>13</td>
</tr>
<tr>
<td>There is no BEE strategy in KZN</td>
<td>18</td>
</tr>
<tr>
<td>BEE only benefits a few individuals and companies</td>
<td>21</td>
</tr>
<tr>
<td>Don’t know/No comment</td>
<td>35</td>
</tr>
</tbody>
</table>

Again a quick glance shows that more respondents had a negative attitude towards the implementation of BEE. However, it must be noted respondents that advanced negative attitudes were more prepared to elaborate on the perceived reasons when compared to those with positive feelings. Despite that, it still should be noted that 21% believe that BEE benefits the big companies/players and a further 5% believe that the only way to benefit is if one is politically connected.

Table 3: What should Government’s action be towards BEE in KZN

<table>
<thead>
<tr>
<th>Action</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>There must be genuine partnerships in BEE</td>
<td>4</td>
</tr>
<tr>
<td>BEE must be introduced in KZN, because it does not exist now</td>
<td>6</td>
</tr>
<tr>
<td>BEE must be monitored by a Commission or a Task Team</td>
<td>7</td>
</tr>
<tr>
<td>There must be research on BEE</td>
<td>7</td>
</tr>
<tr>
<td>There needs to be good communication and information disseminaton</td>
<td>8</td>
</tr>
<tr>
<td>Don’t know</td>
<td>9</td>
</tr>
<tr>
<td>Corruption must be eliminated</td>
<td>11</td>
</tr>
<tr>
<td>There must be priority given to rural areas</td>
<td>12</td>
</tr>
<tr>
<td>Small companies must be a priority for BEE</td>
<td>14</td>
</tr>
<tr>
<td>BEE smmes should be given more contracts</td>
<td>16</td>
</tr>
</tbody>
</table>
There must be financial assistance available | 21
There must be training and education for SMME | 31

It can be said that the feeling and attitudes of disillusionment are clear in reaction to the question. Thus:

- The feeling that the Government must assist African business and Africans who want to get involved in business, indicates that the high percentage of those respondents who made the statement (N=21%) felt that the government has not in fact acted on this issue adequately. This could be interpreted as disillusionment with the institutions that ought to help the development of African business people (KHULA, ITHALA and the like).

- The lack of training is important as it is well known that SMME, including some of the successful ones lack training on several fundamental tenets of enterprise, especially financial aspects of the business cycle. As one of the most renowned financial providers in the province indicated:

  If the government does not become more pro-active on the issue of financial training of the BEE, there are strong possibilities that both the province and the aspirant BEE companies will miss the boat. This is completely against all the legislation in place, the Financial Charter and other realities; the truth is that there are a number of very capable and ambitious business persons who can run and develop a company successfully, they are not given a chance to be financially trained on fundamental issues, like capital sourced, capital utilisation, banking and financial realities, existing financial possibilities and the like. It is very important for a BEE beneficiary to have brilliant communication skills, outstanding marketing strategies and political contacts. If he/she does not possess adequate financial skills, the job cannot be done, because financial knowledge and information is the A to Z of a new or an established company.

Fazel Khan

- The same can be said of the relevance of research indicated by 7% of the respondents, as a key element in the development and growth of BEE in the province. Scientific research throughout KZN will unleash new and vital information related to the realities facing business and aspirant business persons.

- The issue of corruption and the vital effort to act against it was seen a vital cog in the development of BEE in the province.

- There was a strong belief amongst 14% of the respondents that much emphasis should be placed on prioritising small companies in their effort to further grow and develop BEE.

Clearly, the disillusionment towards BEE policies as they are being implemented is undeniable. And this is from a sample of individuals (businesspersons) that has the same interests as the likes of Macotzoma, Motsepe, Ramaphosa .... Thus their negative attitudes towards the BEE today, cannot be dismissed lightly. There are obviously not a bunch of raving Marxist radicals wanting to bring down capitalism but precisely the people who have most to gain if BEE was implemented properly.

Conclusion
Clearly, there is a strong belief that BEE benefits only a very small number of companies and individuals. Many feel that government has not done enough to help many small Black businessmen who are not as politically connected as the Gauteng based businessmen. Furthermore, many black owners of SMMEs believe that there are high levels of corruption in government. Some respondents to the survey lamented the additional costs that they incurred in the form of bribes so that they could secure government contracts. There are no BEE strategies that target people living in rural areas. In fact, a sizable percent actually feel that BEE does not exist.

Therefore, BEE at this historical conjuncture is very narrowly focussed and implemented. A broad-based BEE will open new paths of development to large sections of the population. This was one of the most prevalent attitudes and beliefs expressed in the context of this paper. The
broad-based BEE legislation is relatively new and has passed through a variety of implementation phases. Its implementation processes need to be monitored very closely.

Thus a strategy for Broad-based Black Economic Empowerment is necessary to diffuse the resentment, jealousy and anger that has been growing over the last couple of years. The Department of Trade and Industry has seen the need for a broad-based strategy and in March 2003 argued that

our country requires an economy that can meet the needs of all our economic citizens-our people and their enterprise in a sustainable manner. This will only be possible if our economy builds on the full potential of all persons and communities across the length and breadth of this country. Government’s objectives is to achieve this vision of an adaptive economy characterized by growth, employment and equity by 2014.

But how will government fulfil its objectives of ‘employment and equity by 2014’?

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Fazel Khan

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