

MANPOWER — BLACK MOBILITY

1992

SEPT. — DEC.

Station contracts set to empower blacks ⁽¹⁷⁶⁾

WILSON ZWANE

THE SA Rail Commuter Corporation (SARCC), which signed contracts for the upgrading of nine Soweto railway stations with five black contractors yesterday, has challenged financial institutions to increase their investment in the township. ⁽²⁾ *B/DAY*

The contractors with whom the corporation signed the contracts are MBS Construction, Man-kobi Projects, CJB Construction, LET Property Developers and Sechaba Construction. *9/9/92*

Speaking to journalists yesterday, SARCC property development GM Dirk Ackerman said the contracts for the project had purposefully been broken into "bite-size chunks" in order to enable small black entrepreneurs to tender.

This breaking down of contracts not only resulted in substantial cost-savings

for the corporation, but it also contributed to the economic empowerment of blacks, Ackerman said.

A sum of R13,8m would be pumped into the project, which was expected to be completed early next year.

Ackerman said 60% of this money would go into the upgrading of security facilities, while the rest would go into making the stations more aesthetically pleasing and into building "commercial centres".

The commercial centres would include stalls for hawkers and supermarkets.

Ackerman also disclosed that the corporation was liaising with the taxi industry on upgrading taxi facilities.

The stations are Mamlankunzi, Phefeni, Phomolong, Naledi, Chiawelo, Nancefield, Mdiway, Nhlanzane and Dube.

Molteno for UCT post

176

MR Frank Molteno, formerly a senior lecturer at the UCT's Department of Sociology, has been appointed to the university's newly-created post of Equal Opportunity Officer.: CT 8/9/92

istry

Avoid controversy with integrated employment

ONLY 35% of companies believe it would be a wise move by a new government to impose a quota system compelling companies to employ blacks in administrative and management positions.

This is according to a recent survey conducted by the Quest Personnel Group, one of the country's largest recruitment consultancies.

The survey, which covers 750 companies, indicates that 75% of businesses nationwide believe a new government will initiate a "quota" system.

Of those only 41% claim to have an affirmative action programme in place, and of the total number of companies with an affirmative action programme, only 51% judge it to be of "moderate" success.

For the purpose of the survey, "affirmative action" is defined as a programme of action instituted by the management of an organisation to recruit, train, and nurture "black" employees in preference to "white" for certain targeted positions. Most of the respondents (73%) regard

"Asians" and "coloureds" as "black".

"An interesting aspect which became apparent during the nationwide survey was the number of companies which are using new terminology, such as 'integrated employment', to refer to affirmative action programmes," says Quest Personnel executive chairman Roy Silver.

Silver says this is in line with the international trend to approach the issue in a less prescriptive way.

Reasons

The major reasons given for companies not instituting an affirmative action programme are that they "had not had the time" (29%), or their managers "did not believe in affirmative action" (24%).

Only 6% of the companies surveyed are concerned that such a programme will provoke a negative reaction from their present white staff. "The issue of creating an environment in which a truly integrated workforce can perform optimally is one the human resources

management will have to come to terms with very quickly," says Silver.

He notes that in some areas Quest consultants are still experiencing difficulties with clients who don't want to employ on an "equal opportunity" basis.

However, there are increasing requests by clients for candidates to fill positions targeted for affirmative action and it seems larger organisations are leading the way.

Quest is currently developing its own in-house skills to assist clients effectively.

"Our aim is ultimately to assist employers in understanding that affirmative action programmes in themselves will not enhance progress, nor ensure equal opportunities for employees and success for the corporation," says Silver.

"In order to overcome many of the entrenched and crippling attitudes cultivated under apartheid, organisations will have to transform their cultures and not expect newcomers to have to adapt to the environment as it stands. It will not be a quick or easy task."

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Business aid in projects urged

CT 7/9/92 Staff Reporter

(176)

THE Cape-Town-based Equal Opportunity Foundation has appealed to the business community to enter into partnerships with it to do development work.

Speaking at the opening of its new offices in Athlone on the weekend, chairman Professor Jakes Gerwel said the new drive was an important milestone in the life of the five-year-old foundation.

Thus far the foundation has funded 148 grassroots projects, ranging from care for the physically handicapped to skills training and leadership development.

Professor Gerwel said the foundation was well-placed to identify suitable projects for "partners in the private sector who have social budgets", and to then monitor progress and report back regularly.

The foundation operates with a staff of just four in Cape Town, and it has an even smaller office in Johannesburg, yet it carefully monitors the funds it provides to organisations "to check that the people projects are designed to help are genuinely being advanced".

The foundation was originally started with a R20 million grant from the then divesting Coca-Cola company, most of which it still has.

Call for bigger black role in Waterfront development

(176) (20) (708)
SI Times [Cape Metro] 6/9/92

BLACK entrepreneurs are to be made more aware of Western Cape investment opportunities through the National African Federation of Chambers of Commerce (Nafcoc) and the Western Province African Chamber of Commerce (Wepcoc).

The two organisations will also investigate channels for raising money to finance black investment projects in the Western Cape.

Interviewed at a function where the Victoria and Alfred Hotel on the Waterfront was awarded four-star grading, Nafcoc president Archie Nkonyeni urged white business people to help more black businesses to get established.

"We also ask for details of investment opportunities to be given to our organisation in good time so that we can alert our members and also investigate possible avenues for raising finance for members who are interested in the projects," said Mr Nkonyeni.

The Wepcoc president, Themba Pasiwe, said investment opportunities brought to the attention of his chamber would also be referred to Nafcoc.

"In this way investment opportunities in the Western Cape will get national coverage so that black entrepreneurs have a much better chance of participating in the ventures," said Mr Pasiwe.

Mr Nkonyeni, who was guest speaker at the awards ceremony, told guests he would

have preferred to see greater participation of black entrepreneurs in the Waterfront development.

"To me and all the members of my organisation such a step would have meant the beginning of the attainment of our dreams.

"In the first two decades of our existence as an organisation our mission was expressed in terms of doing everything in our power to get the government of the day to lift all discriminatory restrictions destined to stifle the development of black business.

"Today our major task is to upgrade the capacity of black business to take its rightful place on the centre stage of the country's economy."

Mr Nkonyeni said Nafcoc attached high priority to the encouragement of black business capabilities through the Management and Leadership Development Centre established at the Nafcoc head office near Pretoria at a cost of more than R7-million, where training courses would operate full scale from the beginning of next year.

However, much more needed to be done:

- Nafcoc wanted to see black businessmen in the boardrooms of the "major economic players" in South Africa.

- Nafcoc would agitate for corporate South Africa to open up management opportunities to suitable black personnel.

- Nafcoc would do its best to ensure that the debate on the unbundling of South African corporate giants was taken seriously.

PEOPLE'S LIVES *After 22 years as a domestic, Matatielo woman soon to open her own business*

Hard work pays off at last

Sowetan 11/9/92

By Pearl Majola

■ DOGGED DETERMINATION *Domestic worker empowers herself with skills:*

THE GRADUATE BOWED and proudly walked away to join the small crowd of well-wishers, among them her employer.

For the first time in her life, 53-year-old Maria Mamle received a certificate.

After 22 years of working as a domestic and three years of patiently attending classes, she finally graduated from the Italian Designing School as a dressmaker.

Thanks to the Lowensteins of Sydenham, Johannesburg, for whom

she has worked for 14 years, and who allowed her time off to pursue the skill.

She will soon be returning home to Matatielo in the Transkei to start a sewing school and a dressmaking business.

"I feel good that I am now empowered in this way and I am grateful to my employers who made it possible," said Mamle humbly.

She has come a long way from the young widow who left her two-year-old son and two other children to look for

work in Johannesburg.

"My husband died in 1965, leaving me to raise three children," she said.

"I had no skill. The only way out was to leave my children with my mother and come to work here," she said.

Mamle and the Lowensteins have to face the reality that she will soon have to leave the family which she had grown to love over the years.

"After so many years it won't be easy to leave my employers," she admitted.



Maria Mamle ...employers made her realise her dreams

Govt ready to back development work.

GOVERNMENT was processing submissions from more than 50 groups and individuals on a new technology policy, a spokesman said yesterday.

A discussion document released recently by the Trade and Industry Department said government support for R & D should be between R260m and R520m, if it was to be brought in line with other industrial countries. *BIDAY 16/9/92*

OECD countries gave industry R & D support worth between 0,1% and 0,2% of GDP, excluding funds for government institutions.

The spokesman said the figures of R260m to R520m were indications only of the support available elsewhere "and places the extent of support in perspective". Government still had to decide whether and how to expand the innovation support for electronics (ISE) programme.

However, government is known to be pleased

~~CRIP~~ PETER DELMAR (176)

with the results achieved through the support programme in the two years it has been in place.

This programme — sometimes criticised because of its secrecy — had generated budgeted sales up to 1993 of R35m, the discussion document said. Budgeted exports for 11 projects it supported were worth R11m. ISE benefits were R2,2m.

"Central to economic growth, wealth creation and employment lies industrial growth, which is attainable by increasing a country's market share. Increasing international competitiveness requires product innovation or product differentiation.

"For this reason, the SA government is considering the granting of funds to industry to support innovation and technology development, thereby stimulating industrial growth essential for employment and social upliftment," he said.

Black advancement studied

A MAJOR study on affirmative action, which researchers hope will become a blueprint for SA company policy, is to get under way soon.

The Black Management Forum and Business and Marketing Intelligence are in charge of the study, and it is hoped the results will be available early next year.

It is understood that 13 companies, including Eskom, Nedbank and Shell, are sponsoring the project.

Sources say these companies will pump more than R500 000 into the research.

The sources said the study would take the form of in-depth interviews with more than 800 people countrywide.

The interviewees would include human resources managers, line managers, black managers, female managers and representatives of organisations across the political

WILSON ZWANE

spectrum, the sources said. (176)

Forum research and projects manager Loyiso Mbababe said at the weekend the study's objective was to produce guidelines for the proper implementation of affirmative action. B/DAM 14/9/92.

Forum executive director Lot Ndlovu recently said "failure to open up and democratise companies when a political settlement has been achieved will lead to severe strains".

Ndlovu said affirmative action, which was a strategy to redress historical imbalances, should be adopted on the understanding that it had to be abandoned once a satisfactory degree of normalisation had been achieved.

NEWS Ciskei victims to be buried with Biko ● Economic crisis can be overcome

Steve stood for liberation

Memorial service held to honour the man who popularised black consciousness: ~~Sowetan~~ ^{Sowetan} 14/9/92

Sapa-AP and Abbey Makoe

ABOUT 150 people gathered for a memorial service on Saturday at the grave of black consciousness leader Steve Biko, who was killed in police custody 15 years ago.

In a quiet ceremony, his elderly mother, Mrs Alice Biko, and top Azanian People's Organisation (Azapo) officials paid homage to the man who popularised black consciousness philosophy and who inspired Sir Richard Attenborough's film *Cry Freedom*.

The service in Ginsberg cemetery was five kilometres from the stadium where

Ciskei soldiers massacred 24 African National Congress supporters Monday. Many of them will be buried in Ginsberg cemetery next week.

"Steve Biko died to liberate black people," Azapo official Mr Mzukisi Madhvu said. "These things that Steve stood for will be realised. It is our duty to carry out the liberation struggle to ensure they will be realised."

At Eldorado Park near Soweto, Azapo's projects co-ordinator Mr Lybon Mabasa said his organisation would never entertain any argument to ally so-called white fears. "It's the majority that need to accept

the minority and not the minority accepting the majority," he said.

He stressed Azapo strives to fulfil Biko's dream of black solidarity, black unity, and a complete seizure of power. He said whites who wished to live in a liberated Azania would have to do so under conditions laid down to them, "as much as blacks living in Europe were doing so under the conditions laid down to them by Europeans".

Meanwhile, Russel Molefe reports Azapo secretary-general Mr Don Nkadimeng dismissed reports Azapo was about to enter into constitutional negotiations with the Government.

Empowerment before winning competition

Seminar addresses job creation, entrepreneurial spirit: ~~Sowetan~~ ^{Sowetan} 14/9/92

By Don Seokane

THE focus of *Sowetan's* job creation project was not on winning the competition but on empowering developing business people and prospective entrepreneurs, managing editor Mr Joe Thlotoc, said at the weekend.

Addressing a job-creation seminar co-sponsored by National Sorghum Breweries at the University of the North, Thlotoc said the country's economy was

in a crisis, and ordinary men and women have to change.

Prospective entrepreneurs and developing business owners at the seminar were taught about business plans.

Get Ahead Foundation's marketing assistant, Mr Jackie Kola, said the job-creation competition was to encourage black people to enter manufacturing and service industries. Preparations are underway for a seminar focusing on budget analysis, drawing financial statements and preparing cash flow projections.



South Africans need more than current 'lame' affirmative action offerings from business, writes Franklin

Enrichment is natural consequence of empow

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(176)

Somm

MERE reference to the need for affirmative action once again depicts the extent of South Africa's division and inequities.

Nelson Mandela, speaking at a conference on affirmative action last year, said: "To millions, affirmative action is a beacon of positive expectation. To others it is an alarming spectre which is viewed as a threat to their personal security and a menace to the integrity of public life."

Affirmative action can mean many things. It may refer to "racial preferential treatment for good reasons". It may mean the redistribution of resources and opportunities. It may also refer to preferential financial assistance by business to institutions of those communities which have been traditionally disadvantaged.

Let us face the fact that "effective apartheid" was, and still is, being practised in business. The state does not have a monopoly on apartheid measures... our country is changing and we must promote further change by our own imaginative ways.

There is a deeply racist element to the reasoning against affirmative action which is based on the contention that whites naturally inherited positions of dominance based on superior skills and heritage, while the opposite holds for blacks. This racist assumption of superiority must be replaced by open-mindedness and the realisation that nation-building will entail everyone working in everyone else's interest.

In South Africa, faster and infinitely more deliberate means will have to be employed to afford historically denied and dismissed people the opportunity to assume "co-ownership" of the economy. South Africa is a special case requiring special treatment.

In the '30s, the Afrikaner found himself economically dispossessed but empowered with the vote. Dr H F Verwoerd, addressing the congress which followed the Carnegie Report of 1934, implied that socialism as policy might redress the issue of Afrikaner dispossession, but would entail "a total revolution of the way the country was run and which would make it a socialist state".

He was adamant that constitutional political power had to be used to advance the Afrikaner economically. He put it bluntly that the upliftment of the Afrikaner worker could only occur effectively if they were "protected against non-white competition".

The Afrikaner's history proves there is a direct link between the possession of political power and socio-economic advancement. In 1952, about 80 percent of the employees of South African Railways and Harbours and 68 percent of the employees of the post office were Afrikaners. By 1968, there were twice as many Afrikaners in the public sector as in 1948. In 1979, 35 percent of economically active Afrikaners were in the public service and in 1978 about 90 percent of the approximately 150 key positions in the public sector were held by Afrikaners.

The wealthy capitalist Afrikaners of the '90s are a far cry from the '20s when the Afrikaners hated Smuts for being a capitalist henchman and made common cause with the communists. Afrikaner opulence of today bears no resemblance to the period 50 years ago when respectable, though not wealthy, coloured fa-

milles often fed poor whites at their back doors in the Karoo. I have no doubt that despite severe economic problems, setbacks apartheid inflicted on our people — the total loss of the fishing industry to whites, our estrangement from our land, the loss of our homes to poor whites and immigrants — will soon be redressed. And as historians today write of the rise of Afrikaner business, they will be in a position to refer to the renaissance of black entrepreneurs.

Large Afrikaner companies as well as English and Jewish organisations may be tempted to believe they amassed their wealth through the exclusive support and endeavour of whites and it is therefore all right for them to give preferential treatment to, for example, Afrikaner universities and technikon or, in the case of

We must also remind the large fishing and other conglomerates that our people must regain what they have lost and that the process of ad hoc expropriation, calculated dispossession and disinherited will have to be corrected in a co-operative and constructive manner.

Lame and clearly insufficient strategies like "equal opportunity" are not enough. Reconstruction and nation-building will require far more than what we are seeing from the business community presently. Black outsiders will have to become insiders. Franklin Sonn is Rector of the Peninsula Technikon. This is an edited version of a talk he delivered at a symposium on Affirmative Action and Black Advancement in Cape Town.

Enrichment

promote small and medium-sized businesses



Miss Rachel Maimane (extreme right) of Soweto won R15 000 worth of furniture in the Sowetan/Ellerines stick-a-pic competition. With her are (from left) the winner of furniture worth R2 000, Miss Elizabeth Khumalo, the manager of Ellerines store in Commissioner Street, Johannesburg, Mr Mark Maponya, and Sowetan's advertising manager, Mr Steve Serfontein. Mr Siphon Mnisi who came second and won furniture worth R3 000 was unable to attend.

Small business boost

Sowetan

15/9/92

176

15/9/92

By Joshua Raboroko

AFFIRMATIVE ACTION Must be a

top priority for African states:

AFFIRMATIVE ACTION needs to be taken by African governments, financial institutions and private sector to promote small and medium enterprises.

This was heard at a business and entrepreneurial developments conference in Johannesburg yesterday.

Small and medium-sized businesses were the surest way to expand the economy and to create jobs.

Leading the discussion on the SMEs, World Bank official Mr Alexander Keyserlingk said these businesses were the surest way to assure economic growth.

The conference, held at the Eskom

training college in Midrand, is a joint effort of Sowetan and the Development Bank of Southern Africa. It is being attended by delegates from African states and overseas.

He said: "There is much talk in the world today of finally empowering men and women. I believe by helping and supporting entrepreneurs in all our countries we are empowering people to live productive and useful lives which contribute to the well-being and growth of our countries."

The International Finance Corporation, the United Nations Develop-

ment Programme and the African Development Bank had decided to assist entrepreneurs in Africa, and would establish offices in South Africa as soon as the political climate was conducive to it.

Various speakers said SMEs absorbed non-skilled labourers who would otherwise be without a means of earning a livelihood.

Regional manager of APDF in Harare Mr Omari Issa said governments should minimize, and to the extent possible, eliminate studies related to SME.

Transnet workers retrained

CT 16/9/92

(230) (176)

TRANSNET is retraining thousands of disadvantaged black employees for clerical and middle management positions.

The company's human resources general manager, Mr Vic de Vries, said skilled and semi-skilled workers in redundant positions were placed in a "work pool" and either retrained or transferred to departments which had vacancies.

(176) CT 18/9/92

Apartheid 'lingers in laws of lending'

JOHANNESBURG. — The newly elected president of the National African Federated Chamber of Commerce, Archie Nkonyeni, says financial institutions should make their funds more accessible to blacks and ditch remaining apartheid provisions in their lending procedures.

Nkonyeni was addressing a business and entrepreneurial development conference on financing of small business at Midrand this week.

He said it was time financial institutions took deliberate and conscientious measures to allow access to their services and products by black entrepreneurs — including women.

"These institutions are being challenged to take an unequivocal stand in favour of democratising access to sources of funding," he said.

Nkonyeni charged that, even today, laws did not exist which prohibited discrimination by financial institutions on grounds of race, ethnicity or gender. — Sapa

Ditch apartheid lending, urges Nafcoc president

8/DA-1 1649/92
NAFCOC's newly elected president Archie Nkonyeni says financial institutions should make funds more accessible to blacks and ditch remaining apartheid provisions in their lending procedures. (176)

Addressing a business and entrepreneurial development conference on financing of small business in Midrand this week, Nkonyeni said it was time financial institutions took deliberate and conscientious measures to allow access to their services and products by black entrepreneurs — including women.

"These institutions are being challenged to take an unequivocal stand ...," he said.

Nkonyeni said there were still no laws which prohibited discrimination by financial institutions on grounds of race, ethnicity or gender.

A lending officer was able, under the guise of protecting the interests of shareholders, to express deep-seated prejudices through decisions on loan applications.

He called on the private sector, government and local and international donors to develop packages to finance small businesses and the informal sector. — Sapa.

be stopped ● Businessmen call for an end to violence



Mr Phineas Rakgabale (right) of Mahwelereng won R200 for displaying his *Sowetan* bumper sticker. Mr Johannes Monama of Trifex filling station in Potgietersrus gave him his prize.

Violence must 'be stopped'

CRITICAL PERIOD Premier boss

warns of effects of political instability:

By Joshua Raboroko

CERTAIN ACTIONS by political parties damaged the economy and would weaken the ability of the corporate world to help small business develop and create jobs for the disadvantaged.

Speaking at the Business and Entrepreneurial Development Conference in Midrand yesterday, the chief executive of the Premier Group, Mr Peter Wrighton, said black economic empowerment could not take place in an atmosphere of violence and political instability.

"We all know that the regeneration of

business cannot take place without peace and political stability. We plead with our leaders to act more like statesmen in this critical period of our history," Wrighton said.

He appealed to the corporate world to help township entrepreneurs.

"Big brother must help small brother grow," he said.

National Sorghum Breweries' Professor Mohale Mahanyele said one of the stumbling blocks to black advancement was lack of finance.

He said big business and the Government should pump money towards black economic empowerment.

Cosatu's appeal to employers

Deadline to taxes nears as protests increase:

By Ike Motsapi

THE CONGRESS of South African Trade Unions has set December 1 as a target date for employers to stop deducting the Pay As You Earn tax from workers' salaries.

Cosatu media officer Mr Neil Coleman yesterday said they expected companies to support the call as part of the ANC-led mass action.

Instead, employers would be asked to pay the tax into a fund for "peace and democracy" to be established soon.

The federation also agreed to step up the mass action campaign.

It would also call for the occupation of government buildings.

Call for affirmative action at local level

ADRIAN HADLAND

176

THE implementation of affirmative action programmes in city and town halls around SA would have a major impact on the effectiveness of local government administration in the future, Durban City Council management committee chairman Peter Mansfield said yesterday.

Speaking at a conference on local government at the University of Durban Westville, Mansfield said it was vital such programmes were initiated and succeeded.

"I have no doubt that democratically elected governments will be under irresistible pressure to ensure that city or town employment practices are seen to be non-racial and non-sexist," Mansfield said.

Mansfield said an affirmative action programme was under serious consideration in Durban, but that efforts to start a similar programme in the early 1980s had failed due to lack of enthusiasm by council officials.

Sapa reports that ANC spokesman on local government affairs, Thozamile Botha, told the conference a new dispensation need not result in the complete overhaul of existing local authority structures. 010AM

Botha said future local authorities would have to evolve their own work ethos which would acknowledge individual access to resources and participation in the decision-making process. 1719192.

He said merit as well as affirmative action programmes ought to be the criteria in shaping training and employment policies.

"One school of thought argues affirmative action can best be implemented by a quota system, while another advocates a goal-related approach," Botha said.

Botha suggested that while a quota system could give rise to tokenism, a goal-related approach was not based on fixed quotas and had no time frame.

Botha argued for the creation of a public service commission for the training and recruitment of local government employees.

He said there should be a moratorium on any unilateral restructuring of local government.

Small business hamstrung

Sowetan 17/9/92

176

■ Lack of management skills and financing identified as the main inhibiting factors:

By Joshua Raboroko

SEVERAL factors which hamstring small black business development came under focus at the three-day Business and Entrepreneurial Development Conference held in Johannesburg this week.

Among them were the lack of management skills and the lack of financing of small businesses by the government and the private sector.

It was also the concern of many that management skills were lacking at individual business units and at the macro levels.

Transkei University Economic Management lecturer Mr Siphon Tshabalala said: "A genuine concern exists in our country about the lack of management skills in small businesses."

Tshabalala pointed out that small business enterprises were seen as vehicles for economic development and

the rationale for their support included the following:

A seed-bed for socio-development and growth;

A means through which indigenous African entrepreneurship can be stimulated, nurtured and consolidated;

Small enterprises can be developed on a decentralised basis in rural and semi-urban areas to meet local demand;

They contribute to a more equitable distribution of income and wealth in the country;

The promotion of small industries is also seen as more reliable and a quick means for the generation of employment; and

Small enterprises are also seen as a means of promoting integrated rural development programmes and "generally raise the level of popular participation in the economy".

He said that entrepreneurial devel-

opment programmes needed to be taken with social and political objectives that would empower the disadvantaged.

Managing director of Baffoe and Associates (Pty) Ltd Mr Frank Baffoe said the challenge was to develop an economy and society aimed at the enhancement, rather than crude exploitation, of man and nature.

National Sorghum Breweries executive chairman and chief executive Professor Mohale Mahanyele said the development of black business was being hamstrung by a lack of financial backing.

The government and the private sector should play a major role in the development of small business.

Chairman and chief executive of the Premier Group Mr Peter Wrighton said there was a need for a massive campaign for affirmative action in the corporate world as well as small business.

PROPERTY Five Sowetan businessmen win major entrepreneurial break-through

Blacks walk off with rail contracts



Builders are from left to right; Josh Nkosi, Aubrey Mokoena, Kan Dlamini, Chris Jiyane and Jeff Letlape.
PIC: VELL NHLAPO

■ SOWETO CONTRACTORS R17-million

to be spent up-grading nine stations: (176)

By Joshua Raboroko

Sowetan 17/9/92

FIVE Soweto businessmen have won contracts worth R16,8 million from the South African Rail Consumer Corporation to up-grade nine railway stations.

The tenders were awarded to Marketing Building Service (R3,77 million), CJB Construction (R1,05 million), Mankobi Projects (R2,5 million), LET Property Developers (R753 053) and Sechaba Construction (R1,7 million).

The contracts mark an important breakthrough for black economic empowerment. The stations to be upgraded are Phomolong, Dube, Tshiwelo, Midway,

Phofeni, Inhlanzane, Naledi, Mlanhlankunzi and Nancefield, all in Soweto.

Sources have disclosed that it is expected that they will further be commissioned to upgrade hostels.

The Soweto Builders Forum is negotiating with the Soweto Council for the contracts to improve hostels.

At a Press conference in Woodmead near Johannesburg SARCC property manager Mr Dirk Ackerman said the move was a major breakthrough for small township entrepreneurs.

He said: "The corporation, as a state authority, is committed to ensuring equal opportunities in providing contracting services."

Black women must curb township wars

Sowetan 18/9/92
By Joshua Raboroko

176
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MOST VULNERABLE Violence (102)

BLACK WOMEN HAD to play a part in stopping the violence which threatened the survival of their businesses, Institutional Programme Manager of the Development Bank of Southern Africa Mrs Salu Dakie Hlongwane said this week.

Speaking on "Women in Business" during the three-day *Sowetan* and Development Bank of Southern Africa Business Entrepreneurial Development Conference at the Eskom Training College, Hlongwane said black businesswomen were the most vulnerable in a climate of violence.

She urged the Government to remove all discriminatory regulations and practices that hindered businesses run by black women to enable them to make a contribution to the South African economy.

She said development finance institutions need to reorientate their support programme strategies to relate directly to enterprises managed by black women.

Management training

"These institutions and big male-dominated businesses should adopt women in their networking structures to assist them in developing entrepreneurial skills and management training," she said.

Black women were no longer seeking jobs in areas traditionally viewed as women-oriented but were moving into all areas. About 70 percent of small businesses were owned and managed by black women, she said, adding: "They are now climbing the ladder in the corporate world and making a significant impact."

Women became entrepreneurs because of economic necessity, challenges of having to combine family life with careers and the urge to develop themselves, she said.

Intra-organisational manager of Eskom Dr Gail Mlokoti said black women achieved success outside the parameters of the corporate world in South Africa.

"Even though we have seen how women were relegated to the peripheries of Codesa, they have been successful in business and other spheres," she said.

threatens survival of their businesses:

"The struggle of women for recognition has just begun. We have to redefine our roles so never again will we languish in the shadow of the menfolk as far as our liberation, inclusive of business, politics, engineering, health and art," she said.

Businesswoman Mrs Mokgadi Tlakula, who also works on several projects in the Northern Transvaal, said more than 8 000 rural women had proved themselves to be "the greatest entrepreneurs in the area".

They were involved in a variety of businesses - selling vegetables, clothing, clay pots and cane furniture. They were also involved in the manufacture of products like candles, bricks - even building homes.

Their gripes were the lack of capital, self-confidence, infrastructure, and training and education.

JOB CREATION

Funds for budding entrepreneurs

W/Mail 18/9 - 24/9/92.

A NEW IDT portfolio has been established, and R100-million set aside, to promote job creation and support entrepreneurs in poor communities.

Professor Len Konar, an IDT trustee on secondment from his post as head of accounting at the University of Durban-Westville, has been appointed executive director in charge of the portfolio.

Konar will be emphasising entrepreneurship in determining how the IDT allocates funds.

"Entrepreneurs," he says, "are people who rise to the occasion. In the community they are the engine for development."

He defines an entrepreneur as anyone who can identify potential in a market and has the possibility or capability of addressing that potential. Hawkers, brickmakers, shoemakers, dressmakers and small builders all qualify.

By the end of July, more than R52-million had been allocated to 17 projects, including support for 15 000 small sugar cane producers. To qualify for funds, projects must benefit disadvantaged people, be sustainable when the funding stops, and be community-driven.

A guiding principle will be the empowerment of entrepreneurs as individuals, by giving them access to services that increase their chances of success. While other agencies provide micro-loans, most of the IDT's funds are earmarked for organisations that support potential entrepreneurs by developing their business skills in, for example, budgeting, costing, licensing, marketing and financing.

"Therefore," says Konar, "the prototype applicant for funds would be an organisation providing support to potential or existing entrepreneurs emerging from disadvantaged communities. Capital requirements will only be financed if no other appropriate sources are available. All funding beyond one year will depend on the results achieved."

VAIL -- 11

Property law opens up

(176) (N/A)
20/9/92

By SOPHIE TEMA

SEVERAL black lawyers have broken through the barriers of what was once considered the enclave of the white legal profession - Property Law.

Recently a number of black lawyers entered into a nine-month conveyancing course - which in the past was impossible for them to pass and qualify.

Because of the growing interest among black lawyers in this area, eight would-be conveyancers were taken on by the biggest firm of lawyers in SA.

"They were all in private practice working a full day, and the course, which is ex-

tremely difficult, required a monumental effort," says Gaby Norton, whose firm single-handedly almost doubled the number of black conveyancers in one year. Of the eight who signed up for the course, three passed.

They are Nozipho Sithole, an articled clerk with the firm, City Serobe and Philemon Tsoka, both in private practice.

"Until recently there were only four black conveyancers in SA and now there are seven," said Norton.

He said in May 1992, director of the Black Lawyers Association Legal Education Centre Justice Moloto launched an attack on the legal profession at a confer-

ence held by the Johannesburg Attorney's Association on the future of the legal profession.

Moloto said: "Property law (conveyancing) was an enclave of the white legal profession and it was impossible for black lawyers to qualify as property lawyers.

"There was a growing interest among black lawyers in the area of law, and with the repeal of the Land Act and Group Areas Act individual land tenure is open to blacks and this represents a substantial source of income."

Says Norton: "Plans are afoot to continue not only with property but also with commercial law."

Bosses embrace 'empowerment'

B10A4 23/9/92

AT FIRST sight, the proposition looks paradoxical, even dangerously absurd: that, at the very time when the survival of countless companies is threatened by the worst recession since the 1930s, top executives should be decentralising authority and "empowering" their employees.

In difficult times in the past, and especially during recessions, most executives have done precisely the opposite. They have slashed spending by reinforcing their own power and that of the centre, taking back some of the authority which in better times they had delegated down the organisation.

Yet, in one form or another, "empowerment" is what consultants and business academics persist in advising companies to introduce.

Some managements are frightened by the idea, they think it will reduce their authority and render decision-making slow or risky. But in the US, companies like PepsiCo, Xerox, General Electric and Ford have embraced "empowerment" or the very similar principles of "high involvement".

In Europe, new practitioners range from B&S, the British retailing group, to Switzerland's Ciba-Geigy. A few years ago Ciba-Geigy began using the term "directed autonomy", which management found less threatening. But now it frequently feels obliged to use it to convey what it says is a more far-reaching process and set of attitudes, in which management's role is not just to provide direction, but

also autonomy and support.

Empowerment may be a ghastly word, but interest in the concept in Europe, particularly the UK, is soaring.

This is demonstrated by a recent surge in consultancy work on and around the subject. A number of consultancies have suffered sliding revenues since the start of the recession. But at Kinsley Lord, a specialist firm which sees empowerment as a centrepiece of its work on organisational change, business has boomed and revenue has shot up by a third.

Gemini is a much larger consultancy which specialises in both strategic and organisational change but to which empowerment is equally central. Its revenues also grew by a third last year. "Harnessing the drive, ingenuity and power of people is central to what we do," says Gemini European senior vice-president for marketing Peter Beilby.

The trend towards greater decentralisation, involvement and authority in many companies — though not always to a degree which merits the grand term "empowerment" — is confirmed by two accountancy-based consultancies. KPMG partner David Bishop says that in the UK the recession is causing centralisation only in companies which are in extremis.

Coopers and Lybrand Commerce and Industry consulting head Vic Luck agrees that some companies are pulling financial authorisation back to the centre and that a second, small group is "taking a step backwards" by cutting

total quality programmes because they are not giving immediate results. But a third group of companies is continuing with decentralisation, he says. At the same time, they are cutting expenditure, frequently by giving staff their head in cost reduction programmes.

An example of this was within British Airways. Alongside a total quality programme introduced with the help of outside consultants, management's targets for expenditure cuts were exceeded when maintenance staff were let loose on the problem — they produced savings of £24m against the target of £8.5m.

BA chief engineer John Perkins says: "I don't mind admitting I was a Rambo-style manager — I have changed my own style because I have seen that it is just not the most successful way."

His approach contrasts markedly with standard airline management. Most airline campaigns to create greater "customer care" tend to empower employees less than they programme them to act in a particular way.

That is the approach practised by US airlines such as Delta and American. But it is also why passengers tend to be cynical about staff re-training programmes which provide a superficial gloss of empowerment, yet which do not allow them even to provide the occasional hungry passenger with a second bag of peanuts.

This is just the very trite tip of an iceberg of confusion, anxiety and, for some people, excitement which surrounds the concept of empowerment. — Financial Times.

Top Govt position for black

Sowetan 25/9/92.

■ Senior position in Department
of Local Government goes to
black woman: ~~XXXX~~ ~~XXXXXX~~

Sowetan Reporter *176*

A TOP black academic has been appointed Chief Director in the Department of Local Government and National Housing.

Dr Esther Chinkanda is the first black woman to be promoted to the level of chief director and the third woman to hold a senior position in the public service.

She has been appointed to the post of chief director of community promotion in the Department of Local Government and National Housing.

Chinkanda's qualifications include an honours degree from the University of South Africa, a master's degree in social work at the University of the North and a qualification at the Case Western Reserve University in Cleveland, Ohio, in the United States.

She joined the Department of Local Government and National Housing in December 1990 as director of social development after resigning as a research specialist at the Human Sciences Research Council (HSRC).

She has also published widely in the social work field.

Confidence – key to success

C/pen 27/9/92

176

By **MONWABISI
NOMADLO**

WHEN Joe Seoloane was a Mamelodi lad earning peanuts as a caddy and garden boy, he knew the big time was waiting for him, and he was right.

So, when he was 33, it came as no surprise when he was appointed branch manager of Woolworths in Springs and became the first black member of the Springs Chamber of Commerce executive committee.

Joe started preparing early, and worked on developing a positive attitude to life. Success in doing this, he knew, was the key to making his dreams a reality.

But Joe does not take all the credit for himself.

"My father," he says, "has always inspired me, and I have great respect for him. He didn't have a lot of money, but he managed to give all his children the best possible education – a lifetime heritage for all of us.

"Even when I was a



MAKING IT ... Business executive Joe Seoloane.

kid, he treated me as an adult and taught me to respect all people, no matter who they were and what colour they were.

"We all know that there is an imbalance between black and white managers, but I have no

intention of becoming a token black. I know I have the skills to do the job properly, and I have prepared for a long time to take all the responsibility that comes my way.

"The interests of business and the economy

come first – things do not happen by accident – it takes hard work and planning."

A Turfloop Bachelor of Commerce graduate, Seoloane matriculated in 1979 at Mamelodi High School. In 1983 he joined Unilever as a trainee cost accountant.

He was transferred to Boksburg in 1987 as a cost accountant, and in 1990 joined Woolworths Jeppe branch as a trainee manager. Since then he has served the company as a textile manager in Alberton and a store manager in Witbank.

Now he is on the board of trustees of the Daveyton-based Education Enrichment Project.

For the past two years Seoloane has been the national president of the Men's Fellowship in his church – the International Assemblies of God.

He married in 1986, and he and his wife have two young children.

ATTORNEYS' WEEK The age of strict specialisation has arrived for legal firms

Company widens its legal horizons

Former NSL chairman member of the firm: *Soweto 28/9/92*

By Abbey Makoe

THE firm Moshidi, Kunene and Makume was founded by Mr Seun Moshidi of Soweto in 1977, a year after he had qualified as an attorney.

At the time the firm was located at Chancellor House in central Johannesburg, conducting a general practice with emphasis, however, on criminal and matrimonial litigation.

In June 1979 Mr Keith Kunene joined the firm as a partner, and the firm's name changed from Moshidi to Moshidi and Kunene.

Kunene is a former chairman of the National Soccer League and currently vice-chairman of the organisation. He qualified as an attorney in 1977, specialising in claims and divorces while Moshidi concentrates on criminal cases.

Volume of work increased

As the firm increased in size and volume of work, it moved out of its old, congested premises.

In 1981 Mr Kunes Makume joined the two partners, adding his name to the title of the firm. He qualified as an attorney in 1979 and had a practice in Germiston.

When joining the company, Makume specialised in civil litigation, deceased estates and debt collection.

As a result of demands from clients in Middelburg, where Moshidi was born, the company expanded its services to this Eastern Transvaal town.

The branch did not last long because the Group Areas Act forced it to close.

The company's horizons widened again in 1990, particularly in Vosloorus on the East Rand. The result was the opening of an office in Boksburg. The firm has so far achieved a remarkable success in its areas of specialisation.

In addition, the firm also conducts the first interviews system which enables clients to obtain legal advice at a nominal fee before engaging in unnecessary and costly litigation.

In its 14 years, the firm has produced 12 qualified attorneys and presently employs five candidate attorneys.

Law specialties

- Civil litigation in the Supreme and Magistrates' courts.
- Criminal litigation
- Matrimonial and maintenance
- Administration of deceased estates
- Limited commercial work
- Firearm licence applications
- Debt collection

BUSINESS - NATION BUILDING *Kenny Hatta - Entrepreneur of the Month*

Candles from Cape to Cairo

Sowetan 30/9/92

(176)

By Joshua Raboroko

WAXING MIRACLE *Soweto business-*

man was frustrated when he worked for white-owned business. He set out to build his own empire. Now, he has his company

Sowetan

Building the Nation

CHARISMATIC AND INNOVATIVE managing director of Ukukhanya (meaning light) Soweto Candles manufacturing company Mr Kenny Hatta (33) has the interest of the black community at heart.

He said this after he was nominated winner of the August *Sowetan*/Sanlam Entrepreneur of the Month Competition which is part of our Nation Building campaign.

On hearing the news that he was to compete against four other entrepreneurs for the end of the year competition, Hatta said: "I am proud to feature in the competition which is designed to help emerging black businesses to grow."

He will be judged against owner of Sikhanyisile Dressmaking Shop Mrs Lena Catherine Khoza, manager of Million Dollar Furniture Manufacturing Company Mr Amon Buti Majola, director of Antique Furniture Manufacturer Mr Jose Ribeiro Isidro and owner of Speedy Waterproofing and Painting Mr Abbey Molefi Mokone.

Exporting candles

The final selection for the *Sowetan*/Sanlam Entrepreneur of the Year Competition will be held at the offices of *Sowetan*, 61 Commando Road, Industria West, on October 7. All the five winners of the month are requested to attend this session.

Hatta's first black-owned candle manufacturing company, is already exporting all kinds of blended candles to the Netherlands, Germany and Australia.

"Now I want to expand the trade from Cape to Cairo by lighting the whole of Africa," he said in his opulent Soweto office this week.

His latest problem is that big companies have locked the selling of the wax "I use for manufacturing the candles that have made my business a success.

"Prices have gone up and it is difficult to operate in the present economic climate in South Africa."

However, Hatta is optimistic that as soon as sanctions have been finally removed his business will grow from strength to strength.

He has manufactured candles for many organisations, including offering free 600 candles to the victims of the Boipatong massacre and when the lights were cut in Soweto during Sowetan National Day of Prayer he offered 500

Business sense

Marital status: Married to Kelefang and the couple have a child
Company: Ekukhanya Soweto Candles that employs 27 people
Education: Passed matric and is studying management courses with two colleges
Business site: Rooms 61/2 Orlando West Industrial Park, Soweto. Tel. 936-1103/1550; Fax 936-1524

candles.

Hatta said he was waiting for most African states to open their doors to South African trade, and with the changes taking place "in our country at the moment, the chances are my dream will come true".

His company manufactures different kinds of candles for restaurants, hotels, funerals, personal use, festivals, spaza shops, just to name a few.

As a youngster in the township Hatta never stayed out of trouble. He was detained under the vexatious Internal Security Act for his involvement in the 1976 Soweto uprisings.

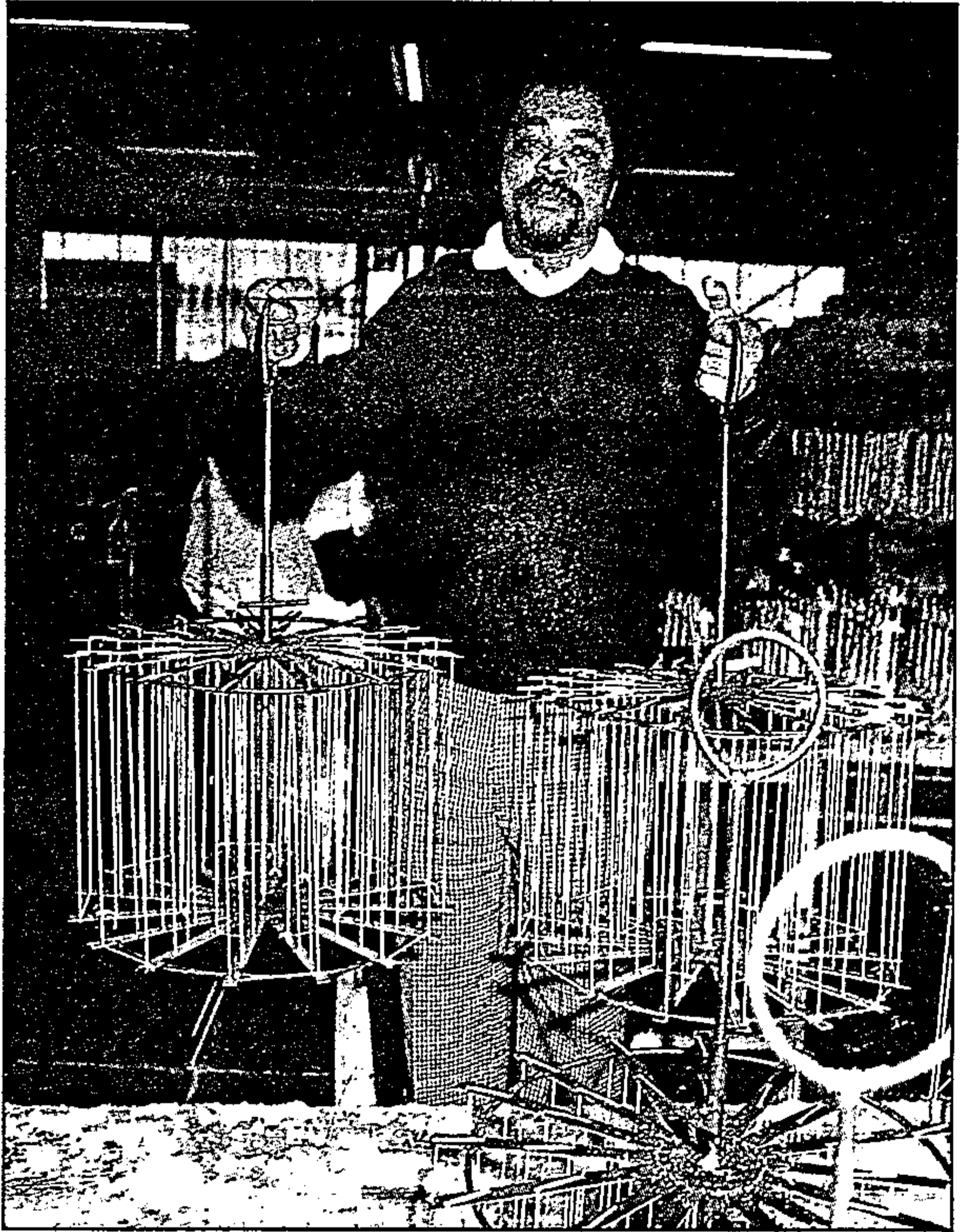
Business management

Despite harassment that he suffered at the time, he continued his education and matriculated at Naledi High School in 1980. He holds several diplomas in business management and administration.

He worked for numerous companies, but each time he quit the reason was "a white person was placed to be in charge, despite the fact that he taught them the job".

This often frustrated him and he decided to join his wife, Kelefang, who was running the small candle manufacturing company in 1989. The business previously belonged to Bishop David Nkwe, who is his father-in-law.

Hatta said that his business was booming regardless of the fact that many blacks were now using electricity to light their homes.



Mr Kenny Hatta in his candle factory.

wealth and job opportunities for black entrepreneurs

NSB expands into the food market

Sowetan 1/10/92

176
NSB

By Joshua Raboroko

■ **JOB CREATION** New products will

mean more jobs for blacks

NATIONAL Sorghum Breweries, in its quest for black economic empowerment, has undertaken to create wealth and job opportunities for black entrepreneurs.

It is hoping to empower black entrepreneurs who will distribute its range of newly-acquired Jabula Foods previously owned by the Premier Group.

This new addition to the NSB fold brings with it well-established brands like Jabula soups and stews, mageu, Lamabalazi soft porridge, Iqhawe beer power, Duma high energy beverages and a malt factory.

At a press conference in Sandton this week, NSB's chairman and chief executive Mr Mohale Mahanyele said the take-over of Jabula Foods was an important milestone on the way to black economic empowerment.

Mahanyele, who has been appointed a director of the Premier Group, said the deal was part of the company's ongoing expansion programme.

"We believe that we are on the right track. This will dispel fears and perceptions that blacks can't make it in business," Mahanyele said.



Mohale Mahanyele

The company, which last year increased its earnings by 54 percent and is the leading light of black economic empowerment, would acquire R500 million from a conglomerate for development projects.

NSB has also donated R40 000 to

Sowetan for its job creation project and will be looking at business operations for blacks.

Chairman of the Premier Group Mr Peter Wrighton said he was delighted that Jabula would have the benefit of its new association with the NSB, a company which had a dynamic and progressive management.

He said: "It will no doubt take full advantage of the opportunities and synergies now available to it.

"We believe that Jabula, with its product range being further strengthened by those of NSB, will have an outstanding growth potential as we progress into the new South Africa," he said.

President of South African Black Social Workers Ms Fikile Mazibuko said the NSB takeover of Jabula Foods must be seen as a new era towards the creation of jobs.

Blacks involved in the transport industry would be expected to deliver the products to many destinations countrywide.

Tackling manager shortage

176
Sowetan 11/10/92

By Joshua Raboroko

■ 500 000 may be needed within next eight years:

AN initiative to tackle South Africa's critical shortage of business managers at middle and senior level has been announced in Johannesburg.

The South African Institute of Chartered Secretaries and Administrators has established the Chartered Institute of Business Management (CIBM).

CIBM will educate students in the four pillars of business management: Legal, Accounting, Interpretive and Management, based on the Chartered Institute of Secretaries (CIS).

Reliable estimates suggest that if South Africa meets its economic targets, almost 500 000 additional business managers will be required in all spheres of enterprise in the next eight years.

CIS and CIBM chief executive Mr ~~AM~~ Barrable said: "By making studies and qualifications more accessible, we hope to stimulate greater popularity for business education."

The major advantage of CIBM was that students would be entitled to register for membership at various levels after passing modules of four subjects, without having to wait years to complete the entire course.

focus on Economics

THE problems we face in South Africa are vast and there are no quick and easy solutions.

Indeed, the problems are deep and yet the resources at our disposal are limited. We need to restructure the economy within the boundaries of our limited resources so as to achieve and maintain macro economic stability.

In our view, some of the major components of a restructuring programme in South Africa are the following (not in order of importance):

- The rationalisation and restructuring of the existing public sector corporations. This may entail in certain instances the reduction in the size of the public sector in ways which enhance efficiency, advance affirmative action while ensuring the protection of consumers and the fights of workers;

Private sector

- The deconcentration of the private sector. In our view, the concentrated nature of the private sector has not been conducive to the development of a prosperous economy.

- Restructuring the national budget will have to begin by the bridging of the welfare gap between white and black. In this respect equity is our primary concern.

Our objective is to redirect budget expenditures away from unproductive current expenditure and concentrate more resources into socio-economic development (infrastructure, housing, health, social welfare and education).

Current expenditure on the military will need to be radically revised downwards, thus freeing funds to be spent on social investment.

- Measures to encourage savings and investment. Macro economic instability, elements of the tax system, inflation, the management of interest rates, government current expenditure, income distribution and unemployment are all very important variables in influencing the levels of gross domestic savings.

Domestic savings

The decline in the ratio of gross domestic savings to GDP (18 percent in 1991) has to be reversed as should the trend towards less investment of domestic savings.

In 1991 for example only two percent of gross domestic savings was used for net investment as compared with an average of 51 percent from 1980-84 and 24 percent between 1985 and 1989.

- Industrial restructuring should be aimed at turning the character of South Africa's manufacturing sector towards efficiently meeting domestic demand (particularly basic needs) and simultaneously becoming internationally competitive.

This is an edited version of an address given by **Tito Mboweni** of the ANC's Department of Economic Planning at a conference in London.

Sowetan

1/10/92

Current expenditure on the military will need to be radically revised downwards, thus freeing funds to be spent on social investment

But in order to achieve this in the medium to long term, a number of factors will have to be attended to. Some of these are: higher levels of R&D investment, technical skills development, productivity improvement, the removal of bottlenecks and distortions in the tax system and an overall cost reduction plan.

- Trade policy. Here the emphasis should be on an appropriate tariff and exchange rate regime and export promotion strategies.

- Human resources development. In this context, the education system in South Africa requires major restructuring.

In addition skills training (particularly scientific and trade oriented and programmes to upgrade existing personnel will be crucial.

- Science and technology development. This is important, given the importance which science and technology (S&T) is assuming in the global economy.

South Africa requires a highly indigenous and appropriate technological base which will amongst other things be founded on: access to S&T education at all levels and the selective application of new technologies (especially in the areas of micro-electronics, information technology, biotechnology, new materials and medical technologies).

- Minerals and energy utilisation. The most important aspect of restructuring in mining is the need to integrate the mining industry more forcefully with other sectors of the economy by encouraging mineral beneficiation and the creation of a world class mining and minerals processing capital goods sector.

In terms of energy and the environment,



176

national electrification is by far the most glaring requirement whose economic and other benefits we do not need to over emphasise;

- The informal sector. The informal sector has developed as a response to the exclusiveness of the apartheid economic model. Nevertheless, it seems to us that there are certain critical aspects of the informal sector which may be a basis to further the mobilisation of savings and development of capital.

The current activities and plans of some informal sector organisations (for example stokvels or informal savings clubs) provide some clues (not solutions) to some of the areas of possible growth which should form part of our restructuring programme if sufficient support is given to them.

- Black economic empowerment.

For us black economic empowerment is important for primarily three reasons. The development of a black entrepreneur class is a critical component of the deracialisation of business and society in South Africa.

Black entrepreneurs

The entry of black entrepreneurs into the formal economy will utilise hitherto unutilized entrepreneur energy which was wasted during apartheid.

The development of a black managerial class is one of the fundamental elements of an affirmative action programme which should be undertaken within the context of justice and utilisation of human resources on a wider scale in nonracial terms.

- Land redistribution. The existing racial land policies which were based on the 1913 and 1936 Land Acts and which resulted in the existing unequal land distribution have to be changed.

This could be done among other things through a representative land claims court which would make the necessary adjudications with regard to competing claims to land.

However land redistribution should be cognisant of the need to achieve higher levels of food production.

Unskilled workers will be taught to build homes for disadvantaged

176

Sowetan 1/10/92

■ Disadvantaged benefit from business sector scheme:

By Joshua Raboroko

UNSKILLED and unemployed blacks are offered opportunities to become entrepreneurs, to create employment and wealth by building homes for disadvantaged communities in the townships.

The offer made by the Marketing Builders Services (MBS), the Khayaletu Home Loans and Vi-Spin is an attempt to train blacks to build their own homes during South Africa's current housing crisis.

The offer was announced at a seminar held at the Indaba Hotel, Bryanston, where 75 major companies pledged to get involved in solving the major crises of housing, job creation and a stable workforce.

MBS managing director Mr Ken Dlamini said that the project would get off the ground on November 16 in Kwa-Thema near Springs when 100 teams, consisting of six unskilled men each, will attempt to erect 100 two-roomed houses at the rate of 10 to 20 a day.

He said the best team would be judged on speed and quality and be

awarded different prizes at the end of the period.

Prior to the competition training would be given to all the workers at a one-day seminar to be held at Kliprivier in the fields of beam building, roof-fitting and floor-tiling.

The foundations would be cast by local builders two weeks before the competition. Major employers had been approached to sponsor one or more teams.

The cost of each completed house would be R17 500. The money is to be used to complete the project and paid back to the sponsor at the time of registration of the property to the new owners, who would be financed by Khayaletu Home Loans.

The projects are to be undertaken by unskilled and retrenched workers who will return to their communities with knowledge that they can use to build homes on a "do-it-yourself" basis.

"We are trying to create jobs, attend to the housing crisis, promote black entrepreneurship in the townships and help to create a stable workforce."

Help for disadvantaged youth

Sowetan 1/10/92

By Joshua Raboroko

THE Young Entrepreneur Foundation plans to teach business skills to disadvantaged township youths.

The focus will be particularly on victims of racial discrimination, helping them to become businessmen and businesswomen in the townships.

YEF executive director Mr Oscar Mamba said years of arbitrary restrictions on blacks in economic and political spheres played a dominant role in destroying the sense of initiative, creativity, competitiveness and individual achievement of the youth.

He said: "YEF is firmly convinced that the most serious domestic problem in South Africa is the accelerating deterioration of our township youths.

"It is critical to note that black youth

■ The YEF will focus its energies on aiding township kids to offset years of arbitrary restrictions on blacks:

would have been better off economically and educationally, and not because of their colour, had they been equal to and afforded the same head start enjoyed by the majority of their white counterparts.

High school dropouts

"Violence, larceny, drug abuse and teenage pregnancies have all increased. Not surprisingly, there is a steady decrease in high school graduation rates," he said.

"Throughout South Africa, there are tens of thousands of township youths between the ages of 15 to 26 who are high school dropouts, unemployed and participating in highly destructive life-

styles."

He added: "No one needs empowerment more than the disadvantaged youths in the townships."

YEF's "goal vis-a-vis education, was to end the persistent "vicious cycle" of dependency, poverty and crime that afflicted most townships.

"Its programmes and activities are to teach them financing and management of small businesses.

"With our guidance, these young people can acquire the business skills necessary to become economically independent," he said.

For more information Mamba can be contacted at (011) 483-3280.

Salvation of poor 'via bit of *STAR* help and *3/10/92* expertise'

JOE LOUW

DR Esther Chinkanda, the new chief director in the Department of Local Government and National Housing, is a firm believer in self-help — the “pull yourself up by your own bootstraps” kind.

It is the only kind, she believes, that poor communities can rely on to rescue them from the degrading cycle of poverty.

It is a lesson she has learnt the hard way.

Chinkanda was born into a humble family of eight children. Her father, Alfred, was a tailor who emigrated from Malawi in the 1950s. They lived at 65 Sixth Avenue, Alexandra, during the darkest days of crime and gangsterism. Today that plot is, ironically, occupied by the notorious Madala hostel.

“Twice my family was forced to move from Alexandra,” Chinkanda told Saturday Star. “Once we had to flee the terror of the Msomi Gang and the second time we had to leave because we were victimised by the Government’s mass removals.”

Even so, Chinkanda still nurtures a pride and fondness for her roots in Alex, especially her memories of her father who, she says, taught her to believe in herself.

“He was very assertive and ambitious, especially where his children were concerned,” she says. “He had many of the qualities required for success. He was tolerant, persevering, very goal-oriented, very hard-working and never expected a handout.”

In her job as head of two important sub-departments in the Department of Social Welfare



NO ILLUSIONS: Top bureaucrat Esther Chinkanda believes the poor must rely largely on themselves.

STAR 3/10/92
and Community Development, these values are of primary importance. While she admits there will be a need for a massive infusion of funds to help solve problems — such as those of informal settlements, black education and lack of skills — she sees the

is there. All they need is a little help and expertise,” she says.

While she recognises that her vision of what can be done “is not necessarily new”, Chinkanda does not see her job as being desk-bound. “We shall be dealing with making policy and its implementation in association with provincial structures, but not in the abstract. We will be consulting and monitoring the impact of those policies at every stage.”

Her qualifications for her job include, among others, an honours degree from Unisa, a masters degree from the University of the North and a doctorate from Western Reserve University in Cleveland, Ohio.

But it is her stint at Baragwanath as a medical social worker during the height of the Soweto uprising that had a major impact on her thinking. “Those were traumatic times,” she says, “and very few of us would claim not to have been affected profoundly. It left many without any illusions about human nature.”

176
176
**‘Believe me,
the spirit is
there. All poor
people need is
a little help and
expertise’**

the long-term solution to these problems as lying in community participation and self-help.

“We are focusing on the largest segment of the community which reflects the greatest need — that is, the black community,” she says.

The Government does accept that it has a responsibility, but communities cannot shun their own responsibilities.

“Believe me, the spirit

FORUM OF black women in business

South (176)
By Juanita Williams

3/10-7/10/92.
IMPROVING the skills and success-rate of black businesswomen is the main aim of the African Businesswomen's Development Forum (ABDF).

Started under the auspices of Fabcos, the forum is run by Khayelitsha businesswomen Ms Joy Msizi and Ms Tembi Tobi.

"The forum is still in its infancy," said Tobi, the secretary. "We are incorporating all businesswomen — hawkers, dressmakers, taverners, shebeen owners and hairdressers."

Its aims include:

- Creating more work for black businesswomen.
- Getting more black women involved in business.
- Getting the informal and formal business sectors to work together more closely.

"We encourage black women to take business courses given by the Small Business Development Corporation (SBDC) and Triple Trust," said Tobi.

The official launch of the forum is on October 3, with a fleamarket at Nonkqubela station at site B in Khayelitsha starting at 8am.

Sanlam has sponsored 30 tables at the fleamarket.

- Fabcos has also been involved in the planned launch of the Informal Business Development Trust. This will be registered as a Section 21 Trust and will help the informal businesses gain access to affordable trading/manufacturing space.

- Fabcos national vice president Mr Sam Tuntubele is heading a major drive to unite all separate business organisations in the Western Cape into a single representative body.

The idea of this "Consultative Business Forum" has already been mooted among most local organisations.

Black Management Forum —

getting blacks into business

South 3/10-7/10/92.

(176) (176)

THE Black Management Forum (BMF) was launched by a group of black managers to explore prospects of establishing a body to facilitate black entry into and effective participation in business management leadership.

The political upheavals of 1976 and 1977 led to the organisation going through a lull until 1978 when the initiative was resuscitated.

On February 26 1981, the BMF was formally accorded the status of an Association incorporated under section 21 of the Companies Act, (Act 61, of 1973).

From 1986 onwards the BMF embarked on a vigorous drive aimed at establishing branches outside Johannesburg. It now boasts 11 full branches and 3 student chapters.

The activities of the BMF over the years succeeded in creating awareness in the corporate world of the need to develop managerial leadership also among black people and these activities helped to lend credibility to the management profession in certain quarters of the black community and among black students at tertiary education institutions.

The awareness created by the BMF for the development and inclusion of black people into high-level occupations did not bear the desired results. The number of black people in managerial positions in the country has hovered around three percent for many years.

The BMF has resolved directly and actively to enter the field of human resource development and organisational development insofar as it affects black people.

As a black initiative dedicated to a non-racial workplace it seeks take advantage of its background in entering into effective strategic alliances with companies.

What is the Black Management Forum?

It is an independent and non-governmental black initiative dedicated to placing black managers on an equal footing with managers from other backgrounds and environments and thereby cultivate attitudes, beliefs, motivations and competencies in both black and white managers and business leaders which will be conducive to the growth of the economy.

Mission Statement

The BMF stands for the development and empowerment of managerial leadership among black people within the work environment, and the creation of a workplace that reflects the demographics and the values of the wider community.

Strategic Objectives

1 To train and develop black people to be effective business and management leaders.

2 To ensure appropriate recruitment, selection and advancement of black people into business organisations.

3 To provide career guidance services and facilities to members, including students.

4 To facilitate the process of the indigenisation of business.

5 To promote awareness of the importance of managerial leadership for economic advancement and empowerment.

6 To encourage members to play an active role in the broader South African community.

7 To create a dynamic and effective platform for the exchange of management and business information, views and experience.

8 To become an effective voice for the needs, aspirations and views of members.

9 To uphold and enhance the highest professional standards and principles in business and managerial leadership.

10 To develop and implement programmes for the monitoring of

organisational performance on the normalisation process in the context of the mission of the Forum.

Key Principles

1 The optimum utilisation of the country's human resources.

2 Equal opportunity, self-development and advancement.

3 Establishment of conditions and structures for strong economic growth.

4 A just non-racial democracy for South Africa as one nation.

5 An Africa-centred management and leadership perspective which takes South Africa as a point of departure in relating to the global political economy.

Driving Values

Competence

1 A competent and capable management cadre.

Ubuntu

2 A responsive and caring attitude.

Unorthodox

3 A different and creative management style.

Integrity

4 Honest and ethical standards, respecting the environment.

Service and Benefits

Individual members, including students, are prepared to play an effective management and leadership role in corporations and in the community. Corporations and employers are assisted in finding the most appropriate ways of harmonising with the community and in identifying, developing, and advancing people irrespective of colour or background for business strategic survival and success.

