

Re-igniting business patriotism driven by Transformational Leadership

The President of the BMF, Mr Mncane Mthunzi, the DP Mr Dumisani Mpafa, the MD of BMF Mr Thabile Wonci, distinguished guests, colleagues, ladies and gentlemen good evening. To the organizers of this event, thank you for inviting me to deliver a key note address to this CEO dinner, for the avoidance of doubt I took time to prepare speaking notes but I don't hold any keys to the safe of this institution that has hosted us. Warm greetings as well to the workers serving us and keeping us safe tonight.

This CEO dinner is held at a time when our country is caught up in significant changes in the political sphere with a heightened sense of political awareness since the Economic Freedom Fighters were thrust into our political arena as game changers. Parliament is holding extraordinary hearings on State Owned Enterprises (**SOE's**) whilst our Courts are catching their breath from a multiplicity of cases that involved our former President, Jacob Zuma, who has been replaced by Cyril Ramaphosa to the delight of some and disappointment of others. We are witnessing lightning speed changes at institutions like the South African Broadcasting Cooperation, South African Revenue Services and I am sure we will see many more such changes in days, weeks and months to come.

Parliament has on its agenda the expropriation of land without compensation and nationalization of the Reserve Bank, these 2 topics are very close to my heart and I hold very strong affirmative views, the parliamentary debates will be interesting and so will the National and Provincial elections of 2019.

Rating agencies are beginning to ease off on South Africa's credit rating without any change in mathematical variables, just the political variables. Business confidence, which has historically excluded black business is high, I do not think we have a matrix that measures black optimism, we either get ignored or the powers that be wait for protest action to abate and continue as if nothing happened. Historically the Johannesburg stock exchange which is the barometer of the wealth of the country has, according to Old Mutual grown by an average of 14% over the past 100 years and in 2017 Allshare index performance was 21% despite the junk rating and black protest action. There is a report that is produced by StatsSA, titled Quarterly turnover for companies which indicate that quarterly turnover has increased from R1,1trillion to R2,3trillions over the past 10 years. I suggest that you look beyond GDP report to understand this economy,

but the point of this report for me is that the economy has doubled in 10 years when measured in nominal terms, nominal terms is the way your salary as measures. Basically real terms communicates the bad news and nominal terms communicates the good news on the economy and both reports come from StatsSA, we only get to hear the bad news.

In the 24 years of ANC rule we have created a few Black Billionaires and multimillionaires, but this economic system produced even more white Billionaires and multimillionaires during the same period. We have a growing black middle class and a few black executives holding senior positions in the public and private sector meaning some progress has been made; albeit very slowly and for this progress the BMF should stand proudly and claim the victory. However, there is one negative constant in all these developments in our country, the negative constant is continued landlessness, deepening poverty and growing unemployment of our people. It is deliberate that I listed these problems that plague our people in that order: Landlessness, poverty and unemployment. I see landlessness as the foundation of poverty and yet we have been made to accept unemployment as the source of poverty with jobs as the antidote. Poverty was engineered to make us unable to live unless we are employed by white people and now there are no jobs and our people are stuck in a vicious circle, I shall return to this later on in my speech. This constant is the general lack of improvement in the lives of black people, just across a few blocks from where we are now is Alexander Township which when contrasted with Sandton should be declared by us as unfit for human habitation, otherwise we would have remained in it and other townships as residents because costs are lower. This Mr. President is the context within which I as a Black Executive look at the topic given to me by the esteemed leadership of the BMF; “reigniting patriotism through transformational leadership”.

I had to make notes for my speech Mr. President because the topic I was given is rather complex for me because it does not flow with how I see things and how I internalize them, often I speak about things I have done and I speak off the cuff and that’s because I am not an ideologue; I will fail dismally if I were to attempt to wax lyrics about any of the competing “isms” prescribed as solutions to our problems. I am a skeptic by nature and skeptics want a simple life where you preach what you do, lest you be found not doing what you preach. Perhaps I needed this challenge and you will be the judge as to whether I have brought the topic into my walk of life, my colleagues are here with us and will verify or vilify my speech.

The topic I was asked to speak on is “re igniting business patriotism driven by transformative leadership”. It’s a short sentence with many big words which on their own can be topics, I had to think carefully not to fragment the topic but bring it all together into wholesome view as the organizers of this event have intended.

My understanding of patriotism is that it is a commitment to one’s country and its people, a country is defined as a “nation with its government occupying a territory (land)’. However this patriotism for me is betrayed by the last sentence of our national anthem which our white compatriots sing heartily where it says “in South Africa our Land”. I belong to the part of the population of South Africa that was dispossessed of their land and now own less than only 3% of the land when we are more than 80% of the population. Therefore I can’t relate to that part of the national anthem, white people know what that part means to them. A patriot is a patriot to a country and a country is the land and the extent to which each citizen has fair access to it. I am therefore left to wonder about what patriotism is expected of black people in South Africa. Patriotism by its nature is not an altruistic act but a selfish act, we are patriotic to our country because our country’s interests are aligned with ours, we should do well when our country is doing well, we are safe when our country is safe. In opening the debate on Nation Building in the National Assembly on 29 May 1998, former President Thabo Mbeki described our country as a 2 Nations Country, one white and wealthy and the other black and poor. I have chosen therefore to state that my patriotism is towards the black people in South Africa, with whom I share landlessness and exclusion from the economy, historically and today. Nassim Taleb, in his new book entitled *Skin in the game* speaks about having skin in the game, having no skin in the game and having soul in the game. Skin in the game is when you suffer the consequences of your actions and benefit from the upside, having other peoples skin in your game is getting the upside and not the downside of your actions (he uses Bankers as Examples who are bailed out by tax payers in bad times and earn fat bonuses in good times at the exclusion of tax payers), having your soul in the game is when you are exposed to the downside in the interest of others but not necessarily the upside. It is against this background that I do not think anybody is who holds more than one passports is patriotic, unless it can be proven that the fortunes of the 2 countries or more whose passports are held is/are interlinked. Therefore, our brothers from Lesotho, Swaziland and other SADEC countries have their future more intertwined with us than some who hold European passports who are fellow South African.

Mr President I need to ask if there is such a thing as business patriotism; can business patriotism exist within the context of globalization, tax evasion, transfer pricing, tax havens and relocation of primary listing offshore? Can business really be patriotic? What does the existence of tax havens really say about business patriotism, newspaper articles are full of well meaning businesses and business people who have hidden income from their countries to avoid being taxed, these are not poor people who as a result of taxation would have little to eat, no, that is not the case. If your business has markets in several countries which of those are you patriotic to, which country benefits and which country suffer from the choices made determines the direction of patriotism.

If you are a patriot you would solve problems that would destroy a country because if those problems are not solved you too will become a victim. I mentioned earlier that patriotism is not altruistic but driven by self-preservation. My belief is that the deepening levels of poverty amongst our people is the biggest risk we face, we have to confront this problem not only out of our deepest love for our people but also out of patriotism, which is self-preservation. We have been warned repeatedly that one day the poor will have nothing left to eat except the children of the rich and the middle class. Black poverty is not an accident of history, Black Poverty was engineered through land dispossession of the African to force them into employment by white Mines, Industrialists and Farmers. It follows logically that unemployment was created so we depend on jobs for our survival, the alternative being wallowing in poverty. Therefore, our problems started when Europeans destroyed our livelihood so that we become employable, they took our land by force so that we either poor or employed by them. Jobs are paraded to us as the antidote to poverty when jobs were the reason for poverty in the first place. The extent of the land grab from us was so severe that the vacancies were too few for job seekers created. You will remember that though our ancestors were "not skilled" the threat they presented necessitated the promulgation of laws like Job Reservations Act to minimize competition for white job seekers. We are told jobs are a solution to the poverty created through land seizure and the destruction of our means of production; we are also told that the unemployment rate is 26,7 and the expanded unemployment rate is 36,8. I find it curious that Statisticians and Economists would delude us and themselves in not counting people who are discouraged from looking for work in their formula to present to us numbers that are palatable. This is the equivalent of putting your head in the sand hoping the problem is not as big as it appears. Those