Membership

Membership of the Forum is open to all, black or white, who aspire to be managers, who practice management or who teach or train in management. Corporations and institutions are actively encouraged to be members of the Forum.

Honouring that man who did it for business and his people

By JETHRO SEREISHO

176

Cl Press 4/10/92

ONE of SA's prominent black business personalities, Sam Motsuenyane, will be honoured next Sunday (October 18) when the grassroots business organisation, Business Challenge (BC), holds a "Thank You, Dr Motsuenyane" bash.

Motsuenyane, who retired as president of the National African Federated Chamber of Commerce (Nafcoc) after 28 years, will be honoured for "his tireless and great contribution to business in the country" according to BC chief executive Phil Khumalo.

"We feel an honour for Dr Motsuenyane is necessary.

"There is no doubt that his talents in business made the man.

"The man did not fight the battle of business alone, but most importantly he fought apartheid," said Khumalo.

Khumalo added: "Motsuenyane used to question the lack of black personnel in high positions at companies that he visited, that is why I say he fought many battles for his people.

"He is a socio-political personality, hence he never stopped condemning apartheid and its consequences.

"Other people tend to isolate a political person but that never deterred him in business".

Khumalo also indicated that Motsuenyane is expected to bring along his former Nafcoc executive members "since the man believed that his success was not a one-man show".

Khumalo also added that Motsuenyane's successor, Archie Nkonyeni, will, as president of NAFCO, also attend. "Motsuenyane is among one of the few people who started successful business ventures such as the African Bank. That is not an easy task.

"I am not saying everything became a success, but his spirit has never been deterred by negative inputs coming from different sources and that alone takes a strong person," pointed out Khumalo.

The event will be held in Johannesburg where Motsuenyane will be guest speaker. He will be followed by Khumalo who will speak on the challenges facing blacks in the changing South African business environment.

BC, one of the promoters of black business and black economic empowerment, boasts a 10 000 membership country-wide.

American business personality Pat Roper will talk on the links between black South African business with African-American business in her homeland.

DBSA opens up the doors

Ciprien 4/10/92 176

THE Development Bank of southern Africa (DBSA) is spearheading black economic empowerment by providing loans to people who once had no chance of getting started in business.

DBSA Business and Entrepreneurial Development Group manager, Mike Mohohlo, said the mission of DBSA was to promote socio-economic development by empowering people and communities.

Mohohlo said the bank supported the use of local resources, community involvement and job creation through business and entrepreneurial development.

"The beneficiaries are the developing communities of southern Africa," he said.

The implementing agencies of the bank include international, national, regional and local government authorities, their respective development agencies, parastatal organisations, and development community-based organisations.

He said the bank mobilised resources to build human and institu-

tional capacity through advice, information, policy dialogue and other means.

"The bank does not implement projects itself, but monitors the progress of projects implemented by borrowers and disperses loans according to the progress made.

"By fostering community commitment, people will be empowered to participate actively in development initiatives," he said.

The bank also identified existing and potential business and entrepreneurial opportunities to promote effective community participation and action.

The group interacts and co-operates with other development groups to ensure that development programmes have regional and sectoral balance.

Business and entrepreneurial development support programmes address issues such as policy and strategy formulation and provide access to finance, facilities for commercial and manufacturing purposes, effective networking of

joint ventures, partnerships and subcontracting opportunities and to upgrade technical and business management skills.

Mohohlo said the bank was primarily a wholesale lending organisation. However, given its funding structure, limited grant finance was considered under certain circumstances.

He said the bank did not finance recurring costs, but could assist the borrower in leveraging or securing appropriate additional funding from other sources.

The bank financed the capital elements of projects, including skills development, training, and loans for working capital.

Any project lodged with the bank is appraised in terms of an economic base, financial capacity of the implementing agency, community acceptance and involvement in the project.

For more information contact Mohohlo at (011) 313-3749, or write to him at PO Box 1234, Halfway House, 1685.

Start training now!

Many young pupils are forced to leave school before they actually realise the full potential within

REPORTS BY ELIAS MALULEKE

BLACKS must start training now and take over the challenging business management roles in the new SA.

The SA Institute of Chartered Secretaries and Administrators (CISA), has launched an initiative to tackle the "critical" shortage of business managers at middle and senior level.

CISA chief executive Alan Barrable said reliable estimates suggest that if SA met its economic targets, almost 500 000 additional business managers would be required in all spheres of enterprise within the next eight years.

"By making studies and qualifications more accessible, we hope to stimulate greater popularity for business education."

Barrable, who is also the chief executive of the recently launched Chartered Institute of Business Management (CIBM), said the major objective was to improve awareness of the opportunities inherent in business careers.

The CIBM will educate students in the four pillars of business management - legal, accounting, interpretive and management.

Barrable said the major advantage was that students of CIBM would be entitled to register for membership at various levels after passing the four module subjects, without having to wait years to complete the entire course.

Students who achieve Fellowship of CIBM qualify to apply for the internationally recognised Fellowship of the CISA.

He pointed out that many young achievers were forced to leave school before realising their full potential.

CISA was also expanding its bursary programme through its Business Administrators Educational Foundation (Mentor). The bursary fund is donated by SA business and members of the institute.

Those with genuine need and the potential to succeed may apply for funding by contacting Barrable at (011) 403-2900.



GOING BANANAS ... A young hawker feels the pinch but it doesn't show as he greets customers from behind his banana-laden table.

Small business talks to US

SUN CITY — The SA small business fraternity, meeting in Sun City, was linked by satellite to the US yesterday.

US Small Business Administration (SBA) national programme manager John Bedris fielded questions from panelists of the Small Business Unity Workshop

Chairmen of the four different conference workshops were: Keith Foster, CEO of the construction training agency and Sunnyside group (deregulation) chairman; Dick Robb of Barlow Rand and chairman of the Matchmaker services (sub-contracting/matchmaking); Willie Conradie of Volkskas and Trust Bank (financing); and Business Challenge (marketing) CE Phil Khumalo. *BIDAM 6/10/92*

The link-up, sponsored by US Information Service, showed that the US had many of the same problems concerning small business as SA, but was tackling them.

Bedris said his organisation had the same problem when it came to training small business people.

Most of them would say that all they

SS THEO RAWANA *SS*

needed was finance; they did not need training, they said.

"We fight the same battle in the US and 80%-85% of the failures in business are due to lack of management training."

He advised SA to step up marketing of planning programmes. *SS*

However, the US had lower interest rates than SA, so there was no need to make concessions for budding businesses.

Another advantage when it came to starting a small business development programme was that the US had a good resource environment.

"We did not have to fight like you have to for your base," said Bedris.

He advised SA to train the small rural and urban communities to go for exports. There was no point in people being trained to sell to their own communities, he said, because there was hardly any money in those communities.

Black businessmen told to build capital

THEO RAWANA *176*

SUN CITY — The ANC urged black businessmen to think of building up capital instead of trying to ape whites with palatial houses and expensive cars, the organisation's trade and industry policy co-ordinator Tito Mboweni said at the weekend.

He was addressing the Small Business Unity Workshop conference, organised for the annual Small Business Week and hosted by Potchefstroom University's Small Business Advisory Bureau.

Mboweni urged government and parastatals to allocate contracts for undertakings such as the supply of stationery and computers. "This would go a long way towards promoting the development of small business. The black businessman grows on contracts." *BIDAM*

However, he asked: "Are black businessmen ready to take up the task? Are they taking advantage of these packages or just squandering the resources?" *6/10/92*

"There is a pattern among blacks. We have been excluded for many years from the good things in life. To equal whites, we build big houses and buy expensive German cars.

"That money which we could get from the SBDC or the banks could be used to build capital. We should pool our financial resources to buy shares," he said.

"Why can't we learn from Afrikaners who put all their money into Volkskas, their insurance into Sanlam and their buying power into Uniwinkel?"

Nedcor raises R2m for drought relief

MEREDITH JENSEN *SS*

NEDCOR Bank has managed to raise nearly R2m through its drought relief effort, The Harvest, despite the poor economic climate. *BIDAM 6/10/92*

Launched by Nedcor in July, The Harvest has seen individuals, as well as corporations, pool their resources in an attempt to help SA's millions of drought victims.

Nedcor Bank public affairs GM Theo Coggin said the bank hoped to attract the attention of corporate investors during its final month of the drive.

"The Harvest is the perfect conduit for corporations which have earmarked funds for drought relief." Nedcor had the ability to channel funds directly to relief efforts without deducting administrative fees, a common practice.

Coggin said many corporations had already donated funds to The Harvest, including Murray & Roberts, LTA Construction, Highveld Steel and Vanadium and CG Smith Foods.

Nedcor's objective with The Harvest had been to support a sustainable and stabilising relief effort, he said.

In addition to the corporate funds raised, Nedcor had been donating 10c for each ATM transaction, amounting to R350 000 a month off the company's bottom line.

The credit card division had pledged 15c for every R500 spent, while Nedcor employees had been asked to donate up to 3% of their annual bonus, Coggin said.

NATION BUILDING Here are the finalists for the Sowetan Community Builder award

Community builders helping the needy

Sowetan 6/10/92 *176*



Name: Ernest Hans
Age: 36
Home: Port Elizabeth, but originally from Mbekweni Township in the Paarl.
Profession: Literacy teacher for Transnet
Community work: Khulani Youth Club in Cookhouse, near Port Elizabeth. The project provides recreation for the youth, most of whom were into drugs and alcohol before Hans started it. The activities co-ordinated by Hans are modelling classes for girls; organises the Groovy Guys, a local boys' dance group; organises community concerts through which the youth club raises funds; teaches drama, art and literature.
Aims: To keep the youth off the streets and help reduce, particularly, the rate of teenage pregnancies and that of alcohol and drug abuse.
Motivation: "My father taught me to care about other people. When I came here there seemed to be no hope for the youth who had nothing to do but self-destruct," he says.
Previous community work: Worked with the youth in Paarl, where he originally comes from, organising concerts and sports events. Hans was organiser of the Mbekweni Projects Committee which was responsible for establishing community facilities like the library and a creche in the area before he moved to Port Elizabeth last year.



Name: Vuyo Lindela
Age: 36
Home: Kimberley
Profession: Businesswoman
Community work: Initiated and still runs a project for street children in Kimberley, Ikhuseng Township and Vryburg. The project reaches over 200 children and sometimes adults from these areas. They are all fed and until recently the money for food came from Lindela's own pocket. Through her efforts, a local company donated a home, Sebusi Mahanyele Children's Home, to accommodate about 35 street children in the area. Lindela's is the only project for street children in Kimberly.
Aims: Lindela's ultimate goal is to see all street children reunited with their families and those who cannot be, sheltered and assured a meal every day as well as an education.
Motivation: "It is my own difficult upbringing which inspired me to help these children. I know what it is like to go without food and if I can help it, I won't let it happen to any child," she says.



Name: Mr Johannes Sello
Age: 37
Home: Brits, near Pretoria
Occupation: Laboratory assistant for a chemical company.
Community project: Initiated the Retlakgona Youth Club. The club gathers the youth for recreation and sports. They write and recite poetry, dance and sing as well as play sports like cricket, hockey, volleyball, table-tennis and netball. The club also holds beauty contests and proceeds are given to any worthy cause in the community.
Aims: To keep the youth off the streets and protect them from problems like alcoholism. The club also aims to provide the youth with spiritual and cultural fulfilment.
Motivation: "To have a community with self-help and a sense of social responsibility."



Name: Muzi Hlongwa
Age: 31
Occupation: Mechanical engineer
Home: Dududu, Natal
Community work: Initiated Siyeza Education Project, which has seen to the introduction of physical science classes for the first time in several schools in the area. It incorporates supplementary classes in English, Maths and Science for Standards 6 to 8. These classes are run by a group of volunteer teachers organised by Hlongwa with himself helping with the teaching of Maths and Science.
Aims: To improve the lot of children from the rural areas on the Natal South Coast by giving them, through the teaching of science, better career opportunities which have long been open to their counterparts in urban areas.
Motivation: "My own difficulties trying to find a school that offered science subjects here got me thinking about the problem facing the children. When I passed matric and later graduated as a mechanical engineer, I realised it could be done."



Name: Eunice Mukhuoa
Home: Mangaung Township, Bloemfontein
Occupation: Former dress-maker
Community project: Initiated Boitumelo Sewing Project for women in the township as well as a feeding scheme mainly for the aged from nearby squatter camp areas. The feeding project was necessary because of the number of destitute elderly people in the area, especially those from the squatter camps. The aged who are catered for in the project are not only given food but they also get time for exercise and recreation like dancing to traditional songs. Mukhuoa has managed to get them to also help in the feeding project by taking turns to cook for the grannies while others are busy sewing and others selling.
Aim: To help unemployed women make a living and give the destitute old people in the area a healthy meal.
Motivation: "When I fell ill and could not go back to work I realised the problem women with no skills had if they suddenly found themselves unemployed. "But with my sewing skills I could make a living. Nobody cares what happens to the squatter people, let alone those who are aged. There was an urgent need to help them," says Mukhuoa.



Name: Sarah Sibanyoni (pictured left) and Dorothy Zikalala
Sarah's age: 55
Dorothy's age: 65
Home: Soweto
Sarah's occupation: Unemployed domestic worker
Dorothy's occupation: pensioner
Community project: The Soweto Epileptic Self-Help Organisation (Sesho) and the Tsakane Luncheon Club for the aged. The project was started by Sibanyoni and her friend Dorothy Zikalala. The epileptics meet every day at clinics in Zola, Tladi and Tshiawelo for moral support and to earn a living.
Aims: To help epileptics as well as the aged.

Expenses in black businesses amount to 90 percent of turnc

Black businesses hit by mass action

By Joshua Raboroko

■ THUGS ENTER FRAY Businessmen

intimidated by youths during boycotts and stayaways:

MANY black-owned retailers on the Reef are operating their businesses at a loss.

In a snap survey of 100 outlets, the Soweto Investment Trust Company (Sitco) found that 94 percent of them are operating below their break-even points.

A spate of robberies, political unrest, taxation and statutory requirements such as rent owing and service charges have put most enterprises in the red, according to the survey.

The survey says the closure of shops as a result of either bankruptcy, looting and tax crackdowns have also added to the crisis.

The findings of the survey have been supported by the Greater Soweto Chamber of Commerce and Industries, the Soweto Independent Shopkeepers' Association (Soinsa), the Katlehong Chamber of Commerce and the Vaal African Chamber of Commerce.

Sitco managing director Mr McDonald Temane says while turnovers were well recorded, expenses were clearly high. In most cases expenses were about 90 percent of turnover.

"When indirect expenses and incidental expenses such as shrinkage and disturbances of trading hours are added, the situation becomes very bleak," he said.

Temane said that most of the older traders were left with no option but to sell their businesses because of cashflow problems.

He said: "Our view is that some form of Government relief has to come into effect.

"We are mindful however of the fact that Government spending is already high, and that if we are to come out of the recession one of the measures that should be employed is the reduction of Government spending," he said.

Soinsa general secretary Mr Thami Skenjana said that the escalating rate of crime and violence had serious effects on black business, although he did not have statistics.

"I was personally threatened with death and forced by youths to close my supermarket. I was forced to pay protection money."

Skenjana said more than 40 of their members had been intimidated by youths. The incidents occurred mostly during stayaway days.

"We trade under strenuous conditions. We are faced with difficult times and unless something is done, we will be forced to close our operations."

Executive director of GSCC Mr Max Legodi said that many black businesses were collapsing as a result of violence, boycotts and stayaways.

He said that at least 10 tenants had closed their businesses at the Pimville Plaza because they maintained the shopping complex was not economically viable.

President of Katlehong Chamber Mr Joshua Namane said eight businessmen had been killed in acts of violence on the East Rand since January.

"We are forced to close business early because we fear being attacked," Namane said.

ARE YOU WORRIED?

Black hair care lift

■ Hairdressers
can get a
R15 000 start-
up kit:

By Joshua
Raboroko

PROSPECTIVE black hair-salon owners can receive about R15 000 to start business in the townships.

The scheme is a joint venture by Fabcos affiliate Afro-Hairdressing and Beauty Association of South Africa's Foundation Fund (Abhasa) and Unibank in their attempt to develop entrepreneurship.

Already more than 40 salons have been started through the scheme which has been hailed as an important milestone on the road of black advancement.

According to a successful candidate, Mr Mphumi Sejaji who owns Shadows Hair Salon in Soweto, the business is booming. He was able to attract more customers, than in his backyard in Pimville.

Financial package

Abhasa chairman Mr Xolani Qhubeka said they had started a financial package to assist members in funding the upgrading of existing salons, both backyard and formal structures.

"The unit comes with a range of hair products at a maximum cost of R15 000, depending on the needs of each member or applicant."

Unibank's general manager Mr Alan Crowford said they were proud to be associated with it because "we want to advance the small businesses in the townships".

He was optimistic that the scheme would help create job opportunities for many. For more advice applicants could approach Abhasa at (012) 327-1940.

Xolani an achiever

Stephen 8/10/92

176

YOUTH AID Matric pupil has formed two youth clubs

which help pupils to live better and more meaningful lives:

By Sowetan Reporter

XOLANI Diwani looks like any other township youth - handsome and neatly dressed with the latest in hair-styles.

But he is different. He is the first winner of the Sowetan/Willards Young Achiever Award - an accolade to honour those youths who not only work hard at their studies but also find time to work for the community and still do their bit on the sportsfield.

In his short life the 18-year-old matric pupil has founded two youth organisations.

"While I was a pupil at Sennone Junior in Soweto, I realised that to normalise our lives as children we had to get together and do things for ourselves rather than rely on others," said Diwani.

He founded his first club, the Mzwakhe Youth Club, when he was 16 years old.

The club helped members with their studies, developed their cultural awareness through music and drama and also gave them swimming lessons.

"In Soweto, where the youths do not have many constructive things to do, youth clubs are the only means of keeping young people together and building them in a positive way," he said.

In 1990 Diwani founded the St Stephen's Youth Club with only five members.

The club's main objective is to raise funds through concerts and asking for sponsorship for disadvantaged people. At Christmas the club throws a bash and hands out food parcels.

St Stephen's also gives Bible lessons which are conducted mostly by Diwani.

"We believe that getting young people closer to the Bible and church is a sure way of keeping them normal in these abnormal times," he said.

"Many youths seem to agree with us because through these studies we have managed to increase our membership from five to 35."

At his school, St Enda's Community College, he is a member of the Students Forum and a member of the choir. Last year he was in the debating team and deputy chairman of the Standard 9 fundraising committee.

He has received merit certificates for his performance in Accounting and Business Economics.

Although Diwani has so far concentrated on supporting the youth academically and culturally, his dream is to work with street children.

"Our youth club is organising a project to reach street children," he said.

"We need to get them off the streets and give their lives

meaning."

His nightmare is the violence that is ravaging the black community.

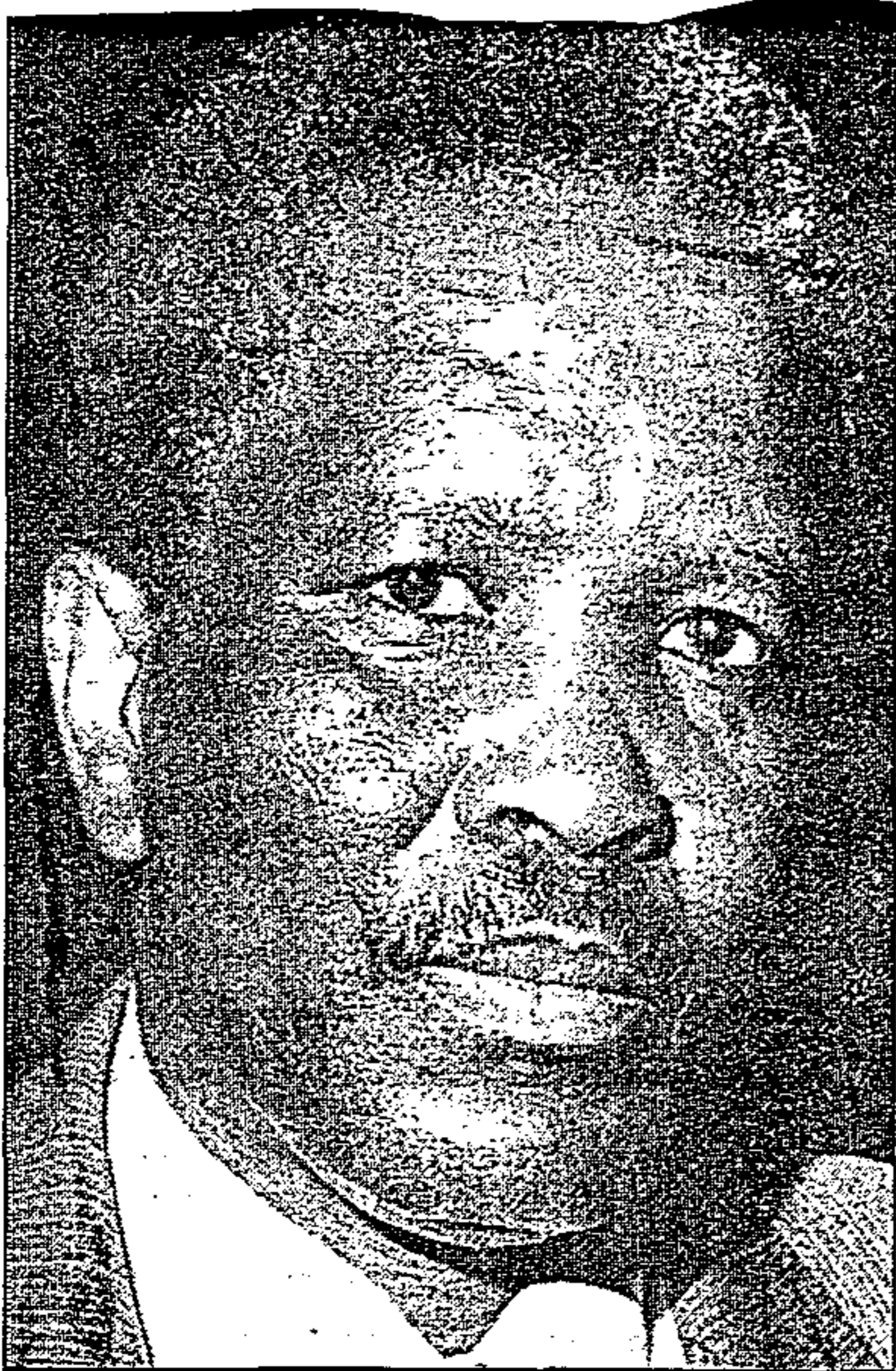
"We have met members of political organisations in Diepkloof to find out how we can tackle the problem.

"We agreed that we needed an intense campaign to change negative attitudes among different organisations. It would be the first step towards stemming the violence," Diwani said.

Two weeks ago Diwani flew to Cape Town to compete for the national title against other youngsters from Natal, the Cape and Transvaal for a bursary worth R5 000 from Willards and a floating trophy from Lions International. However, he failed to win the prize.



Xolani Diwani has founded two youth organisations.



Don Manaka



Sinnah Ramakhula

Woman named for top NSB job

■ Company throws discrimination out and appoints former social worker:

By Joe Mdhlela

THE National Sogum Breweries this week proved that it did not discriminate on the basis of sex by appointing Mrs Sinnah Ramakhula as group public affairs manager.

Ramakhulu, who joined the company in April, trained as a social worker and is a graduate of the Uni-

versity of the North.

In another development, NBS appointed Mr Don Manaka as group general manager: distribution, transport and loss control.

Manaka, a former journalist, joined NSB 18 months ago as general manager of a Pretoria plant.

Ramakhula, before branching out into social work, was a teacher for

many years in Soweto before enrolling for a social work degree at the University of the North in 1979.

She was previously employed as national co-ordinator by the South African Black Social Workers, and she was co-ordinator of the South African Institute for Medical Research in the Aids education programme division.

Sowetan 15/10/92

176 *[Handwritten scribbles]*

BUSINESS PROFILE Women urged to be active in political, social a

'Women must compete in all spheres of life'

■ South Africa's black women need to play a greater role in the economy:

By Joshua Raboroko

BLACK South African women have a role to play in solving the country's many problems, including helping to ease the housing crisis.

They need economic advancement that will enable them to create wealth, jobs and develop entrepreneurial skills, especially among the poor.

Speaking on the topic of "Women - The Home-makers" at a seminar on the housing crisis in Alexandra, executive member of Women for Peace Mrs Patience Phashe said black women have been relegated to inferior positions.

She said: "Men can build homes but women are the pillars of families. They must be given opportunities that will make them compete in all spheres of life."

Financial institutions were reluctant to grant home and other forms of loans to women, she said, adding: "This attitude must change. Women want to economically empower themselves."

She urged women to be active in political, social and economic affairs.

She was concerned about the number of black women in Codesa, and argued that "women's voices are equally important and they want to be politically liberated".

It was important that black women should take up ownership of property and become small and medium scale



Patience Phashe.

business entrepreneurs.

Regardless of their size, businesses started by black women were increasingly having a significant impact on the South African economy in view of the job opportunities that they created.

One of the problems facing black women was their acceptance into the workforce. Many have been to technikons and private schools getting "first class" training but unfortunately at the end of the day they find it difficult to find jobs.

She accused the corporate world of being racist and sexist, adding that the notions of some managers showed that there was no commitment to affirmative action.

She did not see black advancement as discrimination in reverse, she said, adding: "We have to steer clear of the question of race.

"But how do you address the question of race without mentioning race, it is like talking of drought without mentioning water," she added.

Sowetan 15/10/92

176

Sowetan 15/10/92

Honours for Sam Motsuenyane

Sowetan 15/10/92

Business Challenge tribute to leader of Nafcoc: (176)

By Joshua Raboroko

MR Sam Motsuenyane will be honoured for his role as an entrepreneur and leader at a function at the Johannesburg Sun Hotel on Sunday at 10 am.

The occasion, organised by Business Challenge, will focus on his experiences in black business.

Motsuenyane's leadership and courage in the dark days of apartheid was a guiding light for business people from the under-

privileged communities.
He is one of the founder members of Nafcoc which he led for 28 years. He retired at the chamber's annual conference in Sun City in July this year.

He is presently writing a book on black business and serves on the board of many companies. He was honoured at the Business and Entrepreneurial Development Conference organised by Sowetan and sponsored by the Development Bank of Southern Africa.

SA entrepreneurs gain support

BLACK South African entrepreneurs and small businesses are gaining more local and international support because of the annual Matchmaker business fair. *CIPM 18/10/92 (176)*

More than 150 black companies are to exhibit their services and goods to multinational and co-operate companies at the annual trade exhibition organised by the Matchmaker services (MMS).

The fair will be held at Nasrec, Johannesburg, from Wednesday to Saturday. *(176)*

Proposal for national jobs corps

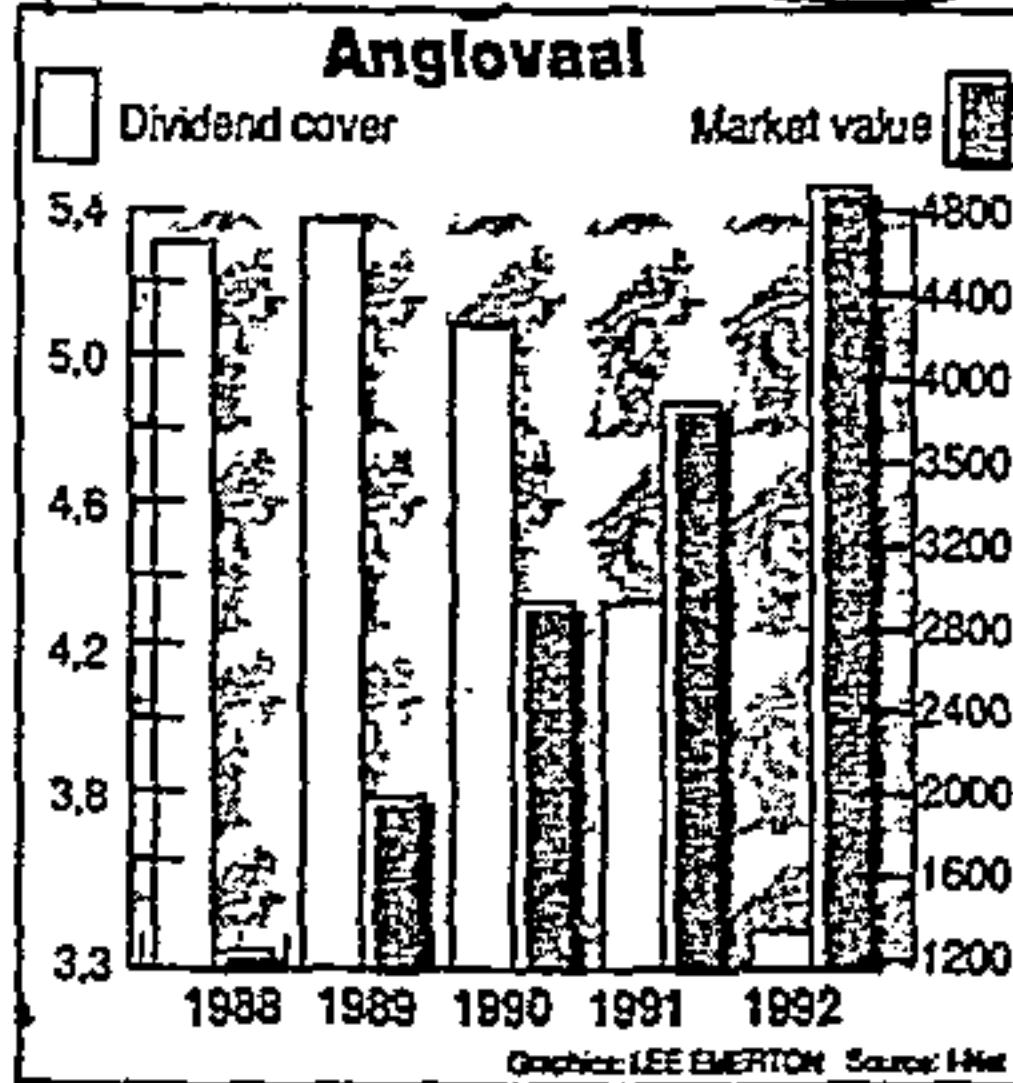
BIDAY 19/10/92
MATTHEW CURTIN

THE creation of a national jobs corps may be one way SA can break out of the vicious cycle of homelessness, unemployment and a lack of confidence in the economy, says Anglovaal chairman Basil Hersov.

In his 1992 yearly review, Hersov said continuing violence in SA, which had offset what political progress had been made in the year, had among its causes "the lack of significant change on the ground for many millions in our society, in fact a worsening of conditions".

In addition, overseas economic conditions deteriorated and there had been "a loss of faith in a better SA". The loss of faith could become a self-fulfilling prophesy, and the words unemployment and homelessness summed up "most of the fundamental problems facing the nation".

Hersov said an imaginatively and sensitively devised and organised job corps could be one of the many strat-



egies used to break out of "this negative cycle".

He said Anglovaal's confidence in 1991 that the economic downswing was flattening out had proved to be premature.

The SA economy would not turn around unless these factors occurred: "International economies must emerge from their present recessionary state; rainfall will have to return

to normal in the forthcoming season; and the political impasse will have to be broken."

With the chances small that all of these conditions would be met or that the causes of violence would be addressed successfully, Anglovaal was prepared to face tough trading conditions in the current financial year, and possibly into the next.

Hersov said the group planned capital spending of R1,4m in the next three years for "expansion and asset replacement", most of it by Anglovaal Industries.

It was hard to predict results for 1992/3, but "the economic recession, low mineral and metal prices and inflationary pressures will make growth in group earnings a major challenge", he said.

In the year-ended June 1992, Anglovaal's earnings fell to 484c from 478c a share, but the company increased its dividend to 100c from 92c a share. Attributable earnings fell to R278m from R285m.

SHARON WOOD

RESERVE Bank Governor Chris Stals will defend his restrictive monetary policy at the Sacob annual convention in Durban later this month.

One of the motions to be tabled at the convention is highly critical of present monetary conditions and calls for government, the Bank and the Economic Advisory Council to urgently reconsider current mone-

Stals to defend monetary policy

It says monetary policy has gone far beyond the limits of usefulness and is inflicting harm.

Stals said on Friday he hoped the motion would be presented at the time of his address — on the last day of the conference — because "this will give us ample opportunity to tell them why they are wrong".

The Reserve Bank was always willing to discuss its policy but criticism at the convention was unlikely to change the Bank's monetary policy stance, he said.

The motion, proposed by the Border Chamber of Commerce, calls for urgent steps to prevent the further collapse of the economy.

It is believed ANC secretary-general tus Mkgwe.

Productivity in ANC spotlight

WILSON ZWANE

NO PROGRAMME aimed at increasing productivity would succeed unless the entire economic system was legitimised, ANC NEC member Saki Macozorna said yesterday. *BIDM 21/10/92*

Addressing the 36th annual convention of the Institute of Personnel Management in Sun City, Macozorna said labour should not be blamed exclusively for the ills of the country's economy.

He said various factors had an impact on the "productivity dynamic".

These included the perception SA's economic system was illegitimate because it excluded blacks, and the poor education system which "fails to inculcate basic tenets that would help in increasing productivity".

Macozorna said the country's political crisis was characterised by:

- A lack of political legitimacy;
- Mistrust of security forces and the judicial system (by blacks);
- A climate of repression and intolerance;
- Escalating exploitation of ethnic and regional divisions; and
- The collapse of local authorities.

Police 'threatened Boipatong witness'

TWO policemen threatened a witness of the Goldstone commission of inquiry into the June 17 Boipatong massacre when they visited his home, the inquiry heard in Vereeniging yesterday.

ANC counsel Karel Tip told the commission, which resumed sitting yesterday after a two-month recess, that the witness had said policemen visited his Boipatong home on Wednesday last week. The witness was not home so the policemen had left a threatening message with his wife, Tip said.

SAP counsel Flip Hattingh told the commission the police had no idea the man was to be called as a witness.

He said policemen had visited the Boipatong area on Wednesday night to make certain observations, but said they had not entered any premises.

The commission was also told that an analysis of the erased police tapes relevant to the investigation would be made available next week. *(2/10/92)*

Judge Richard Goldstone said the British government, to whom the tape had been submitted for analysis, would provide the commission with the relevant information. — Sapa. *(2/10/92)*

Stress a danger to black managers

ANDREW KRUMM

SUN CITY — The small pool of black managers would shrink in the next five years should advancement programmes not take into account stress-related disorders, Bristol-Myers-Squibb director Ben Allmann said yesterday. *(176)*

Speaking at the 36th annual convention of the Institute of Personnel Management, Allmann said corporates had to extend their thinking beyond the workplace, or about 86% of black managers would suffer from performance-impairing stress related disorders within the next two years.

He said his predictions were based on the results of a three-year collaborative national management stress research project he conducted among managers from 13 major companies.

The project showed that black managers found their homes and community environments twice as stressful as their work.

Black managers recorded lower remuneration, less praise and more criticism, discrimination and cultural gaps as contributory to stress.

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ous threat to political
stability.”

Warning on black managers' stress (176)

ET 22/10/92
From ANDREW KRUMM

SUN CITY. — An already small pool of black managers would shrink over the next five years should black advancement programmes not cater for stress-related disorders, Bristol-Myers-Squibb director Dr Ben Allmann said this week.

Speaking at the 36th annual convention of the Institute of Personnel Management (IPM) in Sun City, Allmann said corporates had to extend their thinking beyond the workplace, or about 86% of black managers would suffer from performance-impairing stress related disorders within the next two years.

“Black management programmes are not working, and the few black managers that there are may become part of a process of natural attrition as illnesses — related to stress disorders and Aids — takes its toll.

“White, coloured and Asian managers in comparable positions are less likely to experience the executive illness, but fully half of them will suffer similar disorders,” he said.

He said his predictions were based on the results of a three year collaborative and National Management Stress research project he conducted among managers from 13 major companies.

Not surprisingly, the project showed that black managers found their home and community environments twice as stressful as their places of work.

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For Mike, the sky is the limit

Sowetan

22/10/92

By Joshua Raboroko

■ Mthombeni calls for aggressive affirmative action

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THE manager of the Soweto branch of Metropolitan Life, Mr Mike Mthombeni, says the corporate world must commit itself to an aggressive affirmative action programme.

Mthombeni, who holds a Bachelor of Commerce degree from the University of South Africa, joins hundreds of prominent South Africans who have been calling for change in the workplace.

"The corporate world will have to change its structures to suit the peoples

of this country," he said.

Born in Nqutu, Natal, he joined Metropolitan in 1971 as a policy salesman.

Through hard work he steadily climbed the ladder of success.

His hard work was rewarded in 1981 when he was promoted to branch manager.

He heads a staff of 32, a job he dearly loves and works hard at.

Perseverance, enthusiasm and the search for greater knowledge has always been his motto.

He says South Africa has a big shortage of black managers.

He says the country would need more than 100 000 new managers before the end of the century.

"I refuse to accept the myth that black managers are not available. Companies should seriously look at the issue of increasing the number of their black managers by training existing staff.

"Education and training are also vital for the development of our country," he said.

Nafcoc in plans for the future

176 ~~176~~
Sowetan 22/10/92
■ Plan for next two years:

THE role of black business in the South African economy will be discussed at the seventh biennial Nafcoc summit to be held at the Wild Coast on October 23 to 25.

Nafcoc president Mr Archie Nkonyeni said the association was reorganising and restructuring to meet the challenges of political change.

He said: "We must be proactive through a professional structure which participates and communicates in both the South African economy and in regional African affairs of the sub-continent."

The summit will review and set policy for the black business organisation for the next two years.

Another important issue will be to set guidelines for the implementation of a special programme aimed at accelerating black advancement.

"As long as the legacy of the apartheid economy remains, Nafcoc will press for economic programmes designed to bring black business closer to mainstream economic activities," Nkonyeni said.

Also attending will be Nafcoc's national executive and representatives from the organisations's regions, commercial, transport, industrial and agricultural sectors.

Soeteman 22/6/92

1716

THE buzzword in black business and political circles in South Africa today is "affirmative action".

A lot of definitions have been given by many local and international academics, business and political analysts pertaining to this controversial concept.

According to the Council for Scientific and Industrial Research, affirmative action is "a deliberate and concerted effort on the part of an organisation - public or private - to create opportunities for blacks to acquire education relevant to the core of their business.

"It is an effort to provide opportunities for them to be trained and developed and to acquire experience that will enable them to make a contribution to, and a career, in the organisation."

Visiting US academic Professor David Hunt told an audience at the University of Wits Business School that affirmative action would fail if it

amounted to window-dressing.

He said if affirmative action was based on the assumption that the recruitment, the employment and the development of blacks was merely a social responsibility, and not a wise investment in terms of nurturing human resources, the concept would fail to meet its objective.

The need for affirmative action was highlighted by former Wits Business School lecturer and manager of the CSIR, Mr Silas Thlopane, at the 22nd annual conference of the Southern Transvaal African Chamber of Commerce and Industries in Johannesburg last week.

He talked about the need to re-evaluate the needs of corporations if the concept was to succeed. Training has to begin from top management to ordinary employees and must involve everybody within corporations,

Thlopane said. "It is a difficult, costly process, but it is perhaps the only way to reap long-term rewards," he said.

Thlopane said redistribution of resources would not help if resources were inadequate. "The redistribution we need is the redistribution of opportunities through a well designed affirmative action programme," he said.

Companies must now, more than ever before, be more responsive to their turbulent and changing environment.

Affirmative action requires constructive action and a new organisational culture. Regardless of who may govern this country within the next five to 20 years, the greatest challenge facing all South Africans is the urgent need for wide-ranging development projects.

He said a democracy that does not take seriously the feelings, thoughts, and aspirations of millions of people at grassroots level - the poor, the less educated, less experienced, the ordinary workers, the peasant farmer - would fail.

If the urgent need for development is ignored, the achievement of political goals and liberation would be totally meaningless.

pirations of millions of people at grassroots level - the poor, the less educated, less experienced, the ordinary workers, the peasant farmer - would fail.

If the urgent need for development is ignored, the achievement of political goals and liberation would be totally meaningless.

Any post-apartheid Government in South Africa will inherit a formidable, deep-rooted socio-economic crisis.

Thlopane said the extent of the crisis could be illustrated by economic indicators. He cited examples of high unemployment, poverty, unequal distribution of income, productive assets and land, negative growth, high inflation and the tremendous decline of the rand exchange rate.

Affirmative action is truly an investment in people. The best way to relieve poverty is by improving the ability of the poor to earn. In this regard, the link between education, earnings and development is well established. A crucial question facing South Africa is how to allocate educational spending in the most equitable and efficient manner.

Affirmative action is a deliberate and concerted effort on the part of an organisation to employ blacks with potential in the technical, scientific, management, and professional job categories.

Its programme is a set of measures designed to ensure that people who have been disadvantaged - blacks, coloured, Asians and women - will enjoy equal employment opportunities and will be equitably represented in the various positions of employment.

Representations of these people in various positions is determined by factors such as: - the availability of people with the relevant skills and qualifications; - an evaluation of existing employment decisions, which include recruitment and selection procedures; training and promotion developments; efforts to create integrated work teams.

Affirmative action means different things to different people. For many it means the general elimination of discrimination and that only merit and efficiency will be taken into account when deciding on the appointment or promotion of people.

To others it means much more namely, equal results - that is, righting of the wrongs of discriminatory measures of the past. In the latter instance the reference is to specific groups and their backlog in respect of education and in the political, social and economic environment as a result of discriminatory measures of the past.

In this sense, it is a move away from the level of equal opportunities to statistical parity of groups in given situations. It is about managing diversity in the hiring procedure.

It is an action process of self-evaluation, related to how we allocate economic opportunities.

He said companies must move towards a discrimination-free society, so that we can reap the benefits of our diverse populations. "The potential for success is enormous," he said.

The actions aim to improve tolerance, and cooperation between various races within the organisation, to address differences, and to show how these can be used to enhance the performance of the workforce.

"South Africa must move towards a discrimination-free society, so that we can reap the benefits of our diverse populations. "The potential for success is enormous," he said.

freeding the work environment from discrimination was the only viable road for South African companies to follow.

It has been said that there was nothing as unequal as the equal treatment of unequals. Although reverse discrimination has always been a contentious issue, affirmative action programmes did not exploit workers, and they were not used to the detriment of the company.

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In this sense, it is a move away from the level of equal opportunities to statistical parity of groups in given situations. It is about managing diversity in the hiring procedure.

It is an action process of self-evaluation, related to how we allocate economic opportunities.

He said companies must graduate from talking about affirmative action to implementing it. To change attitudes and behaviour in a company was not easy, but

freeing the work environment from discrimination was the only viable road for South African companies to follow.

It has been said that there was nothing as unequal as the equal treatment of unequals. Although reverse discrimination has always been a contentious issue, affirmative action programmes did not exploit workers, and they were not used to the detriment of the company.

The actions aim to improve tolerance, and cooperation between various races within the organisation, to address differences and to show how these can be used to enhance the performance of the workforce.

"South Africa must move towards a discrimination-free society, so that we can reap the benefits of our diverse populations. "The potential for success is enormous," he said.

Mavundla joins big business ranks

By Joshua Raboroko

HAWKERS' supremo Mr Lawrence Mavundla has made a big leap by opening a household products manufacturing factory in the Johannesburg Central Business District.

Mavundla, who is president of the 14 000-strong African Council of Hawkers and Informal Businesses, plans to open five other outlets to serve the informal sector.

Mavundla King Products factory is at 41 Plein Street and sells a wide range of products, including detergents.

"I take the opening of the factory as a challenge to empower my members as well as to allow them to get products at a cheaper price," Mavundla said at the

Swetzer 22/10/92.
■ Achib leader opens detergent factory

in Johannesburg CBD:

176

[Handwritten signature]

official opening of the factory this week.

He started the organisation after hawking for a long time in the city because he could not find employment.

He was sacked from his last job for protesting against low salaries on Reef mines.

"I strongly believe the informal sector will help create jobs for thousands of disadvantaged blacks," he said.

He learned to mix chemicals and fabric softener and other household products, while a hawker, from sheer desperation.

Also speaking at the launch was the United States programme director of WK Kellogg Foundation, Ms Freddye Webb-Petett, who said that her company would start an intensive programme to train the disadvantaged in many fields.

The company was also prepared to train small entrepreneurs to develop their skills in business.

She said she was impressed by the spirit of entrepreneurship which was emerging among the black communities, especially women in South Africa.

Training a vital component of affirmative action

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Sowetan 23/10/92.

■ Courses on job skill and management:

TELKOM says it is involving trade unions in its affirmative action strategy - "needed for competitive advantage and business viability" - and does not expect any large stumbling-blocks.

Training is an important component and includes:

● A managers-in-training course for high-potential employees.

It's aimed at enhancing interpersonal skills, self-knowledge and management ability in a culturally diverse milieu.

● Literacy/numeracy programmes for the unskilled.

● Practical technical courses for employees.

Overseas courses are also included.

"We see the emphasis falling on accelerated job-skill/academic training; effective people management skills; and equal employment and promotion opportunities," says Telkom.

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Affirmative action at V & A Waterfront?

(S Times
Cape Metro) 25/10/92 BY EVE VOSLOO (176)

AFTER two further meetings with political organisations concerned that Cape Town's waterfront is "all-white", the Victoria & Alfred Waterfront Company is considering "some kind of affirmative action".

Mr Basil Davidson, ANC regional executive committee member dealing with development-related issues, said this week that he had recently had a second meeting with the V & A company's director, Mr David Jack. The first meeting was reported in the Cape Metro in June.

Mr Davidson said Mr Jack had agreed to a future meeting with concerned organisations — which Mr Davidson undertook to arrange — to discuss affirmative action.

"I am merely acting as a facilitator," Mr Davidson said. "Groups like the Western Cape Traders Association and some of the unions should become directly involved."

Mr Barney Desai of the Pan Africanist Congress said this week that he had recently accompanied well-known Cape Town businessman Mr A K Pier to a meeting at the waterfront "to discuss contributing to the development there".

"I discovered that apart from one takeaway run by a black woman the rest of the development seems to have fallen into the control of one ethnic group," Mr Desai said.

"Since it is on state land we feel very strongly that there should be broader community participation and that all projects should have been put out to tender."

The director of the Waterfront, Mr David Jack, said this week that the meetings had led to a better understanding.

"We recognise that the issues raised are pertinent and they will be addressed," Mr Jack said.



ROUND ONE! ... Opening the NSB's new beer plant in Verwoerdburg last week are (from left) the NSB's L Mathabathe, the ANC's Joe Modise and Thabo Mbeki, and NSB chief executive Prof Mohale Mahanyele. ■ Pici THULANI SITHOLE

Booze battle brews as beer plant opens

By JETHRO SEREISHO

THE awesome task of tackling SA Breweries in their own backyard does not worry Prof Mohale Mahanyele, chief executive of the black-controlled National Sorghum Breweries. (176)

This week Sorghum Breweries launched a R1,2-billion clear-beer plant in Verwoerdburg, the mecca of wealthy Afrikaners.

"Our new beer will be successful because our target is the lower-income group which has always supported us," he said.

Mahanyele believes the price of the new beer will hit the "Lions and Castles" hard.

"We have now added another chapter to our history. For the first time in SA blacks have started making clear beer.

"There is a need for blacks to

show their ability and ingenuity, and we will demonstrate that we can do this." C/Prem 25/10/92

Mahanyele accused big business of not being interested in the black majority in SA.

"The NSB has created thousands of job opportunities and given economic empowerment to more than 500 000 blacks, and we are already involving our-

selves in the food, beverage and leisure industries.

"When the company was started its mission was to aim for black empowerment through ownership, control and management - in which direction we have made great strides."

The new beer, which has not yet been named, will be on the market by the middle of 1993.

Says the leading criminologist who examined psychotic killer Strydom: "I'm really afraid, because I don't think Strydom is a safe person out of prison."

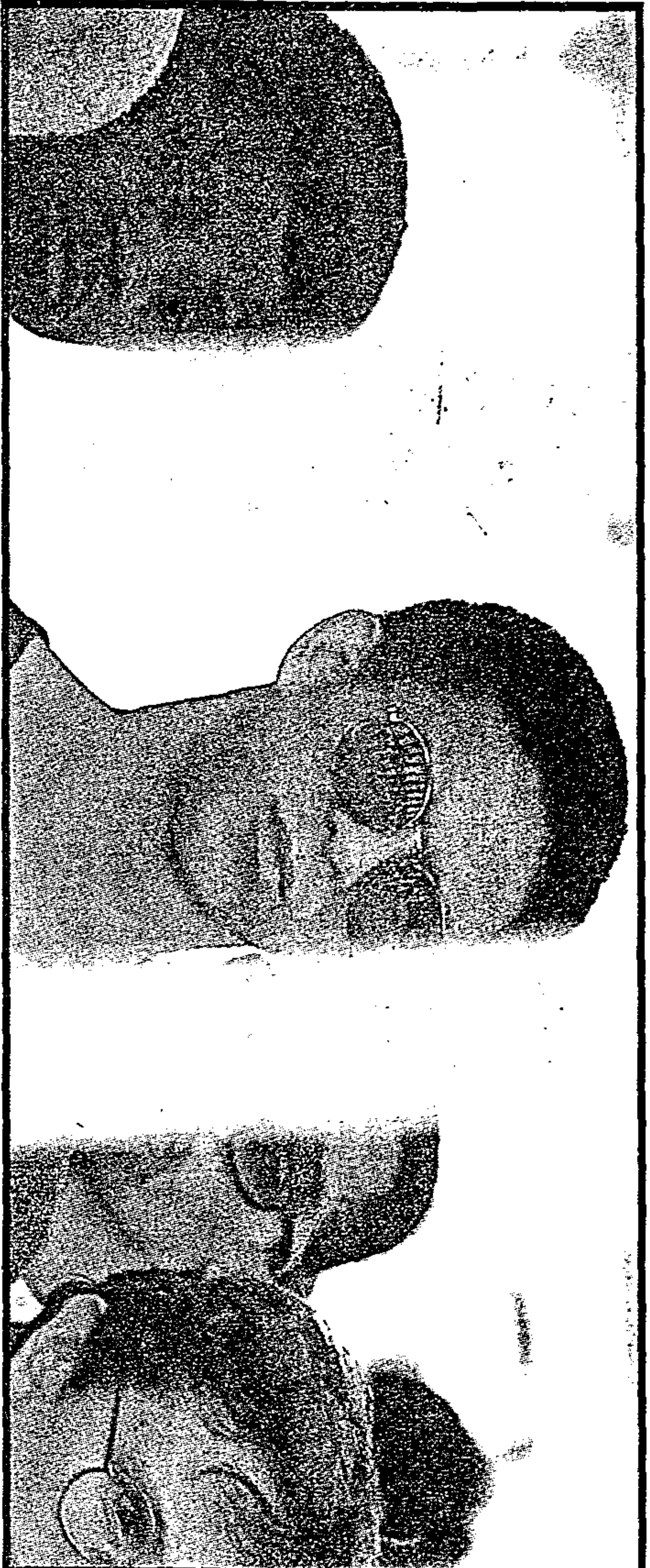


Programmer to kill

WJW a11

2/10 - 8/10/92

(252) (253)



Last moments behind bars ... Robert McBride with wife Paula at the prison gates

Photo: KEVIN CARTER

We okayed Magoo's bombing, admit ANO

MAGOO'S Bar bomber Robert McBride told the court at his 1987 trial that he had been "undisciplined" and had acted against the orders of his superiors in choosing a "soft target". But in an interview on his release this week, McBride is adamant that he was "acting under the express orders of my commanders". Full interview: PAGE 2

ONE of the country's leading criminologists, who examined rightwing mass murderer Barend Strydom at the time of his trial, has warned that he is a psychotic killer, "not safe out of prison".

Dr Irma Labuschagne, a lecturer at the University of South Africa who examined Strydom at the invitation of his defence team, declined to give evidence on his behalf because she believed he was insane and could carry on killing.

"I am really afraid, because I don't think Strydom is a safe person out of prison. I would never trust him," she said this week.

Labuschagne said that she would distinguish between Strydom and Robert McBride, the Magoo's Bar bomber, whom she did not consider to be insane. Full story: PAGE 2

ANC official queries affirmative action

By PETER DENNEHY

A HIGH-RANKING ANC official who has a doctorate in personnel administration has questioned his own organisation's policy of "affirmative action".

Dr Aaron Ndlovu, who lectures in public administration at the University of Zululand and serves on the ANC Natal regional executive, said he had worked in the United States and had first-hand experi-

ence of affirmative action there. He had not been impressed by it.

Dr Ndlovu was one of the delegates at a conference hosted by UWC's Local Government and Planning Policy Research Project at the Bellville Holiday Inn at the weekend, when he spoke about affirmative action.

"This device has limitations which we must recognise," he said. "It is not a cure-all. I have grave reservations about it."

Affirmative action had been developed in the United States as an "instrument of accommodation" in a situation where a minority, not a majority, was struggling to participate in society's institutions.

Even in the US, one ran into absurd situations and frustration with such a policy for example when there happened to be an over-representation of a minority group at a particular institution. At some stage in this country,

white people might cry for affirmative action" when they find themselves "under-represented" on some establishments, Dr Ndlovu said.

"Then they may have the problem that many black people now face, of having to accommodate themselves to the prevailing culture in a particular job. What we want is a situation in which everybody can feel welcome.

"The basis of whatever restruc-

turing we do should be recognition of diversity," he said, noting that many present structures were built on the basis of white culture.

Mr Carl Niehaus, an ANC spokesman, said his organisation was committed to a careful implementation of affirmative action policies "so that ability and competitiveness are not undermined". This was the way to deal with some of the problems spawned by apartheid.

Like father like son

176
~~28/10/92~~

Sowetan 28/10/92.
■ Henry Helman has extensive experience in Customary Law litigation:

By Abbey Makoe

Carrying on the tradition... How else does one describe one of Johannesburg's wellknown lawyers?

In fact Sholto Helman's company was once owned by his father, known as Henry Helman Attorneys, before they turned the "family" business into a partnership.

Sholto's father died suddenly in 1985, leaving the son as the sole partner of the firm.

For the sake of popularity, Sholto decided not to change the name, fearing possible difficulties regarding clients adaptation to a new name.

Besides, leaving the name was, and still is, serving as a constant reminder to Sholto of where the firm came from.

It was started in 1939, when Sholto's father left Harrismith for the golden city to join a legal partnership that came to be known as Basner, Helman and Jaffe.

Firm dissolved

Later Sholto's father went it alone when the firm dissolved. Helman, Sr, continued practising alone until Sholto graduated BA, LLB at the University of the Witwatersrand a year before the end of the Second World War.

Shortly after Christmas in 1944, Sholto cut a niche in the legal fraternity, joining his father early in 1945.

"Our practice is one of the few firms in Johannesburg that has had extensive experience in litigation concerning Customary Law," he said.

Sholto said jokingly, (though seriously), that "like a teenage girl, I keep my age to myself".

Sholto has also been admitted and licensed to practice in Lesotho and Swaziland.

ATTORNEY'S WEEK *Molefe rose above a decade of anarchy*

Genius climbed out of '80s education dustbin

■ **CUTTING EDGE** Lawyer defied PW

Botha's indifference to black children: (17b)

Sowetan 28/10/92

By Abbey Makoe

BLACK, 23 and a lawyer. That's the stark reality that gleefully struck Motlatsi Molefe when he completed his B Proc degree at Turfloop University in 1984.

An impeccable achievement by any man's standard - for the 1980s have earned themselves a place in history as a decade of anarchy in black education.

Former apartheid supremo PW Botha was in no sacrificing mood.

A black child was relegated to the dustbin of academic-related boycotts, characterised by closure of most institutions.

But Molefe triumphed against all odds, realising his dream of becoming a lawyer. And so, a firm in the legal fraternity registered its mark. A rare occasion.

"In the beginning it was only me and the secretary," says the Benoni-born lawyer, too cautious to reveal much except when questions were fired at him.

Molefe went on cutting a niche for himself when he articulated with an established lawyer, Mr Dan Thinane, barely a year after he had qualified.

His bond with the man came to the end in 1985, when Molefe joined another established lawyer, Mr Kabelo Mofhobi in Kempton Park until early in 1989.

Then came a breakthrough - a chance to establish himself.

Molefe grabbed the opportunity. He started his own firm in April 1989.

Reads like a eulogy? It's a true story of a black in South Africa, born with little advantages in fact none at all.

"My practice is aimed at defending criminals. We also handle some divorce



Motlatsi Molefe

cases," says the man who was born third in a family of seven.

Molefe says he doesn't charge the needy, at the first consultation.

"Some people often come with incredibly 'minor' problems," Molefe says. "It's a question of not knowing," he says.

But even if a client's problem is mammoth, Molefe says "we try to minimise the costs as much as we can".

Molefe says his firm is growing, regardless of the economic recession.

He has been joined by his brother, a BA and LLB graduate from Fort Hare and Natal University.

Thirty-one years since he was born, Molefe still stays in his home town of Benoni, the difference, of course, being that he is now married and blessed with two children.

Stress victims

■ Black managers are more likely to develop disorders, survey finds: ~~176~~ 176

By Mokgadi Pela

BLACK managers are more likely to develop stress-related disorders than their counterparts from other races, according to the findings of a new survey.

The study which started three years ago was headed by Dr Ben Allman, medical director of a top pharmaceutical company.

Typically, such disorders can include ulcers, heart disease, hypertension and psychological syndromes.

On the other hand, the study says white, coloured and Asian managers in comparable positions are less likely to experience illness but some of them will suffer similar disorders.

Sdweter 28/10/92.
The research indicates that black managers find their home and community environments twice as stressful as their places of work. Their counterparts rated their workplace and community environment as having the same impact.

"The research has confirmed that not only are the causes of stress different for managers from various races but blacks experience them more frequently than their counterparts from other races," Allman added.

The project included questionnaires to 1 301 managers in 13 major companies. Valuable inputs were received from business schools, psychologists, foreign consulting firms and the American Institute of Stress.

Challenges in travel industry

176

■ Blacks want a share of the cake in the field of tourism:

THE changing face of South Africa's socio-political scene presented various challenges for the travel and tourism industry.

Crumbling sanctions and the country's gradual acceptance into the international fold would change the face of the travel business.

The inclusion of blacks as key players in this industry would become a necessity.

This scenario emerged at a training workshop held by British Airways (BA) in Johannesburg for members of African Tour (Afri-Tour), an organisation representing black South African travel agents.

BA's training manager for South Africa, Mrs Manuel de Carvalho, said the two-day workshop was held after a request from Afri-Tour for training assistance.

Afri-Tour wants to create an awareness of tourism among the underprivileged population groups. The association also

plays an education role both among its members and within the community.

De Carvalho said the course aimed to provide an overview of the industry for those who had not previously had the opportunity for such exposure.

Subjects covered ranged from sales techniques, after sales services, fares and ticketing, airline geography and running a profitable business.

Chairman of Afri-Tour Mrs Busi Radebe said up to 90 percent of the South African travel business was controlled by whites.

Radebe, who is also managing director of Red Rose Travel and Tours Operators, said it was against that background that they want to redress the imbalances in the industry.

"We believe that we have an ingrained understanding of the travel needs of the black population. We plan to stimulate demand in this market in the future," she said.

Mahanyeela optimistic

■ Hopes new beer plant will win them 20 percent of market:

THE new beer plant will give the National Sorghum Brewery a 20 percent share of the market, chief executive of the company Professor Mohale Mahanyale said this week.

Talking after the sod-turning ceremony, Mahanyale said the plant near Pretoria, which cost more than R1,2 billion, would create at least 2 000 jobs.

An additional 100 000 jobs would be created through the distribution chain.

The company would export beer to various African countries including Namibia, Swaziland, Lesotho, Botswana, Kenya, Ivory Coast and Zaire.

"We had fruitful discussion with Pro-

fessor Johnny Kalonji, president of Zairean Chamber of Commerce, regarding the business deal.

"We are confident we will be exporting to his country," Mahanyale said.

He said they would cover the PWV areas with ease as it was centrally situated.

They would capture a sizeable share of the market "because tests have revealed that the market wants the type of beer we are going to produce".

The NSB, which increased its earnings by 23 percent in the year ended June, realised a turnover of R500 million.

About 90 percent of the 10 000 shareholders were blacks.

Need to demand affirmative action • Afri-Tour is aiming to redress imbalance

Natcooc's call

to business

Some fees 29/10/92.

BLACK PARTICIPATION Demand for

affirmative action to reduce 'corporate

stranglehold' on economy:

176 ~~176~~

By Joshua Raboroko

BUSINESS people have been urged to demand affirmative action programmes to reduce the "corporate stranglehold" on the South African economy.

Speaking at a conference held at the Wild Coast Sun, Natcooc president Mr Archie Nkonyeni said that the organisation's "3-4-5-6 programme" aimed at increasing black participation in and ownership of South African business, could not remain a concept for "academics to play with".

The programme, approved at the 1991 Natcooc conference, calls for, among things, a 30 percent participation of blacks in management boards and a 40 percent ownership by blacks of all JSE-listed companies.

It also seeks a ruling that 50 percent of the value of outside purchases made by listed companies should be placed with black-owned suppliers and contractors.

It suggests that 60 percent of top management and personnel should come from the black community within a 10-year time frame.

Nkonyeni said there had to be a concerted effort to bring blacks closer to the centre of the economy.

"The exclusion of blacks from the economic scene was calculated and implemented through apartheid. Now a deliberate plan for black economic empowerment is called for.

"Natcooc is being restructured to carry black-led organisations into a new and liberated South Africa," he said.

As the only true bridge between free enterprise and the needs of a society in transformation, Natcooc was demanding black economic empowerment and a voice in management.

"Today the organisation has become much more than an association of profit-motivated businessmen and businesswomen - it is an agent of development."

He said the role of Natcooc was expanding into areas such as contribution to the formulation of economic policy, the development of strategies for social welfare and assisting in the creation of a non-racial, unified national employers' organisation.