“discouraged” job seekers in my view are logical, if there are no jobs why spend money walking around looking for what you know does not exist. We should stop referring to them as discouraged but logical because they are conserving meagre resources they have available than spend unwisely. Notwithstanding the social problems that come with unemployment don’t discriminate between the discouraged and those who are not. We say so without playing down the “Hustler” spirit but we recognize the dilemma faced by our people in utilization of their meagre resources.

Patriotism is not just words, it is action but action must be based on the knowledge of the context of the problem we seek to solve, the problems of poverty and unemployment. We need to understand the root cause of these problems and history shows that they all originated from land dispossession of Africans. This poverty was engineered so we must understand it is structural, much like the framing of a house. The frame provides the underlying support for the walls, ceilings, and floors. You cannot see the framing once the walls and flooring have been completed. As long as the house stands, the way in which the house was framed will dictate not only its shape but also the mobility of the people who live in the house. It is only when we understand this structure that we can dismantle it with precision. Some people suggest that because the frame is complex we should not make changes, I believe we should understand the complexity so we can change it, transform it. The Zimbabweans were forced to demolish the whole house in an attempt to address the same issues we are grappling with, some in warning against Zimbabwe want to advocate for the retention of the status quo. We should dismantle the system that retains landlessness for Africans. The SACP characterized our colonization as a colonization of a special type, where the Colonized are afraid of facing life without their Colonizers. To dismantle this this house of landlessness we need the skills and they must be provided by the BMF and its members otherwise our people see Zimbabwe style demolition as the only option.

Prior to the Land Act of 1913 and the dispossession of land from black Africans, very few indigenous South Africans experienced poverty. Self-reliance, economic independence and prosperity among black Africans did not go unnoticed by white people in South Africa. As such in 1853, the Natal Native Affairs Commission observed that black South Africans were rapidly

becoming rich and economically independent. This was because, access to land by black Africans yielded positive results in the South African economy and in their livelihoods.

The history of White colonial land dispossession did not begin with the passing of the Native Land Act in 1913, it spans back to the expansion of Dutch colonial settlements in the Cape. Land and livestock dispossession resulted in wars between the Khoikhoi, San, Xhosa, Zulu, Sotho and a number of other ethnic groups against the colonial settlers.

It is historically evident that the the Basotho people efficiently participated in commercial farming during the nineteenth century. Such evidence springs from the scholarship of both Maylam and Makula. According to Maylam in particular, since the 1830s, Southern Basotho people produced agricultural products which yielded a positive contribution to their economic wellbeing as well as to the economy of South Africa (Maylam 1986:118; cf Makula 2005:29). Trading among the Basotho people was stimulated. In the same vein is the attestation that the British colonist, in search of grain, cattle, wool and hides, traded with clothing, hardware, firearms, horses and liquor (Maylam 1986:118).⁴ The Southern Basotho people were largely able to meet the demands for trading because of the size of land they possessed. Thus, land ownership was paramount for their productivity and economic efficiency. Furthermore their efficiency and competitiveness is revealed by the view that in 1857, the Basotho people had enough grain stored for four to eight years (Maylam 1986:118). We have no doubt that black Africans were in possession of land and wealth in South Africa prior to their land dispossession and the Natives Land Act of 1913. Furthermore, the above portrayal of effective and efficient utilization of land by the black African people provides clear evidence that indigenous South Africans used their land effectively and productively. Subsequently, they maintained food security locally and globally.

Bundy throwing light on the productive use of land owned by black Africans said that black South African farmers could either own and use crown lands or cultivate mission lands for their economic wellbeing (Bundy 1979:170–74). With Bundy's claim in mind, one understands that black South Africans, having access to land, used it for their economic wellbeing. Thus, very few experienced poverty. The Nguni tribes seized the opportunity to accumulate wealth and stabilize their economic sufficiency through the use of land. In addition to the accumulation of land and wealth, the relative failure of white farming in the Natal colony in the nineteenth century

meant that considerable opportunities were open for black Africans to produce and trade their agricultural products. Bundy shed light on black Africans' agricultural production and trading capabilities in noting that African-grown maize was exported to Cape Town in large quantities and that African peasants were trading wool on the Natal market. Suffice it to say then that black Africans proved to be competent in trading in the local agriculture market.

The opening of the diamond mines presented another opportunity for the Basotho people to expand their market for agricultural products. Maylam indicates that in as much as the exploration in the diamond mines enhanced and enlarged their agriculture market, it also brought economic prosperity to the Basotho communities (Maylam 1986:118). Produce from the farms was sold to the miners. In addition, Maylam (1986:118) states that in 1878 the Basotho people exported grain which is estimated to have been worth £400 000 and wool worth £75 000. We are predisposed towards the view that the Basotho people sustained their economic wellbeing and further contributed to the global market. Access to and participation of black Africans in both the local and global market proved to be evident in the history of the Basotho people and land.

With increasing conquest of Africans came the issue of how to deal with African people, which the government termed the "Native question." In a nutshell, the term was loosely defined in the 1903 Intercolonial Conference as "embracing the present and future status of all aboriginal natives of South Africa, and the relation in which they stand towards the European population." While the initial part of land dispossession began with annexation and division of territory, over time proclamations were made and laws were enacted by both the Afrikaners and the British to dislodge African people from their land while consolidating areas of White settlement. Thus, by the time the Land Act of 1913 was enacted, South Africa was already moving in the direction of spatial segregation through land dispossession. One of the key legislations that laid down the foundation for a spatially divided South Africa was the Glen Grey Act passed in 1894.

One major step taken by the white minority government in addressing the issue of the "Native question" was passing of the Natives Land Act (No 27) on 19 June 1913. This act had a profound effect on the African population across the country. It also laid down the foundation for other legislation which further entrenched dispossession of African people and segregation later of Coloured and Indian people.

Marleen Flemmer points out that the Act was passed to alleviate the problem of poor white farm labourers who were competing for employment in farms with black labourers, especially “native” tenant farmers. Pressure to introduce such legislation came more especially from the Transvaal and the Orange Free State where the aforementioned issue was a problem. According to Patricia Gratten Dickson, “The Native Land Act was also a measure designed to protect whites not only the rich white farmers who were assured of the lion’s share of available land, but the landless by owners who thereafter assured of work on farms of others, and the urban poor whites who could no longer be forced to compete with skilled or semi-skilled natives.” Thus, the Act went beyond just dispossessing people of their land, it closed avenues of livelihood for Africans other than to work for white farmers and industrialists.

Perhaps the most visible impact of the Act was that it denied Africans access to land which they owned or had been leasing from White farmers. Sol Plaatje wrote, “As a result of the passing of the Natives Land Act groups of natives are to be seen in the different Provinces seeking for new land. They have crossed over from the Free State into Natal, from Natal into the Transvaal, and from the Transvaal into British Bechuanaland” (*Native Life in South Africa*, p.99). Evidently, the Act seized the very asset which was central to lives of African people and rendered them destitute.

The Act also “minimized competition by denying blacks the right to purchase land and the opportunity to become shareholders on white owned land.” In essence, the Land Act marked the end of the limited independence which African farmers had on White-owned land. In spite of the Land Act, sharecropping and labour tenancy continued. This was because of the long delay in its implementation and because White landlords who wanted to keep sharecroppers or rent tenants found ways of getting round the law.