Archie Nkonyeni

Fair match makes big and small businesses

■ Artistic textiles echo Africa:

By Joshua Raboroko

NUMEROUS small businesses hope to radically improve their turnover - in some cases by more than double - as a result of the Matchmaker Services Fair held at Nasrec last week.

Fair organiser Ms Judy Vorster said many of the 135 business exhibitors, from all over the country, received large numbers of inquiries and several entrepreneurs landed big orders.

The Matchmaker Services is primarily aimed at linking entrepreneurs and corporates to the advantage of both.

One of the show's biggest success stories was newly-formed Natal based company Phakamani, which won the prize for best exhibition at the fair.

Founded as an education project for unemployed women in January this year, Phakamani's artistic textiles have been widely acclaimed.

It was founded by lecturer in fashion designs at Sultan Technikon in Natal Ms Gem Melville and co-founders are: Mrs Busisiwe Bengu, Mrs Nokuthula Biyela, Mrs Mamile Mabasa, Mrs Mrs Makhosi Afrikaner and Mrs Sizakela Ntshangase.

Bengu is a 19-year-old woman with two children. She is a part-time model at the Technikon Art School, but has no other source of income. This is her first job. "I like it because this is something that will help me in the future."

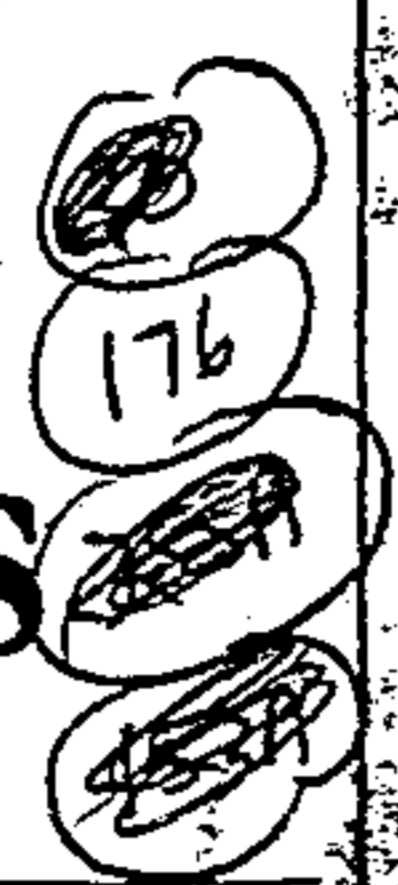
Biyela is 32 and has four children. She has no formal training in any field. "This is my first job. I love it. This is the work I want to do forever. I will also teach my daughter to do it," she said.

Mabasa is 24. She did a computer course at a commercial college, but could not find any work. She has since flourished at Pakhamani. "This is the most wonderful job."

Afrikaner is 42 and has six children. To her Pakhamani means "a way to progress myself and my life and to make money without going all over to look for a job".

Ntshangase is 32. She said: "When I was at school I was unable to draw, now I can draw and I am happy."

Each table cloth made by the women is hand-painted and has a unique design. It has its own design style and is seen in some circles as the beginning of indigenous textiles.



Advancement plan retracted

ADRIAN HADLAND

A COMPREHENSIVE affirmative action policy for the Johannesburg City Council was withdrawn from the council agenda at the last minute this week, but is expected to be reintroduced in the near future

CP leader in the council Jacques Theron had just stood up at the council meeting to describe the policy as "one of the most reprehensible and racist items", when it was withdrawn by management committee chairman Ian Davidson.

The council's human resources executive director Dirk Lamprecht had been asked to look into various aspects of affirmative action including "head-hunting" for scarce black staff, abolition of any remaining discriminatory practices and identification of employees who could benefit from training. *BDM*

The policy said an affirmative action programme was vital to ensure political and economic stability, peace and the development of a prosperous metropolis. *29/10/92*

The involvement of the municipal trade unions, which represent more than 10 000 employees, was deemed essential for the policy's success.

NEWS Insurance company makes positive move

MD's giant step

Sowetan

29/10/92

~~SA~~

176

By Joshua Raboroko

■ IMPORTANT MILESTONE Major

black-controlled insurance company rockets into SA business firmament:

INSURANCE Induna Mr Khehla Mthembu has been appointed managing director of the first major black-controlled African General Insurance Company.

The company has been formed by the Foundation of African Business and Consumer Services (Fabcos) and one of its satellites, insurance brokers Afsure (Pty) Ltd.

Backed by Futurebank and two insurance companies, South African Eagle and Aegis, the newly formed company has been described as a giant step for black advancement.

Mthembu, who left his position as managing director of Afsure, said his new job was an important milestone

in his career as an insurance personality.

Afsure and Fabcos hold majority shares with Business Personal Insurance in the company, while SA Eagle and Aegis acquired 24,5 percent shares.

Mthembu said: "When forming the company we did not want to be small players in the insurance industry.

"We were thinking big and wanted to make millions of rands. We did not

want to be part of the informal business sector."

Futurebank's chairman, Mr Jabu Mabuza, said the company was a giant step for black economic empowerment.

Afsure board member Mr Alan Hackett has been appointed acting deputy managing director, while deputy managing director Mr Japie Moropa has been given added responsibilities.

BUSINESS Building a stable future which will include

Enemies of Caesar will be vilified

176

Sowetan 30/10/92

By Josiua Raboroko

CONDUCT CODE Companies will

have to give blacks a real stake:

A DRAFT code of vigorous affirmative action to speed up economic empowerment of blacks has been proposed by small businesses.

In terms of the code, companies will have to subscribe to the advancement of blacks on their boards and in the ownership of a meaningful stake in commerce and industry.

The code was proposed by the managing director of Corporate Image, Mr Moss Leoka, when he addressed exhibitors at the Matchmaker Services Trade Fair in Johannesburg.

Many of the exhibitors at the fair agreed that a code be drafted and supplied to big companies with the aim of making them vigorously engage in empowering blacks.

The feeling was that small businesses created jobs at a time when the country was plagued by large scale unemployment. Some agreed that the informal sector should also be boosted by the Government instead of it (Government) spending millions of rands on defence.

"The war on our border is finished, we need the money to create jobs and wealth so that we can live peacefully in the new South Africa," one exhibitor

said.

Leoka said: "This code should be voluntary only to the extent that companies will be able to set quotas and time tables themselves, to suit their own particular circumstances."

He warned that non-conforming companies would be publicised; their names be distributed to the nation that "they are not friends of Caesar".

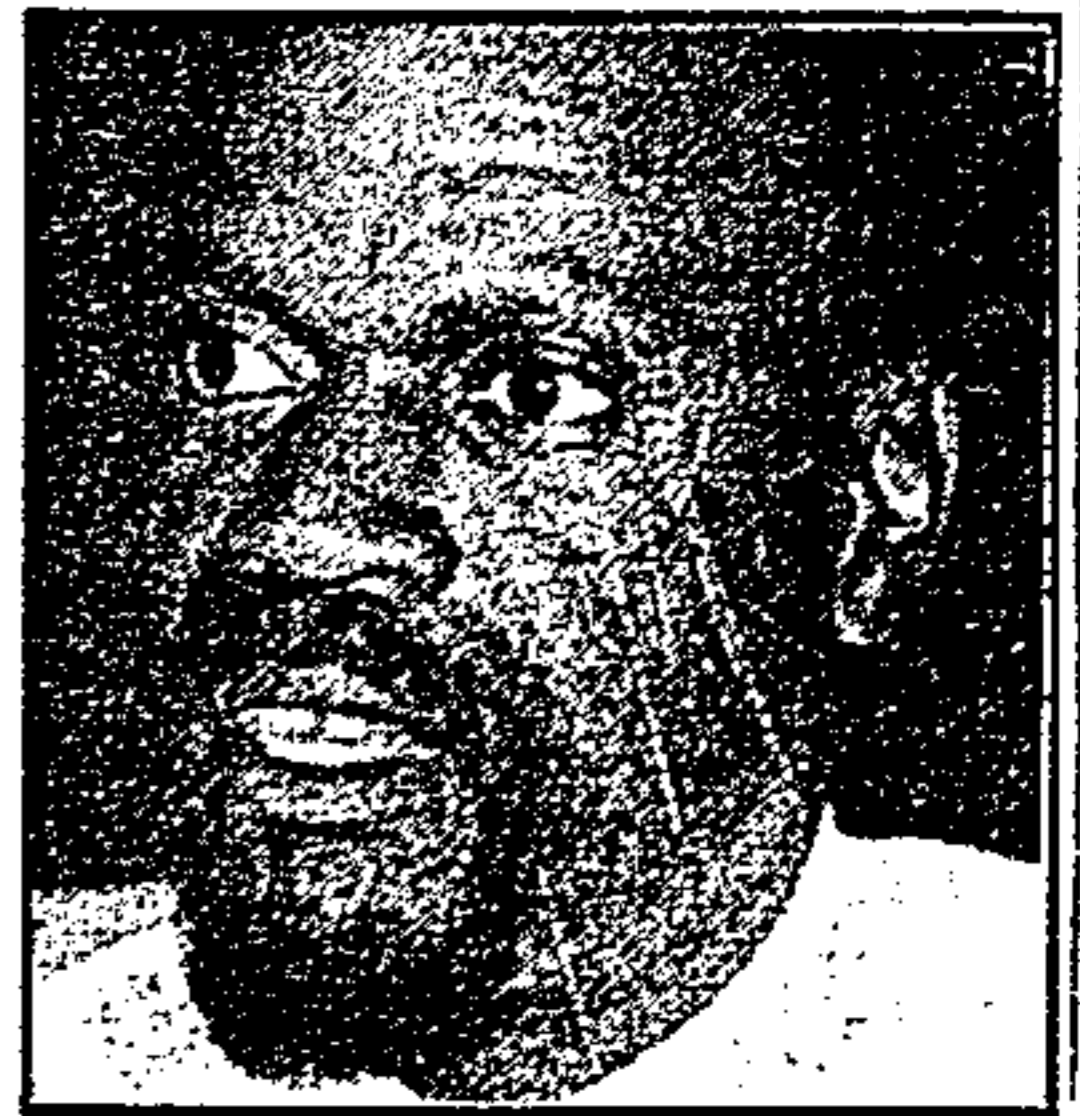
The Government should not be let off the hook, and business should demand that part of the Government's huge buying budget be spent on black suppliers.

"It is only in this way that we can say we are building a stable future together."

He said that South African business, especially big business, stood accused of knowingly supporting apartheid. It was their responsibility to get rid of "this wicked system".

"My appeal to business is they should voluntarily search their souls and decide on programmes that will speed up the economic empowerment of blacks," he said.

He said most black business was under-capitalised because they did not



Moss Leoka

have easy access to finance.

Black manufacturers, like all small businesses, could not afford to employ hundreds of workers, nor could they afford the high capacity production machines because they lacked money.

Black businesses could not distribute their produce nationally as a result of lack of distribution networks.

They have been hamstrung by political unrest, stayaways, strikes, to sudden and unannounced cuts in electricity and water.

Making affirmative action work

B10AM 4/11/92

CHARL ADAMS (176)

THE problem with the concept of affirmative action is that it is interpreted to mean whatever its proponents or opponents wish it to. This can cause confusion in the minds of many employers and employees who are genuinely looking for guidelines to apply in the workplace.

In addition, a range of seemingly synonymous terms such as black advancement, social responsibility, economic empowerment, positive upliftment and equal opportunity are being bandied about — all with their own social, economic and political nuances yet totally justified in the eyes of their respective advocates.

It may well be that the heterogeneous nature of the debate reflects the complexities involved. On the other hand a wide array of terms and titles have done much to confuse the real issues. Affirmative action ideally should be a means to an end and a temporary measure designed to facilitate the process of creating equal access to work through the eradication of racism and sexism.

If we agree that the final destination of the affirmative action debate is the overall development of the country's greatest resource — its human resources — then we have a common point of departure from which a meaningful exchange of thought and counter-thought can emerge. However, if a paradigm of thought exists that insists on the status quo being retained, and that merit be the only criterion according to which all groups are evaluated, we end up in a cul-de-sac debate.

A prerequisite to a meaningful debate on the topic is undoubtedly a liberal dosage of humility and the inevitable acceptance that no individual input is going to provide the ultimate solution, but that through a synergistic process of inputs from a wide range of convictions, a broad consensus will emerge.

At a recent symposium held by the Cape Town Chamber of Commerce, entitled Affirmative Action and Black Advancement in a Democratic SA, it became evident that creative minds and a willingness to consider the points of view of others is an essential ingredient for a meaningful and constructive debate.

The two most important legs of the affirmative action debate today are race and gender.

Underlying the debate is the vexing question of whether affirmative action programmes should be voluntary, prescribed by central legislation, or perhaps a combination of the two.

The protagonists of legal intervention to redress past imbalances hold to the view that a voluntary approach to upliftment has, with a few exceptions, not benefited the wider black/female community, and that an inadequate educational system places the black job applicant at a distinct disadvantage at the recruitment level. Furthermore, they argue, Afrikaner nationalism was nothing less than legislated affirmative action applied to a minority group that had attained political rights and had skilfully engineered society and the world of business to their own advantage.

Despite some of the indisputable facts that underpin this argument, it was most heartening that speakers at the symposium were not in favour of what one presenter called "now-it's-our-turnism". It was clearly not in the interests of SA to apply reverse apartheid, with all its concomitant advantages and disadvantage for different groups, but rather to develop an ethic of nation building which would include and benefit all communities.

In the meantime, however, how do you level the playing field? It's one thing getting it right constitutionally and giving political franchise to all adults, but how do you redress the decades of inferior education and resultant underrepresentation in commerce and industry? Many believe the developmental aspects of affirmative action programmes are long overdue, and should be actively incorporated in company objectives, strategic plans and mission statements.

Unfortunately, in the past many companies gave lip service in company statements to equal access for all, without taking practical steps to ensure that justice was seen to be done.

Ways in which an affirmative action strategy can be approached could include a clear and unequivocal commitment to affirmative action and a directive by management, with the sup-

port of the chief executive officer, to pursue affirmative action at all levels of the organisation. Without support from the top, programmes are stillborn and become no more than an externally imposed list of "Sullivan principles" that irritate more than motivate.

In this light, recruitment and selection policies must reflect a more realistic demographic mix of race and gender in the workplace.

It is often at the point of entry that marginalised groups are discounted and demoralised. Of the final list of candidates for a vacancy in the company, all of whom are "acceptable", should it always be the "best one" who gets the job, or should the overall needs of the company and required demographic mix not be paramount in making such a decision?

Assuming that the black/female applicant eventually gets beyond the doors of the personnel recruitment department, it is incumbent on the employer to treat that employee in a way that no or little selective criteria are applied in his/her advancement in the organisation. However, the assessment and appraisal of the incumbent black/female must be accompanied by the same assessment and appraisal of the immediate superior in terms of contributing to the success/failure of the subordinate. In other words, assist the superior to "grow managers" and become a mentor to the inexperienced black/female.

This approach will ensure that the self-fulfilling prophecy of many superiors that blacks/females "won't make it" is actively countered.

It also behoves organisations to embark on career development and succession training programmes at all levels and not only in the traditionally "liberal areas", such as human resources, public relations and training. An overriding principle should apply at all times that encourages a culture of participation and inclusive decision making, so as to give "ownership" to policies and practices that have to be implemented by blacks/females.

The challenge of business is to find ways to facilitate a process of normalisation in the workplace and still retain its competitiveness in the open market, by developing our vast human resources for a prosperous future SA.

□ Adams is an official of the Cape Town Chamber of Commerce.

BUSINESS Ex weight-lifter lectures in psychology, 1

South African success story

Sowetan 5/11/92

176

By Joshua Raboroko

■ DOING WELL From humble beginnings Melford Reggie Reed beat all odds:

SOUTH AFRICAN-BORN British citizen, Dr Melford Reggie Reed (50), is probably one of the few blacks running a successful million-dollar business in Europe.

He is the managing director of Marketing Technical Services Company, an international operation which distributes a variety of products, including books and other printed materials, in London.

His main export markets are France, Germany, Switzerland and China. His business operation employs more than 200 people - Africans and Europeans.

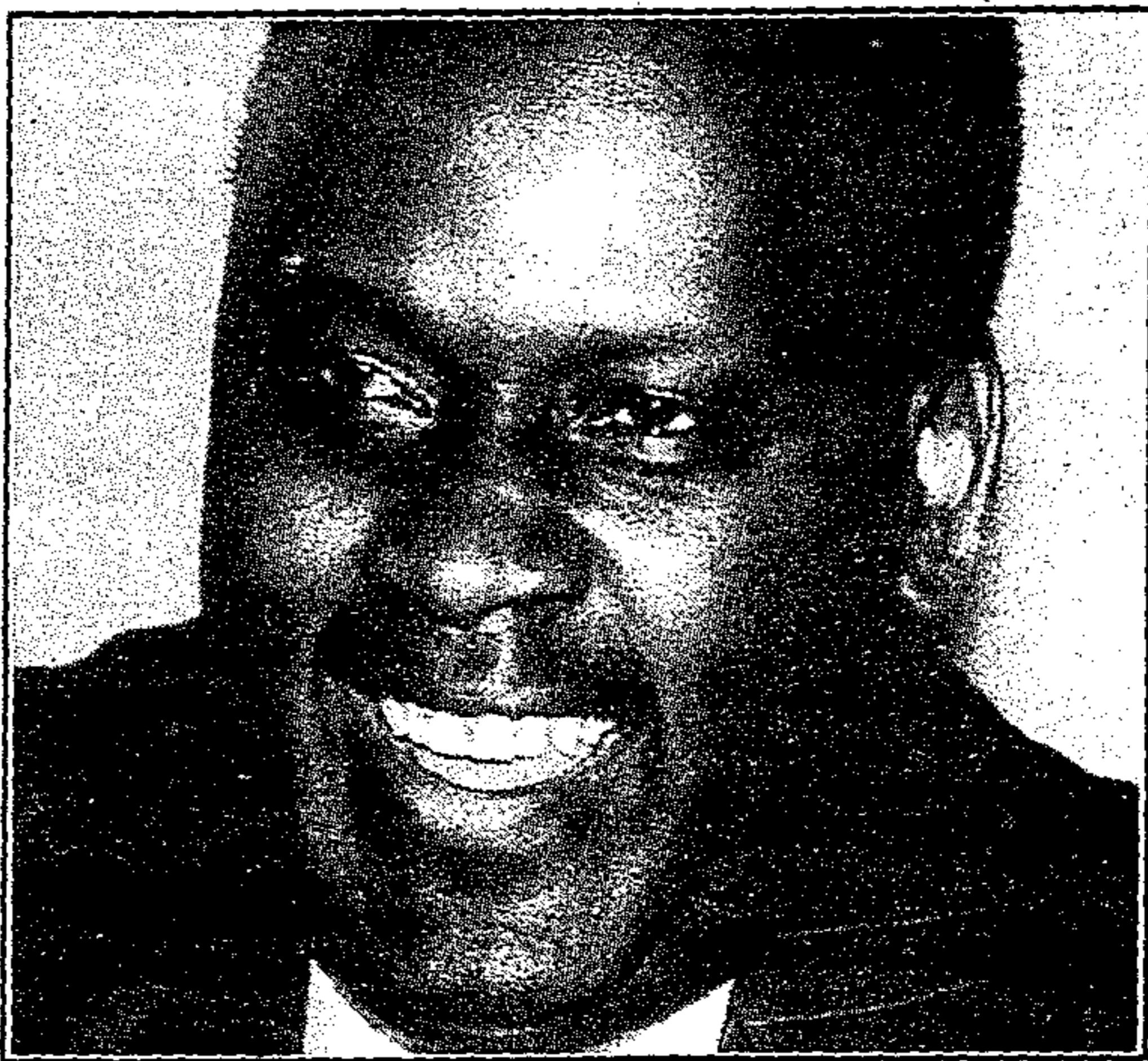
"It is my fervent desire to open similar operations in South Africa but one still has to study the political situation in the country of my birth.

"Violence is one of the disturbing features for one to open a business here," he said during his visit to South Africa this week.

Reed came home to bury his mother, Mrs Iris Hlongwane, who died in a car accident a week ago.

He lectured in Psychology and Metaphysics at the University of London and has addressed various seminars on these subjects. Born in Alexandra, he was the general secretary of the South African Non-Racial Olympics Committee (Sanroc), an anti-apartheid movement which was led by Denis Brutus and others.

He fled when the Government restricted the movement in 1962. Reed first went to Zambia and then Tanzania before obtaining a schol-



Dr Reed ... a big success.

arship to study in Britain.

He was a professional weight-lifter before he left South Africa and a strong opponent of apartheid - the reason he joined Sanroc.

He obtained his doctorate at the University of London and started his own business.

"As an accountant I always examine business books. I therefore decided to venture into business to practice what I had been doing," he said.

"It is very difficult as an African to run a successful business in Britain but I am probably one of the few who have made it, despite the recession in the country," he added.

He believes that the corporate world should commit itself to an aggressive affirmative action programme.

"I make sure I am available for my workers to tackle management problems," he said. "The corporate world will have to reassess its structure to reflect the populations of the country."

NSB creates 500 000 jobs

■ Generation of wealth aimed at black communities during severe recession!

Sowetan 5/11/92

By Joshua Raboroko

THE black-owned National Sorghum Breweries Ltd, in its fervent quest for economic advancement, has created jobs for more than 500 000 in Southern Africa.

In his annual report, the company's chief executive and chairman, Professor Mohale Mahanyele, yesterday said the jobs had been created through the distribution, sale, transportation, provision of suppliers and variety of professional services.

"The main focus of this economic empowerment through wealth generation, creation of jobs and overall economic development is particularly aimed at black communities in which we conduct our business and receive patronage," he said.

Additional opportunities have been created to further multiply these opportunities by inviting black farmers,

transporters of raw material and finished products as well as professional services organisations to enter into lasting business ventures with NSB.

South Africa had been hit by retrenchments, particularly in the mines, the reason the company had undertaken to create jobs.

"We are pleased to report that despite the very severe and adverse economic conditions and amid the worst violence and political turmoil in living memory, we performed well."

Turnover increased by 21,4 percent and generating income before investment income increased by 53,5 percent. Net income after tax increased by 24 percent resulting in an earnings a share increase of 24 percent.

The company's share offer heralded a unique concept for stokvels which was relatively unknown outside the black community. It acquired Jabula foods, a malt company and Vivo Breweries.

PEOPLE'S LIVES Mother has degree from Fort Hare and is studying for post-graduate diploma



Tiny Maisela ... Fort Hare Graduate.

Japanese choose Tiny

Human resources consultant only South African invited to attend course:

S Dwelema 5/11/92

By Sonti Maseko

WELL-KNOWN human resources consultant Mrs Tiny Maisela is in Japan attending a course in productivity management sponsored by Japan's International Co-operation Agency (Jica).

Maisela (38), a mother of two and a consultant for the National Productivity Institute (NPI), is the only South African chosen to do the course run every year by Jica which accepts more than

6 000 overseas candidates.

About 340 of the participants are drawn from developing countries to meet their needs in the area of human resources development.

Maisela's selection is viewed as a singular honour for her organisation, the NPI.

Says director of business development John Parsons: "It is important that everyone understands that South Africans can hold their own at the highest

international level and one of those South Africans is helping raise living standards through her work in the NPI, and will do it even better on her return next March."

Maisela has a science degree from the University of Fort Hare and is presently studying for a post-graduate diploma in Management - Human Resources - at the Wits Business School.

She also serves on the board of the Women's Bureau of South Africa.

Blacks still using society's backdoor

By ZB MOLEFE

C/P Press 8/11/92

176

THE sad thing about SA is that there are millions of able, willing and capable blacks who are still denied opportunities by both business and political powers, a top business executive observed this week.

Executive chairman and chief executive of the black-owned National Sorghum Breweries (NSB) Mohale Mahanyele was delivering his annual report to the group's annual general meeting in Verwoerdburg near Pretoria.

"How else does any sensible person explain the almost total absence of blacks in top echelons of ownership, control and management of the South African economy? How is it possible that NSB can succeed with blacks in the top echelons?"

Mahanyele said the NSB was positioned to play a significant role in ensuring that blacks would live to see a just, fair and democratic dispensation.



Sorghum boss Mohale Mahanyele.

He said black economic empowerment was a key to obtaining this goal.

"It cannot be doubted that until there is a considerable amount of affirmative action, we will not be able to move away from the past. Political empowerment must be accompanied by economic empowerment," he said.

Mahanyele added that blacks had to start striving for equal employment opportunities.

Mahanyele said the idea of SA reaching the point of no return - popular in 1991 had also to be revised.

Freedom was taking a long time in coming and this meant the struggle would have continue with renewed vigor for some time to come, he said.

'The sooner the better' for affirmative action'

COMPANIES introducing affirmative action programmes now would be in an advantageous position if legislation enforcing the concept was introduced by a new government, RAV economist Roelof Botha said at the weekend.

Addressing an affirmative action workshop convened by the National Economic Initiative (NEI) in Johannesburg, Botha said companies needed to start identifying management potential among black employees and develop this into a force that would contribute to the overall growth of the economy.

The NEI is a two-year-old Durban-based organisation with 72 corporate and 100 small firm members which facilitates affirmative action.

Saying economic inequality was a serious threat to future stability and prosperity, Botha added: "The time has come when business leaders can no longer stand aloof from the aspirations of people who have been an integral part of business, but who have been subjected to an inferior status."

Affirmative action programmes were not limited to the workplace, but also covered areas such as housing and small business, he said.

NEI executive director Lionel Grewan said the initiative would assist companies in affirmative action programmes by co-ordinating and activating advancement programmes at the workplace.

Its business linkages committee would facilitate ties between big business and small entrepreneurs, in relationships that would be beneficial to both.

The housing committee would identify obstacles to creating a market for black home-owners and investigate policies with which these could be overcome.

Regional Air decides to show its true colours

A ONCE "invisible" airline has been making its mark in the southern African region since it began operating under its own name in January.

Regional Air, which previously operated in the colours of airlines from Transkei, Ciskei and Botswana, as well as in other low-profile charter services, has now obtained rights to serve five destinations from Johannesburg. Two of the services will be international.

Regional Air MD Leigh Thompson said at the weekend scheduled flights to Pietersburg and Phalaborwa, in association with Letaba Airways, would start today.

The move follows the acquisition two months ago of a 50% share by Regional in Letaba Airways, which has served the Lowveld area for the past 20 years. A 28-seat DCS airliner will be used on the route.

Last week, Regional started flying the first direct route from Johannesburg to Kariba in Zimbabwe.

On December 1 it will introduce a direct flight to Livingstone in Zambia.

Livingstone, 8km from the Victoria Falls, was an excellent tourist destination, said Thompson.

Thousands of people have flown on Regional Air planes without ever having heard of the airline.

"We never marked our aircraft, and had

no identification in seat pockets or anywhere in the plane. We took on the identification of whoever we were flying for."

With the deregulation of SA's aviation policies, Regional decided it might as well assume a public identity, said Thompson.

Keeping to the airline's policy of not going into direct competition with SAA, Regional Air was looking at expanding only on routes not serviced by the national carrier.

"We do not need wars. It is difficult enough to make a profit without national carriers cutting fares to eliminate competition," he said.

The only route being operating in direct competition with another airline was Johannesburg/Umtata, which is also served by Transkei Airways.

Thompson believed enough business existed domestically to accommodate all the airlines operating in SA.

Regional Air has five shareholders, but no big corporation to back the airline financially, he said.

However, the airline was financially sound and fully owned most of the aircraft it operated, Thompson said. "We are getting stronger daily, and are very careful in how we conduct our business."

STEPHANE BOTHEMA

No change in earnings gap

(176) ~~128~~
CT 9/11/92

Own Correspondent

JOHANNESBURG. — The gap between black and white wages has remained the same over the past two years despite talk of affirmative action and the commitment of 70% of South African companies to an equal opportunity employment policy.

The managing director of PE Corporate Services, Mr Martin Westcott, said there had been a 6% closure in the wage gap of black and white workers at an unskilled level in the last four years.

However, the gap has not closed further in the past two years because of the recession.

Unskilled whites now earn 15% more on average than blacks for the same jobs. At the skilled level, whites earn 10% more than

blacks.

PE Corporate Services surveys — which are confidential — claim to be the most comprehensive in the country and use a sample of one million economically active people.

Mr Westcott agreed to discuss the surveys to correct "misleading" reports of executive salaries.

He said at the weekend that top executive salaries and benefits had increased by 13% over the past year, and not by 14,7% over the past six months as was first reported by the Labour Research Service.

This, said Mr Westcott, was roughly similar to general staff salary and wage increases this year.

He also said that executive salaries did not compare well with their counterparts in Europe, Japan and America, where comparable jobs would earn up to twice

the salary.

Fringe benefits, although a standard part of any executive's package, were no longer important because of the way benefits were taxed.

The opportunity to travel and work internationally was also attractive to many executives, he said.

Mr Westcott said that when the economy was healthy, salaries usually lead the CPI by a couple of percentage points. But the reverse was true in a recession. Some European countries had cut salaries by as much as 50%.

Areas where skills were in short supply included data processing, technical staff and senior executives. There were also serious shortages at middle-management and supervisory levels.

● Accord on labour due today —
Page 5

Economy 'needs broader ownership base' (76)

TO COUNTER destructive options for economic change, business should be working to broaden the ownership base of the economy, says a senior Consultative Business Movement (CBM) official.

Writing in this month's edition of the Institute of Personnel Management's People Dynamics, CBM executive director Theuns Eloff says it is inevitable that the country's majority will obtain political power.

"When the majority finds it is not given an equal stake in the economy

BIDAM 10/11/92
WILSON ZWANE

of the country, there is real danger that it will seize economic power - possibly through crude means such as nationalisation of mines or banks."

An economic ownership development trust and a black-owned financing and insurance venture are among vehicles for broadening the economic power base of the economy, he says.

However, such moves ought to be coupled with the development of effective management and skills re-

sources in the black community.

"It will not help for black people to own part of the economy while whites still manage it. What is required is a massively increased thrust towards training ... and the development of management culture in the black community."

Symbols of black success in a market economy stand a chance of winning the confidence of South Africans in a market-orientated economy. If this is not achieved, the credibility of the market economy is jeopardised.

NATION BUILDING Absa and Wits show aspirant bankers the correct path with their diploma

Skill is the strong link in the chain

By Joshua Raboroko

HEAD START Knowing your stuff is the

best way to get right into the job market.

THE acquisition of appropriate skills is a vital link in the job creation chain. As part of its declared intention to help create job opportunities in the future, Amalgamated Banks of South Africa will launch, in conjunction with the Witwatersrand Technikon, a diploma in banking through full-time or part-time study at the beginning of 1993. The diploma will be comparable to a

Bachelor of Commerce degree in the banking industry and will require three years of full-time or four of part-time study. Subjects will include banking, law for bankers, accounting for bankers, communications, economics and end-

user computing. The admission requirement will be matric Mathematics at higher grade level. Full-time students will be guaranteed weekend or vacation employment at ABSA branches to gain valuable practical experience, as well as useful income.

Part-time students will be recruited from ABSA's employee complement, with the focus on managers in the trading environment. Some 60 ABSA employees have already been enrolled for the first part-time course next year. ABSA's human resource spokesman, Mr Fanie du Toit, says the project will provide South Africa with much-needed professional bankers in the years to come.

"Both the courses will offer a curriculum focused on the needs of a banking professional, with ample opportunity for hands-on practical experience in the ABSA branch network," he noted. Costs of the courses will be about R5 000 and salary earned while gaining practical experience may be used to defray the expense. Potential applicants should write to the Human Resources Department, ABSA Bank, PO Box 7735, Johannesburg, 2000.

Sowetan 11/11/92



AIDS epidemic 'at crisis levels'

KATHRYN STRACHAN

THE AIDS epidemic had reached crisis proportions in SA, but health authorities had failed to respond effectively, a Baragwanath Hospital doctor said recently.

Haematology Department head Prof Alan Fleming told the Township Aids Project that SA was seven years behind other African countries in the spread of the epidemic, but, he added, health authorities had wasted the "period of grace".

Fleming said more than 4% of women in antenatal clinics were HIV positive and the epidemic had now reached the stage where figures would increase dramatically.

The only effective responses to the epidemic locally had been the national surveillance programme and the universal screening of blood.

Important measures which were presently not in place included AIDS information and education centres in black townships, and a national strategy for health care delivery.

This was essential because the predicted numbers of the sick would overburden the existing health care system.

Fleming said government had established its AIDS training and information centres only in locations where they would serve almost exclusively the white population.

The highest priority should have been given to an AIDS educational programme in primary and secondary schools, he said.

Budget problems behind jail releases

RAY HARTLEY

BUDGETARY difficulties had prompted government to announce the early release of 7 000 prisoners during the first six months of 1993, Correctional Services spokesman Lt Bert Slabbert said yesterday.

Correctional Services Minister Adriaan Vlok announced yesterday that the prisoners — none had committed violent crimes such as rape and murder — would be released at a rate of about 1 000 a month.

Slabbert said the prisoners would be drawn exclusively from those whose release had already been approved by the Prisons Release Board.

He did not elaborate on the extent of the department's budgetary difficulties, but said the freeing of the 7 000 prisoners would not "solve the problem on its own".

Other mechanisms had to be developed to deal with the overcrowding of prisons, which would, according to the department's figures, still hold 19 000 prisoners too many.

Sapa reports Vlok will consult police before finally authorising the releases.

Prisoners already selected for release would be given their freedom a few months earlier to ease the overcrowding.

"I want to make it clear that this process of additional releases will definitely not be implemented during the remainder of this year.

"We foresee that it could be applied

during the first half of 1993," he said. Vlok said the question of imprisoned children would be addressed urgently.

There were 2 656 convicted juveniles between the ages of 14 and 18 years in prison, and 6 485 between the ages of 19 and 22 years, he said.

Meanwhile, government and the ANC are expected to meet today to draft a final list of political prisoners who will be released by Sunday in terms of agreements they have reached.

A short list of 48 prisoners, 10 of whom had been disputed by Vlok, had been drawn up for discussion at the meeting, ANC legal department official Matthew Phosa said yesterday.

He said additional motivation had been faxed concerning the 10 disputed prisoners and there were "a few" other names that could still be added to the list.

The release of the 48 would bring the total of ANC-aligned prisoners released this year to 339, with 141 being released prior to the September summit on violence and 150 as a result of the record of understanding agreed on at the summit, Phosa said.

Originally, the ANC submitted a list of 520 political prisoners for release.

Slabbert said a process of identifying further political prisoners with other political parties would begin in weeks.

SA told to do more for health

KATHRYN STRACHAN

THE spending of 6% of GNP on health in SA was a great achievement, but considering that SA's GNP was about seven times higher than China's or Sri Lanka's, SA still had a life expectancy of less than 80% of those two countries, says a health expert.

Speaking at a conference of the National Association of Pharmaceutical Wholesalers in Bophuthatswana yesterday, the head of the University of the Western Cape's School of Pharmacy Peter Eagles said SA's lower life expectancy could be attributed to the unequal distribution of health resources locally.

To improve health care significantly and to eliminate poverty over the next few decades, SA would need an annual economic growth of about 10%.

Since that was impossible, attempts would have to be made to improve health

care provision by other means — particularly in the field of pharmacy.

The training of health professionals in SA had almost no bearing on the health needs of the country.

It had also not taken into account the emergence of a massive peri-urban settlement and its implications for health, Eagles said.

There was an urgent need for more information on factors such as access to sanitation and water supplies, and the disadvantages of rapid urbanisation. Innovative new health promotion strategies focused on those who exhibited "risk-taking behaviour" — violence, alcohol and substance abuse, and unsafe sex — were also needed, he said.

ANC acts against rogue elements

ADRIAN HADLAM

INDIVIDUALS claiming to be members of the ANC in the Vaal Triangle had ignored the policies and mandates of the organisation and were involved in violence, rapes, killings, harassment and extortion, it was announced yesterday.

At a news conference in Vereeniging, regional leaders of the ANC, Cosatu and the SACP, and civic representatives, said a code of conduct "to end all undisciplined acts" would be developed by the end of the month.

A monitoring committee was created to end conflict between organisations in the region, facilitate reconciliation and draw up a binding code of conduct.

An ANC PWV region statement said rogue members had "found their way into legitimate community structures such as the self-defence units", where they had caused havoc, chaos and dissension.

This situation had been exploited by "criminal elements", the statement said. Primary blame for the escalation of violence, however, was placed at the feet of government.

"Through its low intensity conflict strategy, the state has unleashed a number of proxy forces to visit violence on our people in an attempt to undermine and discredit the ANC in particular and the democratic movement in general," the statement said.

"We distance our organisations from acts of criminality meted out against members of the community by elements who claim membership of the ANC, SACP and Cosatu".

France to host management trainees

GAVIN DU VENAGE

THE French government would host six South Africans on a two-week visit to France, French embassy cultural councillor Georges Lory said yesterday.

The six are top participants in the French government's joint management development programme, which it co-sponsors with the Paris Chamber of Commerce and Industry, and several SA organisations including Nafcoc, the Urban foundation, the Black Management Forum and Clive Acton and Associates.

Since the programme was launched in 1985, French financial involvement has risen to R600 000, and this year eight additional bursaries were given to participants from non-profit organisations such as Operation Hunger.

Participants from SA companies study towards a diploma which leading French

business schools, including the Paris School of Business and the European School of Management, endorse and award.

Lory said the increased involvement was a result of the positive results achieved so far, and that a recent survey of more than 300 candidates had shown that 74% had received promotions and advanced in their jobs.

Each year participants received training from senior professors drawn from French and local academic institutions.

Surveys had shown that trainees were instrumental in building bridges between management and the shopfloor, and had improved management quality in general, said Lory.

NATION BUILDING *How to start small but end up with a big future - with the Sowetan's idea!*

Sowetan 11/11/92

176
 (1537) (1538) (1539)

Small and walking tall



Guests at the Sowetan Entrepreneurial Development Conference.

By Joshua Raboroko

THE Sowetan Small Business and Entrepreneurial Development Conference last month was an important milestone for blacks in South Africa.

It rekindled the spirit of entrepreneurship among African participants, who were also addressed by international speakers.

Among the participants at the three-

BIG PLANS Conference was milestone in the history of the small business world:

day summit were African entrepreneurs, Commercial and Development Finance Bankers, International Finance and Development Agencies, representatives of the Africa Project Development Facility

(APDF) and the World Bank.

The conference, sponsored by Sowetan and the Development Bank of Southern Africa, focused on how indigenous African entrepreneurs could work

together and promote and motivate the spirit of competitive business on the continent.

It suggested that "entrepreneurs will play a central role in the transforming African economies".

Africa's future

A consensus, increasingly reflected in policy reforms and other initiatives, was forming around that vision of Africa's future.

It was contended that while more and more policy makers and aid donors believed that future development in Africa rested with entrepreneurs and markets, there were different views on how they could effectively lead that development.

Create jobs

One of the speakers at the conference, APDF general manager Mr Alexander Keyserlingk, said as soon as a political settlement was reached in South Africa, "we will enter with the aim to help small business people".

"Africa needs more entrepreneurs in order to be able to create job opportunities and wealth.

"The continent will have to address the question of poverty in a more vigorous manner," he added.

Worked on

The APDF has worked on 23 projects in African countries. The projects in which about R144 million has been invested, are expected to result in the creation of 2 000 jobs.

In its five years of existence, it has worked on 110 projects in various countries resulting in the creation of business opportunities for more than 11 000 people.

Victim syndrome

"We are on the right track to economically empower the people to become job creators thus rejecting the victim syndrome and really trying to make them believe in themselves and to help growth in the country."

Speakers at this milestone conference included PAC economist Mr Siphoshe Shabalala, Nascoc president Mr Archie Nkonyeni, Fabcos' Mr Gaby Magomola, SBDC's general manager, Mr Joe Schwenke, and the APDF's Harare-based Mr Omari Issa.



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We also support the informal sector by sponsoring two schools of business practice - the Sanlam Centre for Small Business Management and the Sanlam Entrepreneurial and Management School.

Furthermore, Sanlam encourages ongoing business initiative through competitions which recognise outstanding performance.

In the interests of growth, Sanlam is here to offer helpful guidance and advice to all who are working towards the future.

Essentially it is part of our mission. To assure a better tomorrow for you, our country and all its people.



Sanlam

Assuring your tomorrow for success

LINTAS CAPE TOWN

NATION BUILDING *Congratulations to Emily Moabelo, our super Woman of the Year 1992!*



Sowetan
Building the Nation



Eskom public affairs executive Mr Johan du Plessis addresses the 1992 Woman of the Year Award ceremony.

Having a heart of gold has its award

Sowetan 11/11/92

■ SUPER WOMAN *Emily wins her*

hearts and minds campaign and the trophy:

By Sizakele Kooma

SOME MEDIA HAVE established awards that recognise women's achievements and contributions in business, industry and other professions.

Sowetan, in keeping with its Nation Building policy, which calls on blacks to lift themselves by their bootstraps and empower each other in all spheres of life, is one of the few newspapers committed to acknowledging the work of women involved in community-based projects.

Incredible women

For five years it has sought and found incredible women who work with rare commitment and devotion for the upliftment of their communities without any reward and honoured them through the Woman of the Year award.

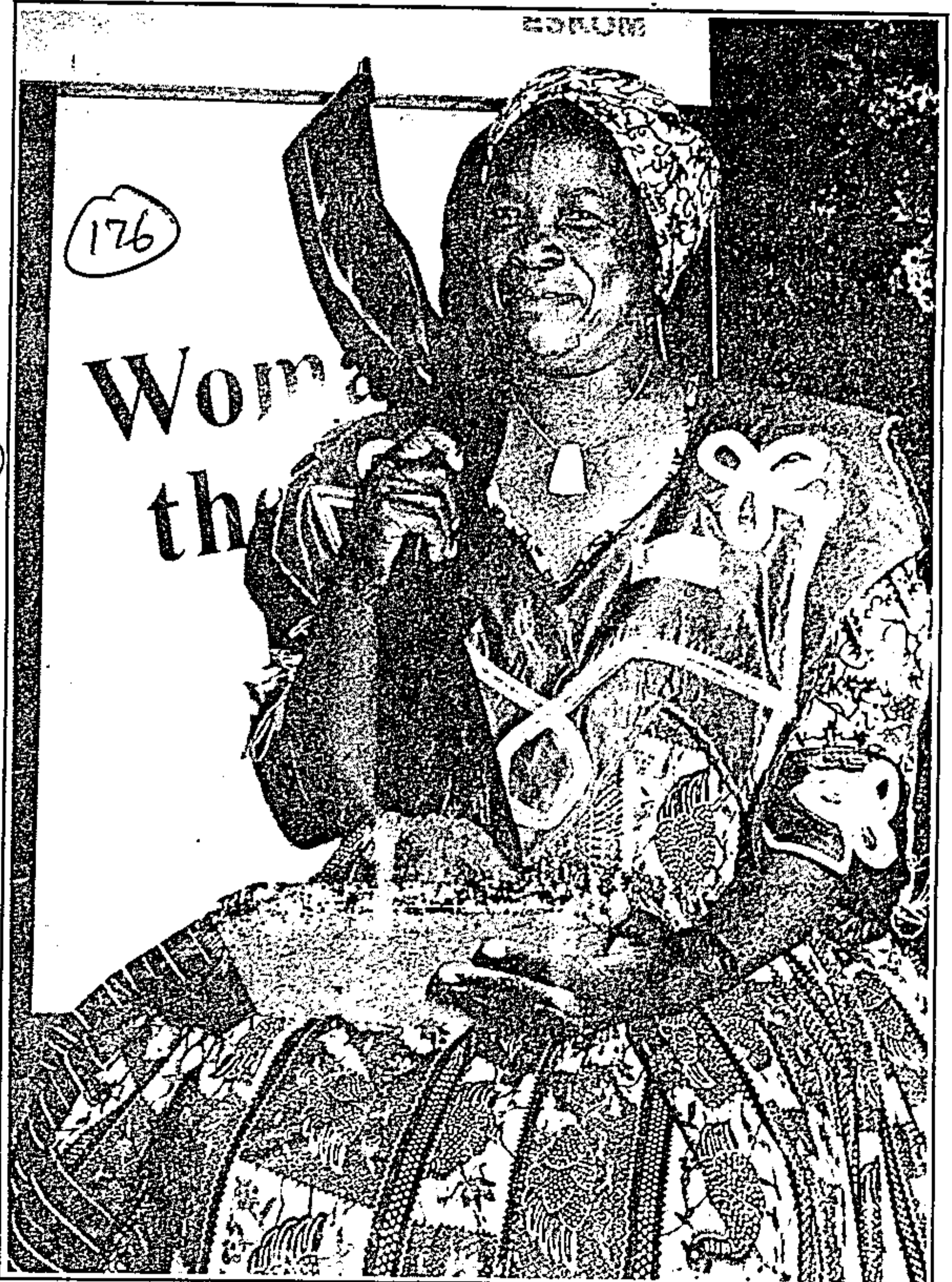
These women are involved in self-help programmes aimed at helping the unemployed (handicrafts, gardening and others), support groups that offer advice, counselling and coping strategies for social problems and any initiative that seeks to help in the field of

Since 1987 when the award was launched, past winners have included volunteer community worker Fikile Mlotshwa, nursing sister Emelda Boikanyo, schoolteacher Miriam Sofe, blind community worker Ruth Machobane and squatter camp heroine Olga Lutu.

Last year *Sowetan* was joined by Eskom as the main sponsors of the Woman of the Year award.

The company has a proud history of helping communities. Their emblem, Power to the People, may seem to be referring to electric power, but the company goes further and empowers people by supporting self-help community projects. Eskom has expressed its commitment to "people investment" by its generous educational grants to many mathematics and science students. It also funds a primary school teacher training programme.

The Uprail Trust programme has been implemented at Sagewood, Sacred Heart and Alexandra and will soon be extended to other schools. "At a time like this it is important to have projects like Nation Building. It helps people to stop thinking about their own problems and to think about finding answers," a



An outfit fit for a queen - Sowetan (Eskom) Woman of the Year Emily Moabelo shows off her beautiful dress.

Big business urged to give blacks a chance

B/DAM
12/11/92
NATIONAL Sorghum Breweries chairman Mohale Mahanyele yesterday urged big business to ensure the growth of the SA economy by giving special attention to the development of black business.

Addressing the SA Association of Business Management AGM in Johannesburg, Mahanyele also called on government to have a policy giving tax incentives to companies and opportunities to small business.

"Business is part and parcel of

THEO RAWANA

society, and as such, is also responsible for the state of the nation. Business leaders must cease to blame political leaders for seemingly unrealistic economic solutions, when they themselves have failed to eliminate poverty," he said.

Urging companies to step up the process of promoting blacks into top managerial positions, Mahanyele said: "The saddest thing about SA is

that there are millions of willing and capable blacks who are still denied opportunities."

His company had shown what could be done to boost the SA economy by scoring success after success with an entirely black executive and staff, he said.

Big business could promote the development of small business through skills training, education, subcontracting and sourcing supplies from small companies, he said.

Khabi Mngoma enriched lives

■ **NATION BUILDER** *Musician made invaluable*

contributions to both classical and choral music.

Sowetan 18/11/92.

ONE OF THE outstanding nation builders of our country should be loudly and roundly acclaimed so that posterity can look back to their past with admiration and pride. K V was born in the Golden City in 1922. He obtained his primary and junior secondary education at George Gogh.

worked as a cultural officer (speciality music) for the Johannesburg City Council.

It is just not possible to do justice to the contribution Khabi made to enrich the quality of life of all South Africans in general, and, in particular, the underprivileged in the South African townships. But I will not have done justice to Khabi's contribution toward nation building if I do not mention the Ionian Choir and that day when Khabi conducted a choir of 240 full-throated voices in the performance of Handel's *Judas Maccabeus* in the Johannesburg City Hall.

Khabi is invited as a much sought after adjudicator to music festivals.

When the University of Zululand decided to establish a department of music, Khabi was asked to take on this mammoth task and no one can say the mountain went into labour and produced a mouse.

Several of his past students, like Thulasizwe Nkabinde at the SABC, fill important posts in education and broadcasting. They include U D W Musa Xulu, M Musi, Siza Ndlovu, Elliott Phewa (Uni Zulu), Xoliswa (Transkei) Siphon Nzimande (Inspector of music Natal), Michael Rantho (RTD), Michael Masote (founder Soweto symphony).

These young musicians are a living tribute to the stature of Professor K V Mngoma as teacher, conductor, performer, artist, and humanist.

It was, indeed, a fitting tribute to Khabi's contribution as a nation builder when the University of the Witwatersrand conferred on him a Doctorate in Music Honoris Causa on 15 December 1987.

"The university is itself so much the richer for being able to count him among its illustrious members," said the orator. Khabi was singularly fortunate to meet Grace Mondlana, a pretty petite dynamo, with beauty and brains all placed in perfect positions.

A loving mother and a devoted wife true to the traditions of Florence Nightingale.

Grace brought up a wonderful family for Khabi from October 26 1948 to August 15 1987 when she was called

Lest we forget, Khabi is a true son of Africa with his roots firmly planted in the rich heritage of rural Zululand.

His great-grandfather is Khalalembube Mngoma, who was as ferocious as a lion in battle. He was one of King Dingane's elite warriors, like Manyosi Mbatha, Dambuza ka Sobadli, Ndlela ka Sompisi, Noyishada ka Maghoboza.

Khabi trained as a teacher, post-matric T3 at Adams College under Edgar Brooks, a man who was able to surround himself with the best teachers in the land, like Professor S B Ngcobo, Don Mthimkhulu, Lavinia Scott, Robins Guma and Reuben Caluza who was both a teacher and composer.

R T Caluza is the man who had a lasting impression on young Khabi. Khabi has, in fact, performed and put across to South African audiences many of Caluza's compositions.

Social history

These songs are records of the social history of the South Africa of the period, like *Umantidane*, which reflects African belief in witchcraft and the supernatural.

Nkonyaka ka 1918 is a living record of the influenza epidemic of the age. *Umacosana* (i-skili me quick) portrays those days when the African suffered from the ravages of urbanisation, acculturation, industrialisation and Uma-Afrika drank strong concoctions like gavini, not for relaxation and enjoyment, but to forget his worries. R T Caluza left an indelible mark on the musical career of young Khabi.

Another teacher who nursed and nurtured Khabi's skills as a musician was Simon Ngubane - who was also a product of Caluza.

Khabi's skills in the interpretation of both Western and African

music had their beginnings in the Tonic Solfa at Adams College.

To put the record straight, K V is by no means only a product of African music and art. He learned instrumentation under several white teachers of note.

He learned violin under Joseph Spira; violincello with Mrs Dancer; singing vocal production under Annie Lamprechts and piano with Milton Orson. The celebrated Dr William Paff taught him keyboard harmony.

Self-made man

Khabi is clearly a self-made man. All this he learned through self-determination and application to the job. He has several professional music qualifications to his credit, yet he never had the benefit of sitting at a desk as a full-time student at a university.

He holds several licentiates of the Royal Schools of Music in London, and holds a teachers' and performers licentiates in music at the University of South Africa.

As a teacher of music K V has made an unusual input, a holistic view of music to enrich human life.

Khabi has always insisted that music cannot be separated from the rest of the arts, such as literature, sculpture, architecture, painting, poetry, the theatre and the other performing arts.

It is the all or nothing law that pervades Khabi's philosophy on music. He holds music to be a universal language. A knowledge of the other arts widens the frame of reference of the musician and increases the depth of understanding of the soul and culture of any people.

The Golden City and all of us will always remember with nostalgia Khabi's choral productions and performances. As a music organiser he has thrilled and gladdened our hearts with several group performances in our townships.

We remember with pride the Orlando music society in 1948 - I was doing 5th year medicine at Wits.

Then the Moroka township music appreciation group and his annual performance of Handel's *Messiah* when he

The university is fortunate for being able to count him among its members

up for higher service.

Her sweet aroma remains in their two children Linda and Sibongile who have, on their own steam, made a mark in the world of music. Nor are the grandchildren far behind.

Grace kept an open house for African children who could not be accommodated within the campus at UniZulu - at no expense to themselves or their parents. Khabi continues as Grace did. He continues to enrich the life of the community at Empangeni in the field of music.

He has opened a music school for youths. He teaches children of all colours music. The high quality performance of his youth orchestra has to be seen and heard to be appreciated.

On December 1 1977 Khabi had a shattering motor accident when several bones were broken. He was unconscious for many days. It was not expected he would live.

A fine footballer who led the "Shooting Stars" of Adams college, he was reduced to a cripple. But the man has such will-power to live for others.

He gyms, jogs and cycles daily before dawn. This is like a religion to him.

When he retired as Professor of music at UniZulu he was asked to serve at Port Shepstone as chairman of the Joint services Board, Southern Natal Region. He has just had another motor accident and injured his foot. With all these handicaps he continues to drive a car to enrich the quality of life of our people.

We salute Professor Khababanjani Vivian Mngoma. A man who is endowed with all the gifts to ensure for him a place in the higher echelons of learning, a man who has walked with kings and angels in the temple but has never lost the common touch with ordinary men.

Khalalembube! Khongisa! Iyabulela iAfrica!

As one septuagenarian to another it is my most pleasant task to say: "Welcome to the club!" I have seen five summers as a member. May you see many many more days in the service of man in Africa.



Professor Khabi Mngoma

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BUSINESS Selling idea of burial societies abroad

Nacssa looks abroad

Sowetan

19/11/92

(scribble)

(scribble)

By Joshua Raboroko

CHIEF executive of National Cooperative Societies of South Africa Mr Sam Muofhe yesterday left for France where he will try to sell the idea of burial societies overseas.

Nacssa, a brainchild of the Centre for Black Economic Development representing burial societies and women's and mehodisano clubs, is gearing itself to participating in serious formal business.

Explaining the purpose of the trip, Muofhe said the acquisition of a coffin manufacturing plant in KwaNdebele and the launching of Nacssa Catering Services meant that interaction and networking with external business would play a major role in helping the association to perfect its projects.

"It is on this trip that contacts in similar businesses to ours - coffin manufacturing, funeral undertaking services and catering - will be established," he said.

"It is our intention to look at the service we are in globally. A mix of services will help to encourage our members to participate in business either on their own or through Nacssa's investment corporation called Letsema."

He said most of their

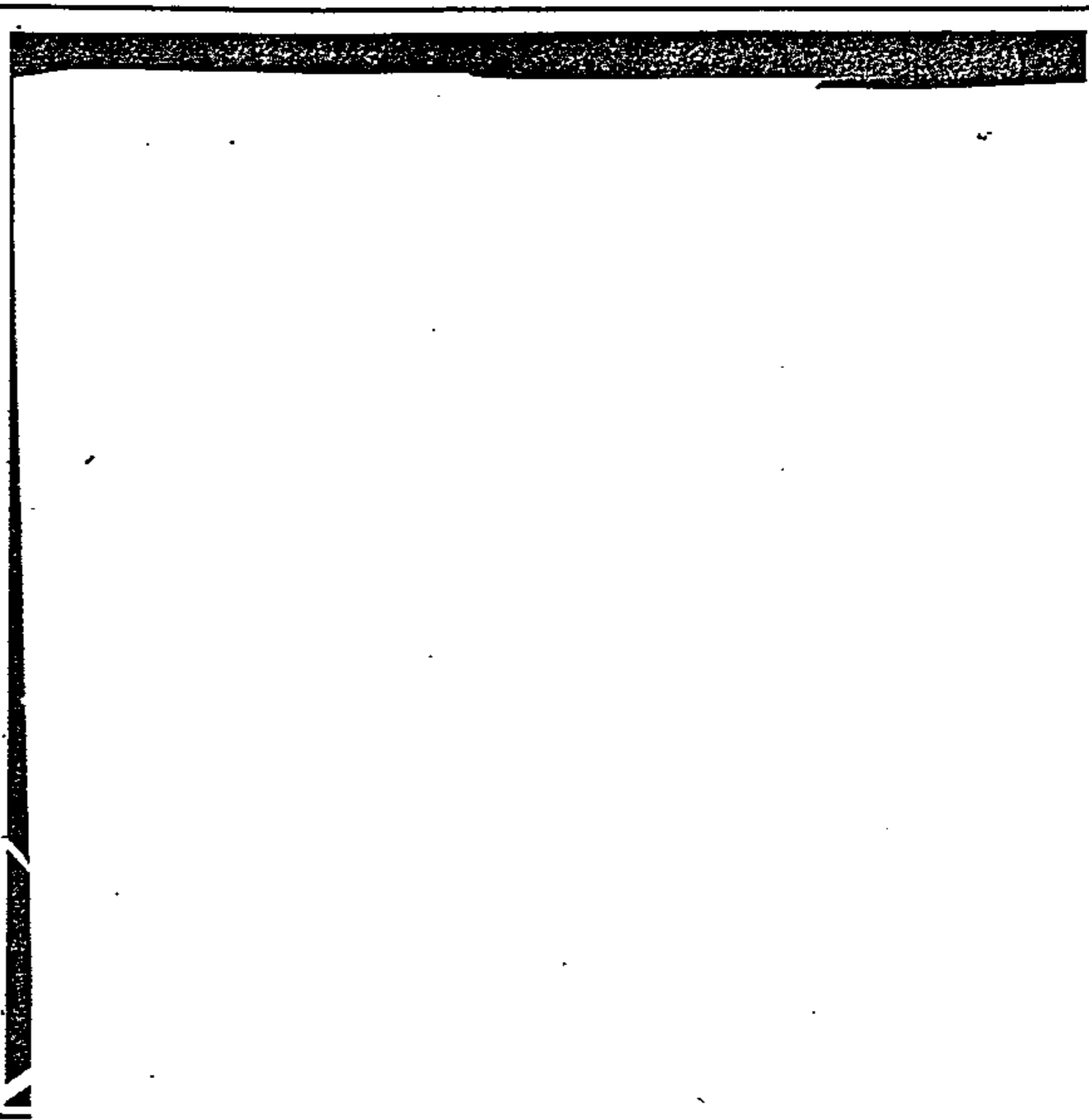
■ **Stokvel CEO looking for a French connection to expand business:** *(nb)*

members no longer experienced financial headaches when their relatives died since the funeral scheme was started two years ago.

He was optimistic that they would have completed many projects within three to five years.



Sam Muofhe



Scheme to create black capitalists

Sowetan 19/11/92

By Hugh Robertson
Sowetan Foreign News Service

■ SMALL BUSINESSES

Giving a boost to the economy of a future SA:

WASHINGTON - A meeting of ANC-supporting groups in the United States decided at a series of weekend meetings in New York to launch two new initiatives aimed at boosting the economy of a future democratic South Africa and creating a new group of black capitalists.

One calls for a lobbying effort to ensure passage of legislation in the United States Congress aimed at providing "seed capital" to promote small business activity among disadvantaged groups in South Africa.

The other calls for the creation of a close and vigorous relationship between a future government in South Africa and the black American business community - a potentially controversial proposal, parts of which may face strong opposition in the US itself.

The meetings also endorsed the Platform of Guiding Principles drawn up by the ANC and Cosatu as a guide for future foreign investment in the country which calls for equality of opportunity, the recognition of unions, training and education for workers, job security and working conditions of the highest quality.

With few exceptions the guidelines parallel existing practices by those US companies which still operate in South Africa but the two new initiatives represent a significant acceptance by the ANC of some of the basic principles of capitalism in future relations with the US.

The legislation envisaged under the "seed capital" initiative is based almost entirely on the East European Democracy Act of 1986 - a multi-million-rand US legislative move specifically aimed at stimulating small business capitalism in former communist economies. Since the initiative on South Africa would be intended to benefit disadvantaged groups, for all practical purposes its effect

would be to create a black capitalist class along the same lines as the small business capitalists now being funded with US "seed capital" in countries like Poland, Hungary, Czechoslovakia and the Baltic Republics.

But there is potential for controversy in proposals made for a close and vigorous relationship between a future South African government and the black American business community since some seem to skirt perilously close to what might be considered in the US to be discriminatory and monopolistic business practices.

One proposal, accepted at the New York gathering, calls for action to "support the development of a definitive policy statement by the democratic forces in South Africa that will serve as an invitation for direct involvement by the African-American business community, including such mechanisms as set-aside programmes for African-American businesses".

Some critics claim that any "set-aside" agreement would introduce a form of racial bias in relations between the countries, by restricting certain transactions or funds to black Americans, or denying other American entrepreneurs access to business deals which would be largely funded by US taxpayers, or possibly even South African taxpayers. The weekend's meetings were attended by leading ANC figures, including foreign affairs spokesman Thabo Mbeki, and economic spokesman Trevor Manuel but drew little attention from major potential US investors although some US business observers and officials of the World Bank attended.

BUSINESS

Entrepreneurs find allies for the formal sector

MEREDITH JENSEN

AN INCREASING number of black entrepreneurs are entering the formal business sector, and various organisations are helping facilitate the transition. *BIDM 20/11/92*

One such group, the International Executive Service Corps, has had success in helping these businessmen without incurring tremendous capital expenses.

A non-profit company, funded by US Aid and a number of SA companies, it has recruited retired businessmen to assist non-white businesses.

For a one-time fee of R15, those who qualify receive free advice from experts in fields ranging from accounting to marketing and promotion.

Executive director Ken van de Laar says costing appears to be one of the major problems faced by black businesses. "This is where we can help by providing information on how to prepare a business plan and structure a cash flow analysis."

Van de Laar says his company helps people evaluate their needs realistically.

In 1988 Sam Tungande set up Baltic Travel, the country's first black travel agency. From the beginning, Van de Laar's company helped Tungande keep accurate accounts of his business, and plan for the future.

The training and services have often saved businesses. Tungande says he could never have afforded the services the company provided for free.

"The problem is collateral. It is nearly impossible for a black to secure a business loan without it, and very few blacks have it."

In addition to the Services Corps, British Airways has offered to train members of Afritour, an association of black travel agents and tour operators Tungande helped establish.

The first sessions, completed this month, were designed to teach people about the travel industry. The airline plans to continue the course next year in order to help its participants become members of the International Association of Travel Agents.