Meanwhile African farm workers struggled to hold on to a land of their own, no matter how small the piece. Thus, the impact of the Land Act to black people was profound. It dispossessed and locked black people in servitude. As Solomon Plaatjie wrote, ““The section of the law debarring Natives from hiring land is particularly harsh. It has been explained that its major portion is intended to reduce Natives to serfs” (*Native Life in South Africa*, p.100). African people forced to move to the reserves often could not find enough fertile land to use for crops

Immediately after the passing of the Land Act, White farmers began issuing notices of eviction to Black people. R.W. Msimang documented some of these notices in his book *Natives Land Act 1913, Specific Cases of Evictions and Hardships etc.* The position of African farmers was weakened further when the government began to offer low-interest loans to White farmers. These loans enabled White farmers to make improvements to their farms and buy agricultural machinery. They could now farm directly on land which had previously been allocated to sharecroppers. By 1936, nearly half of the African workers in towns had migrated from White farms.

Dating back to the discovery of Kimberley diamonds in the 1860s and Witwatersrand gold in the 1880s, a handful of corporations gained power over South Africa's development policy. At one point, Anglo American and De Beers – run mainly by the Oppenheimer family dynasty – controlled almost half the country's gold and platinum, a quarter of its coal, and virtually all its diamonds, and held critical stakes in banking, steel, auto, electronics, agriculture and many other industries. The Truth and Reconciliation Commission determined after the 1996 hearings that the South African mining industry's 'direct involvement with the state in the formulation of oppressive policies or practices that resulted in low labour costs (or otherwise boosted profits) can be described as first-order involvement [in apartheid] ... The shameful history of subhuman compound [hostel] conditions, brutal suppression of striking workers, racist practices and meagre wages is central to understanding the origins and nature of apartheid' (TRC, 1998: 34).

By the 1980s, however, South Africa's internal accumulation crisis – brought on by social resistance as well as internal contradictions in the capitalist system (Bond, 2006) – began to compel both political and economic changes. As the chairman of Anglo, Harry Oppenheimer, stated, in 1985: 'Nationalist policies have made it impossible to make proper use of black labour' (cited in Sharife, 2010c). The result, from 1994, was a 'liberated' nation accurately described by Ali Mazrui in a speech in Cape Town where he stated of the thriving legacy: 'You were the crown, we'll keep the jewels', referring to black political domination – the crown of the state – and white control of intellectual, economic and other 'jewels' (Mazrui, 1998).

Black Farmers were thrown off their land and taxed so that they need employment for livelihood and to pay taxes. This means the first thing that colonialists did was to fabricate poverty and

thereby create unemployment so that we can seek for employment in order for us to have some livelihood, this point was made earlier and its significance in our understanding of Black poverty. This is an important point to ponder on, it is not jobs that were created but unemployment through land dispossession and taxation. The jobs are what they are from economic activity, they cannot be created on their own and therein lies the fallacy of all promises to create jobs. It started with poverty creation through land dispossession and tax which created unemployment.

I have now used historical material reminded you about the dispossession of Africans and how the poverty of our people was engineered. I would not go long into what happened when we got into formal employment to escape poverty, the creation of Township settlement, competition with white people for employment opportunities and subsequent legislation like the Job Reservations Act, Bantu Education whose purpose was to ensure we don't run too far away from the poverty, we had to be trapped in low paying jobs lest we accumulate enough wealth to rebel against employment and of course the master stroke which is the perpetual indebtedness of Africans. There were various legislation that prevented us from conducting trade and commerce, how dare we work for ourselves when we are supposed to be available as labor to white business and farmers. The struggle for a living wage was launched by Trade Unions when workers recognized the need to work as a collective to enhance their rights and income potential. It is interesting to note that it is our ANC government that is pushing for a R3500 minimum wage and interfering with the hard won right of workers to fight their own battles. Tempering with the workers rights to strike will turn "collective bargaining into collective begging". The minimum wage of R3500 is not enough to pay the School fees for the children of most people sitting here, yet we don't engage with it.

The latest tragedy we have suffered as Black South Africans is our loss of Tuckshops to our foreign brothers and the frequent flaring of violent protest against them. Unfortunately, we the black middle class joined on twitter to criticize the protestors without providing solutions, some even suggesting that black people can't run businesses. The Ethiopians and Somalis who came here to run Tuckshops are the equivalent of people sitting in this room, mostly employed in Corporates and they are competing with our mothers and grandmothers, how can they (South

Africans) win. I am sure you can see where the blame for the loss of 100 000 Tuckshops and 300 000 jobs in the townships should lie, right here in this room and such like people.

The tragedy of this of land seizure from Africans is that it did not remove enough workers from farms to feel that vacancies that existed, this system was accompanied by other white interests with land hunger that precipitated more land dispossession and relocation of families at a rate far greater than the system could absorb, resulting in a double tragedy position of landlessness and joblessness.

Interestingly those who are employed are not better off from those who are unemployed by a big margin, otherwise their period of exposure to employment would be curtailed at will when their financial objectives are met. However those who are employed are locked into perpetual poverty through an exploitative debt system. The black working population pay housing bonds for 20 years, change cars on credit every 3 to 5 years and are in permanent bondage to micro lenders and credit cards. This is the exploitation of the financial services system where the average man/woman spends 50% of their income on financial services if you consider medical aid contributions, housing bond, car installment, car insurance, personal insurance as well as contributions to retirement funds.

Mr President the topic I was requested to speak on is “re-ignite patriotism” and you can’t reignite what was never burning at some point, it has to be dim lit or without fire at the moment. That which we need to reignite is black business, black executive and black middle-class patriotism through transformative leadership. But can we reignite black business without reigniting the Black Management Forum (BMF), can we do it without the BMF occupying its position of thought leadership? It is only when the BMF of Mncane Mthunzi does not fashion itself on the BMF of the late Dr Lot Ndlovu (may he continue to rest). The words of Franz Fanon are more relevant to you Mr President and your leadership collective when he said “each generation must, out of relative obscurity, discover its mission, fulfill it or betray it”. Professor Wiseman Nkuhlu, Lot Ndlovu and their leadership collective served and fulfilled their visionary purpose and mission by providing thought leadership and programs towards the establishment of a motive force to propagate the economic liberation of our people, black managerial talent and they did so in a very dark age, that mission is complete: we are here as talented black managers. We are here as black managers, but the question that must be asked is what the mission of the BMF of

Mncane Mthunzi and his leadership collective is, where are they leading us to. You can't make us Black Managers, the BMF of Lot Ndlovu has already done that.

I want to deepen your dilemma Mr President before you can respond to my speech by sketching your context within which the patriotism of the BMF must be reignited through transformative leadership. Here are my 10 points for you to ponder on:

1. The level of poverty is increasing continuously amongst our people, poverty is a hunger for goods and services and we therefore have a huge market to satisfy that hunger. Why is the black managerial talent not solving this problem
2. There is nothing that is being done to create jobs and we know all politicians use that promise as a campaign, I regard the unemployed as reserve labour, a pool for value creation and its an opportunity too. Again we ask what is the role of BMF and its members to resolve this or take advantage of this resource.
3. The Government Employee Pension Fund is sitting with R1.7Trillion, public sector unions are influential in the GEPF, why is the BMF not influencing transformational thinking in the GEPF.
4. Trade Unions are sitting with a further R1,3Trillion in their retirement funds, who influences them
5. We lost 100k Tuckshops and 300 000 jobs in townships due to the negligence of the black middle class
6. Trade Unions have members in Medical Aid but few are black and worker controlled even though legislation enables such an eventuality, why are there no big controlled medical schemes
7. The State with its parastatal is at least a R1trillion buyer, why are we not leveraging in
8. The Black Taxi Industry is the biggest transport industry with an unassailable cost advantage, now even Uber has been able to disrupt them. What is the future we see for this taxi
9. Our Churches have become major attraction for insurance companies due to their size, ZCC alone boasts more than 5 million members and there are other Churches with equal numbers like the Shembe, and the International Pentecostal Holiness Church. Why should they be exploited by white companies?