SA urged to gear up for affirmative action schemes

B10M 20/11/92
SOUTH Africans had to learn from the experiences of the rest of Africa if they wanted to become internationally recognised leaders in business enterprise, past Institute of Personnel Management (IPM) president Tony Frost said this week.

Frost told the IPM congress on organisational change and renewal at Midrand on Wednesday that one area in which South Africans could learn much from Africa was affirmative action.

"There is a great resistance to the whole notion of affirmative action in SA. South Africans have been talking about this issue for 30 years ... and at the end of 1991 less than 4% of the total number of technical, professional and managerial positions were filled by people other than white.

"This is not good enough and South Africans are in for a rude awakening."

Everybody suffered in African states where affirmative action was suddenly thrust upon commercial and governmental organisations. "The organisations suffered

because they suddenly had people at senior levels doing jobs which they had no experience to handle and individuals suffered because they were thrust into jobs they were unable to handle effectively."

To avoid the same mistakes SA should not wait for affirmative action to be legislated. "The way to go is to develop the experience base of the entire organisation as quickly as possible and to pump in the skills that are required — at all levels — as fast as possible."

However, beneficiaries of affirmative action plans should be involved in their implementation to ensure their relevance.

Wits University's project for the study of violence director Tony Vogelmann told the congress reconciliation programmes were needed to reduce suspicion, resentment and violence within and between communities.

WILSON ZWANE

Jobless fly solo at 'hive' project

Saatchi 2111-2511192

WHEN Mr Stevenson Tom had had his fill of working for a boss at a large fibreglass factory, he decided to quit and go solo.

"We were selling our power for nothing," he said at the official opening of the Cape Town Job Creation Project (CTJCP) in Philippi recently.

The project aims to give enterprising black businesspeople the chance to start a business and to create jobs.

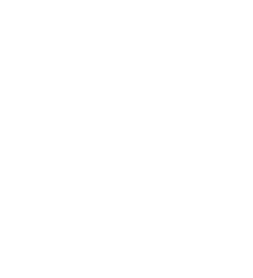
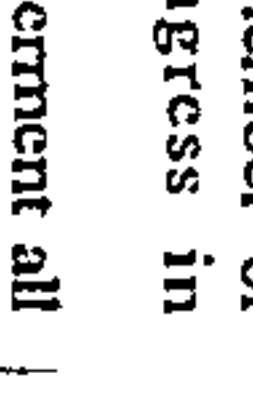
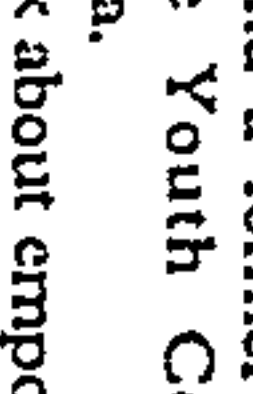
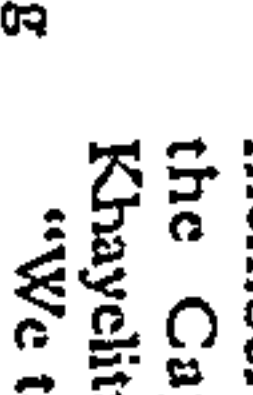
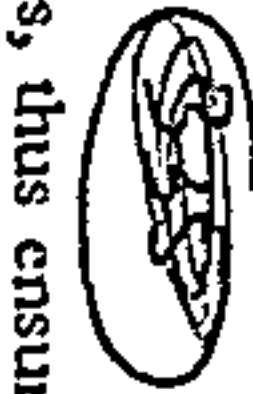
Tom, aged 30, has found success at the project's "hives" in Philippi. The 22 hives, based on nature's beehive, provide cheap working space for businesspeople to manufacture their products.

Also provided are security, access to the premises seven days a week, access to markets (townships) and other forms of help such as accounting services and

With the dismal state of the economy and lack of jobs, more and more people are opting to work for themselves. **Waghied Mishbach** reports on a

successful job-creation programme:

(176) marketing assistance.



The project has been in operation for two years and, until the opening of the hives, provided business counselling for 130 new businesses from surrounding townships including Khayelisha, Mfuleni, Crossroads, Guguletu, Langa, Mitchells Plain and Athlone.

A board member from the project, Mr Roland Charles, said the hive would provide a "shopping mall" atmosphere where people could browse after buying what they needed.

Spin-offs would include the possibility of large companies sub-con-

tracting to the hives, thus ensuring extra income and more jobs.

The project is an Urban Foundation initiative and is supported by the private sector. Barlow Rand, Engen, Anglo American and Anglovaal each contribute R400 000 a year to the project.

Another 50 companies each give R12 000 a year. The project was also given R65 000 by the British government at the official launch.

But while funding seems stable, the onus is on the businesses to secure their future.

Tom has two partners — Mr Zanehemba Dyanya, 22, and Mr Raymond Petersen, 25 — who have also worked with fibreglass, but were unemployed when they arrived at the project.

The three men make fibreglass kitchen and bathroom sinks and fibreglass roof sheeting. After being in business for two months they made a profit of R1 500.

But as they came to the hive with few tools and supplies — the project does not provide these — they plan to pump most of the

money back into the business.

Tom is married with two children and Raymond is unmarried with "one on the way", which make both of them eager to see that the venture works.

Tom is an ANC Youth League member and a former member of the Cape Youth Congress in Khayelisha.

"We talk about empowerment all the time. This is where it is happening," he said.

Being self-employed has also taught Tom a few things about the perspective of the "bosses".

"Our boss went on all the time about being punctual and meeting deadlines. Now I realise how important time is," he said. "Sometimes we work seven days a week and go home late every night."

Among the other businesses at the project are dress designers, radio and television technicians, welders and carpenters.

Also based there is artist Mr Monani Nokwanda, 45, whose work includes scaled-down depictions of township life. He is paid R500 a month by Gallery 709 to produce work. He also makes leather goods, bringing his profits is about R1 000 a month.

The hive concept is not a new one, as the Small Business Development Corporation (SBD) also runs a number of its own in the greater Cape Town area.

Change on affirmative action

(178)

ARG-24/11/92

SHARON SOROUR
Labour Reporter

AFFIRMATIVE action, or employment equity, is no longer going to be the employer's prerogative and will be settled by collective negotiation with powerful trade unions, says labour relations expert Mr Andrew Levy.

In the first edition of Employment Equity Digest, Mr Levy said advancement would

no longer lie within the "sole realm of the managerial prerogative — it will form part of the issues over which neither party has the inherent right to decide and be settled by negotiation".

This included issues like the overall composition of the labour force, testing, recruitment, selection, seniority and training, which were "essential ingredients of the debate".

"It raises the issue that advancement ultimately comes

down to individuals, and that basket of skills and potential that they themselves have. This will now fall into the realm of collective bargaining and become a collective issue," he said.

However, there was an "undoubted" tension as the inevitable reality had to be faced that human ability was not evenly or equally distributed.

"All men may be born equal in a political sense, but clearly not all have equal ability and

potential," he said.

Affirmative action was therefore about identifying, and providing for the equalisation of opportunity according to talent and ability at every level in the organisation.

Gender, sexual preference as well as racial issues comprise affirmative action.

It could not mean the insistence of the most qualified person for the job, but rather the appointment of a suitably qualified person.

Nationalisation out

Swetam 24/11/92

■ PAC's for 'socialisation programme' aimed at empowering Africans:

By Mzimkulu Malunga

176

NATIONALISATION cannot address South Africa's economic problems, says the Pan Africanist Congress.

According to the head of the organisation's economics department, Mr Siphon Shabalala, the PAC had never advocated nationalisation as an economic option for South Africa.

At its economic seminar held in Gaborone this weekend, the PAC stunned many observers when it ruled out nationalisation as an alternative to address the country's economic problems.

Officials said this position was consistent with previous stances whenever the organisation voiced its policy on future economic options.

The PAC had always strived for what it termed a "socialisation programme" aimed at empower-

ing Africans, said Shabalala.

The programme entailed the redistribution of the shares of the companies to the workers and community-based trusts. The introduction of anti-trust legislation would be geared towards breaking down conglomerates.

The organisation called for the democratisation of the corporate world in which workers would have increased participation including voting rights. Companies would have to decentralise power to enable African managers to play an enhanced role in the decision-making process.

Also, the PAC advocated the promotion of entrepreneurship among the African majority in all sectors of the economy in this country.

In many countries where it was applied, nationalisation had only benefited the state bureaucracy while the majority of the people remained poor.

ing new employment conditions to farm workers

Let's forget the past, pleads FW

Sowetan 25/11/92



SOUTH AFRICA COULD NOT AFFORD to become "a prisoner of the struggle and the mistakes of the past", State President FW de Klerk said last night.

Responding to the recent spate of scandals, De Klerk told a function in Sandton to mark this year's State President's Awards for Export Achievement that he would "completely root out malpractices and maladministration".

He conceded that in the past, crimes had been committed "on all sides" and that this "exceeded the bounds of moral justifiability".

The Government was serious about taking "strong remedial action in this sphere", he said. "We are cutting deeply."

Vowing that "good government, now and in the future" was the "highest priority", De Klerk said South Africa's prospects looked bright in spite of the rash of scandals in recent weeks.

He said all the National Party Government's actions since 1989 had been directed at creating a better South Africa.

"We are succeeding," he said, "and dare not be forced off course by new shocks about old things."

"I am continuing and, for that, I ask your support," he told the businessmen.

Revealing that he felt personal "shock and deep unhap-

■ PAST CRIMES De Klerk

is committed to rooting out malpractices in Government:

piness" about recent exposures of maladministration, De Klerk said "reorganisation and restructuring on the one hand, and disciplinary measures and where possible prosecutions on the other (would ensure that) good government prevails in every respect, also in this field".

He said he had "the full support of the Government and the top structure of the security forces", but insisted: "What I dare not allow is that essential activities which have to continue in the national interest, are jeopardised or paralysed by over-hasty action".

The president referred specifically to corruption scandals following the reports of the Van den Heever, Pickard, Parsons and De Meyer reports, as well as "disclosures and allegations of serious malpractices in the field of security and intelligence". - *Sowetan Correspondent.*

Prof Nkuhlu to take over IDT's reins

■ Black economist to succeed Mr Justice Jan Steyn:

Sowetan 25/11/92

By Mzimkulu Malunga

PROFESSOR Wiseman Nkuhlu, a leading black economist, has been appointed chief executive of the Independent Development Trust.

He will also succeed former Minister of Finance Dr Owen Horwood as chairman of the Development Bank's board at the end of the year.

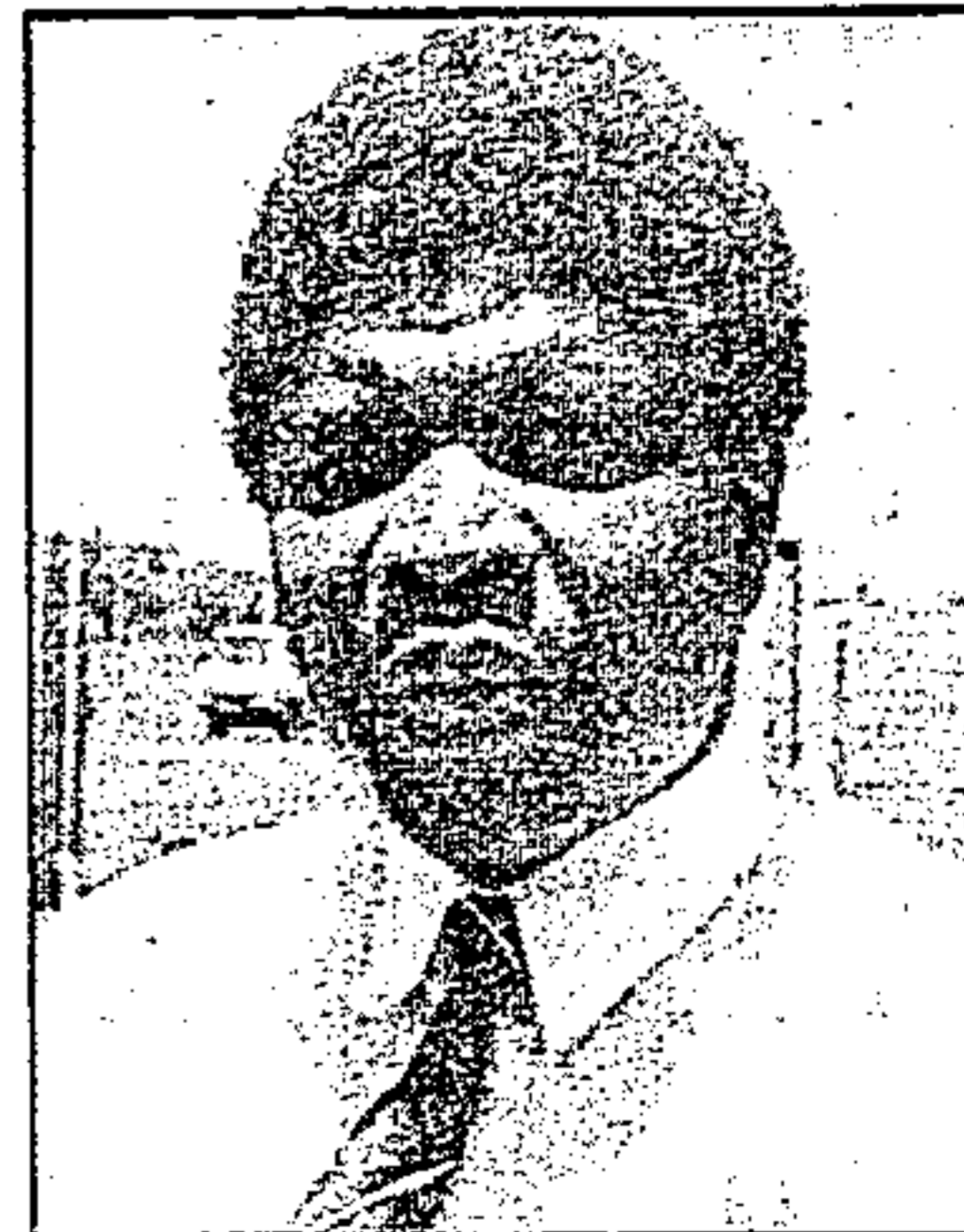
Nkuhlu, who is president of the Black Management Forum, will resume his new position when current chairman, Mr Justice Jan Steyn

steps down.

He is one of the most respected economists in Africa and has written several papers on development issues.

The 48-year-old chartered accountant has turned down offers from big international financial institutions such as the World Bank and the International Monetary Fund.

Nkuhlu is a former rector of the University of Transkei and serves on a number of boards in the private sector.



Professor Wiseman Nkuhlu

Affirmative action forum

BIDAY 25/11/92

176

WILSON ZWANE

THE Black Management Forum will convene a workshop in Johannesburg at the weekend to lay the foundation for a national affirmative action forum.

More than 15 organisations, including the ANC, Cosatu, the PAC, Idasa, the Institute of Personnel Management, the Institute of Directors, Nafcoc and the Urban Foundation have been invited to the workshop.

Forum research and projects manager Loyiso Mbabane said yesterday the objective of the workshop was to discuss the structure and funding of the proposed forum.

His organisation wanted the forum set up by the end of the year.

He said the need for "a strong and well organised body for the advancement of blacks and women to senior (managerial) positions" was evident, given the reluctance of many companies to implement affirmative action programmes.

The proposed forum would research affirmative action plans and lobby for legislation which would provide "the necessary structural framework for affirmative action programmes", Mbabane said.

The forum has, with Business & Marketing Intelligence, begun a major study intended to produce a blueprint for the implementation of affirmative action.

The results of the study — funded by 13 companies including Eskom, Nedbank and Shell — were expected to be released in the new year.

Sources said the study was in the form of in-depth interviews with more than 800 people, including human resources managers, line managers, black managers, women managers and representatives of organisations from across the political spectrum.

BUSINESS BISCN will expand its involvement in black business through franchising

The lowdown on franchising

176
Sowetan 26/11/92

FRANCHISING A quick way for blacks to join mainstream economy:

By Mzimkulu Malunga

A CONFERENCE ON FRANCHISING will be held at the Carlton Hotel on December 8 and December 9.

The objective of the gathering is to encourage black entrepreneurs to get involved in franchising and joint ventures.

"Franchise business has a proven format and it is easier to manage compared to a new and untested enterprise," said Leyland Hazelwood, chief executive of the Black Integrated Commercial Support Network in South Africa.

BISCN is jointly organising the conference with the Washington based International Franchise Association.

According to Hazelwood, his company was commissioned by the United States Agency for International Development (Usaid) to develop strategies for the advancement of black entrepreneurship in the country.

Over ten US franchise companies and around 200 local and international entrepreneurs are expected to attend the conference. Registration fee is R990.

In addition to international and lo-

Franchise business has a proven format and it is easier to manage compared to a new and untested enterprise

cal speakers delivering papers on a variety of topics on the dynamics of franchising, there will also be workshops on wide range systems for franchise ventures.

The workshops will entail advising participants on methods of developing a franchise operation, the legalities involved, partnerships as well as managing such a business.

Due to its proven record of success, financial institutions were less conservative in financing franchise ven-

tures. "Franchising has been called the single most successful marketing concept ever and in the US alone a new franchise business opens every 17 minutes.

"We believe it is poised to take off in South Africa in the 1990s," said Hazelwood.

Franchise business was prioritised mainly because it was seen as the fastest and easiest way for a black business break into the mainstream of the South African economy.

A BISCN study on how the corporate world arrived at purchasing and contracting decisions as well as on problems encountered by black business in selling to the formal sector was under completion.

"This will allow us to develop a targeted strategy for expanding markets for black business both locally and abroad," he said.

The second phase of the BISCN involvement in South Africa would be the establishment of an equity capital fund.

Warning on ANC's policy

Sowetan 26/11/92

A clear commitment to the free-market system needed:

SYFRETS portfolio manager Mr Tony Gibson this week said South Africa's financial markets would remain in a gloomy state until the ANC had spelt out its economic policy on key issues.

He said although the ANC had made

"positive changes" in its economic thinking, a great deal of clarity was still needed. "As the gloomy state of our financial markets clearly shows, foreign and local investment capital will not be forthcoming while this uncertainty persists."

WE ARE THE VOICE OF MADONNA.

(Read Monday's paper to find out who we are)

Right on, Wrighton!

W/Mail 27/11-3/12/92

PETER WRIGHTON'S revolution at the giant Premier Group started with a book he bought while waiting in an airport three years ago. It was written by Sony chief Akita Morita and, says Wrighton, "it explained the Japanese miracle and how he had introduced shared values and common beliefs into his company".

Soon "shared values", "training and trust", "affirmative action" and other Nineties buzzwords were heard in Premier boardrooms and staff canteens. Today joint employer-union committees run the company's provident fund, bursary and social investment programmes.

Premier plans to take it a step forward by introducing "equity participation" or employee share ownership schemes for workers.

"We hope soon to have our workers represented in our boardrooms," adds Wrighton. The company has sent joint union-management teams to Germany to study equity participation.

He also believes that all executive teams should reflect the country's racial balance; Premier has three black men on the board, the most in any major South African corporation. ("We will have to deal with the gender imbalance later," Wrighton adds wryly.)

"If you're going to do any of these schemes, you have to pay more than just lip service," says the Premier chief.

Paying more than lip service has worked: this week the Black Management Forum capped him "progressive employer of the year". "It's as much an accolade for a progressive organisation," says Wrighton.

The theme of the BMF conference was "Eurocentric versus Afrocentric management" and Wrighton believes he got the prize because he is an Afrocentric manager who brought co-determination and "ubuntu" or humanism to the workplace.

"It's not only a philanthropic gesture," says Wrighton of Premier's R16-million allocation to social investment. "We get back more from the communities because they buy from our companies and our workers are more productive."

Wrighton has a colourful "pulling oneself up by the bootstraps" history which explains his willingness to give worker participation a chance.

He completed his accountancy degree at the University of the Witwatersrand part-time because he lost his father in the first year and had to support his family. He qualified with flying colours and began auditing Premier's subsidiary companies.

Premier appointed him group financial director in 1976 and when chairman Tony Bloom emigrated in 1989, Wrighton became group chairman.

Under Tony Bloom Premier had already implemented a "huge" training programme and performance bonus schemes were put in place.

"But still productivity deteriorated," says Wrighton, "because we needed something completely different".

The company established working committees comprised of equal numbers of worker and employer representatives.

Peter Wrighton, chairman of Premier, was named progressive employer of the year this week.

He told **FERIAL** HAJFAJEE he owes it all to his Afrocentricism

Joint control was established over social investment, housing, safety, education, management, job creation, drought relief, school feeding schemes, bursaries and the company's provident fund.

He admits that it has not all been cosy industrial relations: "there have been fits and starts". There is a need "to train workers to accept responsibility and to condition managers for workers' participation".

Many workers still see the committees as an attempt at co-optation and managers used to dictator style control, need to be trained to accept joint responsibility and consensus decision-making.

The company's "value system", its mission statement, had to become more than just a pretty plaque at corporate headquarters.

Managers and executives from all levels went on walk-about speaking to workers "to explain philosophies and to tap their fears and aspirations".

The statement had to be written in Standard Four English because this was the workers' average proficiency level. The spinoff of the walkabouts was a literacy drive for Premier workers called Jolt (Job Literacy Training).

But "the value system crashed" because the union had not been consulted.

The company started again by calling together the head honchos of the Food and Allied Workers Union and the Premier executive to thrash out their grievances publicly.

They videotaped the proceedings and sent it to all companies in the group, with 70 trained facilitators to explain the value system.

Wrighton is determined to implement a working "value system" throughout the group. "If we want to attract foreign investment," he says, "we need to be an ethical society."

There are still strikes and old style industrial relations at many of the group's subsidiaries and Wrighton admits that the new system will only bear fruit in the next generation.

Sharing values also meant changing the political face of the Group. Premier was one of the first companies to visit the African National Congress in Lusaka in 1989. It was also one of the first companies to encourage a "yes" vote in the referendum early this year and its in-house newspaper gives wide coverage to political developments.

In the run-up to the referendum earlier this year, Premier strung a huge banner on the M1-highway stating its commitment to "Peace and Democracy".

Says Wrighton: "The only problem was that the ANC stole our slogan."



Peter Wrighton ... Hoping to have workers represented in the boardroom

Photo: SARAH PRALL

JOINT EDUCATION TRUST REQUEST FOR PROPOSALS

The Joint Education Trust has been launched by some of the country's major companies, trade unions, political, community and education organisations. Its aim is to promote long term fundamental change in the quality of South Africa's education and its relationship to the world of work.

The Joint Education Trust has identified adult literacy and basic education as a priority area and aims to support action in literacy, numeracy and basic skills training that has long term impact.

The Trust's current strategy is to enhance the capacity of existing literacy organisations and to encourage the development of regional support agencies that are capable of supporting local activity and forming a regional infrastructure for the expansion of literacy provision.

The Trust has therefore undertaken as an initial step the commissioning of research into adult basic education needs and provision in each of the nine existing development regions of South Africa (including Western Cape; Northern Cape; Eastern Cape including Border and Transkei; Natal including Zululand; Orange Free State; PWV; Western Transvaal; Eastern Transvaal and Northern Transvaal).

Appropriate institutions, initiatives, groupings and agencies are invited to submit proposals to the Trust for this research. Proposals should reach the Joint Education Trust by 15 February 1993.

The commissioned research institutions will be expected within six months to prepare a comprehensive report for the Trust that:

- * provides data (suitably analysed and presented) on:
 - the literacy and basic education levels in the region;
 - the scale, type and quality of literacy provision in the region including the degree of learner progress;
 - the literacy needs of the region and the resources (infrastructural, organisational and materials) currently deployed to address issues of literacy and adult basic education;
- * analyses the potential of the current resource base to have its capacity increased to support advocacy, infrastructure, curriculum and materials development, teacher training and ABE leadership and management training.

As a second step the Trust wishes to solicit proposals from regionally based institutions, initiatives, groupings, and agencies for the establishment of regional support and training centres/activities.

Such centres would for a specific period (three years) be required to support the regional infrastructure for the following adult literacy and basic education activities:

- * Advocacy
- * Provision
- * Curriculum development
- * Course and materials development
- * Teacher training
- * Adult Basic Education leadership and management training
- * Co-operation, collaboration and co-ordination.

Agencies are invited to submit proposals to the Trust for regional support initiatives in the above nine development regions. Proposals should reach the Trust by 15 February 1993.

Agencies may tender for the research and the regional support components together or separately.

Further documentation is available on request from:
 Joint Education Trust
 P. O. Box 1198
 Johannesburg, 2000
 Enquiries (011) 403-5500

You might even find a mouse in your stocking ... Look out for next week's special Christmas edition of **PCReview**

US franchises head for SA

WASHINGTON — A group of American franchise companies is heading to SA next month aiming to attract black entrepreneurs. *BIDM 27/11/92*

Firms looking to sell licenses include Kwik-Copy, Speedee Oil Change, Everything Yogurt and Mailboxes Etc.

Washington-based International Franchise Association and the Black Integrated Commercial Support Network are sponsoring a conference at the Carlton Hotel on December 8 to introduce US franchisers to potential black business owners. *28*

The network is a year-old project of the US Agency for International Development, run from Johannesburg, whose function it is to identify and help develop promising black businesses.

The project was providing a "pool of potential master licence holders", said the association's president Bill Cherkasky, who called franchising "one of America's most desirable exports".

Well-known US franchises currently operating in SA include Kentucky Fried Chicken and Pizza Hut. Although it sold its

(176) SIMON BARBER *(62)*

SA subsidiary to local investors in 1987, KFC Corp, a unit of Pepsico, retains licence agreements with 180 SA restaurants. THEO RAWANA reports that conference organiser Olivia van Melle Kamp said speakers would include Cherkasky, Washington law firm Brownstein, Zeidman and Lore partner Philip Zeidman; local law firm Webber Wentzel partner Lawrence Reyburn; Nedenterprise CEO Neville Edwards and Deloitte & Touche associate director Allan Gitsham. *28*

US franchise operations had been particularly successful, generating 36% of all retail sales, against SA's 6%, Reyburn said.

He said US franchisers and the SA Franchise Association would like to see black business entering the franchise arena.

"The time is ripe for black participation. Finance which has been difficult to obtain is now more freely available." Nedenterprise, one of the co-sponsors, has arranged access to finance for black entrepreneurs.

Weekly Mail Reporter
JUST as the former
finance minister turned
out to become chair-

Nkuluhi tipped for top Development Bank job

finance ministry
because of his skills
and lack of ideological
attachment, hence his

man of the Southern African Development Bank, so the incoming chairman of the bank may soon be minister of finance.

When Owen Horwood retires as bank chairman at the end of this year he will almost certainly be replaced by the current Independent Development Trust vice-chairman, Wiseman Nkuluhi, a man who has been dubbed South Africa's Bernard Chidzero.

Nkuluhi, one of South Africa's most respected economists, is widely expected to succeed Horwood at the DRSB at the end of the year. He is a former principal of the University of the

WVW and 27/11 - 3/12/92

Transkei and sits on many corporate boards. Born in Transkei 48 years ago Nkuluhi graduated from Fort Hare University and went on to obtain a master's degree in finance and international business at New York University. He became the country's first black Chartered Accountant after completing a degree from the University of Cape Town in 1976. Nkuluhi also has among his credentials being expelled from Lovedale High School and serving a year on Robben Island.

After serving eight years as Unitra's principal he was last year appointed to his present position. Last year he was elected president of the Black Management Forum.

Although regarded as an Africanist, Nkuluhi is a key economic adviser to the African National Congress. He qualifies this by saying that he prefers to "plough the goods" and not on ideological grounds. One of his current projects is a feasibility study on a multi-party project to raise development funds under the auspices of the Rockefeller Foundation.

In black business and political circles Nkuluhi is seen as the best candidate for heading the

Nkuluhi has turned down several job offers from the International Monetary Fund and the World Bank, the last of these being chairman of the Africa Capacity Building Institute.

An advocate of affirmative action, Nkuluhi feels strongly about "progressive" whites running development programmes that mainly affect blacks and has voiced his concern about the possibility of labour and business—whose interests he describes as "close"—developing a pact that will affect everyone else. He also advocates a land and graduate taxes.

PROPERTY Deal with multinational company

Prayers paved the way to success

Sowetan

27/11/92

176

By Joshua Raboroko

■ BUSINESS VENTURES Tshikota

THE road to success has been a long and bumpy one for businessman Mr Bishop Phineas Maemo Tshikota (42) who is also bishop of the New Saint Amos Apostolic Church.

Three business ventures which he embarked on turned out to be failures.

But he was not deterred and success came when he started One-way Building and Plumbing Construction and Tshikota Home Improvements in Germiston.

The companies have branches in Pretoria and Soweto and employ more than 50 artisans.

Tshikota has built 200 houses in the low-income sector and done plumbing work at numerous factories.

He says he has made a deal with a multinational company to build homes in Israel and other parts of Africa. He did not want to name the company.

It was his aim to motivate black builders by starting a Builder of the Year Competition in January, he said. He would also stage a Miss One-way and Tshikota Home Beauty Contest.

"I want to build as many homes as possible to help ease the housing shortage," he said at his offices in Germiston.

He also wanted to create as many jobs as possible by getting involved in building the nation.

Tshikota was born in Raliphaswa in Venda. After passing Standard Six he went to a training school where he acquired the skills of plumbing, drain laying and bricklaying because "I was always fascinated by building and plumbing work".

He came from a poor family who lived in a squatter camp.

His first job was with the Venda government in 1973 and he earned R21 a month. He said he was fired by the late Chief Minister Patrick Mphahlele for organising workers to protest against low wages.

He then went to Johannesburg where he worked as a plumber for a number of companies as well as on the mines.

Tshikota said he went back home to Venda and started the Good Sa-

was not deterred by failures:



Phineas Tshikota ... great determination.

maritan Plumbing company which later foundered.

He came back to Johannesburg and started another company which also went under.

He decided to study theology at the African School of Theology and became a bishop of the New Saint Amos Apostolic Church.

"I spent sleepless nights praying

God to help me start a new company," he said.

His prayers were answered when he started the One-Way Building and Plumbing Construction and the Tshikota Home Improvements in 1990. The two businesses are doing well.

Tshikota is married to Ruth and they have six children. He can be contacted at (011) 873-5745.

East, West, Africa is best

Southern 28/11/92 2/12/92

(176)

A NEW concept of business management in South Africa is required which will take into account the traditions and culture of the African participants in commerce and industry.

This was one of the ideas to emerge at the Black Management Forum's 1992 national conference held at the University of the Western Cape last week.

Delivering the keynote address, the managing director of Co-ordinated Marketing, Mr Reuel Khoza, said merely copying Western management styles would not release the full potential of all South Africans.

These Western management styles tended to focus on power relations rather than consensus. They led to conflicts between bosses and workers, individualism and insensitive competition at all levels.

It was no wonder the economy was performing badly, as the way it was being run ignored all the deep-seated needs and aspirations of the majority of workers.

Khoza said he favoured the "community concept", which was based on the traditional African concept of ubuntu. This meant supportiveness, co-operation and solidarity.

The community concept was



Benny Alexander

opposed to individualism and competitiveness just as much as it was to collectivism, where the individual was depersonalised at the expense of the social unit.

The concept sees the business organisation as a community to which individuals belong, not just because they have a legal contract to work there, but because they want to.

"This community is built on close interpersonal relationships and group interactions held together by a feeling of security and harmony

on the part of all its members. The members submit themselves and their hopes and plans to this community."

This sort of business was "humanistic and humane" at every level.

But it had its rules and regulations which, although strict, were seen as necessary to promote the values and objectives of the community. They were fair and reasonable and clearly understood by all members and were not aimed at preserving the power of one group over another.

There also had to be a free flow of information about what was happening in the business.

"One cannot cultivate a community spirit by withholding information and trying to manipulate facts," said Khoza.

These aspects had several implications for the way businesses would be run.

"The community concept provides a sound basis for team learning and would help eliminate Eurocentric blind spots occasioned by a pre-occupation with individual excellence which often degenerates



Wiseman Nkulu

into reckless individualism within South African corporations."

It would also develop a greater sense of oneness in businesses, helping to change the traditional relationship between management and workers from one of conflict to one of consensus building.

The community as a whole would also benefit in that corporate social responsibility programmes would be more "natural" and directed towards the real needs of society without expecting any return.

PAC secretary general Mr Benny Alexander, agreed with this view, saying that it was high time that white managers started listening to what their black workers said and debated issues with them before management planned its business strategies.

He was concerned about the lack of blacks in top management positions, except as "human resources" experts. He said more should be done to encourage students to study management, the sciences and technology at university rather than concentrating on the service industries they were forced into by apartheid.

Earlier, the president of the Black Management Forum, Professor Wiseman Nkulu, said that unless South Africa did more to develop its own policy analysts and managers, the economy would never meet the challenges of the future.


Its continued reliance on outside policy analysts meant that external policy agendas could be foisted on unwilling leaders, resulting in unnecessary economic paralysis, which would hurt everyone.

Equally, the economy could not continue to rely on the country's few white managers at a time when the country's huge development needs would have to be tackled efficiently and effectively.

— **Lynnda Loxton**

'Jobs for pals' won't do says SACP chief Hani

SOUTH 28/11 - 2/12/92

(176) 

AFFIRMATIVE action is vital to redress past political and economic wrongs — but it should not breed a culture of “jobs for pals” or a culture that insists on a reward for being black.

Instead affirmative action should be an integral part of an overall economic reconstruction programme, South African Communist Party general secretary Mr Chris Hani told the Black Management Forum annual national conference at UWC last week.

“We need affirmative action in

management, just as we need it in the security forces, and in state administration, or, for that matter, in the administration of sports and culture.

“This is because many of the present incumbents in positions of authority are simply incompetent. It is not just because they are nearly all white, and, in many spheres, Afrikaans-speaking.

“It is not just because they are nearly all male. Some of them might have skills, but mostly these skills are absolutely inappropriate

for the challenges and requirements of the massive programme of nation-building and reconstruction that lies ahead,” Hani said.

The reconstruction programme should be based on sustainable growth through redistribution.

There will be no quick fixes, no miracle cure.

The reconstruction programme would involve:

- giving priority to housing, electrification and education;
- empowering communities economically through their own

formations, which meant that managers would have to work in partnership with the trade unions;

● job creation and appropriate technology. (A few high-tech, export-oriented growth points hoping to be Singapore dotted around South Africa were not going to solve the country's massive structural problems.)

● having managers with vision, a sense of patriotism and a responsibility to the people of South Africa.

— Lynda Loxton

Pretoria caps first black woman PhD

STAR 2/12/92

176

2554

Pretoria Correspondent



Education at Wits and her Masters at UP.

2554

Maria Morongwa Ramarumo has become the first black woman to receive a doctorate from the University of Pretoria.

She received her PhD from the education faculty during the first of Tuks's summer graduation ceremonies yesterday.

Ramarumo's doctoral thesis addressed the adequacy of literacy education for school beginners in rural Venda.

Born in Alexandra on November 10 1952, Ramarumo matriculated at the Orlando High School in 1975 before going on to attain a BA degree at the University of the North, a Higher Diploma in

Education at Wits and her Masters at UP. She started her teaching career in 1981 at the Letare Secondary School in Jabulani and two years later was appointed head of Johannesburg's Thesele Secondary School's department of African languages.

Ramarumo is also the first woman to serve as director of the Council of Directors of the South African Press Corporation.

By the end of the graduation ceremonies on Saturday, the faculties of theology, economic and management sciences, arts, law, medicine, science, education and agricultural sciences will have conferred 2 305 degrees and 131 diplomas.

Apology to the Trust

SOWETAN reported on November 27 that the Independent Development Trust occupies "opulent offices that cost R7,1 million a month to maintain".

We also said only five blacks were employed in the Johannesburg office out of a staff of about 20.

The IDT has pointed out that:

It occupies offices that cost R10 106 in rental and parking charges;

Its relief development section occupies three offices and the space costs R1 800 a month and no charge if levied by the IDT;

Of an IDT staff of 15 in Johannesburg, 10 are black.

The relief development section has a staff of seven, and five are black.

We apologise to the IDT for any embarrassment it might have suffered because of our report.

Sowetan 2/12/92

337
338


(176)

Eskom boost for black artisans

Sowetan
3/12/92

By Mzimkulu Malunga

Sub-contracting Electrification giant

will promote local contractors: 

ESKOM aims to broaden the country's technical base by sub-contracting to black artisans in its electrification programme of the townships.

"Part of the process is to ensure that we encourage and promote local contractors in areas where Eskom operates," said Paul Marais, sales and customer service manager for the West Rand.

However, the prospective sub-contractors have to meet certain requirements before they could be commissioned.

They have to produce a wireman's licence - an officially recognised qualification for electricians. Secondly, they have to have a workman composition, so that if any of their employees are injured on duty they (workers) qualify for compensation.


"With electricity being a dangerous source of energy if not installed properly, we have to screen tenders and be satisfied that they are qualified to deliver the services they have been contracted to do," he said.

Payments ranged from R8 000 to R15 000 depending on the number of houses in which electricity was installed.

Sub-contractors with bigger numbers of people in their employ were given higher targets - about 300 houses a month.

Those who employed a fewer number, were expected to electrify between 100 and 200 households monthly.

Currently, there are two types of sub-contracting. One is the service connec-

tion which entails drawing power from the electrical sub-stations for domestic consumption. The other involves the transferring of meters from the streets to the residences.  (176)

Five black sub-contractors were rendering service connections in various areas on the West Rand while six electrical companies handled the meter transfer project, according to Marais.

In the East Rand township of Tsakane, between 80 to 90 percent of the wiring inside the houses is done by blacks, said Laetitia van Staden, sales and customer services manager for the area.

Plans are already at an advanced stage to extend the programme to other East Rand townships in the next few months.

THE African National Congress' economics department will host an anti-trust, monopolies and mergers policy workshop at the Aloe Ridge Hotel near Fourways from tomorrow until Sunday.

Financial editors or their senior assistants are invited to attend the Friday and Saturday sessions. For more information contact Rizwana Bawa at (011) 330-7188.

●A conference on the opportunities in franchise businesses will be held at the Carlton Hotel on December 8-9. Registration fee is R990.

There will also be workshops conducted by international franchise specialists during the conference. For more information contact Black Integrated Commercial Support Network at (011) 789-3141.

●The National Association of Co-operative Societies of South Africa, representing burial societies, wom-

the diary

Your update on what's happening in the business world from Mzimkulu Malunga.



en's and meholisano clubs, is to hold its annual general meeting at Funda Centre on December 12.

Guest speaker will be Sowetan's day editor, Thami Mazwai. For more information contact the Nacssa office at (011) 331-8326.

●The National Black Consumer Union will hold its fundraising dinner at the Jan Smuts Holiday Inn on Sunday start-

ing at 5.30pm. For more information contact Ethel at (011) 337-6210/2.

●Clem Sunter's new book, *The new century - the quest for the high road*, will be subjected to thorough scrutiny at the Seff-702 business breakfast tomorrow at 7.30am.

For more information contact Giles Shepherd at (011) 726-5018.

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UNIVERSITY OF CAPE TOWN
Clem Sunter

but poverty and ill-health for the continent. In 1984/85, of 44 African countries, 35 or 80% spent more importing tobacco than they earned ex-

their product and, indeed, is increasing reveals a lack of knowledge of the economic basis of the regions concerned," the five countries argued.

in line with a general increased awareness of the dangers of smoking and its unacceptability in confined spaces." — Sapa.

Mobile courts to be expanded

LLOYD COUTTS

THE introduction of mobile courts to prosecute traffic offenders during the December holidays proved successful last year and the Justice Department was considering an expansion of the service.

The department announced yesterday that two mobile courts would be introduced in Nylstroom and Richard's Bay this month, and courts along four main highways — the N1, N2, N3 and N4 — would be placed on standby to operate after hours.

"The pilot project was a huge success (last December) and we are looking at expanding it," Justice Department spokesman Werner Krull said, adding that a third mobile court was being used in unrest areas.

A department statement said the new concept of adjudication had helped lower the holiday death toll.

The measures' benefits included relieving a holidaymaker who preferred not to pay an admission of guilt fine from having to travel back to court later.

Affirmative action alliance woos major organisations

WILSON ZWANE

THE Black Management Forum is frantically trying to get two major organisations to join a newly established alliance on affirmative action.

The alliance was established in Johannesburg on Saturday at a workshop convened by the Black Management Forum.

Its objective is to co-ordinate efforts intended to advance blacks and women to senior managerial positions.

Black Management Forum executive director Lot Ndlovu said his organisation and other organisations represented at the workshop were trying to get at least two major organisations to join the alliance.

He would not name the organisations, but it is understood they are the PAC and trade union federation Cosatu, which were not represented at the workshop.

Ndlovu said a committee had been elected at the workshop, to get the organisations "on board".

Black Management Forum research and projects manager Loyiso Mbabane said the need for "a strong and well-organised body for the ad-

vancement of blacks and women to senior (managerial) positions" was evident given the reluctance of many companies to implement affirmative action programmes.

The alliance would research affirmative action plans and lobby for the enactment of appropriate legislation providing "the necessary structural framework for affirmative action programmes," Mbabane said.

Meanwhile, the Black Management Forum and the Business and Marketing Intelligence have embarked on a study aimed at producing a blueprint for the implementation of affirmative action.

Results of the study, which is funded by 13 companies including Eskom, Nedbank and Shell, are expected to be released in the new year.

According to sources, the study focuses on in-depth interviews with more than 800 people.

The interviewees include human resources managers, line managers, black managers, female managers and representatives of organisations from across the political spectrum.

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Affirmative action alliance

WOOS major organisations

3/11/92

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Hawkers to sell items sourced from China

THEO RAWANA

BLACK hawkers in Johannesburg would be selling wares sourced directly from China after an agreement with the Chinese Business Association, the African Council for Hawkers and Informal Business (Achib) said yesterday.

Achib president Lawrence Mavundla said as a result of talks between the organisations after black hawkers had threatened to chase away the Chinese, an agreement was reached to allow blacks access to Chinese sources of supply for jewellery, ornaments, scarves and other items.

Mavundla said the accord, reached yesterday with former Chinese consul-general and Chinese Industries in SA chairman C C Kan, would be formalised next Friday, after Achib had viewed samples of the items made available for its members.

He said the hawkers hoped to be trading in the new items before Christmas.

"This will enable our members to trade at the same level as the Chinese. For the first time our members will be able to sell watches with a guarantee — at R15 each."

He added that the council was negotiating for premises in Johannesburg to serve as a warehouse for the Chinese items. Achib would then allow the Chinese — "but only those who are already trading" — to sell on Johannesburg pavements, Mavundla said. Kan could not be reached for comment yesterday.

BUSINESS FEATURE From mine worker to head of two powerful institutions

All for one, one for all

- Prof Nkuhlu

Sowetan 4/12/92

By Mzimkulu Malunga

GLORIOUS GAINS Liberation movements made climb possible:

DEVELOPMENTAL institutions should work together to co-ordinate upliftment programmes for all South Africans, says Professor Wiseman Nkuhlu.

When he takes over next year as chief executive of the Independent Development Trust and chairman of the Development Bank of Southern Africa, Nkuhlu said he would nurture a closer co-operation between the two institutions.

"The country needs both a bank which supports development through interest-bearing loans as well as a grant-making mechanism aimed at achieving the best upliftment impact.

"It is important that the two programmes be co-ordinated and my appointment is going to enable me to foster this type of co-operation," he said.

It was imperative that during this transitional period black people should be aware that organisations such as IDT and DBSA controlled the national resources which belonged to all South Africans, Nkuhlu argued.

Both institutions had the stigma of being a creation of an apartheid government, but the greater emphasis should now be put on making them accountable.

Progressive movement

"For this to be achieved, people associated with the progressive movement have to be involved in the management of both IDT and DBSA," he said.

Had it not been due to the gains made by the broad liberation movement in this country, his appointment to such influential portfolios could not have been possible.

While many were having sleepless nights about whether the future government will meet the expectations of the masses, Nkuhlu said he was not troubled.

A democratically elected government would be in a position to initiate projects that would cultivate hope at grassroots level.

"If the government succeeds in doing this, the people will have the patience to wait because the realisation of their expectations will take many years," he added.

"I have faith in the wisdom of ordinary people, provided you tell them the truth about what is possible in the short and medium term.

"The danger will only be if politicians fan the expectations themselves," said the former principal of the University of Transkei.

However, Nkuhlu warned that there was a danger of over concentration on constitutional issues once an interim government was in place, hence pushing economic matters to the back seat.

He called on all people and the development institutions to play a vanguard role in ensuring that upliftment programmes were not thrown into the backyard.

On the role of the International Monetary Fund and

fighters. This stimulated my desire to work in Africa.

"By that time we saw the struggle in South Africa as intertwined with that of the rest of the continent and a lot of things were happening in Addis Ababa (the Ethiopian capital)," said the former mine worker.

Like many youths of his time, the 48-year-old Nkuhlu served a jail sentence on Robben Island for belonging to a banned organisation.

After qualifying as the first black chartered accountant in 1976, he went to Umtata where he opened an auditing firm.

At about the same time he established the department of accounting at the University of Transkei.

Later he did his Masters degree in Business Administration at the New York University in 1983.

In 1987 he was appointed principal and vice-chancellor of Unitra and last year was elected president of the BMF.

Among his many research papers on development was "Economic empowerment in sub-Saharan Africa during and after the colonial era" which he delivered in 1990.

Nkuhlu is married to Hazel Nondina and they have four children, three boys and a girl.

Two of his children are at high school, one at primary and the youngest at pre-school.

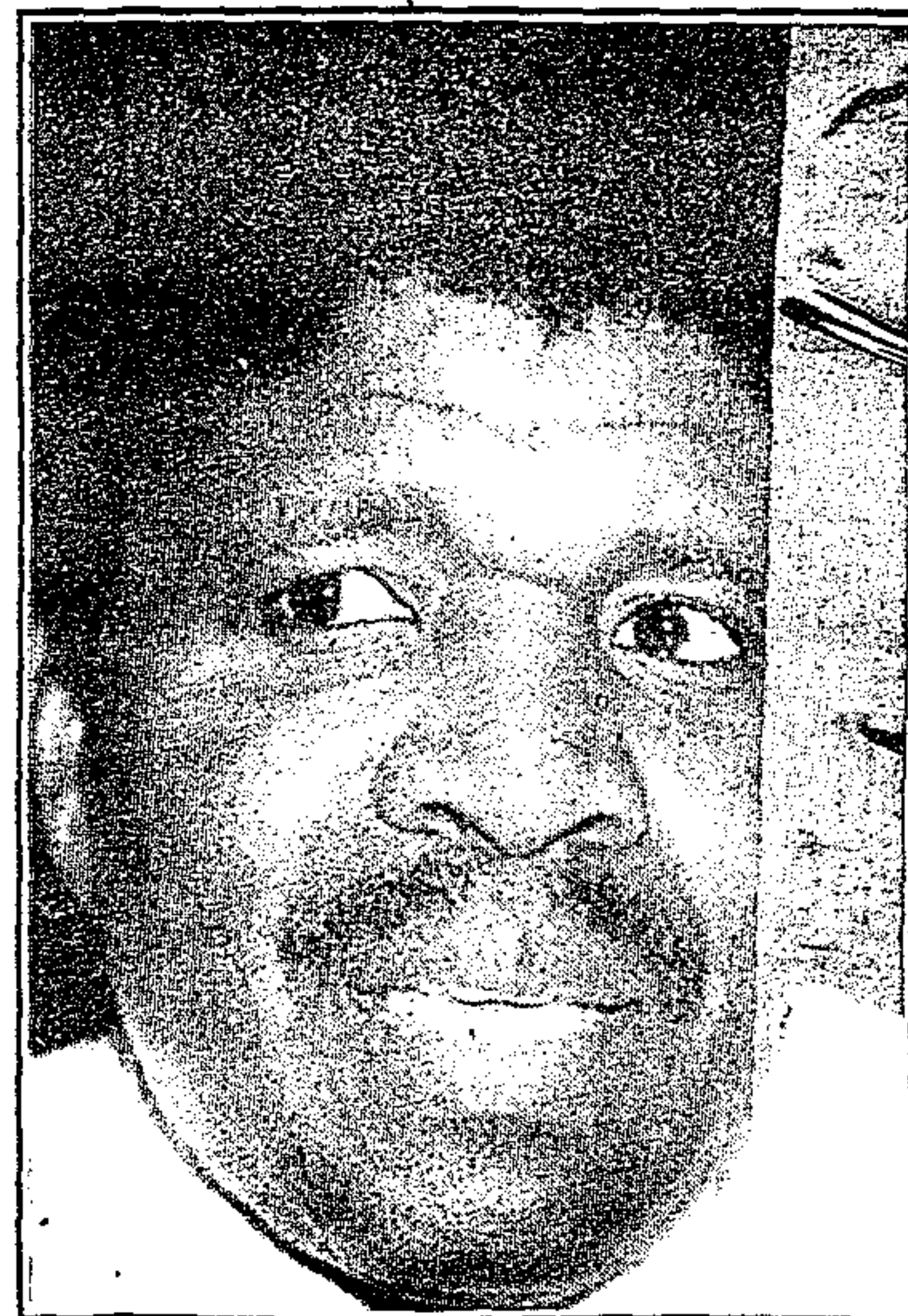
World Bank in a future South Africa, Nkuhlu said much as the two were needed to support developmental projects, the country should develop a mechanism of co-ordinating and managing their involvement.

Nkuhlu, who is also president of the Black Management Forum, studied accounting while a student at Fort Hare University when he discovered that there were no qualified black accountants.

His first love had always been economics. "My heroes were Kwame Nkrumah (the first president of Ghana), Tanzania's Julius Nyerere and other African freedom

“The country needs both a bank which supports development through interest-bearing loans as well as a grant-making mechanism aimed at achieving the best upliftment impact.

It is important that the two programmes be co-ordinated and my appointment is going to enable me to foster this type of co-operation”



Professor Wiseman Nkuhlu ... his first love has always been economics.

Rent boycotts to continue

THE time was not yet ripe for the SA National Civic Organisation (Sanco) to advise its members to suspend rent and services boycotts, Sanco president Moses Mayekiso said yesterday.

He said in an interview that Sanco did not want to "encourage the culture of non-payment of services".

However, a number of things had to happen before Sanco advised its constituencies to suspend the boycotts. These included "sufficient movement towards the democratisation of government — at both local and national levels", the scrapping of the Interim Measures for Local Government Act and the Provincial and Local Authority Affairs Amendment Act and the forging of a single tax base for towns and their neighbouring townships.

Mayekiso said while negotiations were continuing in the Local Government Negotiating Committee — which comprised government and civics — authorities should not "penalise our people by cutting services".

Former Local Government Minister Leon Wessels said recently government was prepared to suspend the

~~12/12/92~~
WILSON ZWANE

Interim Measures for Local Government Act and the Provincial and Local Authority Affairs Amendment Act if boycotts of rent and services were lifted.

In another development, a working group of the Local Government Negotiating Committee met this week to finalise a draft document on the establishment of a local government forum.

The document would be submitted to the committee in the new year for discussion.

The document, which Sanco has circulated to its regions, contains three options for local government:

The inclusion of extra-parliamentary groups in the Council for the Co-ordination of Local Government Affairs;

The scaling down of this council to make it more cost-effective and less unwieldy; and

The establishment of a completely new forum for local government.

It is understood Sanco will push for acceptance of the third option.

B10AM 4/12/92

PAC to seek black businessmen's help

THE PAC is asking black business and the black professional community to work with it in finding solutions to the country's political and economic problems.

PAC president Clarence Makwetu said yesterday his organisation believed business and professional people's contribution to current political debates was vital to SA's future stability and prosperity.

A two-day conference attracting

~~12/12/92~~
WILSON ZWANE

around 250 people would be held at Midrand at the weekend "to explore and develop possible synergies" between the PAC and black businessmen, Makwetu said.

Key speakers will include PAC deputy president Dikgang Moseneke, Nafcoc president Archie Nkonyeni and National Sorghum Brewery executive chairman Mohale Mahanyele.

176

Witness fails to recall events

B10AM 4/12/92

SUSAN RUSSELL

POLICEMAN Eugene Riley, identified by two witnesses at the Webster inquest from an identikit of a suspect in the murder of Wits academic David Webster, testified yesterday he could not remember what he had done on May 1 1989, the day of the murder.

Riley said the date had no special significance for him.

The police counter-insurgency unit member told the court he and former CCB agent Ferdi Barnard had been friends since 1981.

Riley said after his suspension from the police force — he had been charged with attempted murder and robbery in Bophuthatswana — Barnard had hired him as an informant for MI last year. Barnard worked for MI from May to December last year.

Riley said Barnard had paid him for his services until August last year.

Earlier yesterday Judge M Stegmann refused an application by counsel for the Webster family, E Bertelsmann SC, for an order compelling the investigating officer to identify a source who approached him during the first week after the murder and suggested he direct his investigation towards CCB MD Joe Verster.

The judge said there was nothing to suggest that the source could offer information that was not already before the court.

The court adjourned until January 19 when counsel will present their closing arguments.

FRANCHISE ENTERPRISE

176

FM 4/12/92.

Franchising has become one of the fastest growing generators of economic activity in the US, where a third of all retail sales are now said to take place through franchise outlets.

In SA, franchising is still in its infancy. An estimated 6% of all retail sales are currently conducted through franchise operations. Lately, however, there has been more interest in franchising with the SA Franchise Association reporting an average of 30 calls a day from people interested in moving into franchising. This is one of the reasons the US Aid-funded Black Integrated Commercial Support Network (BICSN), together with the International Franchise Association, is organising its first-ever franchis-

ing conference in SA at the Carlton Hotel in Johannesburg on December 8 and 9.

The FM is hosting the conference and Deloitte & Touche, NedEnterprise and Webber Wentzel are sponsors. Delegates will be able to attend workshops held by about 15 major US franchisors on their franchise systems.

BICSN is hoping that black businessmen will be among the major beneficiaries. Says BICSN's Olivia van Melle Kamp: "We believe franchising is a potent method of developing new enterprises."

Inquiries can be directed to BICSN PO Box 1936, Randburg 2125, or telephone (011) 789-3141. Fax (011) 789-3438. The fee per delegate is R990.

The fee per delegate in R990.

FINANCIAL MAIL • DECEMBER • 4 • 1992 • 51

Preparing the path to profitability

5747C 7/12/92

(176) (1992)

Retired company executives are quitting their garden deck chairs and bowling greens to volunteer to put their talent and experience back into use to guide a new generation of entrepreneurs into the business world, reports MICHAEL CHESTER.

MORE and more budding black entrepreneurs are being steered by the invisible hand of a team of seasoned experts who have come out of retirement to show the newcomers how to climb the business ladder.

It is a low-profile exercise to mobilise the talent and hard-headed experience of former corporate executives to act as backroom advisers to the next generation of entrepreneurs.

The retired gurus — engineers and technicians to accountants and salesmen — are being persuaded to pack away their garden deckchairs to join a task force of volunteers known as the International Executive Services Corps (IESC).

Their triumphs as trouble-shooters when new mini-business ventures run into snags are becoming legendary as their numbers grow and their assignments multiply.

"It's often on the bush telegraph that we hear about fledgling small firms encountering problems," says Kenneth van de Laar, executive director of IESC South Africa. "We hand-pick the ideal troubleshooter familiar with the snags — and off he goes to put the business back on course.

"Funding the solutions may take a few hours, or several days, even weeks. The root of the problem may be technical, poor bookkeeping, mistakes in production budgets, or difficulties in finding the best markets. Our chips sink at it until the problems are licked.

"We find lots of enthusiasm and sheer determination in most new mini-ventures struggling to find a foothold in business, but also a lot of inevitable

frustration caused by lack of basic management know-how among newcomers to the business world.

"That's where we can mobilise the grey matter of lifetime experience. It's amazing how many executives go into retirement — and then itch to put their skills and talents back into use from time to time."

The IESC, based in the US and backed by the US Agency for International Development, runs a global network of similar operations to encourage Third World enterprise. South Africa had to wait until apartheid was off the agenda before it joined the exercise, but the Johannesburg head office has already spread to branches in Durban, Cape Town, Port Elizabeth and East London.

Scores of former executives have added their names to the roster of volunteers on standby for firms that run into trouble. Xhosa dressmaker Yolisa Mzamo is one of hundreds of entrepreneurs whose mini-businesses have been set on the road to success.

She was confident she had found the ideal designs for the fashion range of clothes she was producing at the industrial estate at Mdantsane in the Giskek, but complaints streamed in that the colours began to run when the garments were washed.

IESC trouble-shooter Cedric Harrop, a former director of a pharmaceutical company, homed in on the problem. Yolisa was advised to stick with the designs, but use different fabrics, and a special new set of dyes recommended after a lot of research.

Within weeks the new fashion range was a top-seller in boutiques in Cape Town and Johan-

nesburg. And now orders are flowing in from Germany.

The Rivon Workshop for the Blind at Louis Trichardt also sent out an SOS. Though handicapped with no better than partial sight, the workers were packed with enthusiasm... but frustrated with the poor profit margins on the wire coat-hangers and wooden stools they were turning out.

Retired engineer Arnold Nelson set off from Johannesburg to lend a hand.

"In the coat-hanger section, production methods were ingenious, but impractical," he reflects. "In the woodwork section, the crated stools being made looked very attractive, but unprofitable as a business proposition."

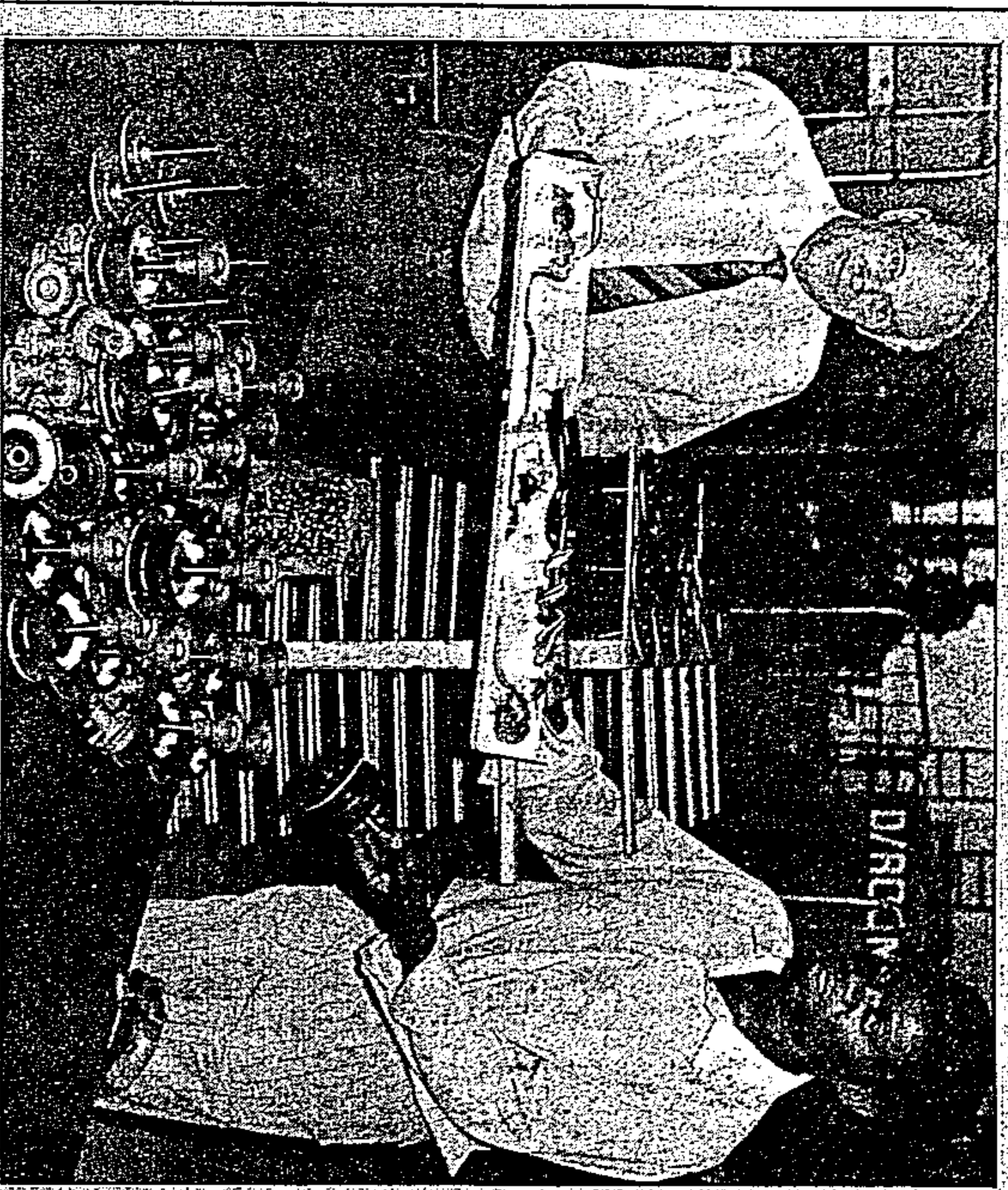
Production lines were redesigned. Most of the equipment was replaced. New tools were used. Output rocketed to 2 400 hangers a day. Instead of making stools, the carpenters switched to making wooden pallets with an instant order book from a large tin manufacturer.

It was Nelson's production know-how that also went into the success of a small company that was started in Soweto to manufacture metal window frames for supply to local house builders.

The down-to-earth approach of the volunteer teams was also set in motion to solve the constant problems encountered by township spazas and hawkers who had no access to freezers to keep foods and drinks cold and fresh, either because of the expense or simply the lack of electricity.

Volunteer Ray Mitchell sat down to search for solutions with Tony Sibya, chairman of the Zimbambelani National Spazas and Hawkers' Association in northern Natal.

The result: the design and production of a low-cost galvanised iron cooler chest, the size of a kitchen table, using blocks of dry ice that keep the contents well below freezing level for as long as 10 days at a time. The



Success story . . .

Volunteer business adviser Ron Pitchford admires products assembled in the workshops at a small company named Shabax on the outskirts of Alexandra. Jerry Ntshane, head of the firm, holds one of the hundreds of washing machine control panels that the workshops supply to Barlow Rand.