10. The regulations of industries is shaped by industries themselves. Institutions like Reserve Bank, Financial Services Board, Council for Medical Schemes, National Energy Regulator, Independent Communications Authority make rules that dictate the outcome in business. Why is there no BMF influence in these institutions?

Mr President this is your context and it was understood well by Lot when he encouraged the BMF to build closer ties with Organized Labor, I took liberty to add Churches, black micro business in the form of Tuckshops and the Taxi Industry amongst in organizations he would have facilitated closer ties with had he had more time with us. I never spent time with Lot but I saw in him a visionary leader that was patriotic and transformational with his skin and soul in the game. I am one of those who believe that without the BMF of Lot Ndlovu my potential wouldn't have been realized, I am a proud beneficiary of Employment Equity, many who came before me with better skills than I were denied the theatre of Corporate Office to exercise their gift, my luck is being in the post Lot generation. His leadership of the conversion of the Nedbank division known as Permanent Bank into the a black bank known as the People's Bank proved that he understood the significance of a black owned bank in our development. Judging from his friendship Vusi Sithole you can tell Lot was ahead of his time when he supported the establishment of one of the first black insurance companies, Nestlife. He became Chairman of the Board of Nestlife until he retired from serving in Boards. The genius of his strategy is to acquire the from those who deskilled us, not to be their perpetual servants but to be the pathfinders of our new destiny. I am sure it is becoming clear now that the idea of developing Black Managerial talent was not necessary for the supervision of black labor in white business but to acquire skills to go and manage our own businesses and transform the lives of our people.

If the BMF is a thought leader and its thoughts are not shaping the outcomes in its operating context as stated above then the BMF of Mncane Mthunzi has not grabbed its mantle yet. Mncane Mthunzi is in a relay, I do not wish to be him or some of his predecessors because they received a baton from Lot Ndlovu; which is akin to receiving a baton from the Usain Bolt of economic transformation. Ladies and Gentlemen when you are in a relay with Usain Bolt you are going to be judged by how much you reduce the average speed of the team and Usain Bolt is the standard. Black Executives, owing to their natural affinity to this country and the skills they acquired as a result of struggle sacrifices made by our people, owe it to their people to develop

a Marshall Plan intended for Black people because no other group will support the elevation of Black people to a position of group prosperity, respect, and competitiveness. It is not in the best interest of others to help Black people become more competitive. A plan developed by white people will seek to entrench the status quo, it will be a publicity stunt that does change the structure of the South African economy. Thus, it is up to Black Executives to help pull black society up by its bootstraps. Empowerment will not happen by chance, accident or wishes. It will require purposeful planning and BBEEE and EE are not the solution, these laws are a mere means for white companies to secure state tenders or make us their employees; however well paid we are.

The challenge to Black people is to build and control their own community markets and the products that pass through them. Encouraging businesses to sink their roots deep in their own communities is a very common practice in the World. Whether it is Kentucky Fried Chicken or Burger King, business developers routinely construct and operate their first stores within their own communities. Indians and Whites open and operate businesses in their own enclaves first before venturing into another group's community. Indian restaurants and clothing stores remain Indian. Where are the roots businesses that Blacks established that they passed on from one generation to the next. In South Africa this business have mostly been absorbed by White businesses through BEE.

Approximately 90 to 95 percent of all Whites and Indians work for their own people within their own communities, Black people become the exception. What percent of all working Blacks work for their own people within their own communities? We work for whites (Afrikaners, the English, Jews, Greeks) and Indians; none of these races work for us and we wonder we are the only ones who are experiencing deepening poverty in the midst of exploding national wealth. The World bank has released a report of South Africa as the most unequal society on earth, and is race based. The people at the bottom of the study is our people owing to the unequal ownership of land and the means of production.