"We had problems with book-keeping, cash flows and billing," recalled Ntshane. "We asked the IESC to lend a hand — and now a sub-contracting order is coming in. Orders are coming in from several big companies."

Picture: George Mashini

design means neither mains electricity nor batteries are needed, and maintenance chores have been reduced to almost zero.

A prototype has proved the viability of the unit, and Mitchell and Sibya believe demand will be enormous once production starts in earnest.

"There are an estimated 150 000 spaza shopkeepers in South Africa," notes Van de Laar. "More than half must be without refrigeration so one can easily imagine the impact the new units could have on shopping routines."

Also being developed are new boxes for use by street vendors. "Bringing more black business ventures into the economic mainstream is both crucial and urgent," says Van de Laar. "Our particular concern is that they are run on sound economic principles."

"Whatever the eventual outcome of the debate surrounding the redistribution of wealth in this country, it is quite clear that until the population as a whole begins to perceive personal benefits under a system of free enterprise, the future for corporate South Africa will continue to be uncertain.

"Most business leaders now agree with that proposition and

its corollary that ways have to be found to multiply the numbers of medium to large businesses that are seen to be owned or controlled by blacks.

"There are few conglomerates that could maintain their competitive edge if they alone took unique or unusual business risks. The ideal situation therefore would be for groups who compete in a particular industrial sector to jointly agree to allocate a percentage of their net profit for investment in a venture capital fund earmarked for new mini-business launches."

"For example, the banking sector, like insurance offices and the mining houses could each set up a fund of their own. Or else they could all contribute to a single unified fund. Overseas international development agencies and foundations have indicated willingness to participate if leading local businesses take the initiative and show their commitment to sustainable development.

"Bridging the gap between the industrialised component of our country and the developing sector of the population is one of the gravest long-range problems and one of the greatest challenges we face today. A national network to ensure the survival of the free enterprise system is vital.

"A new culture needs to be inculcated at all levels of business life. Opportunities for what has been called internal privatisation should be investigated. Managers should be encouraged to look beyond sub-contracting, the catering, office cleaning, gardening and similar services.

"Component manufacture, assembly, finishing and other aspects of production should be targeted.

"A new era of lateral thinking and innovative ideas must begin. In time we may hope that the process will become colour-blind. But whatever happens, one principle must be violated — the basis for extending black ownership must always be economically valid." □

NACASSA SPECIAL *Coffin manufacturing plants one option of generating funds for institution*

Pern's innovative idea

By Mzimkulu Malunga

Burial societies should start their own financial institution to open doors for their members to obtain loans:

BURIAL societies should consider the possibility of establishing their own financial institution in the near future, says SA Pern's marketing manager, Mr Richard Ford.

While societies' members invest huge sums of money in the large financial institutions, their savings do not qualify them for loans individually.

The financial sector has yet to come up with a mechanism which can be employed to use savings generated by burial societies as collateral when an individual member applies for a loan.

Contrary to a popular view in corporate circles, the emergence of the burial society movement was not bridging the gap between the formal and the informal

sectors said Ford.

When the notion of black economic empowerment - accompanied by moves to mobilise resources generated by indigenous savings groups - gathered momentum in the latter half of the '80s, big business was swimming in a pool of excitement for two reasons, Ford argued.

Fertile market

One, it was seen as a fertile market for business. Two, they thought that it could act as a bridge between South Africa's two diverse business sectors, the formal and the informal.

"Corporate South Africa is romanti-

cising about what are merely hand to mouth operations," said Ford.

But what the Centre for Black Economic Development was doing through the Nacassa could change the situation.

While Nacassa was still exploring the feasibility of establishing an independent financial institution, burial societies could invest the money in income generating ventures such as setting up coffin manufacturing plants.

The setting up of smaller co-operatives which could develop into a bigger national structure, was one of the alternative routes for societies to pursue in the drive to create what many term "the black rand", Ford added.



Richard Ford

NACSSA SPECIAL *Visit to France*

French are confident of SA economy

176

Sowetan 11/12/92
■ **Sam Mufhe successfully made business contacts for Stokvels:**

By Joshua Raboroko

MOST French companies have confidence in South Africa's economic future in spite of political and economic uncertainties.

They are keen to invest and to create much-needed job opportunities in the country, especially to economically empower black businesses.

This is the message from the chief executive of the National Association of Cooperative Societies of South Africa (Nacssa), Mr Sam Mufhe, after a seven-day visit to France.

During his visit he met and held discussions with a variety of groups, including chambers of commerce, entrepreneurs and small businesses who showed interest in investing here.

He has shared ideas with coffin manufacturing companies that have shown interest and were willing to help burial societies form their own manufacturing companies.

The move will come as a blessing to Nacssa members who stand to benefit. "We have already started our coffin manufacturing company in KwaNdebele. One thing is we must learn to manufacture our own products in the new South Africa, do things ourselves," he said.

He has established contact with funeral undertaking services and catering firms and was excited to see how "small businesses were actually helping big brother grow".

"It is our intention to look at the services we are in globally. A mix of services will help to encourage our members to participate in business, either on their own or through Nacssa's investment corporation called Letsema," he said.

Most of their members no longer experienced financial headaches when family members die since the Nacssa 4000 Funeral Scheme was introduced two years ago.

"The visit was worth it. The French community proved to me that with a bit of innovative thinking, determination and vision, the black community can pull itself out of poverty with little or no external support at all.

"French rituals are very similar to ours. They respect their dead. They have in the past spent time moving from one service to the other buying coffins, tombstones and ending with some opening their own companies.

"These companies have brought in a new concept of funeral supermarkets where coffins, flowers, tombstones and mourning clothes are bought," said Mufhe.

The companies had committed themselves to assist burial societies, women's and meholisano clubs locally. The director had indicated he would come to South Africa to share the same ideas with Nacssa.

Mufhe said: "Top investment corporations and financial institutions were also briefed about Nacssa with specific reference to Letsema Investment Corporation which has acquired a coffin manufacturing company and Nacssa Catering Services.

"We are not looking for handouts. We want you to support this grassroots initiative by investing in it for returns which can be ploughed into other economic projects.

"In this manner," he said, "you will be helping us to promote black business that will generate wealth and create job opportunities for the community."

He said Jean Yves Rouchy, director of Caisse D' Epargne, a national savings bank who wrote extensively in Cameroon (West Africa) about rotating credit clubs, emphasised that Nacssa should make sure that before embarking on foreign concepts, societies and clubs were fully schooled.

"It is important now that Nacssa and other players concentrate on setting in motion the process of black economic development," Mufhe added.

New factory in Ekangala

Sowetan 4/12/92
By Joshua Raboroko

■ Whites are unhappy after the biggest job creation project in KwaNdebele:

THE NATIONAL Association of Cooperative Societies of South Africa has opened its first coffin manufacturing company in KwaNdebele in the northern Transvaal.

The factory is in Ekandustria in Ekangala and is geared to be the biggest job-creation project in the destitute KwaNdebele homeland.

It comes after protracted negotiations between the organisation and a private company in the area and has been described as "a major breakthrough towards black advancement".

It comes amid threats by white rivals that they will sack and retrench hundreds of black workers if Nacssa continues with the project.

The factory is the brainchild of Letsema Investment Corporation, which is controlled by Nacssa and chaired by Dr Nthato Motlana.

Nacssa's chief executive, Mr Sam Mofhe, said the acquisition of the R300 000 coffin manufacturing company was a big success for the organisation's 200 000 members.

He said it would serve many undertakers and have a 60 percent market share in the industry.

Employment opportunities, a major task of the Nacssa, would be created for many disadvantaged people, Motlana added.

Motlana said as a business organisation, they encouraged burial societies, women's and meholisano clubs

to establish businesses.

"The object was to show them that we can create jobs and wealth for the community," he said.

"We helped 27 societies or clubs in initiating different business projects. These projects inter alia included paving, catering in functions and funerals, curtains and bed covers manufacturing, floor tiling, fruit and vegetables vending."

He said about 125 people who would otherwise be unemployed found employment through this exercise. "We assist these societies in marketing, management, book-keeping and banking."

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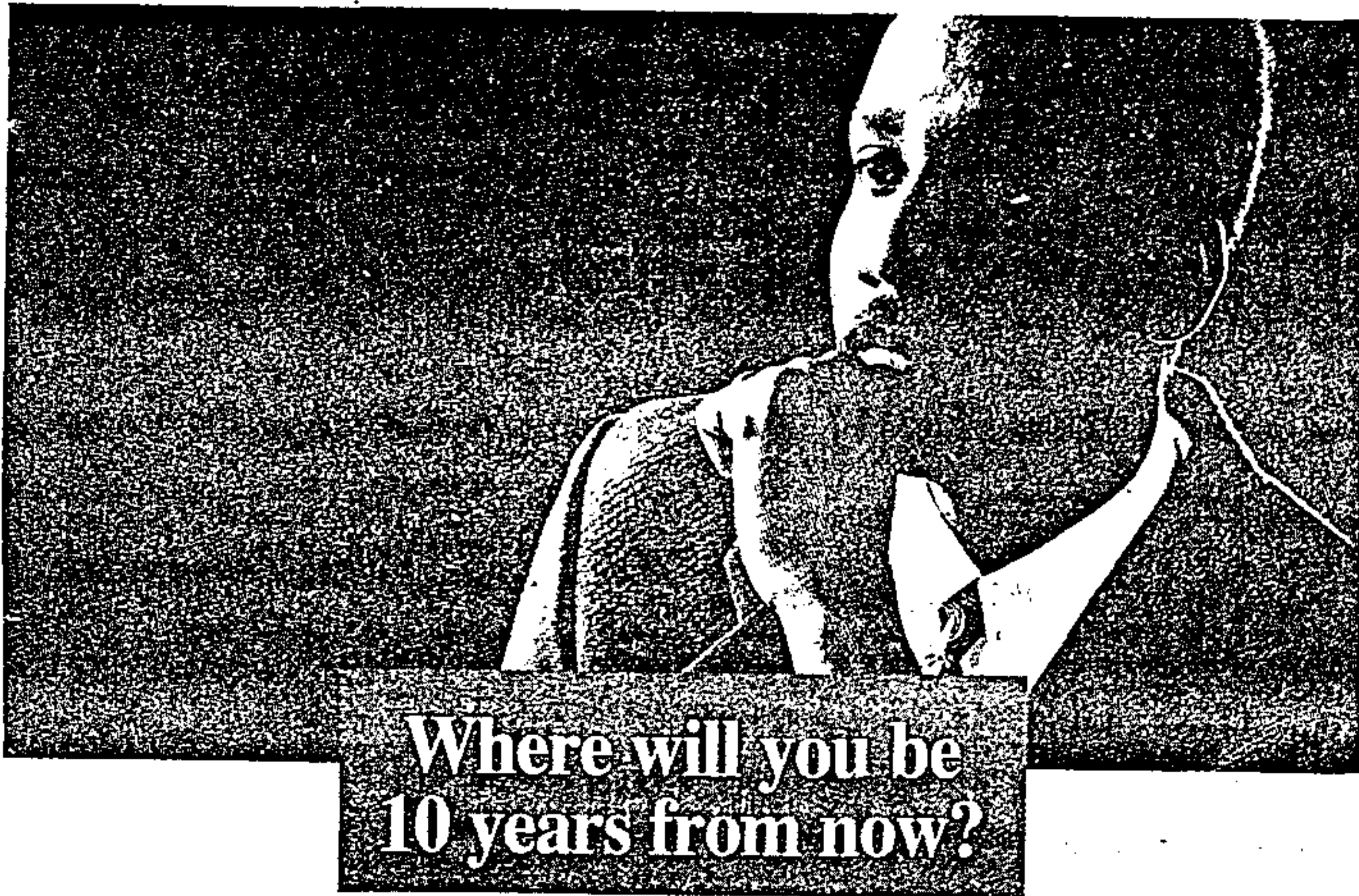
WELCOME TRADERS

176



R5 000 injection for Nacssa's wing

BLACK EMPOWERMENT Societies committed to the growth of the recently formed association: *Sowetan 11/12/92* (176)



By Joshua Raboroko

THE FREE State-based burial societies, women's and meholisano clubs are determined to carry the Nacssa message of black economic development far and wide.

They have invested more than R5 000 with Nacssa's economic wing, Letsema Investment Corporation, because "the black community will have failed if Letsema fails to take off".

The corporation has continued to use funds from burial societies, women's and meholisano clubs to achieve the much talked about black economic development.

OFS's Ms Lanky Dasheka said: "We need to invest in Letsema so that the businesses we dream about in our seminars and workshops are realised soon."

"Letsema has to mobilise our funds and start operating our coffin and clothing manufacturing and catering and services companies."

"We cannot make it fail. The black community will have failed if the corporation fails to take off".

President of the society Ms J Nkala said that societies and clubs could no longer hide behind the fear of black business.

Many black businesses have collapsed as a result of poor management and lack of funds as the recession continues to take its bite.

"There are liquidations daily of companies, even big businesses, because of mismanagement and theft. The Master Bond fiasco is a good example and to my knowledge, blacks are not running it."

Chairman of the Meloding Burial Society Ms Anna Motloli said Nacssa's burial scheme was the last line of defence when death visited many families.

She said the other societies must be saved from the agony of failing to bury their members because of "insufficient funds".

"We in the OFS must pass on the education we have received from Nacssa to other societies. This message must reach the whole country."

"Our financial contribution means a reduction in the extent of what is always called the "Undiphe Syndrome" - dependency which must be eradicated," she said.



Ms Christina Mzuzule Legwasa, member of Nacssa-affiliate Joy Women's Club, who has made a success of a curtain making business in Diepkloof, Soweto.

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NACASSA SPECIAL Coffin manufacturing plants one option of generating funds for institution

Ferm's

By Mzimkulu Malunga
Sowetan

BURIAL societies should consider the possibility of establishing their own financial institution in the near future, says SA Perm's marketing manager, Mr Richard Ford.

While the society's members invest huge sums of money in the large financial institutions, their savings do not qualify them for loans individually.

The financial sector has yet to come up with a mechanism which can be employed to use savings generated by burial societies as collateral when an individual member applies for a loan.

Contrary to a popular view in corporate circles, the emergence of the burial society movement was not bridging the gap between the formal and the informal

innovative idea

Burial societies should start their own financial institution to open doors for their members to obtain loans:

(176)

sectors said Ford. When the notion of black economic empowerment - accompanied by moves to mobilise resources generated by indigenous savings groups - gathered momentum in the latter half of the '80s, big business was swimming in a pool of excitement for two reasons, Ford argued.

Fertile market

One, it was seen as a fertile market for business. Two, they thought that it could act as a bridge between South Africa's two diverse business sectors, the formal and the informal.

"Corporate South Africa is romanti-

cising about what are merely hand to mouth operations," said Ford.

But what the Centre for Black Economic Development was doing through the Nacassa could change the situation.

While Nacassa was still exploring the feasibility of establishing an independent financial institution, burial societies could invest the money in income generating ventures such as setting up coffin manufacturing plants.

The setting up of smaller co-operatives which could develop into a bigger national structure, was one of the alternative routes for societies to pursue in the drive to create what many term "the black rand", Ford added.



Richard Ford



NACSSA SPECIAL *Aim is to mobilise previously untapped sources of private capital*

Advancement of blacks

Sowetan

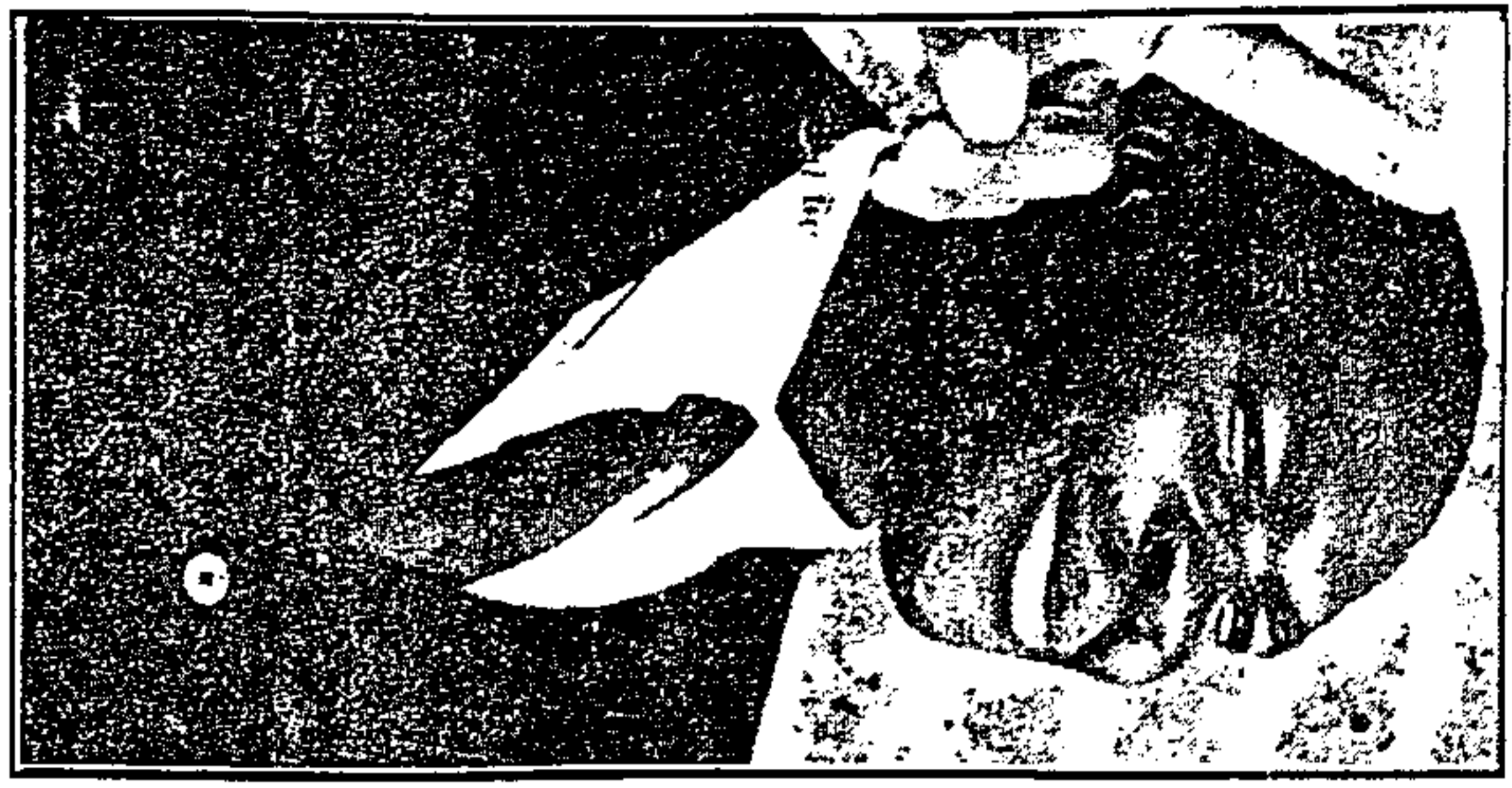
11/12/92

176

By Joshua Raboroko

WEALTH CREATION *Businessmen and*

professionals come together in one forum:



Dr J Mphahudi

TUNGURU Investment Club (TIC), a society for professional and business people affiliated to the National Association of Co-operative Societies of South Africa (Nacssa), has set out to identify and develop wealth-creating projects in the black community. Chairman Dr JAP Mphahudi said the club had a central role to play.

"It is unique because unlike other associations that cater for specific businesses or professions, TIC brings everyone together in one forum," he said.

Office bearers

"We as members should realise that there is no precedent for us to follow in developing the club.

"It is therefore like climbing Mount Sinai," Mphahudi said. TIC's office bearers are Mphahudi

(chairman), Mr Sam Mouthe (chief executive) and Mr Vusi Mbonani (treasurer).

At its general meeting in September held at Bruina in Johannesburg the members resolved to trim the executive and to have only three members running the affairs of the club.

Among the club's members are well-known personalities such as Soweto medical practitioners Dr Nthato Molana, Dr M Matsike and Dr G Mhher and advocates Ishmael Semunya and Modise Khoza and accountants Miss Tshidi Mogabudi and Mr Josia Tsamani and Sifa's president Mr Solomon "Sticks" Morawa.

The club holds its meetings in Johannesburg's elite suburbs.

The TIC has been formed to identify wealth-creating projects within the black community.

Its aim is not only to help when death occurs in the family but also to help members improve their businesses and professional practices.

Economic welfare

Mphahudi said: "We want to promote the economic welfare of the people, initiate and mobilise previously untapped sources of private capital and provide help in community and co-operative organisations."

He went on: "The TIC is not necessarily an elitist club although it caters for businessmen, professionals and academics."

The TIC is not necessarily elitist, although it caters for businessmen, professional people and academics

"This development fits in well with our mission of black economic development. With the combination of grassroots community organisations, and business and professional skills, we will be in a position to talk about and practise economic development."

The club will hold its end of year party on Sunday.

● *Nacssa now manufactures coffins*

Nacssa World is free

■ Newspaper will educate club members:

By Joshua Raboroko

South Africa 11/12/92
THE Centre for Black Economic Development has launched a monthly newspaper called *Nacssa World* aimed at reaching more than 120 000 members throughout South Africa.

General manager Mr Peter Nemakhavhani said the paper would be distributed free to members every month.

He said that the revenue to run the newspaper would come mainly from ad-

vertising.

"We are hoping it will pay for itself as we would like to maintain editorial freedom," he said. *(176)*

Nemakhavhani said that the newspaper would educate societies and clubs about opportunities available to them.

"Time is ripe that blacks should own newspapers and this is an attempt in that direction," he said, adding, "we need to articulate our views in our own media."

"CALLING ALL BURIAL SOCIETIES/CLUBS"

Allen's

Nacssa out to create jobs

Sowetan
By Joshua Raboroko

11/12/92
■ Catering Services aim to meet all requirements:

THE newly formed Nacssa Catering Services aims to create job opportunities for millions of unemployed blacks in South Africa.

It is one of the important enterprises that will economically empower blacks to become entrepreneurs and help them get out of the dependency syndrome.

It will cater for your needs, from burial societies and club meetings, to funerals, weddings, birthday and office parties in the townships and cities.

It will supply utensils, crockery, tents and chairs, according to Mrs Molefe Setshedi, general manager of the company.

"It is important that members be freed from cooking so that societies and clubs can concentrate on the busi-

ness that brought them together," she added.

For your bookings contact her at Nacssa Catering Services, PO Box 260479, Excom 2023 or telephone (011) 331-8326 Fax (011) 331-9567.

Setshedi said since Nacssa was formed two years ago, considerable strides have been made towards black participation in formal businesses.

This is the fourth venture by the association in its quest for black advancement.

The association has formed the Tunguru Club (a burial society for professional people), Letsema Investment Club (a coffin manufacturing company in KwaNdebele), the 4 000 Burial Scheme, and an insurance company.

She was confident that the associa-

tion would achieve what former president of Nafcoc Mr Sam Motsuenyane preached, "the gospel of self-reliance".

"Through consistent training of burial societies, women's and meholisano clubs, we are beginning to achieve economic empowerment by the formation of the catering services," Setshedi said.

"We are hoping that this company will one day be a success. Maybe that will restore peace and stability in our country.

"We believe competition is healthy. It makes you not to relax. You must fight to keep your market share. This is what Nacssa Catering Services will strive for by rendering good services to our clients," she added.

The service aims to entertain members at meetings.

Fighting to bury the dead

Sowetan 11/12/92

■ GRASPING GREED

Undertakers fight and bribe
to get hold of bodies:

By Joshua Raboroko

BLACK people always attach great respect and importance to funerals, especially in the wake of the surging violence gripping our townships. Death is not an easy subject to discuss or think about but it comes to all - rich and poor alike.

Funerals have thus become big business. As most deaths come unexpectedly, families find themselves unprepared for the expenses.

But, what a shame on undertakers who are supposed to bury our dead with dignity and pride.

The undertakers seem to be fighting for corpses at hospitals and Government mortuaries, according to a comment in the latest issue of *Nacssa World*.

The article says the motive for these fights is to make millions of rands from the bereaved families.

When people die undertakers see one thing in the tears of mourners - money.

Reports alleging that undertakers have been bribing Baragwanath Hospital clerks to induce bereaved families to favour certain undertakers should serve as a clear signal that burial societies need to look after themselves.

When Nacssa was formed in 1990, undertakers suffered severe headaches, because they could not understand their existence nor their objectives.

"We wanted burial societies to have a stake in the business of burying their members. This simply puzzled our undertakers."

This was despite Nacssa's efforts to brief them with a view to streamlining undertaking services for the benefit of all.

The report says meeting after meeting was arranged with undertakers associations, for example with the National African Funeral Undertakers Association, which caters for black operators.

Concerted efforts were also made to meet unaffiliated independent undertakers - this showed Nacssa's concern indeed.

"We could make neither head nor tail of what some undertakers were on about, for example those who kept trying to prove that their services were the best."

It is noteworthy that the burial societies wanted a piece of the cake in the burial industry which is bringing millions of rands into the coffers of undertakers.

Yet when Nacssa asked for it they were even threatened that black workers would be dismissed by some associations of undertakers - what a shame!

Support for Nacssa efforts

The enthusiastic response of our community to this project is heart-warming and indicative of the fact that, given good leadership, our people respond with love.

GROUP LAUDED Efforts to uplift blacks:

By Joshua Raboroko

MESSAGES of support have been pouring into the offices of the National Association of Cooperative Societies of South Africa before the organisation's annual conference at Funda Centre on Sunday.

The president of the ANC, Mr Nelson Mandela, says Nacssa is an association which is wholly indicative of the valued initiatives our beleaguered country so desperately needs in this very critical period of our history.

"The African National Congress values this initiative highly and congratulates Nacssa for its commitment, sensitivity and essential services it renders to the community.

"The new South Africa we are all striving to achieve will be rebuilt and restructured with precisely this kind of self-help, in which we can create a new society of which we can

all be proud."

South African Communist Party general secretary Chris Hani says: "We are confident that Nacssa will play its rightful role in this important field.

"In particular we wish you all success in your endeavour to bring to our impoverished black communities, not only a sense of pride and dignity, but also self-reliance and economic empowerment.

"We are with you in your courageous efforts to make a meaningful contribution towards achieving the noble goals of peace, justice, democracy and prosperity."

Secretary general of South African Football Association Mr Solomon "Sticks" Morewa says: "I have watched with great interest and admiration the formation and growth of Nacssa.

"The enthusiastic response of our community to this project is heart-warming and indicative of the fact that,

Sowetan 11/12/92.
given good leadership, our people respond with love. "It is clear that Nacssa has fused our cultural values with modern business principles that will ensure the continued survival of our nation.

"The various self-help societies or makgotlas are the core structures of Nacssa and provide a sound springboard for future economical development. This can only assure that when we attain political freedom it shall be an economic freedom. Political emancipation is meaningless if it is not accompanied by economic freedom."

National Olympic Committee of South Africa's president Sam Ramsamy says: "We commend Nacssa for its energetic activities in redressing the imbalances in our society and wish you a very successful New Year."

Governor of the Reserve Bank Dr Chris Stals says: "The year 1992 has brought drought with its many disappointments, but also many things to be grateful for.

"Our country suffered from drought and many people lost their jobs and had no food to eat because of this. Our country suffered from depressed economic conditions, and many people became unemployed.

Violence and social unrest

"Our country suffered from violence and social unrest, and many communities and families lost dear ones prematurely. And yet, our country through these many hardships became even more determined than ever before to find solutions, and to create a new future for all its people.

"At the beginning of 1993, there is a new hope, and encouraging new signals that the new year will hopefully take us faster towards a new future."

National Sorghum Breweries executive director Israel Skosana says: "The economic power of every country lies in the sharing of wealth, by either investment or selling one's labour in a sound labour relations network.

"Let us consider ourselves as partners in business. The supreme act of business must be to create social peace and prosperity for us all. "The future needs us to engage in a cycle of self-renewal and this depends on our doing something else, something more, something new."

Premier Group's chairman Peter Wrighton says: "The Premier Group admires the spirit of community which the cooperative societies build in our trouble society.

"It is this collective spirit - the feeling of working together for a common vision - which will help us overcome the challenge which lies before us. National Parks Board chief executive director Dr G A Robinson says: "We wish Nacssa and its members and their families a joyous and blessed Christmas and prosperous New Year."

Eskom's chief executive Dr Ian McRae says: "All of us, need, at this time, to look forward rather than behind us. We must be strong and resolute that we will in the new year, address in a positive way, the many problems which surround us. Every individual can be a powerful force for a better and more peaceful future. None of us can hope to cure everything at once."

Anglo American and De Beers Chairman's Fund chairman Mr C O' Dowd says: "We greet Nacssa on the occasion of its 1992 annual general meeting.

"We greatly admire the work which you are doing in showing what black people, including people with relatively little formal education, can do by their initiative and efforts to better themselves, their fellows and their communities."

South African Chamber of Business director-general Raymond Parsons says: "We have read with interest of your efforts in the field of black economic development through grassroots organisations such as burial societies, women's and meholisano clubs, and in particular your focus on training in the field of the establishment and development of businesses.

Economic activity

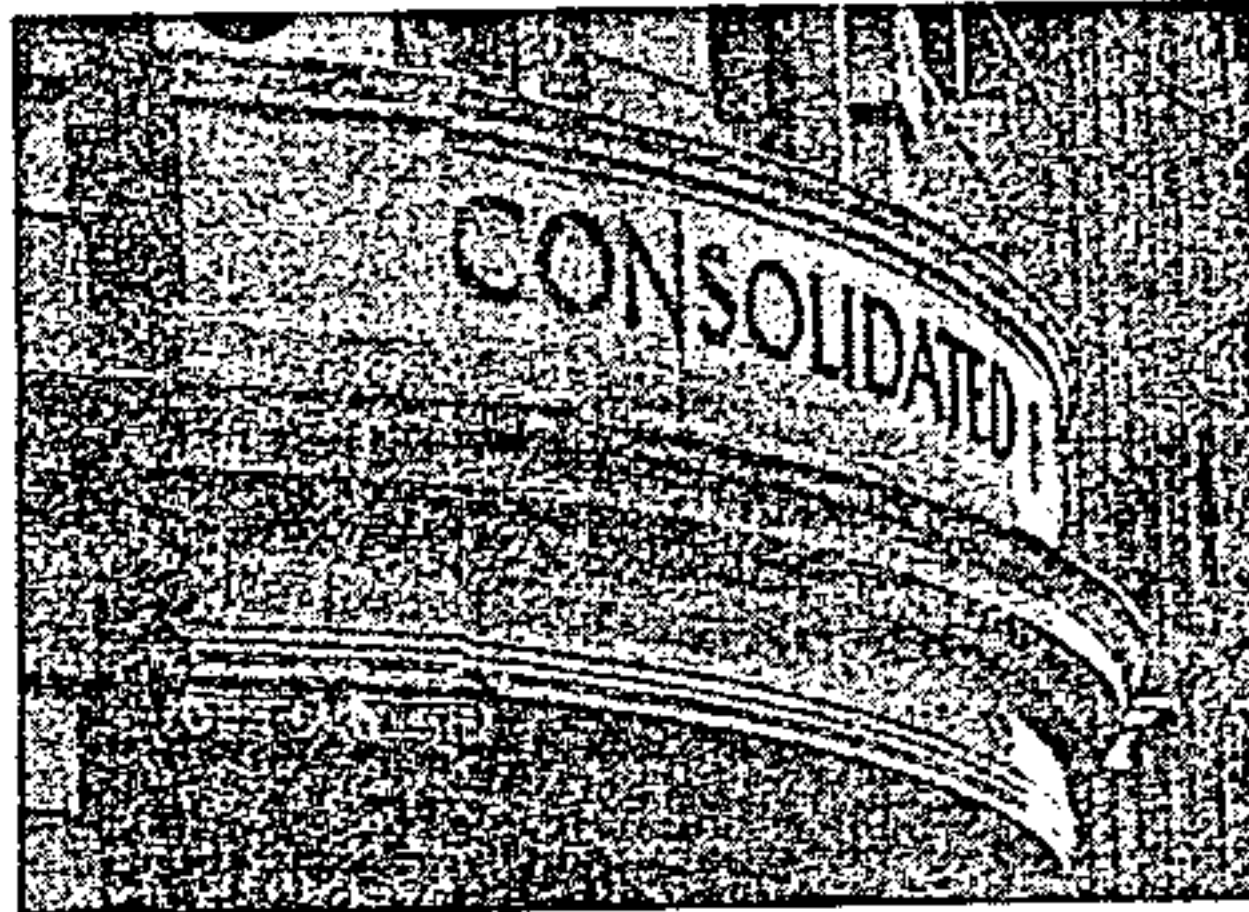
"We have always laid emphasis on creating an environment where all can participate in economic activity and as you know have a long history of endeavouring to remove the shackles and impediments which have prevented all our people from developing their full potential."

Sasol says: "Sasol has always been active in providing support and opportunities to the communities of South Africa. It is committed to continue this investment in our people, at the same time creating job opportunities and wealth for our country."

Nedcor divisional director Hugh MacLachlan says: "Perm, a member of the Nedcor Group, has had a happy and fruitful association for some years with business such as these represented by your organisation. We will watch your progress with interest in the year ahead in the knowledge that you wish to see the creation of a stable society in which all our fellow South Africans can prosper."

Pick 'n Pay Raymond Ackerman says: "My message is one of hope for next year. There are so many wonderful people trying to improve our country and it is the quality of our people that gives us hope for the future."

Democratic Party leader Dr Zac De Beer says: "We believe that Nacssa has a very special role to play in building a better future."



Profitability with responsibility

JCI manages the world's largest producer of platinum and also has major interests in gold, diamonds, chrome, coal, base metals, property, and a variety of consumer industries. The company is constantly looking for profitable expansion of its business, based on its core expertise in mining and metallurgy.

As a large corporation JCI has a role to play beyond its direct business activities in securing South Africa's transition to a prosperous democracy based on socially responsible free enterprise. We support numerous initiatives notably in the education and small business fields, aimed at stimulating creation of jobs, wealth and long-term economic development.



Johannesburg Consolidated Investment Company, Limited

Entrepreneurs

STAY 11/12/92
get promise
of assistance

Finance Staff

A fund to help finance new business ventures would be set up for black entrepreneurs as soon as political stability had come to South Africa, an international conference on franchising heard yesterday.

The two-day conference in Johannesburg was jointly organized by the International Franchise Association and a US aid project, Black Integrated Commercial Support Network (BICSN).

Leyland Hazelwood, chief executive of BICSN, told delegates: "It is clear that one of the biggest obstacles to black entrepreneurs in particular is that of finance.

Equity fund

"BICSN is committed to setting up an equity capital fund of significant size to assist entrepreneurs, and we have investors waiting to put money into it.

"The fund will be put in place as soon as political stability comes to the country. It could be of major assistance to franchisees."

The conference was also told that the Agency for International Development was investigating setting up a loan guarantee fund with banks in South Africa to help make venture capital available for black entrepreneurs.

Chairman of the South African Franchising Association, Eric Parker welcomed the BICSN equity capital fund and the loan guarantee fund as a potentially major boost for franchising.

ANTI-TRUST DEBATE

Beyond outback

The open and public debate, called for by the ANC's Albie Sachs, into unbundling took a step forward last week when a conference on the adaptation of anti-trust policies was hosted by the ANC.

SA business approached the forum with some trepidation — with cause. The conference predictably got off to a poor start from business's perspective, punctuated as it was by heated rhetoric delivered by impassioned speakers representing specific constituencies. Of course, the ANC is, after all, an alliance and it is a logical corollary that vested interests and special groups will want to be lyrical on occasions such as these.

Despite that, businessmen were pleasantly surprised at the relaxed attitude of most participants, many of whom proved more pragmatic than had been expected.

There should be no doubt about the primary objectives of the conference. They were articulated by Nelson Mandela when he opened proceedings: how to reduce the perceived concentration of power in the economy and how, in particular, to accord black participants (especially black businessmen) a bigger stake in the economy without retarding growth.

Businessmen say the conference achieved a lot more than they had expected. One positive aspect was that it was conceded, after two days of discussion, that much more research was needed before the ANC would be in a position to formulate an acceptable and reasonable competition policy. Another was that the US system of anti-trust legislation was generally seen to be inappropriate in the SA context.

The more favoured example and one which gathered support as the conference delved deeper, were the UK and European competition models. "Don't get me wrong," says one participant, "that doesn't mean, if they are adopted, that it will be easy sailing for business. This is the real world and the going will be tough. But at least we will have an equitable playing field."

As many delegates expected, the position of an efficient sole supplier (namely the SAB) was attacked; however, there was no indication of any doctrinaire determination to break it up. Conglomerates were also attacked but the view that spinning off some of their interests would be better achieved by political normalisation and the relaxation of exchange controls was not seriously challenged.

The matter of pyramids, which has exercised some formidable minds in the SA context recently, was left largely unresolved. So was the matter of democracy in companies. Issues relating to corporate governance were scarcely debated.

One paper which electrified some sections was that delivered by ANC minerals economist Paul Jordan. He argued essentially that the State has an entitlement to equity par-

ticipation in mining companies because of its ownership of SA's natural resources. To support his thesis, Jordan quoted the success of the partnership between De Beers and the Botswana government. Extending the principle to Anglo American and De Beers cross-holdings would give the State a minority holding of about 20% in the two giants.

Your correspondent must confess to a certain sense of *dejà vu*. About 24 years ago, he attended a meeting of the Economics Society of Zambia at which an erudite and guilt-ridden British socialist set out a mechanism for the nationalisation of the country's great copper mining industry. Two years later, the plan was put into effect.

Twenty-two years later, a new Zambian government cannot wait to roll it back.

David Gleason

FRANCHISING ~~FM~~ ~~11/12/92~~ (176) ~~176~~
Importing US chains

Not long ago a US-sponsored business conference in SA would have been out of the question. But not an eyebrow was raised as more than a dozen US franchisors marketed their companies to would-be entrepreneurs this week at a conference underwritten by the US government.

"The economic actors cannot stand by and wait," for the political process to unfold, US ambassador Princetdn Lyman told the 200-plus delegates at Johannesburg's Carlton Hotel for Africa's first international conference on franchising. It was co-sponsored by Webber Wentzel, Deloitte & Touche, Ned-Enterprise and the FM.

The event was organised by the Washington-based International Franchise Association — an umbrella group for the 355 American franchisors with 35 000 outlets in 60 countries — in conjunction with the Black Integrated Commercial Support Network. The network, which was established in June and is based in Randburg, is funded by the US Agency for International Development.

"Over the expected five-year life of this project, we seek to put together 250 business deals that will see black-owned enterprises flourishing in the mainstream economy, train 500 new entrepreneurs and undertake a range of additional activities that strengthen the role of black business people," says network CE Leyland Hazelwood.

The network has targeted franchising as an important vehicle to spur economic empowerment. "Internationally, franchising is the success story of the Nineties and we believe it is poised to take off in SA," Hazelwood says.

Franchising in SA has a long way to go to

FM 11/12/92

catch up with the US, where more than one-third of all retail sales are through franchise operations. Here, that figure is estimated to be just 6%.

International Franchise Association president Bill Cherkasky predicts rapid growth in the market. "There's a sophisticated population, a lot of money and a lot of pent-up demand." He adds that he can "predict with certainty" that the big-name American retail franchises, such as McDonald's, will begin setting up shop in SA as soon as an interim government is in place.

Cherkasky says the franchisors are here to do business whether the money comes from blacks or whites, though finding black franchisees would be nice. The American government, he adds, subsidised the R990 fee for the two-day event for some black delegates.

He adds that the participating franchisors are what he would call emerging businesses. It might cost US\$300 000 to buy a McDonald's franchise but only about \$2 000 to establish a Jani-King janitorial service. Other participants included:

- Mail Boxes Etc. — founded in 1980 in California, the listed company has 1 800 centres around the world that provide postal, business and communications services;
- Futurekids, Inc. — a private company based in Los Angeles, now the world's largest chain of children's computer schools, providing instruction in 1 000 locations in the US, Canada, Japan, Australia and Indonesia;
- Citizens Against Crime — based in Texas, the company gives seminars on crime

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prevention and sells products such as tear gas, reflectors for disabled cars and warning stickers; and

- Kwik-Kopy — a copying and duplicating service based in Houston, which already has 13 outlets in SA.

The conference was the first major event for the Black Integrated Commercial Support Network, which has been operating "in a low-key way because we don't want to raise expectations," according to Hazelwood. He says the network's primary role is to assist in identifying, training and advising entrepreneurs, especially those with the fire-in-the-belly quality.

Fire is one thing but funding is another. The network is establishing an equity capital fund with money from private sources here and abroad. Hazelwood predicts that the fund may grow to R100m, though commitments right now are tentative. He says donors will remain uncommitted until there is an interim government and more stability.

"If they put in \$1m, they want to make sure their money isn't blown away. More than enabling environment, SA needs an inviting environment. The feeling is that it is not yet inviting enough." ■

BUSINESS NSB chief executive Mahanyele argues for economic empowerment

'Affirmative action necessary'

MASTER PLAN Something that could

impact on the entire community:

Sowetan 14/12/92
Mzimkulu Malunga

AFFIRMATIVE action is crucial to bring about black economic empowerment, says the chief executive of National Sorghum

Breweries, Mr Mohale Mahanyele: "It cannot be doubted that unless there is a considerable amount of affirmative action, we will not be able to move away from the past.

"Political power must be accompanied by economic empowerment," Mahanyele said at a graduation ceremony at the Welkom campus of Vista University.

"If we look at the post-World War 2 Germany, we see a considerable amount of affirmative action taking place when the Marshall Plan was instituted to resurrect that country's economy."

"The same happened to Japan after it was devastated by the Hiroshima bomb," he said.

In South Africa, according to Mahanyele, the Afrikaners employed uncompromising affirmative action techniques to empower themselves when they came to power in 1948.

176

Big business only

talks about a post-apartheid, non-sexist, non-racial democratic South Africa but they are not working towards it because they are in their comfort zones

It is normal practice throughout the world for governments to employ coercive legislation to create an environment beneficial to the community at large.

Central to the levelling of the economic playing field and redressing the imbalances of the past, lay the question of land.

Black people should be able to have access to land and be able to use it as an economic entity - something they could exchange in the form of a liquid

asset to acquire bank loans.

While large portions of South Africa's land is concentrated in white hands, blacks could not even use the land they occupy as some form of collateral in raising finance.

A staunch critic of corporate South Africa, Mahanyele accused big business of just paying lip-service to "new" South Africa.

"Big business only talks about a post-apartheid, non-sexist, non-racial democratic South Africa but they are not working towards it because they are in their 'comfort zones'," he said.

South Africa must nurture its human resources, one of the things which could lure foreign companies. Investors were weary of doing business in countries where the labour force was unskilled.

This country required a master plan, argued Mahanyele, something that would impact on the entire community and make it feel that the changes were real.

However, despite all the frustrations of today's South Africa, the country still had a unique opportunity to create a new social order, he concluded.

Multipartyism can help put the brakes on political corruption, writes R W Johnson

A plague that blights our land

STN 14/12/92

~~176~~ (176) (188)

THE biggest story of the year is also the most difficult to write about: it is the symbiotic relationship which has developed between the new black political elite and Johannesburg's corporate rich. This is not just a matter of the Tumbos living in great style thanks to the generosity of Tiny Rowland or Zinzi Mandela's honeymoon being paid for by Sol Kerzner. Who has not heard stories about Allan Boesak's Lancia and house in Bishop's Court, Thabo Mbeki's BMW, Chris Han's daughter's expensive private school, Cyril Ramaphosa's sojourns at expensive trout-fishing retreats, or Steve Tshwete's expensive clothes, watches and Kil-larney penthouse?

Even some months back things had reached a point where *Style* magazine could happily run an article — "The lifestyles of the rich and militant" — detailing this and more of the same, happily welcoming a new cast of glitterati to the gallery that habitually fills its pages. The private gossip is, of course, a lot more scabrous than

anything that can be printed — it's all about who's abusing their position as trustee of this or that charity or foundation, who has become so accustomed to the high life that they refuse to go anywhere save to five-star hotels by first-class air travel, or, more plainly, who's had R200 000 or R500 000 or, in one particularly outrageous case, R1 million, stuffed into their back pocket by which businessman. To go on would be otiose: there is, as doctors say, as they shrug hopelessly during a flu epidemic, "a lot of it about".

Mention of such facts often produces twin reactions of cheerful cynicism. The first argues that the Nats were just the same: from the earliest days of NP rule there has been a quite brazen racket of crooked land deals in the bantustans, over rigged deals for everything from school textbooks to the usual building contractor scams, not to mention the most outrageous fiddles over salaries, expenses and pensions. Secondly, many whites draw deep enjoy-

ment from stories of black politicians receiving, shall we say, gifts, for such stories fulfil a variety of negative racial stereotypes about the intrinsic corruption of all African politicians. We're just changing one lot of crooks for another, they say, and, no matter how illegitimately acquired this new wealth may be, it's a good thing because it gives the new elite a stake in the system.

Such reactions miss almost all the important points. First, what keeps politicians honest is fear of defeat — and nothing so entrenched corruption as a one party system or a long period of single party government such as the Nats have enjoyed. It follows as night follows day that the greater the degree of single party dominance in the new South Africa, the greater the degree of corruption we shall have to face.

Calvinist sense of propriety kept corruption within certain limits. It always existed and was always bad, but it had little in common with the truly staggering corruption of Mobutu's Zaire, of Nigerian politics at any time, or even of Mugabe's Zimbabwe where the three richest men are the President, Vice-President, and the army chief. Whatever one wishes to say about De Klerk, Gerrit Viljoen and Magnus Malan, no one believes they — or their predecessors — have mysteriously become the richest men in the country. If our new black elite can become rich this quick in opposition, God save us all when they get into government.

And South Africa is, or ought to be, different. One reason for political corruption to the north is that, all too often, there is only the political kingdom: not much else exists. But here there is a large and thriving private sector and a civil society of multiple groups who can provide a counter-weight to the power of the political elites. The injunction to seek ye first the political kingdom and then rob everyone else blind, need not apply here.

Much of the business world feels comforted at the sight of this growing corruption: the ANC is becoming capitalist. It says. Such judgments are premature. Corruption is an individual matter: you can buy an ANC politician but the ANC itself is not for sale. Moreover, you will quickly find that you haven't bought your man, you've just rented him, as have a number of other folk, unbeknownst to you — and you'd better keep up your payments or else.

But South Africa ought to have a huge advantage over the rest of Africa — the existence of a powerful Communist Party. Everywhere else in the world it has always been the far Left that has been the most merciless in its exposure and condemnation of the mercenary behaviour of the political rich. To date, however, the SACP and its Cosatu ally have maintained a strange silence about this flourishing new class of "haves".

To a modest degree this is because the SACP seems to be part of the problem. In Britain a Labour MP who sends his child to a private school will be de-selected by his constituency party on the turn: yet no one seems even to have queried similar behaviour by Chris Hanl and others and there has been no pressure for disclosure of where the funds have come from to buy houses for the SACP leadership. But on the whole, the SACP elite lives modestly in comparison with the ANC nouveaux riches and is manifestly restraining its criticism in order to preserve the ANC-SACP alliance. How long, though, can Cosatu remain recognisably socialist or the SACP remain communist, if one of their major objectives is to provide protective cover for the new bourgeoisie which has so ostentatiously arrived at the very heart of the liberation movement? □

● R W Johnson is a former Rhodes scholar on sabbatical at the University of Natal in Durban.

Hamilton Nakl: You'd presume

News 13/12/92



PENSABLE... Hamilton Nakl is described as a 'brilliant surgeon' by colleagues including Dr Chris Barnard.
PICTURE BY PIANIE JASON

40s as a gardener. He took a hand and went on to assist Goetz to assist research unit. Goetz brought me and I have never back," Hamilton said.

First, Hamilton assisted with cleaning the laboratory but soon he

was called upon to help with operations. In just three years, Hamilton was able to undertake organ transplants.

"It was very interesting and I learnt fast how to administer anaesthetic, swab and use the equipment. I started helping with vascular investigation. Prof Len Reid in-

volved me in the operations," Hamilton said.

Not only is Hamilton perfectly at home with high-tech equipment but he views world-famous surgeons like Prof Chris Barnard as colleagues.

Lack of medical qualifications has meant Hamilton cannot operate on a

human being. However, when Hamilton dons his surgeon's gown, mask and gloves, he knows his work has far reaching consequences for mankind.

As part of a surgical team that conducts experimental operations on animals, Hamilton's work paves the way for life-saving operations on humans. The team is presently experimenting with the intricate procedure of transplanting livers.

Sharing

After so many years of working with top surgeons, Hamilton retired at the age of 67 last year. But the team would not do without him and he was asked to stay on.

Today, Hamilton works on liver transplants under the guidance of Prof Rossmary Hickman who describes him as "indispensable".

But his greatest contribution these days is sharing his skills and expertise with the younger generation.



LIFE SAVER... Hamilton Nakl concentrates on perfecting transplant techniques alongside Dr Chris Barnard.
PICTURE BY PIANIE JASON



NEVER LOOKED BACK ... Although Hamilton Naki has no medical qualifications, he has earned himself the reputation of being one of the best surgeons in the country.
■ Pict: FANIE JASON

Dr Hamilton Naki

By CHIARA CARTER

GROOTE Schuur Hospital in Cape Town is famous throughout the world for its pioneer surgical work. Among its top-ranking team is an unusual surgeon: a man who does not hold a single medical qualification yet worked alongside heart-transplant pioneer Dr Chris Barnard perfecting transplant techniques.

Poverty

Hamilton Naki, a stalwart in the University of Cape Town medical school's animal research laboratories, is viewed as a "brilliant surgeon".

He acts as tutor to hundreds of doctors who flock to the hospital each year to learn the latest in surgical techniques.

As a teenager, Hamilton was forced to leave his Transkei school and seek unskilled work in Cape Town due to poverty.

He began working at the medical school in the



CIPRES 13/12/92.

INDISPENSABLE ... Hamilton Naki is described as a "brilliant surgeon" by colleagues including Dr Chris Barnard.
■ Pict: FANIE JASON

early '40s as a gardener. Then fate took a hand and Hamilton was asked by Dr Robert Goetz to assist in the research unit.

"Dr Goetz brought me here and I have never looked back," Hamilton recalled.

At first, Hamilton assisted with cleaning the laboratory but soon he

was called upon to help with operations. In just three years, Hamilton was able to undertake organ transplants.

"It was very interesting and I learnt fast how to administer anaesthetic, swab and use the equipment. I started helping with vascular investigations. Prof Len Reid in-

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Lack of medical qualifications has meant Hamilton cannot operate on a

(176)

GERALD REILLY

Public servants soothed

PRETORIA — The Public Servants' Association (PSA) has welcomed assurances given by ANC president Nelson Mandela at the weekend that no one in government service will be "thrown into the streets" by a new government.

PSA GM Hans Olivier said Mandela's view would go some way towards al-

laying the fears and uncertainties currently rife in the service — "but not the whole way".

Government workers' morale had been undermined by government's threat to cut expenditure and staff by 5% — and by the ANC's affirmative action programme.

Mandela's assurances

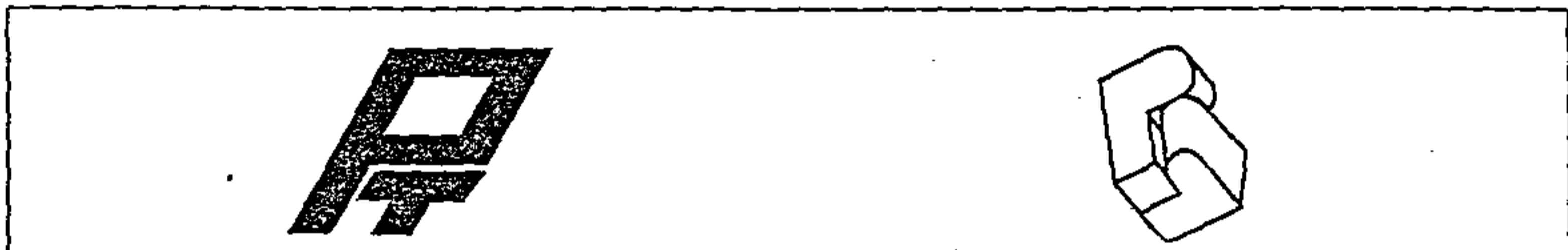
that white soldiers, policemen and public servants would not be cast aside by a nonracial government would be more acceptable if written into a watertight undertaking by the ANC.

On affirmative action Olivier said: "We have no problem with blacks being integrated into the service.

This is realistic and inevitable. What we want to avoid, however, is people being rammed into the service who do not have the qualifications for the job."

Meanwhile talks between the Public Service Caucus and senior officials of the departments of Finance and State Expenditure and the Commission for Administration continued yesterday.

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Skills shortage best overcome by improving Black training

By Stephen Cranston

Severe skills shortages at senior and middle management level will be the most important challenge facing the insurance broking industry in the next 25 years, says Mike Hofmeyr, managing director of PFV Insurance Brokers.

"Our industry will be competing with insurers and reinsurers in a shrinking labour pool for the people with the best skills," he says.

In the top seven life companies, black managers represent 2,7 percent of black staff, while white managers represent 28,1 percent of white staff.

"In South Africa unequal and inadequate education, the brain drain of the '80s which dealt the insurance industry a severe blow, and very low immigration figures have combined to create these skills shortages, as well as an education shortage at entry level.

"We face a desperate shortage of managerial,



Mike Hofmeyr ... "tokenism is out."

engineering and technological skills," he says.

Technology in the insurance industry represents an ideal opportunity to cut down on unnecessary duplication of activity between insurers and intermediaries.

With greater trust and goodwill between the two parties this shortage will not exist 20 years from now. Electronic Data Interchange will

easily facilitate this.

While technological innovation in manufacturing most often emanates from materials and methods, in service industries the primary wellspring is information.

"Data is the most valuable raw material which service firms possess even though it never appears on the balance sheet. We are going to need people with the skills to process this data into a format upon which management decisions can be based."

The ANC has already outlined its future stand on business with calls for affirmative action and economic empowerment of blacks, including the acquisition of knowledge, skills and expertise.

"Proactive support and encouragement on joint ventures and partnerships with black enterprises and black people in general are also sought."

Hofmeyr argues that, in the light of this, "tokenism is out of the question."

Cosmetic situations, such as firms owned by whites but fronted by blacks, will be exposed for what they are and lose credibility with the public.

"There are predictions that more than 20 percent of the clerical labour force will be black by 1995 and at senior level, predictions are that companies in the insurance industry will have in the region of 10 percent black executives by then.

"Insurance companies are spending between two and three percent of their income on training — and this figure will have to double within the next four years.

"We may see organisational structures change quite dramatically as the skills shortage deepens, since most organisations which follow popular management wisdom based on divisionalised structures and decentralised authority, will have to move to functional structures with more centralised control and better use of skills over a wider front."

Andrew Levy foresees legislation to promote the previously disadvantaged

Affirmative work policies will put

right past wrongs

(176)

Start 16/12/92

AFFIRMATIVE action, runs the argument, is nothing but

discrimination in reverse, and therefore wrong. The first proposition is, of course, correct. Perhaps not so the second.

Affirmative action IS reverse discrimination — the point is that it is justified. It is putting right past wrongs — the wrongs that the previous order gave to the beneficiaries of its own affirmative action policies. This is what gave them the opportunity, and denied it to others.

There would be no need for discussion of affirmative action now if there was not a group who had not been disadvantaged by past actions that affirmed the previous group.

So, the political reality of the new South Africa is such that because of our past history, and our move toward a more open, democratic, and egalitarian society, the removal of all past discriminatory practices, and the adoption of programmes to — positively and in a systematic and planned way — advance and accelerate the opportunities available to those who were previously disadvantaged, is a reality.

Such programmes will, in my view, offer benefits such as the promotion of peace and stability, allow for the maximisation of our human resources, and help to stabilise this country. For these reasons, such programmes should be supported. There are, however, a number of dangers. For instance, there was a previous spate of so-called "black advancement" in South Africa in the middle to late '70s. It was largely unsuccessful, and we are now encumbered with the baggage of that failure. Indeed, it appears as if other societies' attempts in this area have also been less that spectacularly successful.

Then, there is the question of monitoring and enforceability. Suffice it to say that it is generally agreed that the best means is to leave it to the parties concerned, but to issue guidelines by way of a code of practice has suasive force upon the parties. Perhaps, however, a clear distinction needs to be made between affirmative action and discrimination. Discriminatory action could be subject to the definition of unfair labour practice (which it is in any event given the current definition), and subject to a statutory ban. The issue of affirmative action could either become the subject of collective accord, or, once a programme has been embarked upon by an employer, become a fair labour standard to which he is prima facie bound.

It is no longer debatable that affirmative action and the removal of discriminatory practices as an employment issue in South Africa will take place. What is still debatable, is how it will be done in practice.

In all probability there will be statutory backing. Without this, there will be no teeth to bite those who find the idea repulsive. Nevertheless, I believe that the adopted approach will support the maximum amount of voluntarism. Carrots will be for all. Sticks for those who cannot see the writing on the wall.



Discrimination . . . Carletonville residents cover a sign in the public park in 1989.

We can anticipate the establishment of an Equal Opportunities Commission or board, which will have statutory authority, and, in all probability, three areas of operation. At the first level, it will formulate codes of practice and guidelines upon which we can base our movements towards equality. Secondly (or perhaps initially, so as to determine guidelines), it will conduct audits and research into existing practice. Thirdly, there will be an executive arm to assist companies in the formation of plans, to monitor progress, and to act on complaints.

In order to prevent the possibility of "reverse discrimination" grievances, affirmative action is likely to be excluded from the unfair labour practice definition. In other words, positive discrimination will be legitimate.

Many opponents have expressed the fear that affirmative action means the dropping of standards, and the imposition of quotas. Neither of these is strictly true, but such fears are crude criticisms of what has become a more subtle and sophisticated exercise. Additionally, much of the thought seems to centre on the number of black board members, actuaries or jumbo pilots. In all probability, much of our positive affirmation will need to take place at a lower level, where in fact many companies have implemented black advancement programmes and have the facilities to make a start.

For smaller companies it is likely there will be an extension of industry training boards via existing or future industrial councils.

Finally, discrimination at work is likely to become prohibited by statute, with disaffected employees having access to the Commission or the courts. Some countries have now added "sexual preference" to the usual categories of prohibited discrimination i.e. race, gender and religion. It remains to be seen whether we will follow suit in our law, in our guidelines, or through our cases. □

● Andrew Levy is a partner in Andrew Levy and Associates.

BUSINESS Society body Nacssa intends moving into all aspects of the funeral business

Nacssa buys coffin manufacturing unit

Sowetan 17/12/92

■ The creation of a 'black rand' could be a reality soon, predicts the CBED:

By Mzimkulu Malunga ~~176~~ (176)

AFTER two years of massive mobilisation, burial societies have now acquired a coffin manufacturing company.

The National Association of Co-operative Societies of Southern Africa, through its investment arm Letsema Investment Corporation, has bought an 80 percent stake in a coffin manufacturing company in KwaNdebele.

Since societies are now majority shareholders of the company, the manufacturing plant changed its name to Nacssa Coffin Manufacturing Company.

During the organisation's annual general meeting last Sunday at Funda Centre, the chairman of the Centre for Black Economic Development, which engineered the formation of Nacssa, Dr Nthato Motlana, told delegates from all over the country to prepare for greater things to come.

He said moves were at an advanced stage to invade the funeral parlour industry. Also in the pipeline was the acquisition of a farm which would supply members as well as the community at large with cows to slaughter during funerals or feasts.

Numerous meetings had been held in the past two years with township undertakers to join forces with Nacssa so that blacks could have a stake in the business but not much was achieved.

The popular notion in black business circles, "the creation of a black rand", was in the process of becoming a reality, said Motlana.

The meeting was uncharacteristic of the AGMs of many black business groups, where logos and mission statements of major companies usually decorate the walls.

All the speakers addressed the delegates mainly in African languages.

In his progress report Nacssa's executive director, Sam Muofhe, said four out of the five projects which the organisation targeted at its inception in 1990 were up and running.

Letsema Investment Corporation, Nacssa Funeral Scheme, advice service as well as the mouthpiece, Nacssa World are functioning smoothly.

Still to be set up is the Nacssa education scheme, said Muofhe.

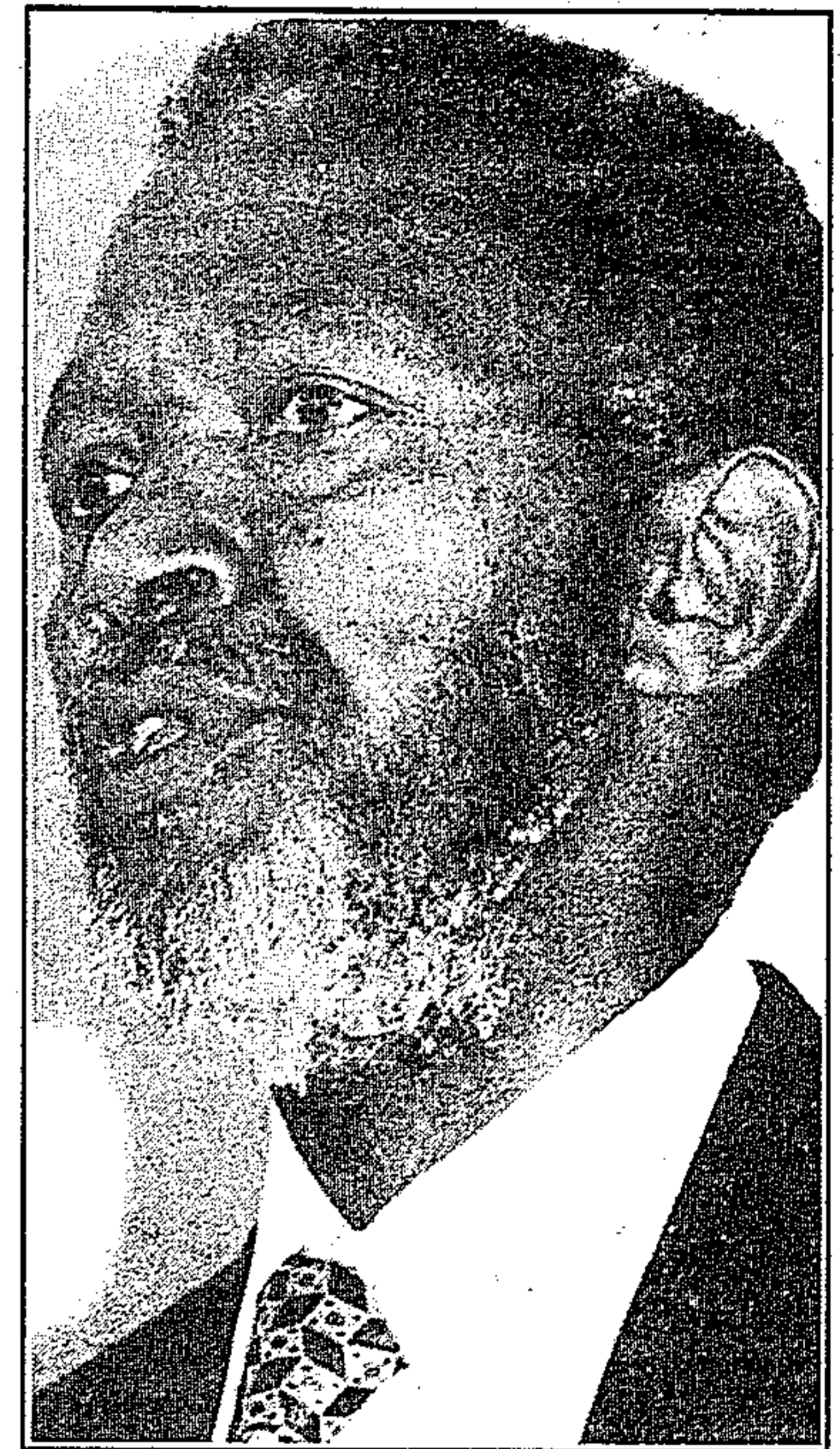
"We are still crawling but we are doing that at a much faster pace than expected," he noted.

However, the ongoing township carnage in South Africa's townships has hit societies below the belt.

Already Nacssa had settled claims amounting to over R100 000 since the beginning of the year. About 60 percent of the claims were violence-related.

"Black people are killing one another for nothing," he said, calling on members to intensify the campaign against violence from within their homes without pointing fingers at other people.

Banker Joe Molefe emphasised the importance of busi-



Prepare for greatness, says Nthato Motlana.

ness plans to people who wanted to start their own enterprises.

"Nobody will give you money unless they are convinced that your business will be viable," he said.

The key to the success of any business venture was hard work. The entrepreneur played an important role in a business, said Molefe.

"Most black people are afraid to say their motive for starting a business is to make a profit.

"They would rather say 'I want to help my people' instead of making it clear that their intention is to make money. There is nothing wrong with making money," he said.

Thami Mazwai, Day editor of the *Sowetan*, said the time for shuttling around the world with a begging bowl and asking for pity was past.

People should not rejoice in getting funding from overseas, as it had been proven throughout the world that there was no such thing as a free lunch.

The message which emerged from the Nacssa AGM was that mobilising grassroots resources was central to developmental advancement of black people in this country.

'We must share to win in SA'

AFFIRMATIVE action in SA should be used as a powerful tool to help restructure the economy and develop a national strategy towards realising an economic miracle. (Times 18/5/55)

This was the message delivered to the SA Institute of Management in Johannesburg recently by international management consultant Wendy Luhabe.

"We must realise that to become a true nation, and a winning nation, requires us to share so that we can all productively add to the creation of wealth, instead of consuming it," said Ms Luhabe, who is managing director of Wendy Luhabe International Associates. 27/12/92

"I see an opportunity for us to use affirmative action to develop unique skills and capabilities, to provide enrichment opportunities for employees to develop skills to compete equally and confidently, and to advance social and economic empowerment."

Ms Luhabe said for this to be realised may require the private sector to commit a percentage of their profits for the next five years.

SA must advocate for a social and business consensus and economic rights and material resources should be

Joey shows the way to success by hard work



JOEY MOOSAJEE

S/Times (B455) 27/12/92 ~~R5315~~ 176

SMALL and medium sized businesses play a key role in creating jobs — as the life and times of Joey Moosajee attest to.

Mr Moosajee, recipient of the Sanlam/Small Business Development (SBDC) Entrepreneur of the Year Award for central region, started his career as an apprentice upholsterer.

Today he runs a thriving lounge-suite manufacturing business which employs 70 people, thanks to his entrepreneurial spirit, hard work and help from the SBDC.

The SBDC sets seven basic requirements for financial help.

Mr Moosajee qualified as an upholsterer and worked for several companies but

By ADRIAN HERSCH

was determined to start his own business.

He began by working from his garage in Eldorado Park.

He says: "Most of the work I did was upholstery repair. I gained a good reputation and as business increased I employed two people.

"At that stage I had none of the administrative skills necessary to run a business. The company secretary where I had worked previously kindly taught me what I needed to know on week-ends."

Mr Moosajee decided to move his business to central Johannesburg and concentrate on manufacturing lounge suites.

More people were hired — including a bookkeeper.

Mr Moosajee often worked seven days a week — sometimes up to 20 hours a day.

"The hard work payed off. A reputation for reliability and quality was built up," he says.

The company, Ambijo Lounges, operated on cash terms with many of the furniture stores.

Loan

In 1991 Mr Moosajee decided to expand. He approached the SBDC, which granted a loan of R650 000 to finance the development of a factory in Devland, south of Johannesburg.

By the end of the year business was booming. Mr Moosa-

jee acquired the adjacent stand and built a second factory out of "free cash flow".

The company manufactures up-market lounge suites. Turnover averages R500 000 a month and the majority of fixed assets are paid off.

Surprisingly, Mr Moosajee still spends a good deal of time doing manual work.

He says: "It is enjoyable, but there are also several other advantages. Being right there on the factory floor enables me to keep my finger on the pulse of the business — I know exactly what's happening.

"The fact that I do manual work also appears to have a positive effect on the workers."

His working hours are not as long as they used to be. "I work nine hours a day for five days and half a day on Saturday.

"On Saturdays I check the administration and discuss the books with my bookkeeper," he says.

After matriculating two years ago, Mr Moosajee's son joined the company.

"I sent him on a computer course and the payroll has been computerised. We're looking to utilise the computer as much as possible in future."

Mr Moosajee says he is very grateful to his wife for the encouragement she gave him over the years.

SBDC central region spokesman Donné Duffy says the SBDC provides finance for development on more favourable terms than are readily available from other sources. It facilitates flexible interest rates, repayment terms and collateral requirements.

The SBDC also provides support services as an integral part of the financing.

Jo Schwenke, SBDC senior general manager, central region, says the businesses that succeed are those operating clearly within a niche where the entrepreneur or his staff have specific expertise.

"Those that succeed continually innovate and renew their product, structure and services. They have a passion for servicing their customers no matter how strong their position is," he says.

Mr Schwenke says those that fail are businesses trying to compete in areas known as "commodities".

"Commodities are the products that cannot easily be differentiated — such as agricultural products, paper, glass, plastic bags and pellets. These products are best suited for mass production," he says.

Struggle

Mrs Duffy says when finance is considered by the SBDC, the following requirements, in general, should be met: Gross assets of less than R10-million; management by people with appropriate technical and managerial skill; profit orientation; independent ownership; economic viability; location in SA.

She says amounts in excess of R1-million will be considered only in "exceptional circumstances".

Mr Schwenke says: "People looking for a quick and easy way to get rich will not succeed in small business. Those who are prepared to struggle, work hard and smart, with a commitment to serving their customers, will achieve success."

Nafcoc sets goals for black business

UP TO 60% of all managerial positions in JSE-listed companies should be held by black businessmen by the year 2000, says former National African Federated Chamber of Commerce (Nafcoc) president Sam Motsuenyane.

Quoted in the recently published Portfolio of Black Business in SA 1993, Motsuenyane said the aim was part of a four-point plan adopted by Nafcoc to improve black participation in SA business.

The other three aims identified by Nafcoc were 30% black representation on the boards of all companies listed on the JSE, a 40% black holding of the equity of all JSE companies, and JSE companies sourcing

50% of all external needs from black entrepreneurs by 2000, Motsuenyane said.

"We realise that this will mean a complete reorientation of development strategies. But we would like the performance of the large corporations to be judged against those targets," he added.

Motsuenyane, Nafcoc president from 1968 until his retirement this year, said large white-controlled companies should try to emulate the Japanese by contracting out as much of their needs as possible to small black businesses.

□ To Page 2

Nafcoc *Blom 29/12/92*

This would prevent big companies getting even bigger and outmanoeuvring small companies in the market place, he said.

"The organisation's target is that, by the end of the century, 50% of the discretionary needs of large companies should be contracted out to small ones."

Although blacks needed to get a greater slice of big business, black business remained eminently suited to exploiting the huge growth potential in the small business sector, both formal and informal,

Portfolio publisher Willie Rameshaba said.

"Black business is on the brink of unprecedented growth," he said.

Bax Nomvete, executive director of the Africa Institute for Policy Analysis and Economic Integration, said the marginalisation of SA's largest development resource — "the latent intellectual capacity and ingenuity of the black population" — was a major obstacle to generating sustainable economic growth and maintaining social, political and economic stability.

□ From Page 1

new cases of tuberculosis. portunities next year will be the informal and 7-million had little or no sanitation.

'Biased Goldstone report contains lapses', Inkatha

30/12/92

DURBAN — Inkatha said yesterday the Goldstone commission's third interim report was partial and included several serious lapses.

Although recognising the practical merit in some of the report's recommendations, Inkatha said the commission had not reported "as objectively as it should".

There was merit in the suggestions that adequate notice be given to existing authorities of public meetings, breaches of the peace accord be penalised, the release of suspects on bail be reviewed, the role of tribal chiefs be defined and recognised and parties refrain from inflammatory attacks on present authorities, Inkatha said.

However, the commission did not refer to the "fullscale assault" on Inkatha's rural constituency as a major cause of violence, and also ignored Inkatha requests to investigate the "eight massacres of Inkatha members and supporters that have occurred since August".

In Maritzburg, Inkatha's Natal Midlands leadership said Inkatha objected to some of the commission's findings relating to the Moolriver-Brunntville area.

They said they had never agreed to be disarmed simply if the ANC agreed to abide by the national peace accord. Inkatha spokesman Velaphi Ndlovu said the regional leadership had also never agreed

to the fencing of the Brunntville Hostel.

GAVIN DU VENAGE reports that national peace committee chairman John Hall said yesterday a joint public meeting between ANC leader Nelson Mandela and Inkatha head Mangosuthu Buthelezi was needed to bring about peace.

Reacting to the commission's report, Hall said that at the end of the day, all roads led to political leaders. He said that leaders' involvement in driving the peace accord home to grassroots peace committees would eliminate violence and intimidation as political weapons.

Goldstone's recommendations, which called for a drive to promote political tolerance, were also contained in the provisions of the national peace accord, Hall said. It was, however, the responsibility of leaders to discipline their members who did not obey the accord.

The Azanian People's Organisation yesterday called on foreign benefactors of organisations implicated in political violence to discontinue funds until a culture of tolerance existed among their members.

Reacting to the commission's report which said rivalry between the ANC and Inkatha was the main cause of violence in the Moolriver area of Natal, Azapo said the donors should "put their money where their mouths are". — Sapa.

ANC, PAC slated on business ties

30/12/92

ADRIAN HADLAND (176) THE ANC and PAC have declined to utilise or encourage black business in SA, Centre for African Studies economist Eugene Nyati claims.

Writing in the Portfolio of Black Business in SA 1993, Nyati said the relationship between the ANC, PAC, trade unions and black businessmen remained disjointed and fractured.

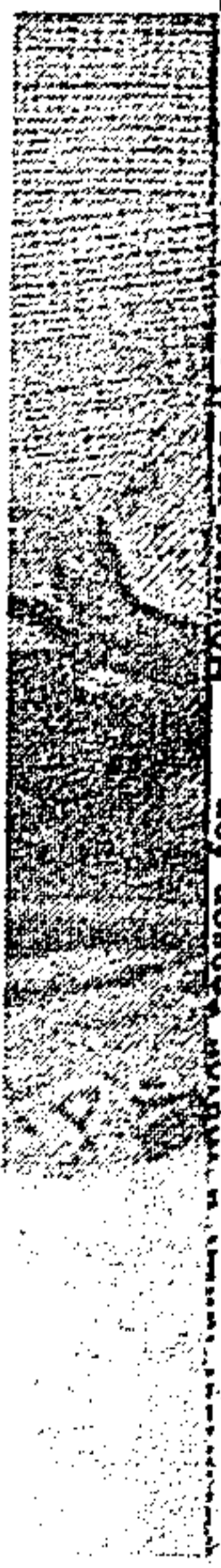
"Despite their declared commitment to black empowerment, black liberation movements still prefer to do business with white institutions even when they could get comparable service from black business," he said.

The ANC had "never made any serious effort" to have many of its requirements catered for by black-owned businesses, Nyati said.

The management of pension and other black trade union funds had been handled mainly by white firms.

"The millions of rands (from the funds) would appear to be logical resources to help actualise the much talked about empowerment of the oppressed," Nyati said. 30/12/92.

"If black political and business leaders cannot co-operate with each other before liberation, it is arguable whether things will be any different after a majority government takes power," he added.



Inkatha national chairman Frank Mdlalose, left, and ANC international relations head Thabo Mbeki at yesterday's peace talks in Durban.

UN officials probe rampage by returned exiles in Durban

KATHRYN STRACHAN

UN OFFICIALS returned to Geneva this week after investigating an incident at the National Co-ordinating Committee for Returned Exiles of- fices in Durban earlier this month when staff were held hostage for several hours by angry returned exiles.

UN High Commissioner for Refugees (UNHCR) spokesman Jonas Foli said the two officials left Johannesburg on Sunday, and would be delivering their findings to the UNHCR head office in Geneva.

Foli said the "little crisis" occurred when 25 exiles took staff hostage when they were told there was no money to pay their grants. The situation was defused after the ANC intervened.

Reports said the refugees went on the rampage, assaulting staff and destroying pictures. Jewellery was also reportedly taken from a number of staff members.

Sapa reports Durban police spokesman Captain Bala Naidoo saying police were called to the offices, but were not investigating because no

charges had been laid.

In response to questions on why the exiles had not received their grants, the committee's chairman Moss Chikane said: "We have just run out of cash." He said the committee had received a budget of R53m from the UNHCR for the year, but the budget had not covered the needs of the organisation.

"Many people are still coming in on their own steam and hoping to get grants when they arrive, but there was a shortfall," he said. Chikane said his organisation hoped the discussions with the UN officials would result in increased funding.

Chikane added that the organisation was being scaled down as it believed government would assume greater responsibility for accommodating exiles in the new year. It was also cutting back on staff to leave more funds available for assisting returnees, he said.

SAPDF

MANPOWER — BLACK MOBILITY

1993

JANUARY — JUNE

Many black entrepreneurs' failures self-perpetuated' ^{B/DAY 4/1/93} (176)

MANY of the pitfalls faced by black entrepreneurs on their road to economic independence are self-perpetuated, Centre for African Studies director Eugene Nyati says in the 1993 Portfolio of Black Business SA.

Nyati says that apart from historical constraints left by apartheid, certain practices or omissions on the part of operators have combined to stifle the consolidation and growth of black business.

For instance, while the basic talents of black entrepreneurs cannot be doubted, most businesses are still conducted in an unprofessional manner, he says.

"Poor record-keeping and service remain at the top of the list of complaints one hears about many black-owned businesses," says Nyati.

Then there is an unwillingness to take risks, as few young blacks with formal business or commerce training are prepared to set out on their own, preferring instead the safety of employment.

Countless college and university graduates may be well off financially, but earn far less than they would if they had the courage to go it alone.

Nyati says the fault is partly that of the teaching institutions, which train students to become employees and not employers.

He said not even organisations such as

GAVIN DU VENAGE

Nafcoc and Fabcos had provided the proper guidance.

Although both organisations have contributed significantly, they are top-heavy and have failed to transcend narrow sectarian rivalries and give proper leadership to their constituencies, says Nyati.

He says a premium is placed on loyalty rather than competence when appointments are made.

Nyati accuses black professionals of "snobbery", and says they are resistant to complementing theoretical training with practical experience.

"They rely too much on, and expect too much from, an impressive curriculum vitae. It often becomes an alternative to competence and commitment," he said.

Black businessmen also have little trust in each other and are reluctant to form partnerships that will benefit undercapitalised ventures.

Nyati says international support for black business will probably dry up a year or two after a majority government comes to power, so advantage should be taken while it lasts.

Apartheid has left a terrible legacy, he says, but blacks have to take responsibility for their own failures.

SOUTH AFRICA'S ECONOMIC SURVIVAL depends on its ability to nurture black entrepreneurship, says the former secretary general of the Preferential Trade Area for East and Southern Africa (PTA), Dr Bax Nomvete.

Writing in the 1993 issue of *Portfolio*, a magazine focused on black business, he says the neglect of black human resources is a major stumbling block to generating sustainable economic growth in the country.

Africa - including South Africa - needs "innovative policies" to generate development, says Nomvete, now executive director of the Africa Institute for Policy Analysis and Economic Integration (Aipa).

Unfortunately, the trend in most of Africa is short term and ad hoc responses to developmental challenges, as opposed to the formulation of new policies and translating them into "feasible programmes of action".

Like other African countries, South Africa remains an exporter of raw materials with an uncompetitive industrial sector.

"The economy is run by parastatals and white-owned conglomerates with large doses of state intervention," he says.

Initial emphasis should be on strategies for restructuring the country's economy and strengthening its indigenous capacity for growth. For South Africa to meet the basic demands of the majority of its people, the economy has to grow at an average of about five percent a year. But it is doubtful whether this

The neglect of black human resources is a major stumbling block to generating sustainable economic growth in South Africa, Bax Nomvete says in a magazine article.

Mzimkulu Malunga reports:

176
It is necessary to expand the capacity of the economy and open up new avenues for the undoubted entrepreneurial capabilities of the majority sector of the population - the blacks

Sowetan 14/1/93

target can be attained. "We may even experience negative growth," he says.

Manufacturing production is declining and so



is the income from mineral and agricultural commodity exports.

Economic democratisation is essential in bringing about growth, he says.

While some advocate strong affirmative action programmes to level the economic playing field, the problems run much deeper, Nomvete contends. Upliftment programmes alone cannot resolve South Africa's woes.

"Radical changes in mind sets and policies are needed throughout the country's political economy.

"It is necessary to expand the capacity of the economy and open up new avenues for the undoubted entrepreneurial capabilities of the majority sector of the population - the blacks," argues Nomvete.

In a world dominated by emerging regional economic blocs, South African participation in the likes of the PTA and the Southern African Development Community (formerly known as SADCC), will be crucial, Nomvete says.

BUSINESS Investment seminar for bigger business ●

Investment geared for black firms

A MAJOR INVESTMENT seminar aimed at black business will be held at the Carlton Hotel on February 23.

Sponsored jointly by *Sowetan* and a leading stockbroking company, Simpson McKie Inc, it is hoped that the seminar will attract prominent black business people in the PWV area.

This occasion is the first of its kind geared mainly to black business.

"We realised that most business seminars for blacks tend to concentrate only on small business management issues.

"Clearly there is a need to enlighten middle-income to upper-income black people about issues relating to personal investment. With this seminar we hope to empower our people with the kind of knowledge that will enable them to take advantage of the enormous opportunities of the Johannesburg Stock Exchange," says *Sowetan* day editor Thami Mazwai.

Among the speakers will be *Sowetan*

■ HIGH HOPES

First seminar of its kind for blacks:

Editor Aggrey Klaaste and the JSE president Roy Anderson.

Bill Yeoward, partner in Simpson McKie, concurs: "The seminar is deliberately aimed at the middle-income to upper-income business person. They are the ones who are currently not catered for when occasions of this nature are organised.

"South Africa has a huge black middle-class and upper-class with lots of disposable income. But due to lack of investment information, most of their funds are not invested optimally and our objective is to correct the situation. Participants pay a R100 fee, which includes tea and lunch."

176
Sowetan 22/1/93

Few blacks in top posts of American firms in SA

176
JAN 23 1993
JEAN LE MAY, Weekend Argus Reporter

MANAGERIAL jobs were held last year by fewer than three percent of blacks employed by American companies in South Africa, according to the latest report of the signatories to the "Statement of Principles for South Africa", which used to be the Sullivan Code.

The low percentage is a far cry from what the Rev Leon Sullivan wanted when he drew up the code in 1977, laying down that 50 percent of job vacancies should be filled by what the report calls BCAs.

This, and other disclosures in the report, gives rise to the question: what has the Sullivan Code, and its successor, the "statement of principles", achieved in the 16 years since it was devised?

Sanctions, which bedevilled the South African economy for so many years, could be on their way out now that Mr Nelson Mandela and Archbishop Desmond Tutu have conditionally agreed they should go.

It could take time and, although nobody is saying so out loud, the lifting of sanctions would mean that American companies in South Africa could have another reason for rejoicing apart from doing more business.

When Mr Sullivan, a Baptist clergyman from Philadelphia who was active in the anti-apartheid movement, dumped the code and campaigned for outright disinvestment in 1987, the Arthur D Little company of Massachusetts took over as watchdog over the signatories. It also produces the annual report.

In its latest report, the Little company had some reproving words on the dearth of black managers.

"Companies must strive to change the situation," it said.

This sanctimonious attitude, among other things, could help to explain the disenchantment of some companies with what many think is a simplistic response to complex problems.

Some companies have withdrawn as signatories and elected to report instead direct to the State Department.

Mr Mel Palmer, human resources manager of Engen, said that the Mobil Corporation of the US had been a signatory and Mobil SA had had to buckle under to the demands of the "principles".

"When Mobil disinvested and Mobil SA was sold in 1989, the shackles were removed," he said.

"The 'principles' had to have ground rules, but the moment you have ground rules they become restrictive. Once we were unshackled we could decide for ourselves where to spend our money and what we thought should be done."

At one stage, when it was still subject to the ground rules, Mobil SA had disagreed on the implementation of one of the "principles" concerned with education, he said.

Although its programme had actually gone much further than that laid down by the "principles", non-compliance led to Mobil being downgraded in Arthur D Little's annual assessment of performance.

"The American response seems to be based on paternalism and throwing money at a problem," he said.

"We did not agree that a group of assessors who lived in the US and visited South Africa once a year knew better than we did what to do, or better than the people most involved — the employees themselves."

Mr Arthur Swartz, chairman of the Western Cape regional committee of the signatories' association, said that the signatory companies were looked on as leaders in applying affirmative action programmes.

"Certainly they were much more innovative and directed than others," he said.

"They identified, for instance, that there should be a spread of support for education at all levels, from primary right through to tertiary.

"Overall, they took positive steps towards improving the quality of life of disadvantaged communities. Now South African companies have become involved in affirmative action and social responsibility programmes: corporate social responsibility is getting a lot of attention."

BUSINESS Steps to stimulate growth and to alleviate the job crisis

Fight for affirmative action gets underway

By Mzimkulu Malunga

WITHOUT affirmative action, the struggle for liberation would have been in vain," were the words of a leading activist in one of the liberation movements.

As more people become convinced of the urgent need for affirmative action, an organisation geared towards the realisation of this notion was recently formed.

The National Affirmative Action Alliance is a broad coalition of 20 organisations and it held its first general meeting this weekend.

It aims to lobby policy makers in Government and business circles to formulate appropriate mechanisms to redress disparities.

Affirmative action is the only way to cultivate a sense of belonging among black employees, argues the alliance's interim secretary, Loyiso Mhabane.

"Affirmative action is like the right to vote. It's non-negotiable," he says. Representatives from the broad liberation movement, black business, educational institutions as well as the trade union movement attended the workshop that led to the formation of

PRIORITY TRAINING Business and education

bodies form NAAA to level opportunities:

the NAAA.

The diversity of the groups represented in the alliance proves there is growing consensus on the necessity of affirmative action, says Mhabane.

Participants in the alliance range from the Black Lawyers Association, South African Institute for Management, Association for Black Accountants of Southern Africa, National Education Co-ordinating Committee, Black Business, Professional Women Coalition to the National Council of Trade Unions.

The NAAA wants to break away from the traditional monopoly of paying lip-service to affirmative action.

The record of understanding outlines four key objectives. One seeks to eliminate gross imbalances, not only between blacks and whites, but between men and women as well.

The other highlights the importance of increased representation for blacks in all sectors of working life.

Thirdly, the NAAA emphasises the need for cultural values in the corporate world to reflect those of the

broader South African community.

Another task the alliance is faced with is to see to it that there are well thought out programmes to redress economic disparities and that mechanisms to monitor them are in place.

Mhabane argues that even the strongest advocates of affirmative action are not in favour of discrimination in reverse, as such a move would be self-defeating.

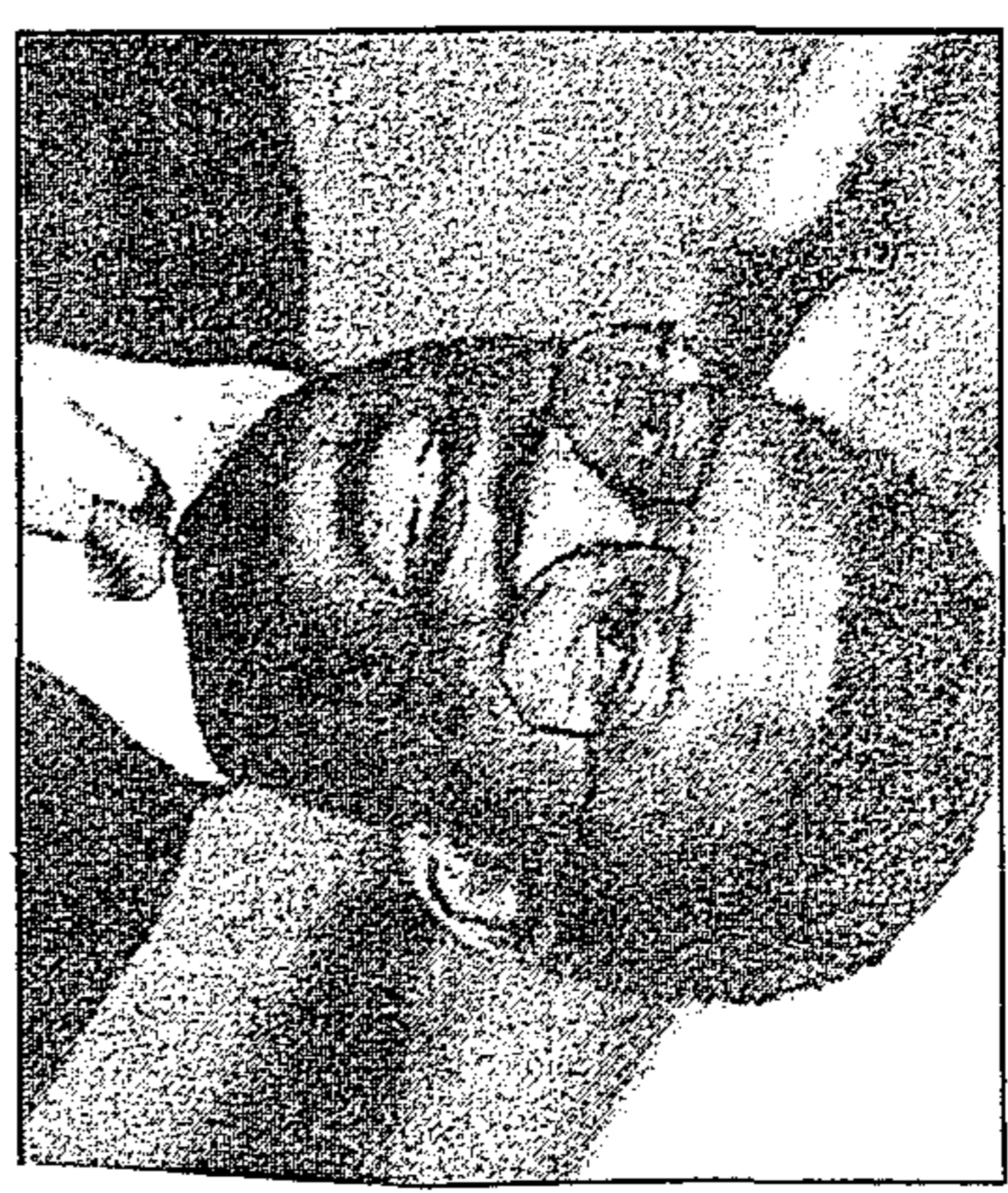
The key to a careful implementation of affirmative action programmes is training.

Training should target areas where there is greater need. "You don't just train a person in communications without knowing whether he needs skills in that sphere or not.

"Some white people believe black people need training just because they are black."

Legislation can also play a role in persuading business to embark on programmes which speedily level the economic playing field. As a prerequisite, all forms of discriminations should be banned at work places.

176



Loyiso Mhabane

Seminar to equip women with manage

Businesswomen fall into focus

■ **WORKING GIRLS** Women to be (176)

equipped with management skills: ~~176~~

So welen 2/2/93 - ~~176~~

By Pearl Majola

WOMEN IN BUSINESS come under the spotlight this month when the first Business Women's Forum

is held in Johannesburg. The seminar, organised by a local computer company and taking place on February 15 at the Sandton Sun, is aimed exclusively at professional and business women.

It is designed to equip them with management skills and strategies for the future. High profile speakers will address issues like the role of women now and in the future, empowerment and prospective financial strategies.

According to co-ordinator, Ms Marlene Ward, a lot of attention is focussed on issues that need changing.

"However, few women have thought about preparing themselves for the effect these changes will have on them at a personal level, at work and even in society," Ward says.

"South African business women need to start playing an active role in our changing environment and I believe this seminar is the starting point of how they can go about doing it."

Speakers include Lynda Gratton of the London Business School, Standard Bank's Mike Vosloo and Mr Justice MT Steyn.

For more details on the conference, contact Bidy Naude at 448 4204.

BUSINESS

BY REG RUMNEY
 JOHANNESBURG Stock Exchange president Roy Andersen this week made what would have been a startling admission a few years ago.

"We can't be credible in the new South Africa if we are all white males," he bluntly told the Frankel, Pollak, Vinderine investment conference, during a panel discussion on deregulation of financial markets. Affirmative action was needed to develop black managers in the JSE administration, he said, in a wide-ranging address, which dealt with among other subjects research the JSE has undertaken into how the bourse should be restructured as it enters a new era.

The research looks at whether, how and in what way the JSE should follow the London Stock Exchange's "Big Bang" deregulation.

The mention of affirmative action was a clear sign business is becoming to terms—in varying degrees—with the demands of transition.

Andersen also noted the African

JSE 'needs affirmative action'

National Congress did not like the "gearbox" vision of the JSE as mobilising savings and passing them on efficiently to users of capital to create wealth. However the JSE did have a role to play in the new South Africa.

The JSE, he said, could:

- Help unbundle the concentrations of power where this is desirable.
- Use the development capital market and venture capital market to assist emerging entrepreneurs.
- Provide investment vehicles for stockpiles.
- Provide a market for shares made available through privatisation.
- Provide a market for shares issued under staff share incentive schemes.

Andersen also spoke of how savings can be rechannelled to emerging entrepreneurs. "The age-old problem of entrepreneurs not being able to bridge the gap between bank loans,

which facilitate growth up to a point, and the ability to raise capital through the stock exchange is well known. At the same time the large institutions have a fiduciary relationship with policy holders and investors and are therefore reluctant to invest in high risk ventures.

"A possible solution to this dilemma is to create new instruments which are quoted on the stock exchange and partially underwritten by the government. The large institutions could then invest in these instruments with the proceeds lent to the emerging businessmen."

This idea was first mooted at the Frankel, Pollak, Vinderine Platform for Investment scenario presentation, he noted.

Rand Merchant Bank executive chairman GT Ferreira also referred to the need to find imaginative ways to bridge the gap between conventional

banking and a grossly underserved unsophisticated market.

The previously disadvantaged would not be content with a levelling of the playing field, he contended. The feeling might be, he said, "We played the first half of the match uphill, we want to play downhill in the second half".

Continuing in a sporting vein he used the analogy of two sports that used handicaps, golf and racing, to explain why it would be better to help the disadvantaged rather than penalising the advantaged. In racing the handicap was a penalty on the fast horse: in golf the penalty conferred an advantage on the weaker player.

On the question of risk, Registrar of Deposit-Taking Institutions JH van Greuning noted that the role of regulators has to change, recognising that the authorities could not prevent financial institutions from defaulting.

Van Greuning did not have to refer to the Masterbond scandal when he remarked it had been found the investing public thought of all financial institutions as banks, and did not realise other financial institutions, such as agencies, existed where the investor himself carried the risk.

The proposed Financial Services Act introduced the concept of "fit and proper" management of financial institutions, the idea being the management of institutions must be responsible for protecting risks of investors.

Being "fit and proper" to manage a bank comes down to at least not having a questionable financial history. As an example, Van Greuning produced a Bank of England questionnaire which asked such embarrassing questions of, say, would-be bank directors as whether and how many debt judgments had been given against them.

The Act, he concluded, should have fewer rules and concentrate on disclosure.

Old friends make legal history

DURBAN — Two friends had their names written in South Africa's legal history books by becoming the first people of colour to be promoted to regional court magistrates by the Department of Justice.

Mrs Krishnavennie Chetty, 36, of Reservoir Hills and Mrs Jenarthene Pillay, 35, of Desai-Nagar started studying together at the University of Durban Westville in 1974.

Their historic appointments were made by Deputy Minister of Justice Mr Danie Schutte this week. Mrs Chetty will be based in Durban and Mrs Pillay at Stanger.



GOING PLACES ... Joseph 'Shaka' Mphole, 24, awaits the Morris Isaacson School he fled in 1987. Picture: ANDY KATZ

Soweto supper student is set to take up IMF post

BY BILL KRIGE

STimes 10/1/93

UNREST in schools forced Soweto student Joseph "Shaka" Mphole to go aboard. Now, five years later — with two university degrees and several languages under his belt — he is headed for Paris and a job with the International Monetary Fund.

The 24-year-old son of a Johannesburg taxi driver has crammed more into his brief existence than most people experience in a lifetime — and he believes the curtain is just rising on his career.

Next week he flies off to join the prestigious IMF for eight months — a post arranged by his university mentors in Paris — but the heart of this dreadlocked student will remain at home.

On his return to South Africa he hopes to realize his ambition to serve his country as a foreign envoy. He already has solid assets for the post — degrees in English, Spanish and French. In addition he speaks Zulu, Xhosa and Afrikaans.

But in 1987, with his studies at the Morris Isaacson High School in Jabavu, Soweto under threat from boyco... and militancy, the future looked bleak.

Then he met an American exchange student who changed his life. His friend suggested he apply for an American Field Service scholarship to enable him to matriculate in peace. "The only post left was in Paraguay.

I got it and matriculated in Asuncion in Spanish."

That was the start. Back in South Africa he was accepted by the American University in Lausanne, Switzerland, and set about raising funds with a vengeance.

Within five days he had raised R80 000, most of it donated by major companies. Then he flew to an environment so stable and wealthy he felt alienated. "When I arrived on campus and saw the extravagant cars I thought it was hosting a seminar for the oil industry," he recalls.

But the Ferraris and Porsches all belonged to his fellow students and soon he felt "a certain detachment from reality and a longing to be home."

However, his jet-setting was far

from over. He applied for and was accepted as a student aboard a floating university and, characteristically, set about raising funds in Switzerland.

Four months later he berthed in Seattle on the north-west coast of America having circumnavigated the globe, the only disappointment being the ship's failure to stop in South Africa because of the political climate.

He remembers India vividly: "No one must tell me about poverty in Soweto. In India it was terrible, with people living and dying on the streets and yet they had such deep spiritual values."

Joseph's father, Pillemon, who has two younger sons, is still driving his taxi.

SHOULD South Africa adopt a "business as usual" approach, or should the country "change gears"?

Written in 1991, the Nedcor/Old Mutual "changing gears" scenario calls for immediate massive investment in the black community as producers.

1. Housing

There should be a massive investment in homeownership and the development of black skills.

Housing is labour intensive and creates jobs. It encourages people to save to buy houses. Housing is a visible redistribution of resources and it results in community stabilisation.

According to the team:

- 400 000 serviced sites should be provided a year, or three times as many as in 1990.
- Low-cost houses would be built on 200 000 of those sites — these are houses costing less than R15 000 each because more than

Invest in black producers,

Say scenario planners

South 519-919192

60 percent of the black community cannot afford houses that cost more.

- The scheme would create at least 250 000 new jobs.

But to realise this plan all involved in housing should "change gears". Government will have to allocate land close to places of work, not in distant townships, and provide a capital subsidy. Builders will have to change their "cheap is small" attitude and come up with houses of up to 40 square metres which cost R15 000.

2. Electricity

The team proposed a widespread electrification programme, which would improve the quality of life in the townships. This will also

create about 250 000 jobs and will mean that more people will want to buy electrical appliances, which will boost the manufacturing sector.

3. Education

There is no future for South Africa unless all children are literate and numerate. That means there has to be compulsory, free primary school education for everyone.

If government is to pay for this, the team says the private sector must pay for skills-oriented education — the government cannot afford to provide both.

Business can do this by directly funding skills-oriented education or by paying a skills development tax. The government

must also change its attitude and have a single education policy and department and devote all real increases in education spending to building primary schools and upgrading teachers.

But the community also has to change its behaviour. Pupils should be told to go to school and discipline and standards would have to be maintained.

4. Job creation

The last component would be the creation of a job corps. There are 5,5 million unemployed people, which makes it impossible to get to grips with the problem of social disintegration.

A job corps would provide people with the opportunity to do useful work, to develop themselves in an environment where there is discipline and standards. Again, the private sector will have to accept the responsibility to create jobs or to pay a job corps levy so that the government has the funds to run it.

Body aiming to change the face of accounting

B(DAM) 16/2/93

(176)

THE man co-ordinating the SA launch this month of the Chartered Association of Certified Accountants (ACCA) is slight of stature.

But Mashudu Ramano, who has been deeply involved with the Association of Black Accountants of SA for five years, packs a big punch — and he is convinced the ACCA is going to change the face of accounting in SA dramatically.

"The SA accounting profession has been characterised by an elitist approach until now. There are only 62 black accountants in SA, 20 of whom qualified in the past two years. Blacks were appointed to the executive committee of the SA Institute of Chartered Accountants for the first time in 1991. It is clear the profession faces an urgent problem — to substantially increase the number of blacks employed in the profession in the years ahead," Ramano says.

Remedial

The SA Institute of Chartered Accountants president Neville Vorster agrees. More than a decade ago, he says, the Institute implemented various remedial programmes like a career guidance programme for black students and the CA's Eden Trust, which grants about 200 bursaries annually.

This was done in conjunction with the Association for the Advancement for Black Accountants and the Public Accountants and Auditors' Board.

Other measures taken by the institute include the development of academic support programmes and mentorship schemes.

There is also a voluntary code under which accoun-



MASHUDU RAMANO

tancy firms ensure that at least 15% of their annual intake is black.

Vorster says the benefits of these and other programmes have been slow to take hold because of the extensive training required and the low standard of black education.

"Our combined effort is now beginning to show results and we expect a significant increase in the number of blacks qualifying in the future," he says.

Ramano believes SA needs to adopt a much more flexible approach to the education and training of accountants.

He says the role of public accountants and the Auditors Board also needs changing. At the moment the board is "both player and referee". What is required is a different regulatory body, he says.

In addition, drastic changes are needed in the education and training of accountants, and in the

recognition of other accounting qualifications, if SA's accounting needs are going to be met. "The present system — which is myopic, elitist and not adapted to SA's real developmental needs — has no place in a future SA."

Needs

Ramano says it has been suggested that SA needs 20 000 qualified accountants by the turn of the century. At the moment there are 13 000 qualified CAs — and 1 000 of these are outside the country. The white population will not be able to meet the need and existing structures are not organised to produce a sufficient number of black accountants.

He says a study commissioned by the Association of Black Accountants of Southern Africa found that administrative, educational and financial structures remained segmented and

elitist. In addition, racial and structural discrimination meant opportunities for blacks were limited.

What is needed is to provide distance education and open learning approaches.

The ACCA open learning programme has been identified as the optimum vehicle for addressing this because it can be introduced quickly while providing access to the most modern approaches to accounting practice.

Adapted

The ACCA materials have been specifically adapted to the SA environment — including SA tax and law, SA accounting and auditing standards and case studies relevant to SA. And the language level has been designed for students with English as a second language.

Vorster also argues that financial and entrepreneurial skills are essential for developing successful businessmen and creating jobs.

Potential foreign investors have told the institute they needed assurances that investments would be properly managed and accounted for.

He says SA will have to compete widely for investment and do so on the international financial community's terms.

"Chartered accountancy is built on two key foundations — skills and integrity — and in an environment tainted by fraud and corruption, CAs can do much to raise public and investor confidence," he says.

Vorster says it would be "fundamentally wrong" to lower the qualifying standards for CAs because once lowered, it would be difficult to re-establish standards, he says.

Affirmative action only hurts

FM
26/2/93.



Brian Kantor is professor of economics at the University of Cape Town.

176

South Africans have been well exposed to affirmative action programmes. Successive governments practised affirmative action in favour of Afrikaans-speaking whites and they did so for obvious reasons. The beneficiaries of privileged access to employment, contracts or resources allocated by the State were or became supporters of their patronage-dispensing government.

Governments everywhere look for support in this way but in SA, of course, though by no means uniquely, the programmes were given a very conspicuous racial aspect. The Serbs in Yugoslavia, the Russians in the Ukraine, the Protestants in Ireland, to mention but a few examples, were equivalent beneficiaries of affirmative action.

There is naturally always a price to be paid for what was once called patronage, but which might generally be described as special interest politics. Not the least important are the feelings of frustration and resentment when the losers and winners are easily identified by race or religion. Those harmed yearn to get their own back by winning control over government. Or if that seems impossible, they dream of setting up a nation of their own.

But there is another, perhaps less obvious, price to be paid for every income received by

an official or employee over and above what they would have earned had they been forced to compete fairly and openly with all comers. The cost of affirmative action programmes must be recovered in taxes and, if the quality of service or goods provided is sacrificed, in higher prices for consumers. Similarly, every subsidy paid by government or any failure by governments to realise the best terms for resources they control, for whatever reason, means higher taxes and prices in general.

It may be a minor consolation to black South Africans to recognise that, because most income and expenditure was undertaken by whites, this meant that mostly it was whites who paid for the affirmative action programmes undertaken on behalf of other whites. The whites on the giving rather than the receiving end of these income transfers naturally tended to vote for the opposition.

The black share of incomes and expenditure in SA is rapidly approaching 50%. Soon it will be largely the black consumer and taxpayer who will bear the burdens of affirmative action practised on behalf of other blacks. It is patently wrong to believe that affirmative action can benefit all blacks any more than it has benefited all whites. It will be a minority of politically influential blacks who will benefit greatly. The costs will be spread across all consumers and taxpayers.

There can be no general black interest in affirmative action programmes that artificially raise the costs of living of the vast majority of blacks. They surely have every interest in ensuring that the goods and services they pay for are produced in competitive rather than privileged circumstances. Unfortunately the black majority is almost inevitably going to be denied the full

benefits of free competition for its custom, as it was in the past. The special interest of the better-educated, better-organised elites in tilting the competition for jobs and contracts their way is bound to prevail. The issue is not whether it will impose a burden, but how much of a burden this special interest group will impose upon the politically less influential.

Also to be decided is just how much such action will inhibit the capabilities of large and small business in SA to make income- and employment-enhancing investments in a highly competitive world.

In other words, just how high is the affirmative action, or rather more generally the special-interest, tax burden going to be in SA?

One may hope that affirmative action or special interest politics or to call it by its more appropriate term, racism, will become less important, and colour-blind and freely competitive forces more important. Competition would encourage economic growth, which is the best way to satisfy the interest of the great majority of workers and consumers in higher incomes, lower prices and better services.

Politicians and business leaders are compelled to recognise political realities. What they should not be allowed to get away with is the pretence that what are politically necessary affirmative action programmes represent anything other than an inevitable response to the selfish pursuit of narrow interests at the expense of the general good. Moreover, they should be made aware of the fact that, because some blacks rather than some whites will benefit from such policies, they will not have any greater dignity.

0



Black computer firm opening doors

OPENING its doors today, black-owned computer company RISC Solutions aims to inspire young blacks to take computer science seriously. 13/1/93

Named after the popular Reduced Instruction Set Computing architecture, RISC was appointed one of four Sun Microsystems distributors in mid-1992.

Sun is the world's leading company in its field, with a 63,1% market share — more than all its competitors combined. Chairman Nape Maepa believes RISC has advantages because where rivals are restricted to certain vertical markets such as banking or engineering, RISC can sell into any market, and is the only distributor with Sun system rights for Botswana, Lesotho, Namibia, and Swaziland.

"We insisted we have the opportunity to work in all areas. Ours is a small but growing black-owned firm, and we realised we would have to shift many buyers' perceptions because there are few, if any, black-owned companies in this field."

MELANIE SERGEANT

While RISC is concentrating on Sun Microsystems hardware and software, it also distributes RDI Computer Corporation's laptop computers which utilise essential components from Sun. Maepa says RISC is talking to software developers globally to tie up new distribution agreements.

"We are putting together a reseller network in SA, and as Sun Systems integrators, we are able to modify software to suit specific client needs," he said. An engineer with software development experience who owns the company, Maepa lived in the US for 25 years before starting RISC, which employs five people.

Markets targeted for sales include mining, engineering and various segments of the parastatal and government sectors. Despite stiff competition, Maepa is confident RISC will flourish.

High income growth for blacks — study

CT 15/1/93 Own Correspondent (176)

JOHANNESBURG. — White households' share of total personal income in South Africa fell to 54% from 62% between 1978 and 1988, reported the Central Statistical Service (CSS) yesterday.

In the same period, black households increased their share to 34% from 27%. There was a small increase for coloured and Asian households.

The CSS examined household income and expenditure between 1978 and 1988.

Coloureds, Asians and blacks recorded the highest growth in per capita income, averaging 17%. Over the 10-year period the per capita income of whites grew by 14,4% a year.

All four groups' inclination to save fell over the 10-year period. The report found that in 1988 South Africans were likely to save only 3% of their total income, while in 1978, 9% was saved.

Computer firm run by blacks

■ **Stiff competition in industry expected:**

By Mzimkulu Malunga

THE launch of a black-owned computer distribution and networking company linked to a powerful international manufacturer is likely to spark stiff competition in the industry.

RISC Solutions has been granted exclusive distribution and networking rights by the United States-based Sun Microsystems Computer Corporation (Sun) in five Southern African countries.

With a share of the market which is over 60 percent, Sun is among the global leaders in the computer industry.

RISC Solutions will be marketing and selling Sun's computers in Namibia, Botswana, South Africa, Lesotho and Swaziland.

Hardware solutions

The company is also a systems integrator and it aims to offer its software and hardware solutions to all sectors of the economy in the Southern African region.

The chairman of RISC Solutions, Nape Maepa, says system integration entails the upgrading of existing companies' electronic networks and establishing new lines of communication with other forms of computer systems.

"We add value to what clients already have and put them in line with today's technology," says Maepa, an engineer and software specialist who lived in the US for 25 years.

Sun's computer can communicate with all computer systems, he says, as opposed to other manufacturers whose networks reject information from computer systems outside their own family.

"This method is aimed at stifling competition in the industry as it ensures that the customer always goes back to the same supplier every time he has a technical problem," Maepa said.

The reason RISC Solutions, which was registered in September 1991, took so long to be launched was that Sun did not want to be involved in South Africa while apartheid legislation remained on the statute books.

● Meanwhile, the local giant of the computer industry, Information Services Management (ISM), has been restructured into 16 autonomous, smaller companies.

Brian Mehl, chief executive of Information Services Group (ISG), which owns ISM, says this gesture is in response to the market requirements of the 21st century.

"We recognised the need to set up an organisation which can respond quickly to change which the current monolithic structure cannot do," says Mehl.

Alliance set to hold its first meeting

WILSON ZWANE

THE recently formed National Affirmative Action Alliance will hold its first general meeting in Johannesburg tomorrow at which working groups will be set up to fine-tune its campaign to advance blacks and women to senior managerial positions. The alliance's founding document says it intends eradicating "gross disparities" in employment levels, education and the availability of skilled workers. (176)

Sources said the alliance would:

- Lobby for the enactment of legislation to provide the necessary structural framework for affirmative action programmes; and 2/1/73
- Ensure that proper affirmative action programmes were implemented by companies.

Black Management Forum research and projects manager Loyiso Mbabane said recently the need for such a body was evident as many companies were reluctant to implement affirmative action programmes.

Members of the alliance include the ANC, Idasa, the Black Management Forum, the Institute of Personnel Management, the Urban Foundation, and Fabcos and Nafcoc.

At helm of prestige glossy

MANDY JEAN
WOODS

(176)

SOWETAN day editor Thami Mazwai has been appointed editor of the prestige black business magazine Enterprise. He takes up his post on February 1.

Mazwai, a single parent with three daughters and a son, began his career in journalism in 1969 when he joined the Golden City Post after being expelled from Fort Hare University for allegedly leading student unrest.

Jail sentence

In 1972 he joined The World, becoming chief reporter in 1977. He then became news editor of the Transvaal Post, which succeeded The



SOWETAN'S LOSS:
Thami Mazwai to be
editor of Enterprise.

World on its banning. In August 1983, having just served an 18-month sentence for refusing to testify against one of his sources, he resumed his position of news editor, but this time at the Sowetan.

STAR 23/1/93
His initiatives in setting up the business section of the Sowetan in 1989 won him the coveted Rosholt Fellowship in 1990.

Harvard

He is also a Harvard Fellow, having spent a year at the university in 1989 where he took part in the programme for management development at the Harvard University Business School.

He enjoyed short stints on Black Enterprise magazine in New York and on the business section of the Los Angeles Times while gaining more experience in business journalism. He has also worked on newspapers in London and New York for the Argus Group.

The knife in the back

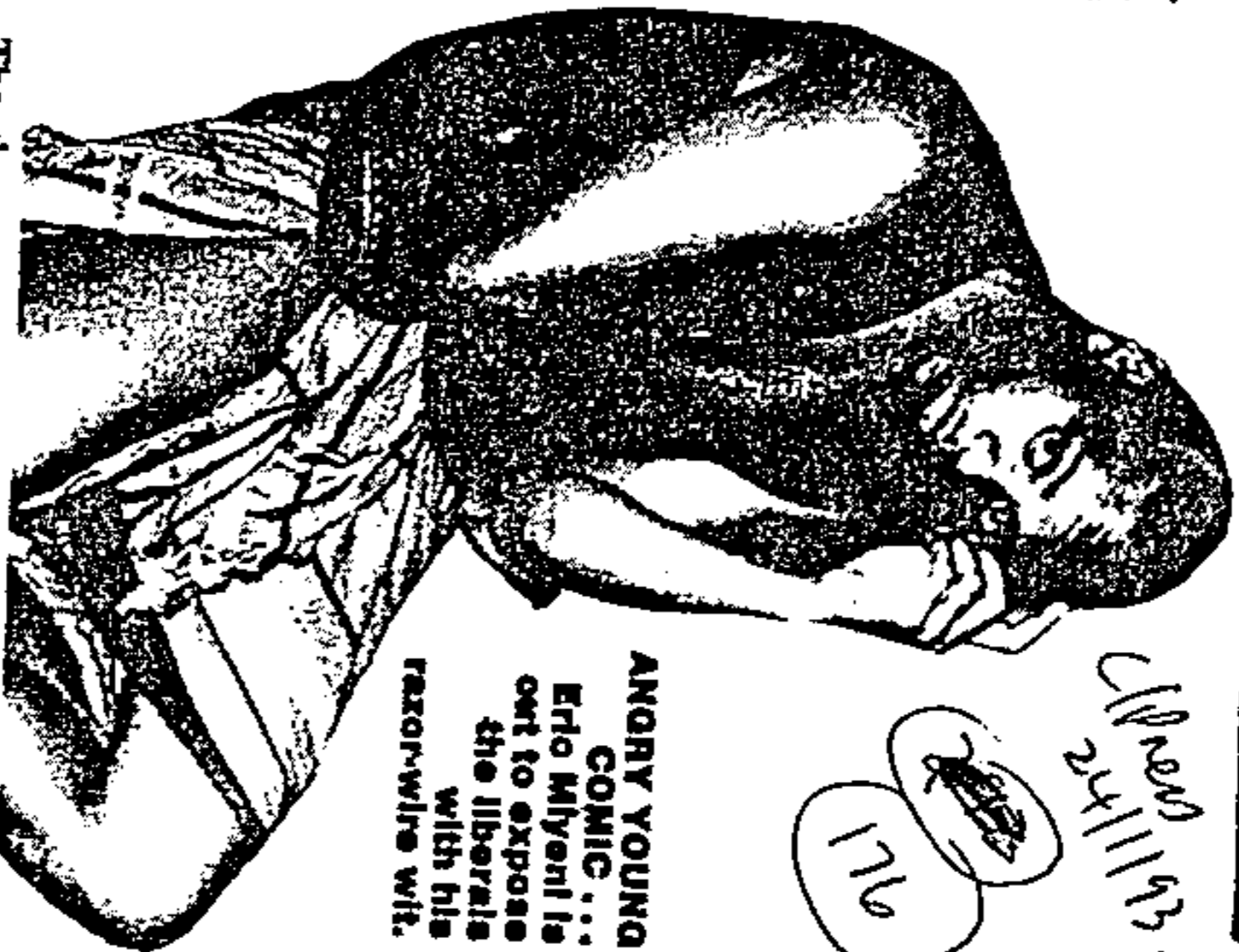
ERIC Miyeni's first attempt at presenting a stand-up comedy came out in 1990 and did pretty well in white liberal circles.

In fact, it did real well and kept him going for a good two years with the bonus of being invited to Holland and being featured in the mainstream programme of the Grahamstown National Arts Festival for two years in a row.

But in the meantime Miyeni has learnt that being a new and celebrated artist in the "New South Africa" has more to it than just being a toast among the white middle-class - like being patronised and made to feel real angry.

"I believe as a professional artist one has to come in and deliver the goods but you cannot believe the bureaucratic walls I have confronted in my attempt to bring my shows to the people.

"I have been denied a slot in good venues and this has made me realise that even if you bring plays that are tried and tested, as a black person you will always have problems," said Miyeni. But Miyeni does not believe in whining like a little puppy and is up and about preparing for his newest show *Kicking Alive*, which opens at Kipile's next Tuesday and runs until Saturday.



ANGRY YOUNG ERIC Miyeni is out to expose the liberals with his razor-wire wit.

Chapel 11/93
27x11/93
11/93

The show exposes the two-faced attitude of white liberals and urges black people to abandon the sycophancy that makes them watch helplessly as they are emptied of their humanity.

"The show is sharply aimed at white liberal attitudes which are very dangerous because they are misleading," said Miyeni.

As a stand-up comedian Miyeni is widely regarded as the local version of Eddie Murphy who with his *Twisted and Vile* redefined the mean-

ing of free speech by attacking all the sacred cows in the country.

Reflecting on his newfound status as one of the symbols of black achievement on the arts scene - especially in integrated venues like the Windybrook, Grahamstown Festival and the Market - Miyeni said his greatest ambition was to see more black achievers.

"I would like to see black people taking control of the projecting of their images and history. I will be happiest when less black people

ask for things from white people because that gesture relegates one to the status of a beggar and will never put one on par with whites.

"What our people need to do is to go out there and do things, own and have and when that begins to take shape we shall be moving forward instead of always asking and begging," said Miyeni.

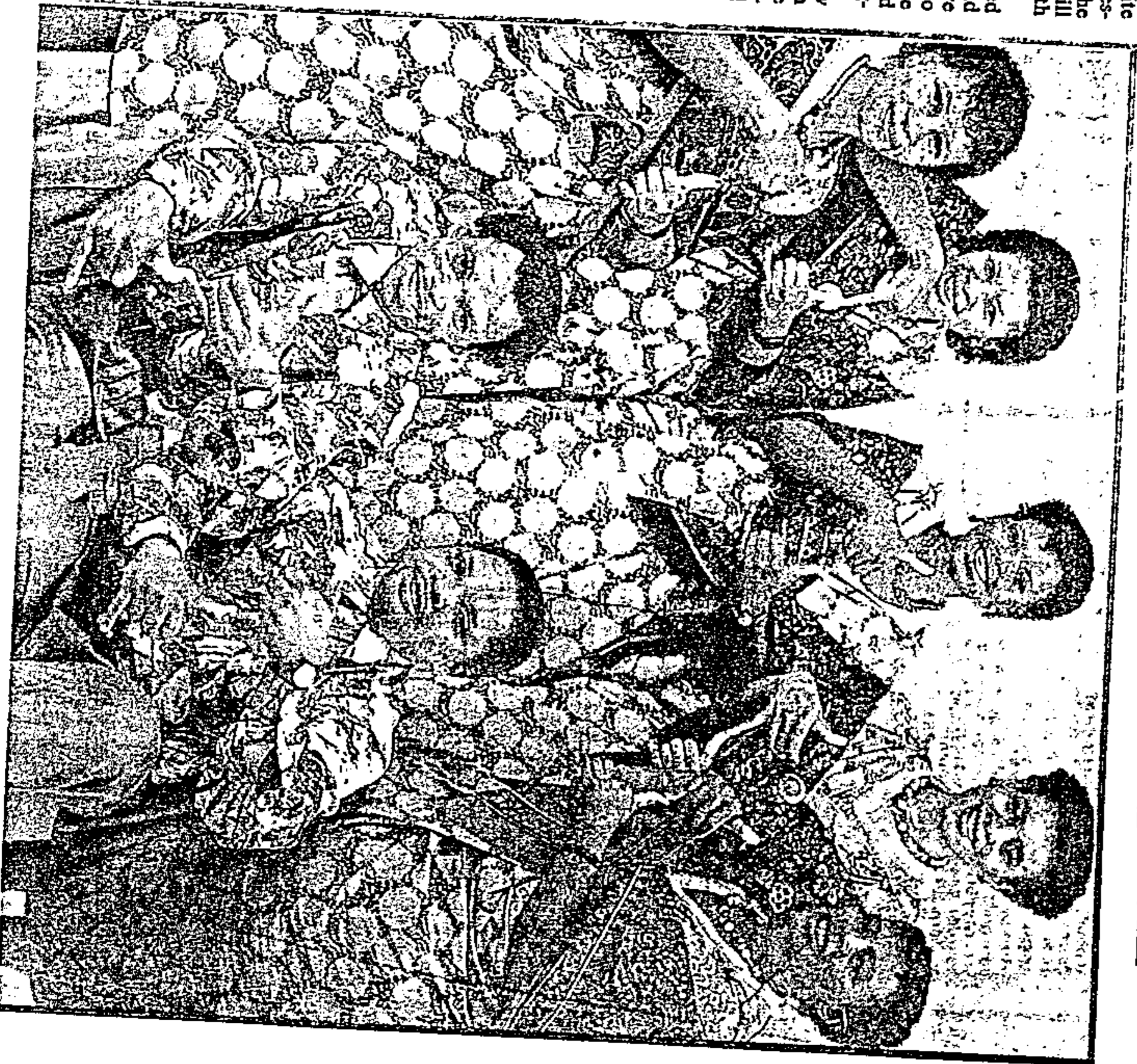
You want to know where Miyeni comes from to start shooting from the lips about black advancement and taking control of their own destiny?

Well, after gaining a BA Law degree at Natal University he worked as a bartender at the Yard of Ale restaurant in the Market Precinct and was snatched up by an advertising agency as a copywriter.

But he did not last long there as he soon discovered that black people in advertising are stripped of every ounce of their sense of self-respect and dignity.

"The tragedy of black executives in the corporate world is that they are taken into the white workplace to empty them of their humanity so that their bosses can feel good.

"It was a cosy position in terms of the salary, but in terms of what it was doing to my health it was a spiritual vacuum cleaner designed to suck me of manhood and identity."



NEWS Blacks suffer unique stress ●

Stress gets in their way

Sowetan 25/2/93

■ **AILING MANAGERS** Research results

will shock bosses with black managers:

By Ike Motsapi



176

A THREE-YEAR research conducted on the role of black managers in companies has shown that increased stress and pressure could be a strong disincentive for them to seek or accept advancement.

This study was conducted by Dr Ben Allman, a medical director of Bristol-Meyers Squibb and also convener of the Collaborative Working Group for the Advancement of Black Managers in South Africa.

Allman is going to present his findings to the 5th International Montreux Congress on Stress at the end of the month.

The congress takes place under the auspices of the American Institute of Stress and will be attended by leading theorists and practitioners in the field on human resources management.

Allman's findings suggests that significant, severe and unique pressures exist for black managers.

The major ones relating to the workplace included ignored contribution, over-criticism and under-praise, peer pressure connected to union activity and perception of being a sellout.

Furthermore, severe non-work pressures such as political and socio-economic pressure compounded this effect.

Allman said: "Self-inflicted pressures included distrust of others, lack of self-control and an inability to co-operate with others."

While the project was aimed mainly at identifying unique stress factors for black managers, it also included an analysis of men and women.

The findings of this project revealed that 17 percent, about 216 of the people interviewed, were women managers.

It was found that though men and women managers suffered the same levels of stress, the causes differed.

In the workplace, women managers complained more of discrimination, peer jealousy and under-stimulation while men had greater inter-personal conflict, workload and resources' pressures.

Blacks 'wary of climbing corporate ladders'

MANY black managers are reluctant to accept promotion because of the increased stress and the community pressures they encounter, a recent survey on management advancement has found.

The three-year research project, by Stellenbosch University Business School's Linda Human, found black managers were subjected to a range of problems alien to their white counterparts, such as their black colleagues' perceptions that they were sell-outs and conflict created by their lack of participation in union activities.