Much of the wealth that we need is right before our eyes. If we work together, we can acquire it or create it, we should not be blind to our own wealth potential. The secret to creating wealth is to own and control resources, whether they are natural (land, water, precious minerals &

metals), processed (machinery, factories, consumer items, public improvements) or human capital (skilled, literate, labor force)."

Our schools, churches, and organizations must be helped to join in the effort to instill value for creating employment & wealth-building opportunities within our own communities to end or reverse the brain drain. Black organizations can help reduce the brain drain by fostering & promoting public policy incentives and practices that encourage and provide financial & tax incentives specifically for Black companies that employ Black skills.

The nature of racism and economic exclusion can itself facilitate building Black businesses and industries within Black communities. Racism is designed to exclude Black people. We can take advantage of this by making excluded Black people and their communities the primary market for Black businesses. I am not sure if we are not late given the Somali and Ethiopians and Shopping Centers in our communities. But none of that should deter us.

Black people can begin to build an alternative economy by buying from Black businesses the products that they disproportionately consume and intertrade amongst black businesses. Doing so will not only immediately create new market opportunities for Black entrepreneurs, but will also begin to redirect our consumer revenue flow back into our own communities.

The primary goal of practicing group economics is to draw wealth, income, and other resources into Black communities and to make them more economically self-sufficient and competitive. Black people are 400 years behind the white society and various ethnic groups in structuring their own economy. But through technology we can catch up in a few decades. China did it, India is doing it and the hallmark of their development is that nobody is doing it for them. There is nobody who is confused about who is Chinese and who is Indian, the development of Chinese and Indians is done by Chinese and Indians and that is why it benefits Chinese and Indians. We have been sold programs that are supposed to empower us and we end up with white companies with the highest empowerment rating, they designed the system and they didn't design it to benefit us.

We have many specialized industries such as university campuses or any number of China Malls that function as independent, alternative economies. They run parallel to the mainstream economy and provide jobs, products & services for an identifiable group of people. The issue should no longer be whether Blacks should have an alternative economy, but rather what type.

Black people need an alternative economy to address its business, employment, and wealth needs. Our alternative economy should leverage our numerical superiority and leverage all black Brands in Churches, Unions, Football, Stockvel and be a competitive business community that exists outside of the mainstream economy which we should seek to dominate.

To really achieve our economic liberation, the best moment of euphoria I have ever had was when Black parties clubbed together in parliament for a block vote on the expropriation of Land without compensation. Chancellor Williams when chronicling the causes of our colonization says and I quote” As time went on they (Africans) became so preoccupied with warring against each other that they seemed to regard the whites as friends in comparison. This seeming contradiction is baffling. For while there is nothing baffling about a people fighting among themselves, they generally stop when outsiders attack, forget their differences and join united against the common foes. Caucasians will wage frightful wars against each other but will quickly unite as though by instinct against those who are not white not only in war but in policy” Williams: (298).

The world's total wealth is estimated at \$390 trillion. However, Black people, who make up nearly one-fifth of the world's population, own less than 1% of the Global wealth. In South Africa the wealth has been mal-distributed along a ranking order of skin colour.

We sit here ladies and Gentlemen as descendants of traders, famers, industrialist and miners long before the arrival of our Colonisers, patriotism we must re-ignite is that of the black executive and remember that this liberation was not about us being assimilated into white corporations, but about us acquiring the skills in order to provide transformational leadership that will liberate all our people economically. In closing Mr President it has become customary now with the new State President to quote a song in support of speech, and the song I want you

to associate my speech with is song by Thandiswa Mazwi: Nizalwa ngobani, lest you forget: thank you.

Khandani Msibi

Group CEO of 360 Financial Services Group and NUMSA Investment Company

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