Black managers were also more aware

B/DAM 12/2/93
KATHRYN STRACHAN
of being criticised unfairly and of their contribution not being fully appreciated. While their white counterparts could escape much of the pressure once they left the office, the problem was often compounded for black managers when they went home to an environment fraught with political and socioeconomic tensions.

The study also found that male and female managers faced very different tensions. Female managers complained more of discrimination, peer jealousy and lack

(176)
of stimulation, while men experienced greater interpersonal conflict and workload pressures. Away from work, the conflict between the demands of women's careers and others' "role expectations" of them, as well as a lack of support, contributed to their higher level of stress symptoms. Women reported more discrimination and conflict out of the office than men, who indicated that political and financial concerns weighed most heavily on them.

The results of the survey will be presented to the Fifth International Montreux Congress on Stress later this month.

New UWC faculty to shape civil servants

S/Times (Cape Metro) 24/1/93

(176) (250) (54)

THE University of the Western Cape's School of Government is being launched this year with honours and master's programmes.

The Bachelor of Administration Honours and Master of Administration degrees are to be one-year courses for full-time students and two years for part-time students.

The M Admin core degree will comprise five semester courses and a mini-dissertation.

The stated goal of the school is "to redress the inequalities that have accumulated over decades as a result of inefficient, racially-based, undemocratic public administration in South Africa".

Says co-ordinator Mr Job Mokgoro: "While mindful of the basic skills and competencies, the school's approach emphasises an orientation based on a democratic ethos in post-apartheid South Africa."

The school is committed especially to producing trained civil servants among men, women, rural constituencies and community organisations.

At present, 75 percent of the civil service's administrative and clerical staff are white.

The co-ordinator of the School of Government's post-graduate programmes is Professor Gatian Lungu. The undergraduate programmes are overseen by Mr Johan Groenewald.

The school will be housed initially in the Economic and Management Sciences building.

HE MOVE ...

RAISED on the dusty streets of Evaton, Jerry Pooe has defied the odds and become one of the few extraordinary achievers from the township. *Apr 24/1993*

Pooe, 34, fought his way up from the ghetto to an executive position as marketing services manager at Bevcan, a division of Nampak.

"Hard work, coupled with discipline, is the key to success," says Pooe.

He completed his B Comm degree at Turfloop in 1984 and the following year joined Uniliver as a trainee sales representative. Seven months later, he left for greener pastures, joining SA Breweries as a representative, a position he held for 18 months, before being promoted to marketing assistant.

He joined Bevcan late last year.

Does he find his new position challenging?

"Life as a whole is a challenge and I aim to

Ghetto kid managing just fine ⁽¹⁷⁶⁾



HARD WORK IS THE KEY ... Jerry Pooe.

demolish the myth that blacks make poor managers.

"Our company has a sharp eye for the future," he says, adding that he urges young people to aim high so that they can achieve top results.

Affirmative action groups launched

(176)

WILSON ZWANE

THE National Affirmative Action Alliance has set up six working groups to fine-tune its programme to advance blacks and women to senior managerial positions.

The working groups were appointed at the alliance's first general meeting in Johannesburg at the weekend. The groups will look into issues such as education, economic empowerment and legislation.

General secretary Loyiso Mbabane said yesterday the working groups would meet as often as possible in the coming weeks to thrash out guidelines for his organisation's programme.

These guidelines would be tabled at the second meeting in April for discussion.

The alliance was formed in November, and its members include the ANC, Idasa, the Black Management Forum, the Insti-

tute of Personnel Management, the Development Bank of SA, Nafcoc and Fabcos.

Its founding document states that the organisation will endeavour to eradicate disparities in property ownership, employment, education and skills.

Mbabane has said his organisation would campaign for the advancement of blacks and women to senior managerial positions in two ways:

- Ensuring companies implemented proper affirmative action programmes; and
- Lobbying for the enactment of appropriate legislation, which would provide the necessary structural framework for affirmative action programmes.

10/11/87

Forum kingpin to speak at affirmative action seminar

HUMPHREY Khoza, chairman of the Black Management Forum in the Western Cape, Mohale Mahanyele, executive chairman of National Sorghum Breweries and ANC spokesman Karl Niehaus will be among speakers at an affirmative action seminar at the Mount Nelson on March 22.

The organisers, Eden Africa Management Consultants, say that compulsory affirmative action in the workplace "is a reality that SA will have to face as it moves towards a democratic dispensation."

But many companies trying to prepare for this are "finding it difficult to gain the know-how to proceed, move from theory to action, hire black professionals during a recession and overcome resistance from the existing management team."

The seminar is aimed at showing strategic managers "how to apply affirmative action and make it work."

(176) CT 28/11/93

Turning the blacks into tourists

By Mzimkulu Malunga

80 wefen 28/1/93
■ Plans to make tourism a major foreign exchange earner:

THE South African Tourism Board (Satour) is to introduce a new grading scheme to popularise tourism among black people.

The new system, which will start operating on April 1, covers all components of the tourism industry from hotels, guest and breakfast houses as well as restaurants as opposed to the current mandatory registration and grading formula applicable only to hotels.

According to Satour's tourism promotion director, Mr Ernie Heath, the new method will be consumer-oriented.

One of the key prerequisites to be part of the system is non-racialism.

Satour is in the process of completing a market survey among travellers and non-travellers to detect their feelings about tourism.

Heath says his organisation has realised that black

people, even those who travel to major tourism areas during holiday periods, still stay with their relatives in those areas instead of alternative forms of accommodation.

"Once we have established the needs of active and prospective tourists, we will be able to formulate a proper tour-

ism education programme," he says.

A key target group for the Satour tourism education programme is the children.

Negotiations with the Development Bank of South Africa (DBSA), Small

Business Development Corporation (SBDC) and the Industrial Development Corporation (IDC) to finance small tourism ventures are in process.

(176) 1288

WATERVAL BOVEN may be one of the more conservative towns which stifles black entrepreneurs. But it produced Jabu Mabuza.

The head of the SA Black Taxi Association (Sabta) is spearheading informal black business development and playing a major role in mapping out South Africa's future economic policy.

Mr Mabuza, 35, is chief executive of both the Foundation for African Business and Consumer Services (Fabcos) and Sabta.

He is also black business's representative at the National Economic Forum (NEF) where he chairs the business part of the short-term working group. And he has been heavily involved in the National Peace Initiative.

No wonder Mr Mabuza is a hard man to get hold of lately. High on his immediate agenda has been a growing crisis in the taxi industry which this week led to Johannesburg being declared an unrest area.

But no less pressing is a need to get Fabcos back on its feet following a host of internal problems, perhaps even an internal power struggle, which led to the departures of two senior directors.

Then there are the streams of NEF meetings which take up a third of his time.

On the taxi crisis, Mr Mabuza says Sabta cannot condone the actions taken by drivers this week.

"But for years we have been telling government that it cannot deregulate without introducing some controls. We have consistently called for a control board which would give the industry the power to discipline itself.

"Government kept telling us that it was moving away from regulation, but at the same time it introduced the Security Officers Board and the Financial Services Board.

"It seems that if it involves white money, government will rush in with statutory bodies to protect it,

176



Sit times (Buss) 7/2/93.

The driving force in black business

but when it comes to black lives, it is not government policy."

Mr Mabuza adds: "It does not help for government to rush in with short-sighted measures like declaring cities unrest areas. What we need to do is sit down and talk.

"Taxi drivers have never been beneficiaries of the growth of SA's economic heartland, except providers of cheap labour and consumerism. They are treated, at best, as illegitimate invaders into business

and, at worst, as criminals from another planet."

Mr Mabuza is no stranger to the taxi industry, once the shining example of what freer markets could offer.

He started driving a taxi to supplement his law study expenses at the University of the North. But, when his father was retrenched, he became a full-time driver to support his family.

He was drawn into the world of

taxi associations, and began understanding the industry's problems, while taking down minutes at meetings at the request of his boss.

It was not long before the street-wise Mr Mabuza had bought his first taxi. A year later he was managing a travel agency and owned three taxis.

His rise through Sabta's ranks, after first joining it as a consultant, was fast and he later played a major role in forming Fabcos.

Today he is also chairman of Future Bank, a joint venture between Fabcos and Wesbank, and of insurance company Afgen.

On the achievements of the taxi industry, he muses: "In the old days, no financial house would give drivers a loan. Today they own a bank."

Mr Mabuza says the major challenge of the NEF, which takes up about a third of his time, is to deliver results and prove that it is not just another talk shop.

"Without being derogatory about other initiatives, a number of forums have failed to meet our people's expectations."

But he adds: "There is no doubt in my mind that the NEF will deliver. While we are still trying to find one another, a general sense of consensus prevails."

A personal challenge at the NEF is to ensure that the needs of his constituency do not compromise the national agenda.

This does not mean that he will neglect the needs of the marginalised business sector he represents, but he says: "A stumbling block is that labour sees us as business people, but our sentiments are represented by labour, not business."

While a restructuring of Fabcos and Sabta is set to keep Mr Mabuza very busy, he says he enjoys the challenges facing him.

He confesses, however, that his greatest disappointment in his career has been not finding common ground with rival black business group Nafcoc.

PEOPLE'S LIVES *The transformation of a bookish introvert*

Metamorphosis of a black youth

Sowetan 11/2/93

176

By **Sizakele Kooma**

BLACK PERSPECTIVE Author wants to prove that women can blossom:

SHE IS A college professor, acts, dances, has produced three music albums and will soon be publishing a book — but Cosbie Mbele has no airs.

In fact, she is a humble and unassuming person.

Twelve years ago she left South Africa with only a teachers' diploma to pursue her dream in the United States. She graduated from Queensborough Community College in 1983 and went on to earn a BA Education and an MA in English from Queens College.

Mbele is back in the country to promote her book *Lady Africa in America*, a biographical account of her life as an introverted bookworm who used to shut herself in her Mofolo, Soweto, match-box home, to a vibrant and well-rounded academic and entertainer.

"The book addresses educational, political and social issues that were eye-openers in my life," Mbele said.

She said the book, which took her three years to write, gives an insight into growing up in the townships, going through the struggle like most black youths and finding the determination to beat it.

"For the American reader it gives a fresh perspective on Africans. It shows them that products of oppression can be achievers.

"The South African reader will learn about American education. Americans respect education. They know that to achieve success you have to study," the sociology professor said.



Cosbie Mbele

Although part of her motivation was to give an unadulterated account of a black South African's life, Mbele said she was also driven by the urge to prove that black women can write.

"Some of the writers who influenced me to write about myself are South African but none of them are women.

"Our community suppresses the way women think. The view that they should

be taken care of by their husbands has affected their progress."

She said South Africa needed to develop a culture of reading, which would help broaden people's thinking and cultivate writing skills. People should be encouraged to read for pleasure, she said.

Mbele's book will be published later this month by Vivla.

Reawakening a sleeping giant

176

IF SAM Noge, the president of the Soweto Chamber of Commerce, has his way, the sprawling township is set for big changes. JOE LOUW reports.



SAM Noge, the new president of the Greater Soweto Chamber of Commerce, has set himself a formidable task — to revitalise business in the sprawling but stagnant township.

Whatever the level of pessimism might be about his ideas, Noge believes he has some plans that can work despite all the odds.

A hard-nosed bookkeeper and professional accountant, the man can hardly be seen as a visionary, but given the prodigious amount of energy he has put into his job thus far, it would be foolish to write him off.

Noge, a short, bespectacled Sowetan who started his business career as a bank clerk in the early '60s, owns a bookkeeping company and is a firm believer in free enterprise.

"I don't really mind what you call me. A capitalist or a believer in free enterprise, or whatever. As long as I can

HOPING TO SAVE SOWETO: The people themselves must make every effort to progress, says Sam Noge.

● Picture: STEVE HILTON-BARBER

teach Soweto traders and businessmen how to make a profit, I'll be a happy man," he says.

Noge is the first to admit that — with the current climate of crime in Greater Soweto, much of it directed at black businessmen, and the recession which is wreaking greater havoc in black communities than elsewhere — there is little ground for optimism.

But Noge is a practi-

cal man. He is as willing as the next man to analyse the problems forced on his constituents by apartheid — his basic position is that "we now have to look forward and not use the political past as an excuse for doing nothing.

"Having said that, it does not mean I don't believe in the obligation of the powers that be and big business to live up to their responsibilities in making sure we

have a level playing field, and make amends for the deprivations they put us through," he says. "But we are also obligated to make every effort to develop ourselves."

One of the things that riles him is the fact that Soweto consumers spend most of what they earn outside the township. "We take the little we get straight back to the white man, leaving the black businessman with very little to carry on

with," he complains.

Noge and his chamber colleagues are opposed to "outsiders" coming to trade in their area. "Recently we have seen big chainstores establish themselves in huge malls on the boundaries of many townships. This has drained our small businesses, and many traders have gone bankrupt because of this unfair competition."

Noge's first task in office was to get a suspension of plans by a private corporation to establish a giant mall at Baracity in Diepkloof which, he says, would have displaced a group of shopkeepers who had been trading there for the past 20 years.

HE isn't against development or progress. "But all of this was done without consulting anybody. We know for a fact that many of these traders had already been promised sites and had paid deposits, but found themselves sold out by the recently dismissed councils," Noge says.

"What we want is a fair share. First we were expelled from places like Sophiatown, Western and Pimville and forced into Soweto. Now we are facing this invasion of people who want to develop Soweto for us. This is neither what we want or what we need. What we want is a chance to try to develop Soweto by ourselves, for ourselves."

Abasa founded to address inequality in the profession

81011 16/2/93 (176)
THE Association of Black Accountants in SA (Abasa), founded in 1985 by a group of black accountants bent on addressing the inequalities in the accounting profession, was officially launched in 1986. Lekgetha says Abasa's membership of 807 is divided into three categories: 35 corporate members, 713 general members and 59 student members.

He says Abasa shares the SA Institute of Chartered Accountants' objective set in 1986 — that there would be 2 000 black accountants by the year 2000.

Abasa president Juneus Lekgetha says the organisation has charged itself with the responsibility to encourage, promote, assist and facilitate the advancement of blacks in accounting. To facilitate the entry of disadvantaged people into accounting, Abasa decided that funds should be raised for bursaries. "For this purpose the Chartered Accountants' Eden Trust was established and sponsored by Abasa, SAICA and the Public Accountants & Auditors Board (PAAB)."

Abasa's objectives are to promote the interests of people engaged in the accounting profession by advancing their professional standards. In this respect it has set out to:

- Promote adult education, vocational training and technical education in the accounting profession;
- Encourage the development of committed and dedicated accounting professional managers and public administrators;

□ Recognise and respond to the basic needs of the black community for accounting support to community-based organisations and the small business sector.

□ Establish contact and maintain co-ordial relations with local, regional and international institutions engaged in the accounting profession; and

- Investigate and deal with professional grievances.

Addresses

The Career Awareness Programme addresses the lack of knowledge about accounting opportunities in high schools and the post-matric stage.

A joint venture between Abasa and Protocol Personnel also provides a recruitment service.

Abasa has branches in Johannesburg, Pretoria, Durban, Port Elizabeth, Cape Town and Umtata.

Association of Certified Accountants

THERE are currently about 13 000 chartered accountants in SA and the profession is justifiably proud of the quality of its members, says Jeff Rowlands, a professor in Rhodes University's Department of Accounting.

"There is a general opinion that the SA qualification is held in high esteem internationally," he adds. SA is the 13th largest accounting market in the world and the SA economy has been well served by the profession, says Rowlands.

Inadequate

"In contrast, a recent UN report found the accounting profession in the developing countries of Africa to be generally inadequate," he says.

Rowlands says a particularly worrying aspect of membership of the profession is that, of the 13 000

More blacks required, says professor
 16/2/93
 introduction of the ACCA qualification may prove a partial solution to the problem of access for black people to the accounting profession.

Aspect

The introduction of the ACCA does, however, serve to emphasise an aspect of the SA educational system which requires modification. "There is a large number of accounting qualifications available in this country apart from the CA. The introduction of the ACCA adds to this number.

"The methods of studying for these qualifications vary and include study through universities, technikons, correspondence colleges, technical colleges and, in some cases, the professional body itself.

"With some notable exceptions, credits acquired for one qualification are not really transferable to another. For example, many universities are reluctant to grant credit to students who have studied at a technikon. Often there is justification for this policy, yet it seems a waste of resources to deny a person mobility between one level of accounting and the next," Rowlands says.

This problem is particularly serious in SA where many aspirant accountants

do not have direct access to the educational programmes which lead to full professional status.

"These people must often begin at the lower levels, but having done so are effectively denied access to the higher levels unless they begin their educational programmes "from the beginning". SA cannot afford such a waste of resources.

"The implication of this is that the profession should be tiered in some manner and that mobility between

one tier and the next should be possible." But he adds that he is not suggesting that standards be lowered.

"This is particularly important in view of the correlation that exists between economic growth and the state of the accounting profession. Neither is it suggested that articulation of courses must be achieved at all costs.

"It is vital, however, that a student be able to plan an educational programme which begins with a low-level qualification, but can lead ultimately to full professional status.

Talk 'race' before it's too late — prof

ALIDE DASNOIS
Business Staff

SOUTH Africans should not be shy about race, Professor Vincent Maphai of the University of the Western Cape's political science department told the Eden Africa affirmative action conference in Cape Town this week.

"The new South Africa can't afford to fudge the race issue, otherwise it will blow up in our faces," he said.

Attempts to remove all reference to race were morally understandable but dangerous, he said.

"We have fought a great deal about race but we have never learned to talk about it," he said. "We must learn to acknowledge that in our hearts we are all racists, in the sense that we have all been damaged by racism."

Professor Maphai said one of the challenges of post-apartheid South Africa would be to "manage race responsibly".

Calls from blacks to be given preferential access to some jobs were not just another form of discrimination, he said.

The "whites-only" agenda had been based on the idea that whites were somehow superior to blacks. But the "blacks-only" agenda did not consider blacks as either superior or inferior to whites: "It's a way of correcting the imbalances which need to be addressed."

"My advice to companies which want to implement affirmative action is to put race firmly on the agenda. You need to say explicitly that your

176
PRCT 27/3/93
company is too white; that you want blacks. Don't fudge the issue. Take risks."

"Let's not be shy about race."

The ANC's commitment to affirmative action did not violate its principles of non-racism and non-sexism, ANC spokesman Mr Carl Niehaus told the conference.

He said the ANC was committed to the progressive, equitable advancement of blacks and women, but was opposed to compulsive measures.

The alternative, said Mr Niehaus, was that the same patterns of advantage and disadvantage would be perpetuated in South Africa for a long time. He said the National Party had used affirmative action to give whites access to land, jobs, credit and education and that it was necessary to redress the balance.

Affirmative action should not become a vehicle for favours dealt out by any political party, said Mr Niehaus. It should be implemented through protective measures, good government and the extension of minimum rights in a non-racial, non-sexist constitution.

"The economy will determine whether any political settlement has credibility or not," he said. "The start towards equality can't be postponed."

● SANLAM had taken steps to change the composition of its staff to reflect that of its policy holders, chairman Mr Pierre Steyn said this week.

The proportion of English-speaking and black policy holders was not yet reflected in its staff composition, he told ILPA's annual convention.

Recession hurts upliftment aim in businesses

S/Times 28/3/93.

(BUS)

176

THE prolonged recession is inhibiting affirmative action programmes.

All interviewees in a survey of 35 major South African organisations said their programmes had slowed as a result of the economic downturn.

The survey, conducted by Anthea McGregor & Associates and SPA Consultants, found that most organisations envisaged that the "economic pressures of survival" would lead to affirmative action budgets being curtailed.

Organisations surveyed said they were finding affirmative action difficult because they had to balance the need to reduce staff numbers against the objective of changing a company's racial profile.

In spite of the poor economic climate, however, the major obstacles to implementing affirmative action were seen as creating the right culture, middle management's attitude and white resistance to change.

These were rated by 61% of those surveyed as obstacles. In comparison, 39% of the respondents listed the negative business environment as an obstacle.

Most organisations suggested that campaigns to educate all staff members were required to reduce resistance to change.

The survey also found that candidate mistrust was seen as a major obstacle, receiving 46% of the responses.

Some candidates for promotion feared being seen as "sell-outs" by colleagues and the community. This seriously harmed their ability to play a leadership role.

By ZILLA EFRAT

Few of those interviewed believed their organisations had achieved the stage of equality of opportunity where a true meritocracy existed and where it was no longer necessary to act affirmatively.

Indeed, the researchers say most organisations are still battling with how best to equalise opportunity. Although the private sector leads the way, certain parastatals have made significant progress in affirmative action programmes.

Definitions of affirmative action differed among the organisations surveyed. Eight suggested that their action was aimed at blacks and most others included any group other than the white male.

Skills

A total of 61% of organisations interviewed suggested that the objective of affirmative action was to ensure that the make-up of personnel at all levels in a firm represented SA's demographics.

Major reasons given for embarking on an affirmative action programme were a skills shortage in the white population, redressing the imbalances of the past, preparing for new legislation and business reasons, such as a changing consumer profile.

Although most organisations acknowledged that trade unions had an important role in ensuring the legitimacy of the process with the workforce, about half had not brought labour leaders on board.

the news for the last time
on Wednesday this week.
Desiree said the SABC

person who had to.
Nxasa told City Press

quality of her English he
said: "If you want more

screens, she will still be
heard on Radio Metro.



ATTORNEY...Thekwane Moloto.

Attorney in landmark ruling

By **MONWABISI NOMADLO**

*City Press
28/3/93*

LEGAL history was made this week in a landmark judgement involving a well-known East Rand lawyer and officials of the Benoni Magistrates Court.

The Pretoria Supreme Court ruled that a magistrate cannot be an attorney-general (to decide whether to prosecute

or not), a witness in the same case and also the presiding officer in any case of contempt of court.

The appeal case was a sequel to a contempt of court summary conviction and R200 or 50 days imposed on attorney Thekwane Moloto on July 4 1991 while he was defending a criminal case.

176



GRAPHIC:
LIZ WARDER

63.26%

Coloured
21.31%

59.02%

Coloured
23.10%

17.50%

52.97%

Coloured
21.91%

16.01%

Planning for tomorrow . . . how surveyed companies propose to change the make-up of their work-forces by 1995.

Star 31/3/93

'Don't drop standards'

AS one of South Africa's most influential black managers, Don Ncube's views of affirmative action carry much weight.

His credentials are impeccable. At 45, he is the group industrial relations consultant in the giant Anglo American Corporation (AAC), is a member of the AAC and De Beers Chairman's Fund and holds directorships of a number of companies in the AAC stable.

He joined AAC in 1973 as a management trainee and studied at Fort Hare University, Glasgow's Strathclyde University and at the University of Manchester.

Ncube is opposed to dropping standards because of affirmative action.

"At the end of the day we must be competitive domestically and internationally. We must increase our market share, generate more export



Arguing for more opportunities . . . Don Ncube.

earnings and improve the quality of life. If we cannot increase wealth-creation and the distribution of that wealth we won't have a country," says Ncube.

"If lowering standards means lowering the quality of what we produce, or the quality of ser-

vice, then there might be a problem."

While conceding there have been instances where blacks have been promoted as a token gesture, with no real power or responsibility, he warns against using this argument to deny blacks the opportunity of career advancement.

And how would he rate the performance of South African companies in implementing affirmative action?

"I have no doubt in my mind that South African companies have done dismally in this regard. But this is because of a combination of factors, including inferior Bantu Education, formal and informal discrimination and, above all, a reluctance — due to political pressures — of blacks to move into management positions because it was seen as part of the capitalist system," Ncube says. □

Professor
Star 31/3/93
warns on
affirmative
action (176)

Affirmative action without consensus could exacerbate ethnic conflicts, visiting American academic Myron Weiner said on Monday night.

Addressing a debate in Johannesburg organised by The Urban Foundation, Weiner, Ford International political science professor at Massachusetts Institute of Technology, warned of the dangers if affirmative action, aimed at reducing disparities between ethnic groups, is solely intended to benefit one group.

Weiner said affirmative action failed in Sri Lanka after the Sinhalese Buddhists took over in 1956.

"The party took power on a platform of elevating the status of the Sinhalese, dropping the minority Tamils' composition in the civil service from 50 to 15 percent," said Weiner.

It eliminated English as the official language and replaced it with Sinhalese.

"Entrance examinations to universities were in both Tamil and Sinhalese. That meant each community had its own examiners.

"But when the education department saw that Tamils were receiving higher marks, the marks were standardised so that the Sinhalese and Tamil pass rates would be in proportion to their population."

The result was a marked drop in Tamil enrolments, and a marked increase in Sinhalese — leading to ethnic conflicts.

On the other hand, affirmative action proved successful in Malaysia.

In Malaysia's constitution reference was made to special rights for Malays.

"After riots the Malay-dominated government brought in a new economic policy to accelerate economic growth and provide special benefits for Malays." — Staff Reporter.

Legal bodies support ANC call on judges

GERALD REILLY
 PRETORIA — Legal authorities yesterday supported the ANC's call for more black judges but stressed the dangers of an affirmative action programme which ignored essential qualifications and experience.

The ANC this week condemned the present system of appointments to the bench as "racist, sexist, illegitimate and non-representative".

Johannesburg Bar Council chairman Wim Trenchgrove said the council was encouraging blacks to obtain the needed qualifications to join the ranks of advocates as a background for possible appointment to the bench.

He said the number of blacks in the law profession had not kept pace with the substantial black student component at law schools.

Association of Law Societies (ASL) director-general Andre van Vuuren said part of the solution lay in granting attorneys the right of audience in the Supreme Court.

Concern over new child labour laws

KATHRYN STRACHAN
 THE practice of child labour was on the increase in SA and proposed new legislation threatened to exacerbate the problem, the Network Against Child Labour claimed yesterday.

Jackie Loffell, the organisation's convenor, said proposed regulations covering the issue of labour in the Child Care Act would further entrench and expand exploitation.

She said a storm had broken between the Department of Health and the network, which had been fighting to block the practice and the introduction of new clauses in the Child Care Act.

The network comprises a wide range of welfare, legal, labour and church bodies.

In terms of guidelines approved by a working group, convened by the Department of Health, employers will be permitted to hire children aged 12 to 15 years for pocket money, subject to a set of restrictions on hours and conditions of work.

But the network has contested the clause on the grounds that it would allow too many loopholes.

The guidelines were unenforceable and the addition would exempt sectors, such as supermarkets, which had been barred from employing children under 15, Loffell said.

The organisation recently disassociated itself from the working group because, despite its objections, the controversial

clause was endorsed.

By far the most exploited were children working on farms, said Loffell.

"Farm children who stood to profit by the recent extension of industrial legislation to cover agriculture, will, if the guidelines come into force, remain completely vulnerable."

The SA Agricultural Union had been actively lobbying government to retain the practice, she said.

A Health Department spokesman said he could not comment because the matter was sub judice.

Loffell said it was difficult to establish the extent of the problem because employers, parents and children were reluctant to report the practice.

But in 1985 the International Labour Organisation reported the figure to be at least 60 000 and it had grown since then.

She said the issue of child labour was complicated, because many families depended on the wages brought in by children. The network was campaigning for adequate social security grants so that families would not have to depend on child labour, as well as universal free education.

Aside from being allocated on racial lines, social security grants were in practice difficult to obtain and only available to the destitute, she said.

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FINANCIAL RESULTS for the year ended 31 December 1992

up in respect of the year ended 31 December 1992 are as follows:

Eighteen months ended 31 December	
1992	1991
(673)	(8 624)
2 763	2 698
3 436	(11 322)
70	(275)
3 506	(11 047)
—	(1 431)
3 506	(9 616)
896	(8 211)
2 610	(17 827)
(31,2)	(87,4)
1 250	11 000

Consolidated balance sheet		
ROOO's	1992	1991
Capital employed		
Shareholders' interests	17 827	20 493
Long-term liabilities and provisions	10 089	10 419
	27 916	30 912
Employment of capital		
Land and buildings	12 000	12 000
Fixed assets	14 410	16 319
Current assets	16 708	14 988
Current liabilities		
- interest bearing debt	6 169	5 156
- other	9 033	7 239
	15 202	12 395
Net current assets	1 506	2 593
	27 916	30 912
Net asset value per share (cents)	158,5	182,2
Number of shares in issue (OOO's)	11 250	11 250

SAP reassigns manpower to aid operations

GERALD REILLY

PRETORIA — Police would strengthen their operational manpower by transferring personnel from purely administrative duties to the operations division, police commissioner Gen Johan van der Merwe said yesterday.

He said the basis of a plan to use manpower more efficiently was to achieve a clear division between operational and administrative activities.

Operational division members engaged in purely administrative work would be transferred back to the operational division.

Civilians would take their place. The programme also applied to retired members re-employed as temporary workers. They were given the opportunity of transferring to civilian posts.

Legal bodies support ANC call on judges

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Little time to level the playing-fields

Star 3/13/93

(176)

The term affirmative action has become one of the buzzwords in South Africa's transition from apartheid to democracy. But two comprehensive surveys on the subject suggest that more work than talk is needed to bring about industrial justice in local companies.

MIKE SILUMA reports.

SOUTH African companies will have to move quickly to implement affirmative action programmes to escape having these imposed on them by a new government, two important surveys on the subject show.

The surveys reveal that despite much talk about the need for affirmative action in South African companies — spurred by the collapse of statutory apartheid and the possibility of a democratic government — progress in implementing it has been remarkably slow.

The first survey, titled "Affirmative Action — Policies and Practices Handbook", was carried out by human resource consultants FSA-Contact among 71 companies in various sectors of the economy.

The second, by consultants Anthea McGregor and Associates, involved 35 companies.

Both were carried out towards the end of last year.

The FSA-Contact survey found that most companies (58 percent) had an affirmative action programme of some sort, mostly implemented over the past two years. But only 28 percent of all companies had a formal approach to affirmative action.

Two-thirds of the companies canvassed regarded their affirmative action plans as part of their organisations' strategic business plans. Yet only 40 percent of companies evaluated their senior managers on progress towards, or achievement of, affirmative action targets.

The survey found that affirmative action had been successful in the general staff category, but less so in senior and middle management.

Among the main problems in implementing affirmative action the report listed resistance from white employees, inflated expectations from black employees and a non-committal attitude from managements.

Chief executives (CEs) were, on average, the most committed, and the two categories of staff least committed were those in line management and general staff.

"This is an important indication of the future success of a programme in that without the CE's total support, such a programme will not get off the ground. It is the CE as the leader and visionary of the organisation who will provide the programme with its momentum."

Although affirmative action has entrenched itself among the transition's newest buzzwords and is supported by most political parties, there remains a lack of consensus on how it should be effected, both between and within companies.

FSA-Contact's Harriet Webster observes: "There is no common understanding of what constitutes affirmative action. Some people see it as removing the barriers of the past, which

Stark choice ... local companies can voluntarily implement affirmative action as part of their staff development programmes, or have it imposed by a new government.

is a very basic view. This alone will not achieve what this country needs. Companies have to go further than just removing barriers.

"For instance, if one simply say one wants the best person for the job one has to define what one means by 'best'. Is it the highest-qualified, the most experienced or the person who will best represent one's future markets?"

McGregor warned against over-reliance on quotas to assess the success of affirmative action programmes.

"In assessing progress we have to look at more than just

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McGregor warned against over-reliance on quotas to assess the success of affirmative action programmes.

"In assessing progress we have to look at more than just

the numbers. We have to look at the performance of the individual as well as the effect of the company's culture on that," she said.

The FSA-Contact survey showed that most companies (60 percent) measured progress or success by the achievement of targets and that only 24 percent experienced a dropping off in standards or a deterioration in quality of work as a result of affirmative action.

It showed that many companies plan to begin to radically change the racial composition of their work-forces in the next three years. This would be aimed at reversing a situation where most management positions are occupied by whites, with blacks concentrated in the lower skilled jobs. (See table)

"It would appear ... that organisations have a long way to go before reaching projected targets for 1995. In terms of black employees, the most effort will have to be made at the top of the organisation, where significant increases in the numbers of black senior and middle managers are required," says the FSA-Contact survey.

In the view of Anthea McGregor and her co-authors, based on their survey, a successful affirmative action programme would have to meet various criteria, including:

- Setting realistic targets with the involvement of senior managerial staff.
- Including progress to achieving these targets in performance assessment and reward system of senior managers.
- Developing a way to win line management commitment to affirmative action programmes.

Both reports reject the contention that, because affirmative action failed in the US it was bound to fail here.

Said McGregor: "Our reasons for affirmative action are not the same as theirs. We are seeking to advance people who are in the majority, and not a minority. Also, whereas the American effort sought to move (disadvantaged) people into skilled jobs, we are aiming to move people into management positions." □



Changing face of SA's work force

	1989	1992	1995
Senior Managers	Black 0.12% Coloured 0.27% Asian 0.27% White 99.34%	Black 1.08% Coloured 0.25% Asian 0.50% White 98.17%	Black 6.38% Coloured 1.64% Asian 1.74% White 90.24%
Middle Managers	Black 0.99% Coloured 0.78% Asian 1.04% White 97.19%	Black 1.50% Coloured 1.33% Asian 6.48% White 90.69%	Black 6.39% Coloured 2.51% Asian 2.20% White 88.90%
Professional	Black 4.83% Coloured 4.51% Asian 4.68% White 85.98%	Black 5.97% Coloured 5.32% Asian 5.52% White 83.19%	Black 9.86% Coloured 8.63% Asian 8.63% White 72.88%
General Staff	Black 23.21% Coloured 8.65% Asian 6.72% White 61.42%	Black 22.44% Coloured 9.91% Asian 7.98% White 59.67%	Black 26.44% Coloured 10.29% Asian 7.12% White 56.15%
Lower Skilled	Black 63.28% Coloured 14.73% Asian 0.70% White 21.31%	Black 59.02% Coloured 17.30% Asian 0.58% White 23.10%	Black 52.97% Coloured 16.01% Asian 0.63% White 21.91%

Planning for tomorrow ... how surveyed companies propose to change the make-up of their work-forces by 1995.

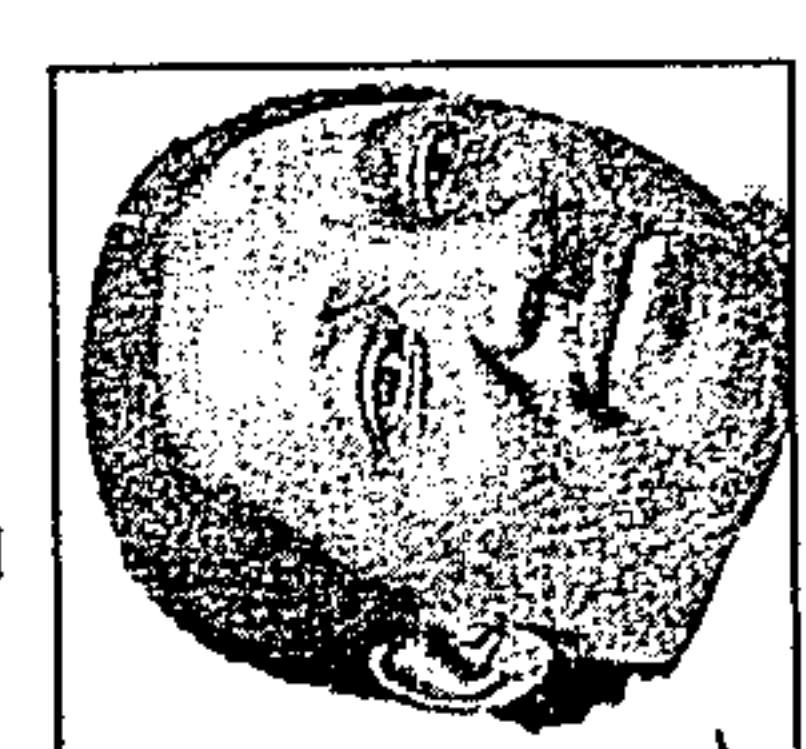
Don't drop standards

Star 3/13/93

One of South Africa's most influential black managers, Don Neube's views of affirmative action carry much weight. His credentials are impeccable. At 45, he is the group industrial relations consultant in the giant Anglo American Corporation (AAC), is a member of the AAC and De Beers Chairmen's Fund and holds directorships of a number of companies in the AAC stable.

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Neube is opposed to dropping earnings and improving the quality of life. If we cannot increase wealth-creation and the distribution of that wealth we won't have a country," says Neube. "If lowering standards means management positions because it was seen as part of the capitalist system," Neube says. □



Arguing for more opportunities ... Don Neube

While conceding there have been instances where blacks have been promoted as a token gesture, with no real power or responsibility, he warns against using this argument to deny blacks the opportunity of career advancement.

And how would he rate the performance of South African companies in implementing affirmative action?

"I have no doubt in my mind that South African companies have done dismally in this regard. But this is because of a combination of factors, including inferior Bantu Education, formal and informal discrimination and, above all, a reluctance — due to political pressures — of blacks to move into management positions because it was seen as part of the capitalist system," Neube says. □

AFFIRMATIVE ACTION

Tread with care

FM 214193

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The *FM* recently held a discussion with a team of international experts on affirmative action, who were guests of the Urban Foundation. In this extract — the first of two — Myron Weiner (MIT), Andre Beteille (Delhi), Sam Samarasinghe (Peradeniya, Sri Lanka) and Randall Kennedy (Harvard) discuss experiences in their countries

Samarasinghe: In Sri Lanka, the Singalese majority felt at independence that they were the relatively disadvantaged group, as a result of colonial rule having favoured the Christian and Tamil minorities. They wanted jobs in government, for example, to reflect their majority.

The kind of affirmative action programmes that were attempted had a lot to do with the language policy. Singalese was made the official language; so Tamils lost out.

However, all this had a negative effect. The Tamils became disgruntled and resorted to arms to

fight for a separate state. The story illustrates clearly that affirmative action programmes are fine, provided they are done in a sensible way. If not, they can sometimes have unintended or unexpected consequences.

It is critical that such programmes be widely discussed among all the groups concerned. There should be some kind of general agreement as to what it is all about, its goals and so on. If it is imposed by one group it is a sure recipe for disaster.

Weiner: Affirmative action has two goals and Sam's story demonstrates the dilemma. It is intended to equalise opportunity for various racial, religious, ethnic groups to the greatest extent.

Secondly, it is hoped that those programmes will reduce the conflicts across groups. A poorly devised programme that is imposed on a society which does not agree or reach some consensus about it can be highly divisive.

My advice to people in the ANC and those who take power in SA is that when they think about affirmative action, they should be very clear in their minds that having a broader understanding of it, within all institutions in society, is an important part of that programme.

Beteille: I would make a distinction between two kinds of objectives. The first is promoting greater equality in the long run, through having special provisions for disadvantaged sections of society.

But there is another factor that has played an important part, certainly in colonial times, when affirmative action programmes were first introduced in India. It is not so

much a question of promoting greater equality as of ensuring that there was a certain balance of power. The programmes should not get out of hand by becoming instruments for politics alone.

I would make a distinction between the programmes for the advantage of the untouchables and the tribals in India, which most people agree can play an important part in promoting greater equality.

Against that, there have been programmes in favour of what are called the other backward classes, which are extremely powerful



Samarasinghe



Weiner

politically and have succeeded, through their political weight, in having themselves classified as backward, to take advantage of special programmes.

If one compares the SA case with the Indian or US case, a distinction must be made between programmes dealing with a disadvantaged minority and those dealing with a disadvantaged majority — a big difference.

India stands somewhere in-between. In its early stages, affirmative action was not only designed for the benefit of groups that were in a minority, but it was clearly understood that it should not go beyond that. However,



Beteille



Kennedy

it has not been possible to contain it to that minority. In SA, obviously, affirmative action has to be in favour of the majority.

But it's important to recognise the dangers of having mechanical, numerical quotas. I would test success in terms of what it contributes to the promotion of equality, and not how it can be used to maintain a balance of power.

Five years ago, I would have said affirmative action has, on balance, been a success in India. But today I have mixed opinions. I think the extension of affirmative action programmes to the other backward classes,

whose position is not simply that they're not a minority (but whose social, economic and educational position is quite different from the blacks in SA), has unsettled the basic objective of the programme.

Weiner: Many officials in India unfortunately conceived affirmative action as a low-cost way of trying to improve the position of untouchables and tribals. The decision was made to under-spend in the development of the primary and secondary school system and put more into the universities. The social cost of this was higher.

This is not to say affirmative action should not have been adopted, but it was thought of as a substitute for other kinds of intervention. By contrast, Sri Lanka, which has a low per capita income (lower than that of blacks in SA), has done remarkably well in providing better educational and health facilities to the population than almost all other developing countries, with infant mortality and longevity rates comparable to many industrial societies.

Kennedy: If, in the US, we could redo things, I would much prefer a nonracial programme of redistribution — a more bottom-up programme, for instance, to directly train people so that you don't have to tinker with standards and do all kinds of fancy footwork.

That would have been preferable, had there been the political will and wherewithal to do it: to go to the most disadvantaged sectors of American society — black, white, Asian American, no matter what — and direct resources there.

This would perhaps have avoided inefficiencies that come along with affirmative action. It might have avoided the problem of entrenchment of race consciousness through race-specific programmes and the stigmatisation that takes places.

Affirmative action has important costs. A more radical, socio-economic, social democratic programme might have been possible. But there weren't any votes to do that.

What else is available though? Do you do nothing, once you have a regime where you strike down segregation and let the market take its course?

The problem was the perpetuation of past injustice. Laissez faire would have taken a long time and would have been politically intolerable.

Affirmative action in my view is a second-best remedy.

On balance, it has bettered the situation. The top two-thirds of the African-American community benefited.

NO ONE has developed a theory of how one can deal with what is clearly one of the most difficult tasks in all contemporary multi-ethnic societies — how to reduce disparities among ethnic communities and how to reduce ethnic conflict, two goals that are not always compatible.

Broadly speaking, affirmative action means laws, regulations, administrative rules, court orders and other public interventions and private actions to provide certain public and private goods on the basis of membership of a particular ethnic or racial group. Affirmative action is not intended to bridge the gap between the rich and the poor, but rather to bridge the gap between groups.

Four countries that have adopted affirmative action programmes are India, Malaysia, Sri Lanka and the US. In all four, these policies have become controversial. Some opposition comes from those who are racist, who believe that one group is superior to another, but their criticisms are of no serious concern.

The more serious concerns come from those who want to build a non-racial, colour-blind society and who are therefore uncomfortable with the idea that benefits should be allocated on the basis of race or caste or ethnic identity.

There are also objections from those concerned that individual merit will be downgraded when admissions to universities and jobs are given out on the basis of group membership. These are genuine concerns that need to be addressed.

The kinds of interventions adopted in each of these countries were wide-ranging. Basically, there are two somewhat differently orientated affirmative action policies.

We might call one affirmative action for expanding opportunities. This includes all policies to eliminate discrimination, race/ethnic-conscious policies intended to expand the pool of qualified individuals, such as training programmes to upgrade skills of workers, special bridging programmes in higher education that enable students who lack adequate preparation to catch up,

Affirmative action quotas do not solve the basic problem

Blom 2/4/93.

MYRON WEINER

176

financial aid to students qualified for tertiary education but who could not otherwise attend universities, loans to businessmen in disadvantaged communities, subcontracts to minority businesses, and so on.

These policies improve access to education and employment; they entail positive efforts by universities, government and the private sector affirmatively to include groups that had been previously excluded; and the beneficiaries are intended to be members of those groups.

A second set of affirmative action policies emphasises fixed outcomes based upon designated quotas. They set out to ensure that distribution of education, employment, income and wealth among individuals will be in proportion to the population of each ethnic group or race in the country. According to this view of affirmative action, every group would ideally be proportionately represented in universities and in professional schools, in legislative bodies, in high levels of bureaucracy, in medicine, law and teaching and as CEOs of corporations, and in boardrooms.

Under this model, targets are set and the goal of affirmative action is not achieved until there is proportional representation. If necessary, and it usually is necessary, requirements for admissions and skills and standards of performance would be lowered to achieve these targets.

In the haste to fill quotas, standards are lowered and preferences for some begin to erode the notion of equality of opportunity for all. The performance of institutions decline as a downward levelling occurs.

Moreover, when beneficiaries constitute a majority of the population, as in the case of Sri Lanka, the response of the excluded social strata can impair the political order.

A second set of issues raised in each of these cases is the relationship between affirmative action and other policies intended to reduce disparities among groups. In several of these countries there was a tendency to regard affirmative action as *the* intervention to deal with inequalities. Affirmative action policies often addressed needs of aspiring middle classes to the neglect of policies and programmes aimed at needs of the lower social classes.

In India, for example, the government did little to create a compulsory universal elementary school education system which would have improved the wellbeing of the poor as well as expand the pool of scheduled castes and tribals who could have entered universities adequately prepared and who could then have

moved into the modern professions and into the middle class on their own. Similarly, in the US affirmative action did not address needs of the inner city, of unemployed black youth and single mothers.

Affirmative action can become a substitute for addressing the large issue of inequality.

A third issue is the impact of preferences on identities and on the way in which people organise to make demands. Once preferences or quotas are established, people will choose an identity if there are benefits to be derived.

The system of preferences invariably strengthens identities on the basis of race, religion, language and caste. It is in the self-interest of politicians to mobilise group claims and group lines, and for individuals to assert group claims and group identities. The creation of a caste-blind, colour-blind society — difficult to achieve under the best of circumstances — is made more difficult when the government allocates benefits in education and employment on the basis of group membership.

In the US, affirmative action was initially intended for blacks, but other groups subsequently demanded that they too be included among the beneficiaries — native American Indians, Hispanics, Asian Americans and then women.

Although each of these groups suffered from discrimination, or more accurately some members of these groups suffered from discrimination, they were included on the list of beneficiaries.

But the beneficiaries included very diverse communities, from disadvantaged Mexican Americans and Puerto Ricans, to better educated more prosperous Cubans; Asian Americans were included on the basis of historical discrimination, though a large part of the Asian American community today includes educated migrants who came to the country after 1965 and who themselves did not suffer from the disadvantages of an earlier generation.

Similarly, in India benefits were extended to backward classes who do not share the same disabilities as the scheduled castes and tribes and who are often among the prosperous rural landowners.

These costs of affirmative action are made higher when policy-makers neglect a central feature of any programme to reduce inequality, what Andre Beteille, quoting the British social historian Tawney, described as not just eliminating disabilities but creating abilities.

All too often affirmative action programmes were directed at mechanically filling slots with people of the appropriate colour, or language, or sex without regard for enabling those chosen to have skills needed to perform satisfactorily.

All too often well meaning people have selected people for benefits with little regard for whether they are adequately prepared. Universities cannot and should not provide education that should be delivered in secondary schools. And employers should not be asked to hire people who lack at least minimal skills. However, employers, medical schools, engineering schools and universities can often provide the additional skills through bridge programmes and in-house training programmes to enable those who fall short to meet the standards of universities and employers.

These are edited excerpts from an address by MIT political science professor Myron Weiner to an Urban Foundation symposium on Monday.

FM 9/4/93

(176)

After two years with a cosmetics company, she joined BMW, which sent her to work in Germany and the US. In the US, she first noticed that black managers were few and far between, and that they needed support from management. "I saw that I had a product — advancement and development — that I could translate into a business."

She and her partner, Roy Cardy, set up the consulting firm a year ago. A typical client is Southern Sun, where she is working with black waiters and bartenders who have been targeted for advancement. She also mentors senior black management at the Development Bank and Sasol.

In her 10 years in the business world, she's finally seeing a shift away from the "master-servant relationships, though on a sophisti-

WENDY LUHABE

Bridging the gap

(176)

Wendy Luhabe made up her mind early in life not to be a victim. "I decided to be somebody regardless of what government had structured me to be. The majority of our people sit back and wait for someone to do something for us. I didn't buy into that."

Luhabe, who spent seven years in marketing with BMW, now has her own consulting firm, Bridging the Gap, which works to integrate black managers into traditionally white companies. The firm also works as a placement agency for corporations looking for black directors and managers.

She is on the board of Imperial Cold Storage, and also on the development boards of the SA Institute of Management and Thebe Investments. But Luhabe doesn't want anyone to get the idea that she lends her name to any board looking for token black representation. FM 9/4/93.

She says she's a product of the townships — Daveyton — and bantu education. She began her studies in social work at Fort Hare and finished with a BCom at Lesotho University.



Luhabe... product of the townships

cated level" that once characterised management's attitude to black professionals. "Whites are now seeing blacks as people who are capable of thinking, of being smart."

Though serious and intense, she isn't reticent to tick off her likes: good restaurants, good conversation, travel, astrology, "the spiritual interpretation of life," champagne, flowers and classical music. "I'm developing an appreciation of opera," she says, "it's tough."

She's equally forthcoming about her dislikes: "I don't like people who are inconsistent or people who are always right." Another dislike is divulging her age, though she's willing to reveal her son is 18. "After 30," she says, "a woman's age holds."

THE number of blacks moving into high-level personnel (HLP) occupations has increased fourfold since 1965.

But National Manpower Commission (NMC) chairman Frans Barker says the increase has to be seen in context — a movement off a “low base” of 75 000 and rising to 330 000.

Dr Barker says it is encouraging that although blacks accounted for 24,8% of all middle-level personnel (MLP) in 1965, their numbers increased to 50,2% in 1990. Numbers in this area were not off a low base.

He sees this as especially positive because “it is from these ranks, where a firm foundation has been laid, that many employees move to higher positions with adequate training”.

HLP includes professionals and semi-professionals, management and administrative employees and technicians.

MLP includes clerical, sales and service employees, supervisors, artisans and apprentices.

176

Growth

Dr Barker believes it is important that affirmative action (AA) programmes “form an integrated part of human resource management in order to overcome the skills shortages envisaged in the future and also to help those who were disadvantaged in the past”.

He acknowledges the difficulties many employers face at this stage.

“The poor economic growth performance of the past few years has made AA programmes difficult and discouraged employers.”

Dr Barker says efforts to achieve “social consensus” have the potential to improve the lot of a wide range of employees.

“If social consensus can be achieved, it could open the doors of international assistance — financial and other — in many areas, including literacy training.

“We need to set up a high level of co-ordination between the NMC, the National Economic Forum (NEF),

Blacks Steps up the (Business Times) ladder 18/4/93

By ADRIAN HERSCH

and the National Training Board (NTB).”

Dr Barker welcomes changes being made in education. But the benefits of improving schooling will be gained only in the long term — hence the need for attention to be given to training the current workforce.

He says: “Training of the workforce will pay dividends much sooner. We need the increase in productivity desperately.”

Stimulating entrepreneurship should also be seen as “part of an AA programme”.

The number of self-employed increased by about 8,3% a year between 1980 and 1991 — from 339 000 to 812 626.

The self-employed as a percentage of the labour force rose from 3,9% in 1980 to 7% in 1991.

Affirmative action provisions are included in the NMCs technical committee’s fourth draft of a changed Labour Relations Act (LRA).

There is no attempt to compel employers to implement AA. Instead, provision is made for employers to negotiate with trade unions such programmes — strengthening the hand of the employer against possible claims by some employees that AA itself is discriminatory.

This provision is made because “discrimination against an employee or prospective employee would be an unfair labour practice”.

NSB chief has new post

■ Mohale Mahanyele chairs British
business school: *Sowetan*

By Joe Mdhlela

22/4/93
THE International Management Centre, a postgraduate business school with its headquarters in England, has appointed the executive chairman of the National Sorghum Breweries, Professor Mohale Mahanyele, as its chairman.

Professor Mahanyele becomes the IMC's fifth chairman since its inception in 1983, making him the first African to be appointed to this position.

Mahanyele, who had the institute's Master Business Administration degree conferred on him last year, is South Africa's premier businessman, having turned NSB into a R500 million organisation.

New scheme to help black entrepreneurs

Sowetan 23/4/93

■ Proposed venture could guarantee R400 000 loan:

By Mzimkulu Malunga

A new scheme to be launched jointly by Business Challenge and two banks will provide loans to the tune of R400 000 to black entrepreneurs wishing to start business ventures.

Business Challenge's chief executive, Mr Phil Khumalo, says a deal has been struck with a commercial bank and a development orientated financial institution to launch a credit facility for the provision of loans to prospective black entrepreneurs.

The programme is due to be launched in the next few weeks and it will be operational by mid-May.

Unlike the previous scheme with Allied Bank - now part of the Absa group - the new scheme will place emphasis on the viability of the proposed venture as opposed to the ability of the applicant to provide security for the loan.

The commercial bank concerned will administer the programme and contribute some of the loan finance, while the developmental institution will guarantee the loans from the commer-

cial bank.

The institution will also make available additional finance on loan applications exceeding R100 000.

Business Challenge's major role will be to screen applications, make decisions on loans of R100 000 and less and assist the commercial bank with administrative work.

According to Khumalo, major areas of focus when issuing the loans will be franchises, wholesale and fast foods ventures, subcontracting, refrigeration services for taverns, bridging finance, as well as filling station business.

The loan amounts vary between R20 000 and R400 000 and interest on repayment of instalments will be determined by the prevalent rate.

There will also be a three percent tax on all loans which will be used to cover Business Challenge's administrative costs.

Khumalo says deposits totalling over a R1 million are still safe with Allied Bank and members can contact the office regarding the names of financial institutions involved in the new scheme.



Sam Motsuenyane

NSB honours Motsuenyane

■ Walter Sisulu to deliver speech:

owetan 23/4/93.
DR SAM Motsuenyane will be honoured for his pioneering work in black business circles, spokesman for National Sorghum Breweries Mr Don Manaka announced yesterday.

The ceremony, expected to be addressed by ANC deputy president Mr Walter Sisulu, will be held at NSB's plant at Pelindaba Brewery.

Chief executive officer of NSB Professor Mohale Mahanyele will deliver the citation.

Manaka said Motsuenyane was in the forefront of "black economic empowerment" during the dark era of apartheid, giving small entrepreneurs hope for the future.

One of the founder members of the National African Federated Chamber of Commerce, Motsuenyane led the organisation as its president for 28 years.

Motsuenyane was described by some commentators as a "Moses" who led the black business world into a new epoch of hope after he had vigorously campaigned against apartheid legislation that hampered growth.

"NSB is proud to honour a stalwart like Dr Motsuenyane," Manaka said.

April 24 to April 28 1993

Get Ahead gets-city go-ahead

South 24/4-28/4/93
176

THE Get-Ahead Foundation plans to open a centre in Cape Town to expand its network of offices countrywide to 15.

The non-profit foundation provides loans and training in an attempt to create jobs.

The body will not compete with organisations like the Small Business Development Corporation (SBDC).

According to Jenny Williams, the foundation's public relations officer, their loans are smaller than that of the SBDC.

At an average of about R450, each "micro loan" attempts to create one job, says Williams.

The foundation acts as a consultant in African countries such as Swaziland, Namibia, Kenya and Mozambique.

The organisation provides business training for emerging black entrepreneurs on book-keeping, costing and simple financial management.

"We reach out to thousands of people every year.

"We will be rearranging our training in the informal sector for people who want to move into the formal sector," says Williams.

The foundation also offers training to returning exiles.

This includes courses such as computer training, weaving and business training.

The foundation also advances loans to returning exiles who wish to start a business.

Williams says that despite the high level of violence in some areas of the country all the people who were granted loans have paid them back.

20 Southbusiness

Markets are

the life-blood

SOUTH 24/4 - 28/4/93

FOR any business to succeed there has to be a sustainable market. Without it, even the most dynamic entrepreneur will soon be in financial difficulty.

The Cape Town Job Creation Project has identified sub-contracting as a means to promote small business and create employment.

This does not mean only the growth of small business, but also the transfer of technology to small businesses.

The project offers services such as facilitating credit lines, loans, obtaining premises and linking aspirant entrepreneurs with corporate businesses.

One instance of identifying a market is the supply of school uniforms. With the increasing number of schools being built in the town-

Everybody's

BUSINESS

ships, the project has encouraged entrepreneurs to target this market.

Monica Kama, a Khayelitsha entrepreneur, from Monza's Designs, has secured a contract to make uniforms for two schools in her area, catering for a total of 3 000 pupils.

Another entrepreneur has also been involved in making uniforms for schools and the project is facilitating this process.

The project helped small businesses to open credit lines at SBH Cotton Mills to obtain material.



ON THE JOB: The Cape Town Job Creation Project provides work opportunities for carpenters

It has also facilitated the securing of a contract for township entrepreneur, Isaac Magandela, to clean the offices of big companies.

Insurance groups and retail groups have also been targeted.

Many of the project's clients are carpenters who produce built-in cupboards.

Because there is stiff competition

for these items, the project has identified school furniture as the market to target.

The project is currently negotiating with the Department of Education and Training to secure contracts for their clients.

● The Cape Town Job Creation Project can be contacted for more information at 31-6101

Affirmative action: What it really means

(176) ARU & 26/14/83

SHARON SOROUR
Labour Reporter

THE affirmative action debate tests whether companies have the will and courage to respond to the future realistically and take bold steps into the new South Africa, says Ms Dawn Mokhobo, Eskom senior human resources manager.

In a report in the latest edition of People Dynamics, official publication of the Institute of Personnel Management (IPM), Ms Mokhobo said resources had to be spent on uplifting the masses by focusing on education and health at grassroots level.

But, blacks and women had to be in senior positions throughout the public and private sectors to have an influence on the "quality and ownership of the process of the upliftment of all our people".

Ms Mokhobo, an IPM executive member, said white "compatriots" had had to come to terms with the "apparent demise of apartheid", some "rather reluctantly".

"There is a clear reluctance to admit that apartheid was wrong and discriminating.

"It (apartheid) favoured the process of affirmative action clearly and openly as long as the recipients were white.

"We now have to equalise the playing field by redressing the injustices of the past through boldly implementing corrective affirmative action programmes and policies in favour of the disadvantaged people.

"White male fears are being threatened for the first time and ... an almost hysterical argument now is being levelled against affirmative action as a programme that needs to be undertaken and with which we all have to accept and live.

"There is a tendency to deal with affirmative action if it does not say simply that whites have to make sacrifices and accept less for a period, so that the limited resources should be spent on the accelerated development of people other than whites," said Ms Mokhobo.

WHEN ZODWA TSHABALALA bought a sophisticated cleaning machine from a salesman after a demonstration, she did not realise that it was the first step towards starting her own business.

The machine cost R5 000 and she wanted it to pay for itself.

"I paid cash for it and I decided that it should pay me back my money."

"Then I started cleaning friends' apartments in my spare time," said Tshabalala, who was then a projects co-ordinator for the South Africa Students Internship Foundation.

Sasif is an organisation which equips black graduates with skills to market themselves better for jobs.

Zodwa strikes clean gold

■ ENTREPRENEUR OF THE YEAR Graduate sweeps up the opposition:

Sowetan 30/4/93, 176
Tshabalala's part-time cleaning business soon gained momentum.

"I found that there was a need for this type of service, to the extent that I was able to get someone else to help me."

Things started happening for Tshabalala. Six months later her company, the Brush and Broom

She saw an advertisement in *Sowetan* in which the newspaper invited applications from black companies which could offer cleaning services for its offices. She promptly made an application.

After waiting for about four months, Tshabalala secured the contract and employed three more people.

She presently employs four people - three men and a woman. The money she makes from her newly clinched contract with *Sowetan* now comprises 75 percent of her monthly income.

Tshabalala did not turn her back on her other customers. The company still provides cleaning services for places like Barnato Hall, a student residence at Wits University's West Campus.

Providing cleaning services for private homes contributes 25 percent of her monthly income of about R6 000.

The business that Tshabalala has decided to venture into is highly physical in nature and for a university graduate it appears an odd move - but she is not worried.

"I know this business is not going to make me rich overnight but, if handled properly, it is worthwhile," she said.

She feels much more in control of the situation at the moment and is negotiating additional contracts.

As experts say, an act of starting a business itself is a sign of entrepreneurship. Although technically, argue experts, everybody can be an entrepreneur, some people's entrepreneurial spirit is higher. Perhaps this applies to the Swaziland-educated Tshabalala.



Zodwa Tshabalala ... things are happening

Big brewers going to war

5 Times [Buss]
215/93

(172) (176) (182)
By CIARAN RYAN

A WAR is brewing between SA Breweries (SAB) and National Sorghum Breweries (NSB), which seeks a share of the R5-billion-a-year clear-beer market.

In the same week that NSB beat off a Government attempt to regulate sorghum beer, its chairman Mohale Mahanyele accused SAB of violating his company's exclusive right to sell sorghum beer outside the homelands.

He also accused it of dumping Coke at give-away prices because of NSB's link with Pepsi.

Professor Mahanyele says: "We have evidence that SAB is marketing its sorghum beer in Soweto and elsewhere in SA."

This is denied by SAB beverage interests head Peter Lloyd. He says: "Professor Mahanyele is entitled to his opinions, but we do not believe there is any dispute. We are responding to market needs within all legal constraints."

Wedge

Each side accuses the other of monopolistic practices. One industry source says NSB is trying to drive a wedge between SAB and its customers by depicting itself as an embattled black corporation under threat from white vested interests. Most SAB customers are black.

NSB placed full-page advertisements in newspapers this week implying that SAB and the wine trade were behind attempts to bring sorghum beer under the Liquor Act. That would have required 500 000 informal distributors of sorghum beer to hold liquor licences.

SAB public affairs manager Adrian Botha says his company merely responded to an approach by the Department of Trade and Industry for comment on proposals to deregulate sorghum beer.

"The Liquor Act provides for the brewing and sale of sorghum beer, but the clauses relating to it have not been applied. Our response was that we believed sorghum beer, as a product containing alcohol, should be treated like all other alcoholic products."

Mr Botha says he is surprised at NSB's attempts to draw SAB's beer division into a dispute before it has even entered the clear-beer market.

"There are no restrictions on entry to the clear-beer market other than the costs involved. We welcome free and fair competition but this sniping and the apparent attempt to politicise the issue are regrettable. We have more black employees than white in SAB and customers see us as a very socially responsible company."

Mr Botha rejects accusations that SAB has a monopoly.

"The true definition of a monopoly is a company which is given exclusive rights to trade by statute. NSB fits this mould."

NSB's exclusive right to market beer outside the homelands expires in 1995. The sorghum-beer trade is worth an estimated R4-billion a year, of which NSB has about 12%.

SAB's Traditional Beer Investments sells its sorghum brand Chibuku in the homelands. KwaZulu Development Corporation's Amabele Breweries has exclusive rights to sell sorghum beer in Natal.

Once NSB's exclusive rights expire, SAB is expected to make an all-out bid for a share of its market. The ANC views SAB's alleged beer monopoly with concern and could stop any predatory assault on NSB's market.

Reply

There are fears that NSB might lobby to retain its monopoly after 1995. Professor Mahanyele says NSB's rights need to be looked at in the broader context of SAB's control of inputs for the manufacture of clear beer.

"We favour unfettered competition, but until this issue is addressed our exclusive rights must remain."

Mr Botha replies that SAB buys 45% of its hops and 60% of its barley in SA. It buys SA's entire crop of hops and it established its own barley farms.

Professor Mahanyele is confident that NSB will capture between 10% and 20% of clear-beer sales within a few years.

Beverages analyst Chris Gilmour

of Senekal Mouton Kitshoff says it is unlikely that NSB will take this kind of market share in the short term.

"NSB marketed sorghum aggressively last year and the timing was perfect. Because of lower disposable incomes in the black community, there was a shift back to sorghum beer, which had been a declining market for 20 years."

NSB's acquisition of Vivo Breweries gave it a small but vital foothold in a clear-beer market which is 99% controlled by SAB.

The NSB threat is regarded as the most serious challenge yet to SAB since Louis Luyt took 10% of the market in the 1970s. It has strong credibility in the black community and an informal distribution network which covers the entire country.



MOHALE MAHANYELE . . . complete ignorance of h

FM 16/4/93

CURRENT AFFAIRS

LABOUR

(176)

Rare skills

Affirmative action is becoming a major issue for business in a changing SA. Only 2% of private-sector assets are black-owned and more than 90% of top managerial positions are held by whites. A 1991 survey (by SPA consultants) of 23 large companies found that most had identified affirmative action as their human resource priority for the decade.

However, in the metal and engineering sector, at least, only about 39% of companies (admittedly the larger ones) claim to have affirmative action policies, compared with

* cont

55% who do not. Even then, most of them base it solely on equal opportunity — or removing (official) barriers to entry. Only 5% take the more active approach based on preferential treatment for disadvantaged groups — blacks mainly and women sometimes.

This emerges from an analysis of industrial relations trends in the engineering sector, a major employer, compiled for Seifsa by labour consultant Duncan Innes. Findings are based on 500 responses (18% of Seifsa members) compiled late last year.

The report notes "a serious discrepancy" between the affirmative action policy adopted by Seifsa members and that of black political organisations which advocate action based on preferential treatment. Unless more is done, "affirmative action on a voluntary basis will not suffice and industry faces the prospect of legislation being imposed to enforce it."

The other side of the coin, however, as nearly half the "practising" companies find, is inadequate skills and the shortage of appropriate candidates. Companies often complain they cannot find skilled blacks to take up technical posts in engineering and finance. Nearly 20% cite as an obstacle the lack of managerial commitment; 16% lack resources for training; 13% say there's white resistance; 10% had other reasons and 22% did not respond.

Other obstacles are not likely to be overcome soon. Education, training and development form a long-term process requiring "considerable commitment" to human resource development.

Though difficult to achieve in a recession, delay would make things worse, as companies might have to compete for scarce skilled black personnel.

Companies are advised to ensure that there is commitment at board level to putting policies into practice and to driving them within the organisation. This means not only providing training but also giving blacks management experience so that they can develop in the company.

Interestingly, a high proportion (55%) of companies believe their affirmative action programmes are successful. But the standards they use to measure them might not be the same as those laid down by future legislation.

The International Labour Organisation, which has drafted Namibia's Bill on affirmative action in employment — emphasising preferential treatment — is investigating the legal possibilities for such action in SA.

Among the report's other findings on labour in this sector:

- Despite opposition in Seifsa, 75% of respondents want centralised bargaining to continue;
- Between October 1991 and September

1992, 35% of Seifsa companies retrenched a total of 34 000 people, mostly in large companies based in the PWV, mainly unskilled workers whose package generally was a week's wages per year of service. Significantly, 73% of companies that retrenched held consultations with unions;

46% of Seifsa companies have productivity schemes, with 59% of them using productivity bonuses, 36% incentives and 32% other productivity schemes. Only 31% of those with productivity schemes had discussed or agreed on them with unions. Two-thirds of those with productivity schemes

find them effective;

Only 19%, large firms mainly, have participative management schemes. This, too, is seen as lagging the expectations of a future government. The most common schemes are "green areas" (14%), works councils and regular meetings (7% each), and quality circles (4%). In nearly half the cases, schemes were discussed or agreed with unions and most companies (73%) with participative management schemes believe they are ef-



Duncan Innes

fective; and

Respondents identified seven key areas of training to which they are committing more resources: functional job skills (87%); management skills (55%); industrial relations (50%); literacy/numeracy (33%); interpersonal skills (30%); cross-cultural skills (15%); other areas (14%).

Affluent blacks start shift to white suburbs

Star 14/4/93

176

Own Correspondents

Black businessmen, executives and politicians are buying homes in white areas at an increasing rate.

This shopping spree for houses is taking place while home-buying among whites is slackening, say experts in the property market.

This is a fair reflection of what is happening politically and economically in South Africa, say the experts, because the average white consumer is being hard hit by inflation, high taxation and poor job prospects.

Many whites vacating their properties out of desperation have settled in smaller dwellings and townhouses, while others have built bigger homes.

Jobless and poorer whites, hard-hit by recession and inflation, often end up homeless, and trudge the city streets in search of food and money.

Some of the previously white Conservative Party-controlled suburbs like Dawn Park and Freeway Park in Boksburg, Leondale and Rondebult in Germiston and Bedworth Park at Vereeniging, have virtually been taken over by blacks.

It is almost a way of life for affluent blacks to settle in the posh suburbs and towns such as Sandton, Bryanston, Randburg, Houghton, Mountainview, Hyde Park and Kelvin.

Top brass

Among top brass known to be living in the suburbs are National Sorghum Breweries chief executive Mohale Mahanye, Anglo American's Don Ncube, businessman Richard Maponya, soccer impresario Kaiser Motaung, businessman Gaby Magomola and SA Black Taxis Association executive and Futurebank chairman Jabu Mabuza.



Leader . . . businessman Richard Maponya.



Moving up . . . ANC president Nelson Mandela.



Ensclosed in better suburb . . . Joe Modise.



Living in "white" suburb . . . Oliver Tambo

Politicians living in top suburbs include the ANC's Nelson Mandela, Thabo Mbeki, Toyko Sexwale, Pallo Jordan, Penwell Maduna, Joe Modise, Oliver Tambo and the PAC's Willie Seriti.

There are numerous reasons for settling in these areas but the bottom line is that "if you can afford to stay there, why not do so".

Chairman of Johannesburg's Black Management Forum branch Zamani Jali says many members of his organisation live in the suburbs.

"We do not have a policy regarding where people should live", he said. "It is their democratic right to live where they want."

A black executive and politician argues: "South Africa belongs to all who live in it. We are at liberty even to take our children to schools of our choice."

Many are trying to beat the rush before the possible advent of a new black-dominated government by buying homes in PWV suburbs.

Camdon managing di-

rector Scott McRae says the new market was created by middle-class blacks wanting better housing.

Their security requirements and desire for a pleasant environment were similar to those of their white counterparts.

"I believe that when the country settles down politically and unrest abates, the black market is going to boom to an unprecedented degree," McRae says.

Pitso Mabena of Afri Home says scores of black executives have made inquiries about the prospects of buying property in previously all-white areas.

"With our links to property brokers, we believe we are able to provide vital advice and service to executives investing in these areas," he says.

His firm has cooperated with Comprehensive Property Services, which serves the entire property industry, and he had placed many black executives in previously white suburbs. He did not know the exact numbers.

"But our services are not only directed to executives," he added.

The spectrum of the South African property market changed drastically after President de Klerk scrapped racial restrictions in the title deeds of immovable property.

According to the Deeds Office in Pretoria, there has been an increase of 4,3 percent during 1992 over the previous year of blacks moving into white suburbs.

Chairman of the Estate Agents' Board Eskel Jawitz says it is no longer an exception for blacks to settle in so-called white areas, but it a norm, although no statistics are available.

He says whites previously living in these suburbs are known to be moving into townhouses, smaller houses or much bigger dwellings elsewhere.

The board was prepared to train black estate agents to "educate their own people" as well as to create jobs for them during the transitional period.

Avoiding the deep end FM 9/4/93 (176)

The second part of our discussion on affirmative action, with the panel of international experts invited to SA by the Urban Foundation recently, looks at the controversial question of possible falling standards in education.

Sam Samarasinghe (Peradeniya University, Sri Lanka): You might have to address the issue of whether standards and quality in the current situation are necessarily the valued ones in all cases for a changed SA. At present you have an elite system. For example, your medical doctors, as you say, are qualified to practise anywhere in the world. It should instead be asked, what are the health needs of this society and its 75% underprivileged who did not have adequate health care? Do you need to train a set of doctors who would be brain surgeons using high-technology? That is not only unrealistic in terms of resources, but not desirable in the first instance because what you need are different types of healthcare workers.

Myron Weiner: Massachusetts Institute of Technology, where I teach, is an elite institution concerned with the training largely of students in technology and science. It traditionally had few minorities. Today, the composition of the student body has dramatically changed, with a large number of black students who qualify on the same basis as whites.

How did we get there? Many changes have taken place lower down in the educational system.

If those changes had not occurred, there's no way MIT could have recruited black students on the same level as we recruit white students. So, there's been the growth of magnet schools in the US. They're located in various cities and try to pull in the ablest students, irrespective of race, to get better training than is typically given, alas, in most of our inadequate schools in the urban centres. In addition, MIT itself runs special programmes for students in the Boston area and elsewhere to improve their science and maths training. Expanding the pool has to begin at all levels of the system, it cannot simply start at university level.

Finally, if you do bring students into the university who are not fully trained, the worst thing you can do is to simply throw them into the system to compete with everybody else. You clearly have to have special programmes within the university to improve basic skills.

Mavis Pathuchearry (University of Malaya): Malaysia is a good example of how affirmative action is maintained at the entry level

but not the exit point. At entry we do give preference to Malays or Bumiputras (a wider term including other indigenous groups). We have two lists, for Bumiputras and others. There is no doubt that the first has a lower level of marks. But, we have all kinds of ways of trying to bring Bumiputras up to scratch. Those with marks below the minimum enter at what we call pre-university classes, for a year or two. We also have special classes in English because many come from Malay medium schools.

But once they've had this extra help, when it comes to exams there is no difference in the marking, which is done by number and not by name, using the same set of examiners. There has been no pressure by the politicians to get examiners to mark differentially. No-one is asked to explain if a slightly larger number of Malays than non-Malays fail. Standards are maintained. Those who don't like affirmative action will always try to create the perception that standards drop.

Andre Beteille (Delhi): At some stage you will have to face the rival claims of merit



Weiner



Days



Pathuchearry

versus need when it comes to recruitment in the universities particularly. It is absolutely essential to have a balanced view of merit itself. One should not disregard merit (we've suffered in India because of such disregard), but neither should one be obsessive about it. I see nothing wrong in giving additional points to the disadvantaged when recruiting (which, as the *FM* explained, occurs at the University of the Western Cape) provided one ensures a certain basic minimum.

Drew Days (Yale): One can have differential standards, but the bottom line is whether there is a conviction on the part of institutional officials that the person brought in can make it, either on his or her own, or with remedial and other assistance that's going to be provided by the institution. If there's not conviction in that regard, the policy is flawed. We in the US tend to think that we are entitled to go to the college of our choice if we score at a certain level on a standardised test. However, there are other societal and institutional considerations that should be taken into account, especially in societies such as the US and SA where the needs are so manifest.

Randall Kennedy (Harvard Law School): At

Harvard there's a tremendous controversy on campus now, after a white professor's claim that grade inflation is related to affirmative action. It's said to have started in the late Sixties when black students started being admitted in large numbers; they were less well prepared, white professors felt they didn't want to fail black students so they raised the marks for everyone. The importance of it is that it's plausible given the desire of people to transform the society. At the same time, it's plausible that the fear itself is tainted by old-fashioned racist notions, which reflects a resistance to change.

One of the problems we've confronted and that you're going to face is the problem of time. As suggested, it would be a good thing if affirmative measures of some sort were directed towards nurturing people so they were well prepared when they hit university, so you wouldn't have to jimmy-jammy around with standards. The problem is the transition period. Are people going to wait around for that long (a generation) if they have the suspicion that the people in power,

whites, are just trying to maintain the old order as long as they can? That's going to be a demand in this society.

Weiner: There are two dangers to affirmative action at the university level to be watched: Faculty members, who mean to do good, in effect drop their standards to make it appear as if all minority students are

doing well. Second, that students are admitted and not provided with adequate additional bridge programmes so you get high failure rates. That's a disaster because it means you have created a psychological situation for them in which they reinforce their own image that they are essentially failures and it reinforces a societal image that these people can't hack it and should never have been admitted.

It's important in choosing students that they be ones you think can make it and that the programmes do in fact serve as bridge programmes.

If not, then you have to be careful to make sure those students are admitted into other educational institutions. We have a network of community colleges, which by the way then also become feeding grounds for students to go on to universities.

Samarasinghe: Sri Lanka's affirmative action programme in university admissions did not produce particularly satisfactory results in many respects, partly because there was no general discussion or agreement about it among the different groups.

This is crucial for any kind of affirmative action programme.

PEOPLE'S LIVES *American system may be of help in South Africa*



Ruth Blumrosen

A just answer to past wrongs

Sowetan 3/5/93

By Pearl Majola

WHAT will become of the people who have been deprived of equal opportunities at work because of their race or sex or both in the new South Africa?

The answer may well lie in the American system which introduced legislation against discrimination on the grounds of sex and race. The system also instituted an affirmative action programme binding to all businesses, organisations and companies contracted by the government.

Professor Ruth Blumrosen of the Law School of Rutgers, New Jersey, discussed the options for the new South Africa with a group of women in Johannesburg last week.

Blumrosen is in South Africa on a scholarship and is attached to the University of Stellenbosch.

Since January she has been working with her husband, Professor Al Blumrosen, and Professor Linda Human of the Stellenbosch University on a draft affirmative action statute they hope will be adopted in South Africa.

"We came here to see if the Ameri-

■ **NOT TOKENISM** *Affirmative action*

backed by law is the solution: (17b)

can experience would be useful to South Africans because of the similarities in our industrial relations and our own experiences of discrimination in the South," explained Blumrosen.

"In the States we have spent time and resources litigating against businesses who practise discrimination. But South Africa can move straight on to changing business practices to ensure black people and women are included where they were previously excluded because of racism and or sexism.

"This is where the American example would help. Apart from the two programmes (the affirmative action policy and the antidiscrimination legislation) to ensure equal employment opportunities, we have an agency that receives complaints from employees who feel they have been discriminated against.

"The agency investigates the matter and if need be takes it further to the courts. If the individual is dissatisfied with the agency's finding, she or he can go to court.

"The second programme applies to companies which do business with the government. These companies are required to develop an affirmative action policy and stick to it."

According to Blumrosen the companies are subject to inspection to ensure they follow their policies. If they are found not to, they are penalised.

Sentences range between the companies being banned from ever doing business with the government to paying compensation to the people who will have suffered as a result of the company not following an affirmative action policy.

Blumrosen said the programmes had been well-received by American businesses and there are few cases where employees filed complaints against employers.

A riddle South Africa will have to work out is whether affirmative action is reverse discrimination, tokenism or window-dressing. And if any of these are true, then how to instil affirmative action properly or find alternatives to ensure equal employment opportunities for all.



Take-off for Nation Building through entrepreneurial skills

Sowetan 4/15/93

Sanlam 4/15/93
 ■ Popular annual contest now in its fourth year:

NATION Building business projects got off to a good start in April with the launch of the Sanlam Entrepreneur of the Year Award.

The development of business activity and entrepreneurial skills have always been identified by Sowetan's Nation Building Programme as a structure that needs to be encouraged and nurtured.

A strong community needs a healthy economy and projects such as the Sanlam Entrepreneur of the Year Award have been successful in recognising and rewarding efforts in this area.

The competition, which is now into its fourth year, focuses on the success of local entrepreneurs.



Amos Majola ... 1992 Sanlam Entrepreneur of the Year.



EL

SANLAM ENTREPRENEUR OF THE YEAR COMPETITION



Obed Gama

Craving a slice of market

By Mzimkulu Malunga

FABRIC SOFTENER Idea in a magazine

A STORY IN a magazine prompted Obed Gama to explore the manufacturing of household detergents as a career.

"I was reading a publication which contained an article explaining the size of the market for household detergents. I can't remember the figure accurately but it was a sizeable amount.

"That amazed me. Then an idea

leads to establishment of manufacturer:

sprang to mind. If one could get one percent only of that market, one would be talking millions," says the publicity-shy Gama.

After toying with the idea for some time, he swung into action and Black Pride — a household detergents manufacturing company — was born.

Then the retail store he was running in Kallang on the East Rand took the back seat.

With the help of the sympathetic manager of a company which supplies raw materials for household detergents, Gama was able to design a formula for making a fabric softener.



Commencing with operations was not easy for Black Pride. It required R50 000.

Gama had to part with all the savings made from his retail business over the years to try his luck in the world of manufacturing.

Three years on there appears to be no turning back. Black Pride now supplies some of the outlets of the elite retail giant, Pick n Pay, all three Blackchain outlets, certain Cash 'n Carries and some township shops.

"I would have loved to supply every shop in the townships but due to the violence I could not break into that market," says the soft-spoken Gama.

His company has the capacity to produce about 2 000 litres of fabric softener a day. This translates into 800 cases. Black Pride also manufactures bleach and dishwasher.

"This does not mean I sell that amount daily. The production volumes are determined by the demand from customers and this varies all the time."

Gama employs seven people but is adamant that it is not necessary to reveal how much he makes on a monthly basis.

Lack of finance is at the core of black business problems and Black Pride is no exception.

"There are instances when I don't have enough money to buy the amount of raw materials I require to match the demand and being a small businessman, suppliers do not have credit facilities for me," he says.

Gama has not deviated from his initial mission since he started Black Pride in 1990. He wants the company to control a certain portion of this huge market, with Black Pride's brand name, Mamas, going places as well as contesting space on retail shelves against the likes of Sta-Soft.

Obed Gama automatically qualifies for the Sanlam Entrepreneur of the Month competition. The winner of the entrepreneur of the month will compete with other monthly winners and the overall victor will be Sowetan-Sanlam candidate at the Small Business Development Corporation's finals for the Entrepreneur of the Year competition.

The overall winner will receive R15 000, while the runner-up gets R5 000. This year the emphasis is on the manufacturing and services industries. Retail businesses are not eligible for selection.

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Sowetan 6/5/93

Magazine aims to change path

By Mzimkulu Malunga

EVERY TIME people talk of black business, the focus is on the informal sector and very little is said about serious, successful black entrepreneurs. The new-look *Enterprise* magazine wants to reverse this trend.

"Young whites are told of Anton Rupert or Tony Factor but how many black youths have heard of Herman Mashaba, Don Ncube or Khehla Mthembu?" argues editor Thami Mazwai.

"I see *Enterprise* as a publication through which blacks can get a positive image of themselves. Throughout the world we are associated with things like violence and failure. I strongly disagree with this misconception."

Mashaba is among the market leaders in the hair care products manufacturing industry.

His company, Black Like Me, is competing with the elite and it is making serious inroads into the export market.

Don Ncube is among top executives of South Africa's biggest company, Anglo American Corporation, while Khehla Mthembu leads a fast growing

■ Focus should be on successful businessmen rather than the informal sector:

black insurance company, Algen.

In addition to the three, there are hundreds of dynamic and enterprising black business people out there who never feature at all in the media.

Research

Mazwai says research shows there are about two million black entrepreneurs in the country. Six percent of black businesses have a monthly income of about R6 000 and above.

"It is this six percent that *Enterprise* is targeting. We want to use them as role models, then the rest will follow. These people are decision-makers in their own right," Mazwai says.

Black professionals and business people have their own style of doing things, different from their white counterparts, but some people have the perception that these people are imitating white managers — and it is not true, argues Mazwai.

Enterprise seeks to put black economists, accountants, lawyers, medical specialists, senior nursing sisters, engineers and other technocrats

in their rightful place in the community. In the past, successful black people were painted as "sell-outs" and relegated to the background. Some people even refrained from extending their houses to avoid being dubbed "capitalists".

Throughout the history of African liberation struggles, from Cape to Cairo, the emphasis was put on political emancipation with few voices speaking about economic freedom associated with the "exploitative, capitalist and imperialistic expansionism".

Mazwai says his magazine also targets top executives in the white community with the aim of educating them about the black business community.

Young whites can also learn something from *Enterprise*. The more they are exposed to black business, the better they will be informed.

As black business grows, *Enterprise* hopes to become a leader in reflecting the changing culture in South Africa's business community.

176

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BUSINESS Black Management Forum to lead from front in four key areas

We'll develop our own top managers

Sowetan 6/5/93

By Mzimkulu Malunga

BLACK management Forum has moved from being a pressure group to a management development business.

Following years of massive campaigning to induce corporate South Africa to develop and employ more black managers, BMF has decided to run management development courses itself.

As part of its refocussing programme, the organisation has identified four key areas as the way forward, according to executive director Mloti Ndlovu.

BMF has hitherto had only one management development programme under its wing, the Joint Management Development Programme.

A new programme, called Corporate Board and Corporate Leadership, aimed primarily at senior black managers has been launched.

BMF is working with the Barlow Rand Leadership Institute on a course for its members at middle management level. Called Managing For the Future,

■ **KEY AREAS** New approach plans to

target senior corporate structure:

the programme runs for 15 months and there are no tuition fees.

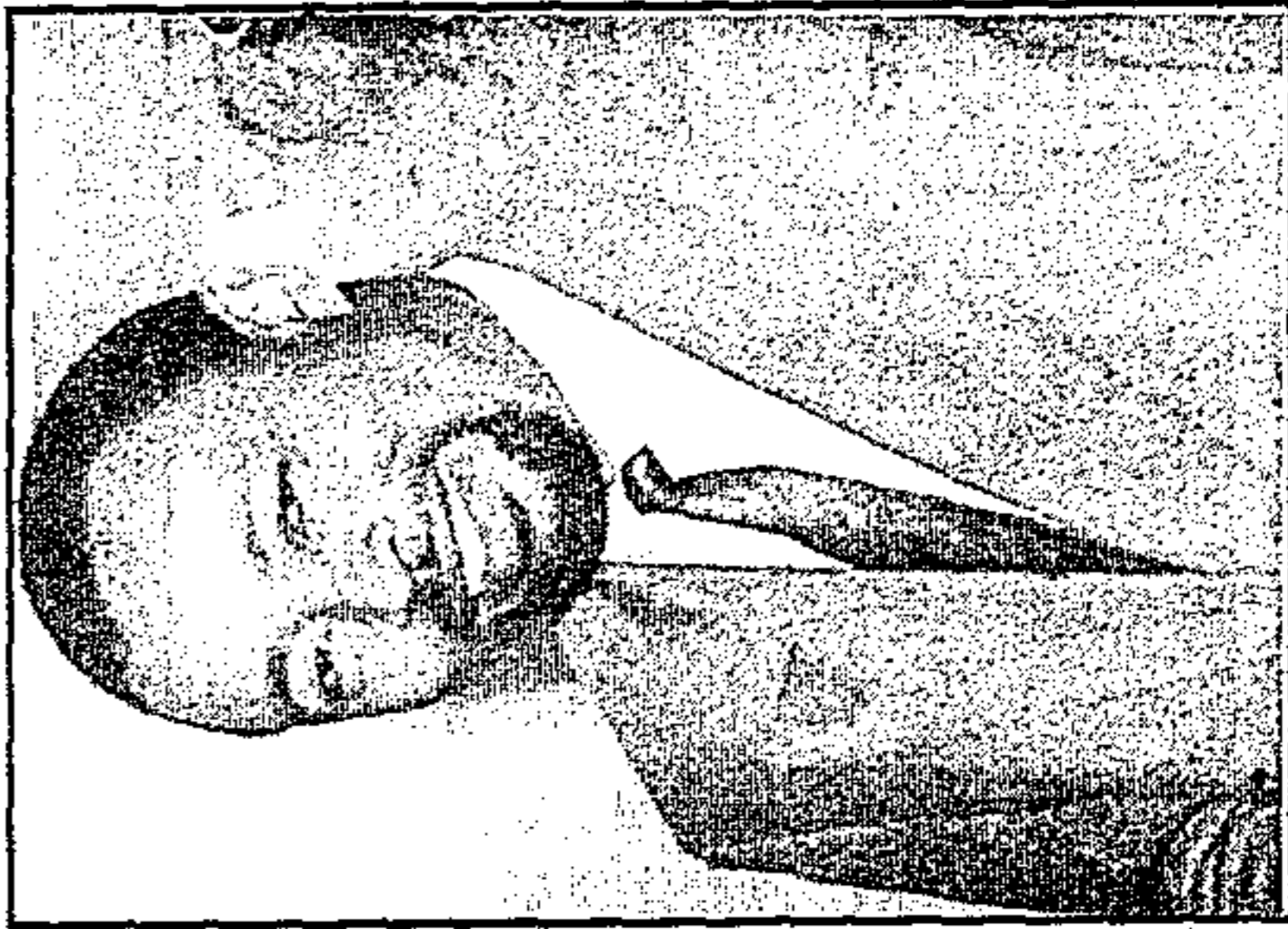
Ndlovu says his organisation is in the process of implementing a management development programme for junior managers. The course will be run before the end of the year.

Investigations are at an advanced stage for a management driven MBA programme in conjunction with City University in London, he says.

Another area of major focus the organisation is involved in is consulting for corporate South Africa on issues relating to affirmative action, mentorship programmes and social investment projects.

Thirdly, the BMF puts emphasis on education and training for potential black managers through vacation placements for students at tertiary levels.

Lastly, the organisation has opened its own placement agency for black managers. Ndlovu says this helps companies as they get people they want.



Lot Ndlovu

Black bankers hone skills in US

STAR 7/5/93

NEW YORK — In a plush corporate boardroom high above Wall Street, Joseph Makobe tells how far he's come from the hot, dusty streets of a rural area in the Transvaal.

The 34-year-old banker had to struggle for education and professional recognition during the apartheid years which grossly disadvantaged him.

But now Makobe, and a dozen other young black South African managers, are getting a chance to prove that things are changing in a country that systematically excluded them.

As guests of 13 United States corporations for six months, the 12 men and one woman in the Professional Development Programme (PDP) are gaining international contacts, learning a new culture and getting a chance to deal in a larger market than Johannesburg.

They are the second group to come to the United States for the executive training programme.

The third group, 26 in num-

ber, is due in August.

For a society just emerging from apartheid, the programme was creating "a cadre of well-trained black South Africans", said Ronald Gault, chairman of the PDP steering committee and a managing director at The First Boston Corporation, Makobe's host.

For eight South African companies — including top financial institutions and the national power utility — the black managers represent "an insurance bet" for the future, Gault said.

"It's a way to develop people who are going to play key roles in future," Standard Bank training manager Ray Johnson said by phone from Johannesburg.

Innocent Gama (26) is one example. He said he constantly pressed superiors at Standard Bank for opportunities such as management training classes.

"Often companies have preconceived ideas that black people wouldn't be able to cope," he said. "But sometimes I've come in at the top of the classes." In

New York, he's studying corporate finance and risk analysis at the J P Morgan securities firm.

Makobe had to start working at the age of 15. He completed a degree in commerce at a black university, then studied for two years at a predominantly white university.

On his first trip out of South Africa, Makobe is learning municipal bond finance and how to analyse large financial deals.

"If other blacks could get my opportunities," he said, "the employers would discover that people are people, regardless of colour and could do the job."

South African white business leaders, too, are speaking the language of conciliation.

The American host companies — top banking and securities companies, New York power utility Con Edison and computer giant IBM — pay the participants' airfares, room, board and incidentals, while the South African companies pay their salaries and benefits.

"It was fantastic ... to go to

another country was an eye-opener," said Harvey Khuzwayo (38), who was promoted to branch manager at First National Bank after he returned from Citibank last year.

He was one of the seven original participants.

A typical day could find the South Africans learning Japanese business practices at Columbia University or visiting Washington to discuss housing policies relevant to economies such as theirs with World Bank officials.

Sydney Maarohanye (38), now at New York's Chemical Bank, took a subway train to a predominantly black, working-class neighbourhood in Brooklyn for a seminar on how the poor can obtain better housing.

"We use American blacks as a model. We see them as pacing us, especially in getting whites to accept us as equal," said Maarohanye, sales manager at a branch of the Perm building society in Johannesburg. — Sapa-Associated Press.

Going to the same well for black directors

Wiseman Nkuhlu is one of the country's hottest executives. Companies constantly bombard him with offers to sit on their boards; last year he turned down five corporations.

"You must learn to say no or else you become ineffective," says Nkuhlu, who heads the Independent Development Trust and serves on six boards. He says he can handle these directorships because they're in the same industry.

"You should accept directorships in which your background is relevant. If you understand the industry, you can accept several directorships." Nkuhlu, who in 1976 became the country's first black CA, says he focuses his attention on development issues and black advancement.

Nkuhlu's popularity is common. At least

"As a non-executive director, you can't handle more than six appointments but ideally four," says Ndlovu, who also helps companies identify black managers with the potential to become directors. "I would question those who sit on that many boards."

But Linda Primos, a placement consultant for the forum, says: "A company will put up with a black director who isn't able to put the time into his commitment. Employers are caught in a difficult situation amidst accusations that they aren't doing anything."

Only 40 blacks sit on the boards of the top 100 JSE companies, accounting for less than 2% of the directorships. But that figure is a dramatic improvement. Five years ago there were only about five black directors in the Institute of Directors, says Richard Wilkin-

politicians, to serve on boards than to find blacks with managerial experience for executive posts. "Companies are not as precise with their choice of board members as they are when choosing senior managers," says Johan Redelinghuys, who has recruited ANC exiles for companies.

But he says the exiles have a hard time returning and many fail at their new jobs. "Most have good academic training, often at Ivy League institutions, but they haven't gone into management. They are less effective than if they had spent a few years as a line manager for Kodak or Ford."

Many believe that the way companies choose board members reflects a lack of real commitment to black advancement. For example, few look within their own ranks to promote blacks to senior positions. "The people that the companies already have are under-utilised," Ndlovu says.

"The shortest way of getting a directorship these days is to leave the company and start a consultancy," Mkhwanazi says. "When they were working for the company they were overlooked."

That's actually the route Wendy Luhabe took. She spent seven years in marketing with BMW then left to start her own Johannesburg consultancy. She recently joined the board of Imperial Cold Storage. "When I'm approached by a company or organisation, I make clear my intention to contribute. If they are looking for a token, I say I'm not interested."

Non-executive directors tend to be accountants, yet there are only 46 black CAs in SA. "They are getting four job offers a month; they're stretched in terms of the boards they sit on," Primos says.

Nafcoc would also like to see 60% of all company managerial positions held by blacks in 10 years. "I believe that it is better to have targets than not to have them," says Motsuenyane, who adds that he strongly opposes tokenism. He adds that he could identify plenty of qualified black managers from among Nafcoc's 100 000 members.

Businessmen such as Habakkuk Shikwane, who never went to university but became the country's largest cane furniture manufacturer, are often overlooked by companies seeking black directors, Motsuenyane says. He adds, however, that he favours persuasion over legislation, at least at first. Others, however, say legislation mandating quotas would only force companies to engage in wholesale window-dressing.

While companies could do much more to promote blacks and prepare them for their new jobs, blacks themselves could also do more to help other blacks. "Our people are to blame, too," Mkhwanazi says. "If you are going to be a director you must act like a director. Some black directors become silent in these meetings."

Jennifer Griffin



Ndlovu ... doing his homework



Luhabe ... interested in tokens



Motsuenyane ... setting quotas

one black sits on as many as 15 boards, though some whites serve on up to 24. With a black government probably just around the corner and the ANC making noises about affirmative action, companies are desperate to find blacks for boards long dominated by whites.

"But the known talent pool is small and the same names are asked again and again," he says. "Many seem to be overextended and sometimes wind up in businesses about which they know little."

When Lot Ndlovu, head of the Black Management Forum, was named to the board of clothing retailer Smart Centre, he acknowledged that he knew little about the company. He began meeting with middle managers, visiting the stores, and learning as much as he could in order to become an effective board member.

"I'm not yet happy with the impact I'm making," he says of his two years on the board. But he adds that he's making progress. Some top black directors find it difficult to say "no" to the steady stream of corporate offers. Mohale Mahanye, the executive chairman of National Sorghum Breweries, sits on 15 boards of companies that range from Telkom to Southern Life.

son, who runs the institute.

Groups such as Nafcoc suggest that quotas might make companies more representative. It proposes that in 10 years, all JSE companies should have blacks comprising at least 30% of their boards. "If you are the only one on the board, it ultimately looks like tokenism; it marginalises the black director," says former Nafcoc president Sam Motsuenyane, who sits on seven boards.

But the frantic search for black directors may not be the answer to black empowerment. Most agree that in order to make real changes in white-run companies, more must be done to promote blacks to senior management. Only 11 of the black directors are executive directors, according to Don Mkhwanazi, a consultant and ANC adviser.

"I am getting worried that companies are just in the game of appointing black directors," Nkuhlu says. "But most of the important decisions are being decided at executive level, not at board level." And many non-executive directors have grown disillusioned with their roles on these boards. "They tend to become rubber stamps," Mkhwanazi says.

Head-hunters who recruit black directors and managers admit that it is easier to find blacks, particularly academics and former

Challenges of the new SA

Firms told to adapt

176
338
ARG 8/5/93

SOUTH African business will have to show more social responsibility in future and refocus the direction of social responsibility programmes.

This would even mean an adjustment in how profits were shared between employees and shareholders if they were to be successful, Mr Jonathan Harrod, chairman of the research and marketing company, Business and Marketing Intelligence, told a conference in Cape Town this week.

The days of where government or business could dictate were over. There would be greater democratisation in future in which there would be a two-way flow between government and business, government and the community as well as between business and the community.

Businessmen should not be asking what role their companies should play in the new South Africa "but rather what role the new South Africa will play in your company".

Mr Harrod said surveys undertaken by his company showed there was a wide gap between socio-economic development programmes and

Business success in a new South Africa means a whole new approach.

BRUCE CAMERON
Business Staff

what underprivileged communities felt should be the priority in what was being done, and in what should be done, in social responsibility.

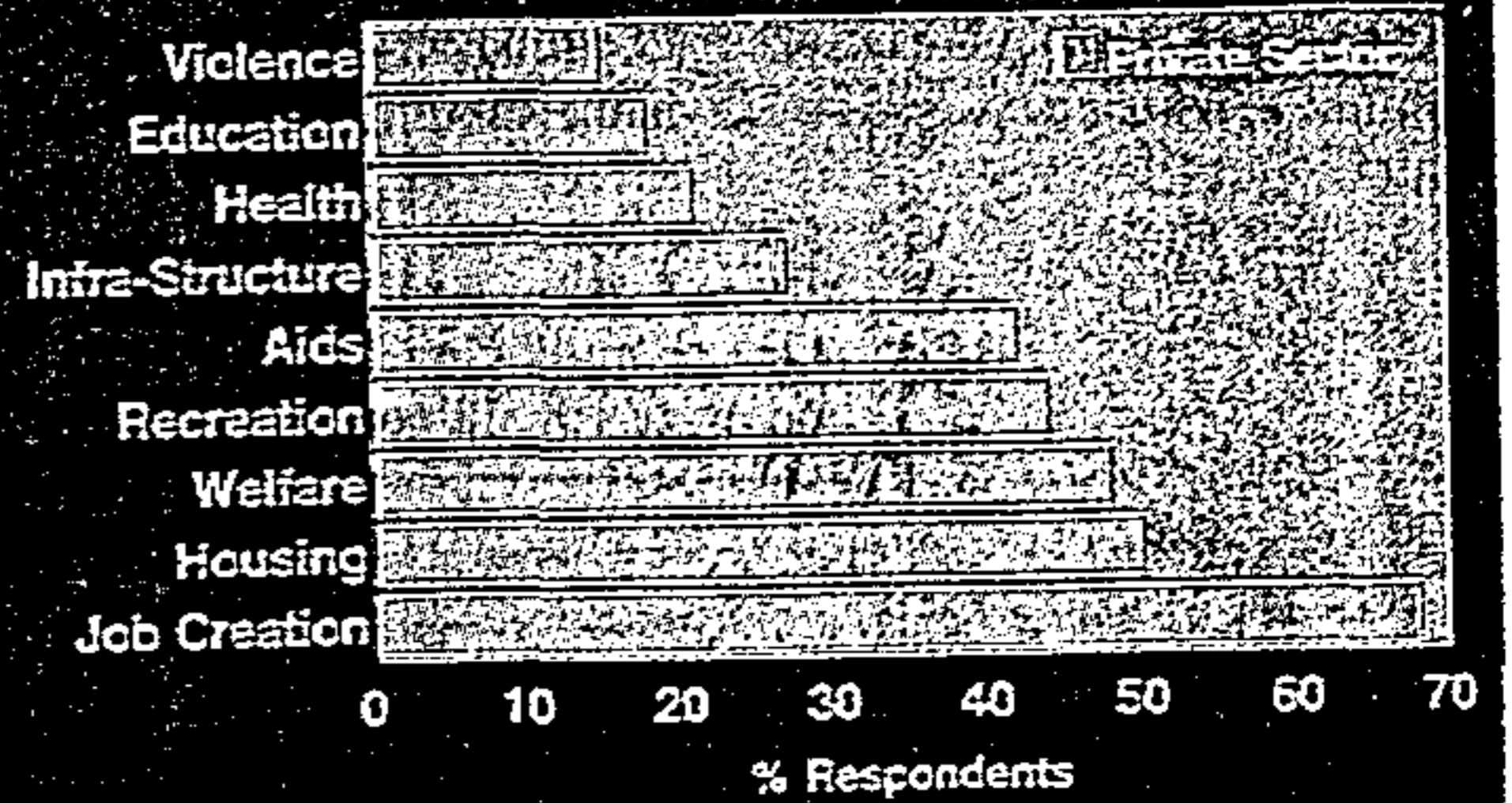
Housing was considered to be the top priority of underprivileged communities whereas education, which was the priority of business, foreign aid and government, was fairly low down the list of priorities.

Underprivileged communities felt the list for business alone should be topped by the need for job creation with education again placed fairly low down.

Mr Harrod said respondents to the surveys had indicated a "caring business" was one that cared for society generally, helped in education and housing, looked after its employees, created jobs and provided housing and fringe benefits to employees.

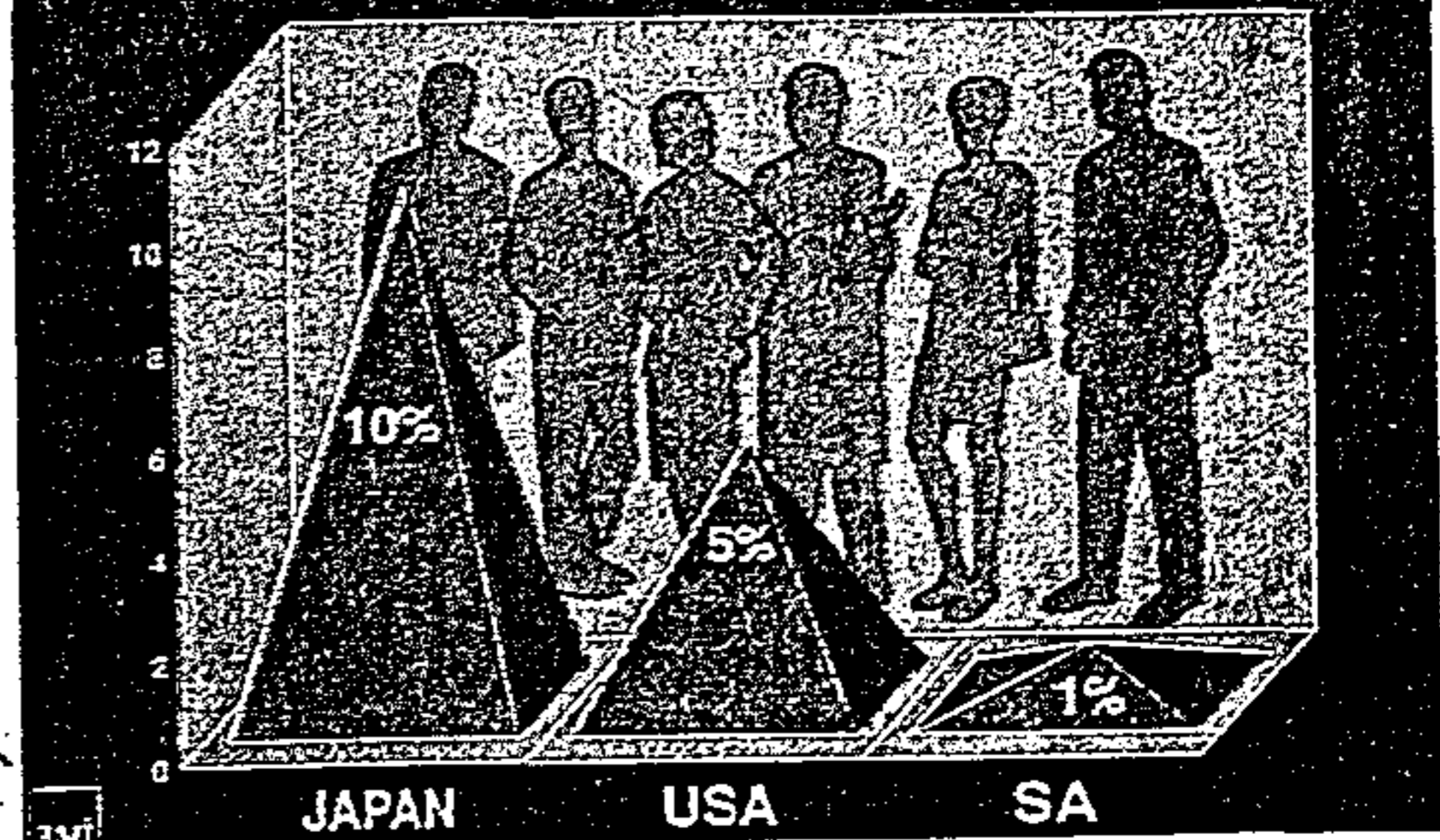
In future, Mr Harrod said business would have to divide social responsibility into four

COMMUNITY PERCEPTION OF BUSINESSES ROLE NOVEMBER 1992



Source: BML-Sardana Research

TRAINING AS % OF EMPLOYMENT COSTS



sections. These were:

■ General community support programmes, such as greater investment in job-creating projects and provision of educational facilities;

■ Promotion of business enterprises, such as sub-contracting out to small and emerging business;

■ Care of employees with, for example, affirmative action, better wages and improved training.

Referring to training, Mr Harrod said that while Japanese companies spent 10 percent of expenditure on training and the United States five percent, South African companies spent a mere one percent.

Affirmative action was required throughout the business structure with white males now occupying 88 percent of top management posi-

tions against 2,5 percent by African males.

White males accounted for 72 percent and African males seven percent of middle and junior management while there were 31 percent white males and 17 percent African males in skilled and supervisory positions; and

■ The country in general primarily through the payment of tax.

Mr Harrod felt South African companies were paying a low rate of tax particularly compared with individual taxpayers.

In the 1983/84 tax year companies and gold mines had contributed 30 percent to State coffers against 55 percent from individuals.

Last year companies and gold mines contributed 19.6 percent against the 67.6 percent paid by individuals.

Getting a franchise is a smart way to succeed

C/Prer 9/15/93

176

FRANCHISING is the name of the new game if you want to get into business without the traditional and tested blood, sweat and tears route.

So says consultant Bendeta Gordon, who will be organising a high-powered June conference which will be addressed by, among other top speakers, famous north American businessman Stefan Breg of the Burger King empire.

"Black entrepreneurs can be empowered through franchising in SA," says Gordon. "It (franchising) facilitates the transfer of skills from established businessmen to inexperienced businessmen, thereby assisting in the creation of skills, jobs and wealth and earning its title of SA's biggest business opportunity".

He continues: "Over the past 20 years franchising has become the most successful single business mechanism to grow market share".

But all said and done, the simple question begs an answer: just what is franchising?

Franchising is a system through which a well-established company (franchisor) offers an individual the opportunity to do business under the corporate brand name and image of the franchisor and to use the business system developed by the franchisor.

A good franchisor generally also provide a comprehensive franchise package involving know-how, a marketing assistance programme, training, research and development facilities as well as bulk-buying and administrative assistance.

Pitfalls

Through this support, accompanied by ongoing advice and guidance from the franchisor, the franchisee can leapfrog many of the pitfalls of inexperience associated with setting up a new business. Franchising is all about getting into business for yourself, but not all on your own.

Franchising is not an easy or guaranteed way to become rich. By drawing on the experience and support of the franchisor, franchising can reduce the risk of failure and can make it a safer investment for those who are prepared to work hard.

However, ultimate responsibility for presenting a quality product/service to the market, to sell effective-

ly and to maintain a thorough administrative system always remains with the franchisee as is the case with any other entrepreneur.

Franchising is just as relevant to the family-established small business that may wish to consider expanding as franchisor.

Franchising offers the franchisee a "proven business formula". When you buy a franchise you buy something that has made profits for other people in similar circumstances and which should probably do the same for you, provided you work at it.

Some useful points to remember if you decide franchising may be for you.

■ **Recognised brand name:** By getting into through a franchise you start with a well-established brand name and reputation behind you. On your own it could have taken you years to establish a name for your business in the market place.

■ **Know-how:** Access to the accumulated experience and information of the franchisor provides you with know-how that you would have otherwise to obtain through trial and error.

■ **Acquiring property:** Location of premises is often a key element in business success. With the backing of a strong franchisor you will find it easier to buy or rent premises on favourable terms than a new business without an established name.

■ **Correct specifications:** If the franchisor does not himself supply the equipment you need, he will probably provide you with the applicable specifications. This service will probably also encompass instructions on design and lay-out of premises which have, over the years, proved to be the most effective.

■ **Easier finance:** When you apply to a bank or other institution for finance, the backing of a national or established company, with successful track records of co-franchisees will considerably strengthen your application.

For further information about franchising contact: The South African Franchise Association, Private Bag 34, Auckland Park, 2006. Telephone (011) 726-5300. On the other hand, a good bank manager, lawyer, accountant or your nearest Small Business Development Corporation (SBDC) branch can help.

US programme to train black bosses

ST Times [Buss] 9/5/93

APPLICATIONS are about to be evaluated for the third City of New York-South Africa Professional Development Programme (SAPDP). It aims to train blacks to become the decision makers of tomorrow.

Seven people have completed the six-month programme, sponsored by the City of New York and US corporations. Another 13 are being trained. (176) (179)

The course involves on-the-job training, working closely with senior management at a New York company which ranks among the world's most competitive.

On Saturdays, candidates study at an advanced MBA level at Baruch College's Centre for Management which specialises in management development in developing countries. (258)

Intensive

The centre's associate director, Prakash Sethi, says the programme will give managers experience of the competitive environment which SA companies will face.

It suits the needs of each candidate and has received ANC support.

The programme is intensive, often involving up to 14 hours a day. Candidates are also exposed to New York's cultural activities and meet policy makers in Washington.

Potential candidates do not need

By ZILLA EFRAT

a university degree. They must be mature, committed, bright and trainable. Those chosen for the previous two programmes were in junior to middle management.

The first two programmes focused on the banking and financial sectors where most of the US sponsors are found. The third, however, will be more broadly based. It has also been expanded to take up to 20 candidates.

Applications are submitted by the candidates' companies, which pay their salaries while they are away. The rest of the expenses are met by the US sponsors.

Wendy Luhabe of Bridging the Gap is the programme consultant in SA.

Professor Sethi says: "This is one of the few programmes where US companies have nothing to gain. Most do not operate in SA and are voluntarily involved because they believe they are capable of doing a good job and that the job is worth doing."

"The satisfying thing is that those companies involved in the first two programmes report that they have never before encountered such bright, dedicated and hungry-to-learn trainees."

Development

post for top

Soweto man

■ Dr Motlana rewarded for promoting small sized families:

TOP Soweto medical practitioner Dr Nihato Motlana has been appointed chairman of the Council for Population Development.

The announcement was made on Friday by Population Development Minister Mr Jac Rabie in Pretoria.

According to the Department of Population Development, Motlana is an ardent advocate of the establishment of small families as a norm in South Africa to curb the rapid population growth and to improve the quality of family life.

New programme gives SA's top business blacks wordly wisdom

(176) ARG 10/5/93

□ 'Hot-seat' experience hones their skills

NEW YORK. — In a plush corporate boardroom high above Wall Street, Joseph Makobe tells how far he's come from the hot, dusty streets of the Transvaal.

The 34-year-old banker had to scrape for education and professional recognition under the system of racial segregation.

Now, however, Mr Makobe and a dozen other black South African managers are getting a chance to prove that things are changing in a country that systematically excluded them.

As guests of 13 United States corporations for six months, the 12 men and one woman in the Professional Development Programme (PDP) are gaining international contacts, learning a new culture and getting a chance to deal in a larger, more competitive market than Johannesburg.

They are the second group to come to the United States for the executive training programme. The third group of 26 black South Africans is due in August.

For a society just emerging from apartheid, the programme is creating "a cadre of well-trained black South Africans," said Mr Ronald T Gault, chairman of the PDP steering committee and a managing director at the First Boston Corporation, Mr Makobe's host.

For eight South African companies — including top financial institutions and the national power utility — the black managers represent "an insurance chit" for the future, said Mr Gault.

As he spoke, South Africa was wracked by riots following the assassination by a white gunman of Mr Chris Hani, general secretary of the South African Communist Party. Dozens died in the violence. Other violence, also, is happening over such issues like education.

Mr Hani and black leaders of the African National Congress like Mr Nelson Mandela urged moderation as the government discussed "power-sharing" elections as early as next year.

In a South Africa with blacks sharing power, businesses will need blacks with the management skills the New York visitors are gaining.

Standard Bank training manager Mr Ray Johnson said from Johannesburg: "It's a way to develop people who are going to play key roles in the future."

Mr Innocent Gama, 26, is one example. He said he constantly presses superiors at Standard Bank — South Africa's second largest by assets — for opportunities like management training classes not usually open to blacks.

"They had preconceived ideas that black people wouldn't be able to cope," he said. But, "sometimes I've come in at the top" of the classes. In New York, he's studying corporate finance and risk analysis at the J P Morgan securities firm.

Mr Makobe started working at the age of 15 after his father was killed after a squabble over leases for the family's small grocery stores.

He got a degree in accountancy

from a black university, then got permission to study for two years at a white university to become a certified accountant.

Once his bank's only black manager, he is still one of only a few at First National Bank.

On his first trip out of South Africa, Mr Makobe is learning municipal bond finance and how to analyse large financial deals. "If other blacks could get my opportunity," he said, "they would discover that people are people."

South African white business leaders, too, are speaking the language of conciliation.

Amalgamated Bank chairman Mr Herc Hefer said: "There is no way that one section, a minority (white) section of the population, can provide the leadership in business and industry for all the people."

"You need to exploit all your human material, irrespective of color or creed." The bank, South Africa's largest, has four people in the New York programme.

South African blacks, 75 percent of South Africa's approximately 40 million people, hold less than 10 percent of management positions in finance companies, according to a survey by the Institute of Race Relations, a think tank.

Participants in the New York training programme say the percentages are half that at their companies.

The business training programme was launched after First Boston's Mr Gault met Mr Mandela during his 1990 trip to New York. Mr Gault and Mr David Dinkins, New York City's first black mayor, travelled to South Africa in late 1991 for talks with some of South Africa's leading corporations.

Mr Gault said: "Enlightened businesses have come to realise that a strong corporate social response is good business."

The American host companies — top banking and securities companies, New York power utility Con Edison and computer giant IBM — pay the participants' airfare, room, board and incidentals, while the South African companies pay their salaries and benefits.

Mr Harvey Khuzwayo, 38, who was promoted to branch manager at First National Bank after he returned from Citibank last year as one of the seven original participants, said: "It was fantastic ... to go to another country was an eye opener."

A typical day could find the South Africans learning Japanese business practices at Columbia University or visiting Washington to discuss housing policies with World Bank officials.

Mr Sydney Maarohanye, 38, now at New York's Chemical Bank, took a subway train to a predominantly black, working-class neighborhood in Brooklyn for a seminar on how the poor can obtain better housing.

"We use American blacks as a model. We see them as pacing us, especially in getting whites to accept us as equal," said Mr Maarohanye, sales manager at a branch of the Perm bank in Johannesburg. — Sapa-AP.

Firms fail to move blacks up corporate ladder

BLOM 11/5/93.

JOHN DLUDLU
and ANDY DUFFY

LESS than 15% of some of SA's largest companies have taken steps to increase black management, according to a survey of their employees by the Graduate School of Marketing.

The SA Chamber of Business, which is to issue guidelines on affirmative action next month, said the survey's findings could strengthen the argument for legislation.

The survey, conducted in February and March among 98 major SA groups, showed just 14 had recruited blacks to positions with actual management responsibilities.

In their official responses to the survey,

all the companies had said they were pursuing affirmative action policies. But according to their employees, most were not. Others had recruited "token" blacks to positions with little responsibility.

Graduate School of Marketing executive director Liam Hagen said: "A lot of people are saying they are involved in affirmative action, but they really are doing very little. There's a hell of a lot of tokenism — black managers are not able to manage, and

they're not treated as managers."

While industry has argued for voluntary change, the ANC has said if this failed it would push for legislation.

Sacob labour affairs and social policy director Harry Bezuidenhout said the findings could "to an extent" strengthen the argument for legislation, but Sacob would not support this. "The simple business reality is that we are going to face a tremendous shortage of skilled manpower."

Sacob guidelines are likely to propose recruitment and training quotas, not management percentages by a set date.



BUSINESS Nkosi succeeds in her placement agency despite break-ins that cost a fortune

Sowetan 13/5/93

Zandi fulfils wish

By Mzimkulu Malunga

ZANDI Nkosi has always wanted to be a businesswoman and when she lost her job, it became a blessing in disguise.

"Since a tender age, I had always told myself that when I reach 28 I should be running my own business," she says.

Though she had this entrepreneurial wish, Nkosi did not know what strategy to employ to realise her dream.

But a breakthrough came in 1990 when a pay dispute with the Greater Soweto Chamber of Commerce and Industries, where she was working as an executive director, prompted her to search for other avenues.

After an intensive but unsuccessful search for another job, Nkosi finally landed at the offices of a gas-producing company where she was advised to

consider human resources as a career. While she was still planning the next move, a friend tipped Nkosi off about a company committed to social responsibility.

Without any hesitation, she negotiated a R10 000 grant to start a placement agency. Months later Zec Personnel came into being.

"Now I can see light at the end of the tunnel. What is more important, is to get out of the tunnel itself," she says.

The placement industry is highly competitive and only the strongest survive. Being a black venture works to the advantage of Zec Personnel as more companies strive to win skilled blacks into their fold.

"Many companies are looking for black managers these days, the only problem is that it is a bit difficult to find people suitable for these positions," says Nkosi.

Her regular clients range from a leading petroleum and gas producing entity to pharmaceutical, financial and electrical companies.

Zec Personnel's income is determined by placements secured in a given month as companies refrain from getting into contracts with a particular agency.

"If you give a client a better service, they always come back," she says.

Despite four break-ins at her business premises in Hillbrow, which cost her R18 000, Nkosi believes there can be no looking back.

Nkosi's list of employment seekers contains names of people from Zambia and Zimbabwe. "Sometimes I get



WOMAN ACHIEVER Aim to

become businesswoman is realised:



Zandi Nkosi

calls from South Africans studying overseas, inquiring about job opportunities on their return home."

The woman who hails from a small town in southern Natal, runs her business alone. "I do my own typing, interviewing, filing and reception work," she says, though Nkosi feels she will need to employ somebody else soon.

Nkosi qualifies for the Sowetan-Sanlam Entrepreneur of the Month Competition. The winner will compete with other monthly victors in the Sowetan-Sanlam Entrepreneur of the Year Competition.

Help blacks get ahead ¹⁷⁶ plea

6/10/93 13/5/93
GERALD REILLY

PRETORIA — The challenge facing business was to ensure economic empowerment accompanied political empowerment as a matter of urgency, National Sorghum Breweries (NSB) research and development manager Siphon Nhlapo said yesterday.

He urged business to appoint blacks to executive, directorate, management and skilled positions to make their companies more representative of the population profile.

The time, he said, had come for black economic empowerment.

Speaking at the cereal science and technology conference at the CSIR, Nhlapo stressed that this should not be seen as discrimination in reverse. The primary object was to create opportu-

nities for blacks so they could compete from a fair and equal position with their counterparts.

The saddest thing about SA was that millions of able, willing and capable blacks were still denied opportunities by business and the political powers who showed little interest in changing the status quo.

"How else can the almost total absence of blacks in the top echelon of ownership, control and management of the SA economy be explained?" 13/5/93

And how, he asked, was it that National Sorghum could succeed with blacks at the top? "Unless and until there is affirmative action, we will not be able to move away from the past political empowerment."

Unless the concept of equal employment opportunity was reconsidered, most blacks and some whites trapped in the poverty cycle would never rise above their present status. Their economic woes would simply continue.

Nhlapo said education and the development of individual talent was sadly neglected in black communities, because of the existing education system.

Since control of the sorghum beer industry was transferred to NSB in 1990, it had grown into a big industrial concern. NSB's mission was black economic empowerment through the ownership, control and management of a group of companies in the beverage, food and leisure industries, Nhlapo said.

Black group buys Met Life

■ WAY FORWARD Part of unbundling includes

breaking down Sankorp mining arm Gencor:

By Mzimkulu Malunga

A GROUP OF black business people scored a major coup this week when they acquired a R140 million shareholding stake in a leading life assurance company controlled by Sanlam.

In the second-largest development since the acquisition of National Sorghum Breweries, a group of black business people have bought a 10 percent stake in Metropolitan Life.

The deal, to be announced today, involves more than R140 million.

Although Sankorp, which owns Metropolitan Life, were tight-lipped about the matter yesterday, sources close to the company believe the move is part of the unbundling process, which includes breaking down its mining arm, Gencor,

into five companies.

Metropolitan has assets of around R2 billion.

Blacks who form part of the deal include Soweto community leader and businessman Dr Nthato Mollana, former Pan Africanist Congress deputy president Mr Dikgang Moseneke, former KaNgwane chief minister Enos Mabuza, economist Mr Don Mkhwanazi and National African Federated Chambers of Commerce president Mr Archie Nkonyeni.

Sources say they received a loan from the Industrial Development Corporation to acquire a stake in Metropolitan.

Economic observers say unbundling moves by the likes of Sankorp will be viewed in a positive light by the broad liberation movement, which advocates the breaking down of monopolies.

Many believe this is the beginning of a black takeover of Metropolitan.

Star 13/5/93

Black business coup

Own Correspondent

which has assets of about R5 billion.

A group of prominent black businessmen has scored a major coup, paying R140 million for a 10 percent shareholding in Metropolitan Life from Sañlam.

The consortium includes Soweto community leader and businessman Dr Nthato Motlana, former PAC deputy president Dikgang Mosenke, former KaNgwane Chief Minister Enos Mabuza, economist Don Mkhwanazi and National African Federated Chamber of Commerce president Archie Nkonyeni.

The move could be the start of a black takeover of JSE-listed Metropolitan,

Speculation is rife that Sañlam, which holds 49 percent of Metropolitan through investment arm Sankorp, could also offer its remaining 39 percent stake to the mainly black policyholders.

Sources close to the company believe the move is part of the unbundling process which includes the breaking up of mining arm Gencor into five companies.

But Anglo American has reiterated that it has no plans to follow suit as its existing structure "has served shareholders and the national interest well".

● See Page 14

Aid for small business is here

Saw eban 14/5/93

By Joshua Raboroko

■ Now you can get your own business off the ground:

LACK of skills among emerging black entrepreneurs has always been a thorny issue in South Africa.

With the aim of upgrading these entrepreneurs, the Small Business Education and Training Academy, the Job Creation Action Committee, BP, the Independent Development Trust and FutureBank have designed a scheme to help the unemployed develop business skills and to create jobs.

The scheme is set against the back-

ground of centuries of deprivation and restrictive legislation aimed at black business people, according to Sbeta's chief executive Mr Lucas Ntuli.

"Sbeta has developed unique business skills, training methods and systems designed to optimise the entrepreneurial potential in our society," he said.

Sbeta will run courses on how emerging businessmen can prepare business plans for new or existing ventures. Approved business plans will be submitted

to the source of finance.

After having been granted business development loans, the Sbeta, working with the NJAC, will help trainees start their businesses and provide ongoing advice and mentoring.

FutureBank public relations officer Ms Lindi Kubheka said they supported the move.

For more information, contact Sbeta at 5th Floor, Suzuki Building, 62 Juta Street, Braamfontein, Johannesburg.



Jabu Mabuza

Mabuza joins SAB

Sowetan
■ NSB suspicion increases:
145143

By Mzimkulu Malunga (176)

FORMER chief executive of the Foundation for African Business and Consumer Services Jabu Mabuza has been appointed to a senior executive position at South African Breweries. (176)

Mabuza, who has just resigned from Fabcos, will assume duty as group advancement manager on July 1. (182)

SAB executive chairman Meyer Kahn says: "My executive looks forward to the contribution he will be making in the fields of affirmative action, economic empowerment and the development of small business.

"He brings with him the kind of experience which we believe will boost our efforts in this regard."

The appointment of the 33-year-old Mabuza into the beer giant's fold strengthens beliefs that SAB is laying the foundation for a future battle with National Sorghum Breweries as the latter tries to make inroads into the clear beer market.

Sources close to both companies say the stage is set for a head-on collision as SAB's monopoly is challenged.

SAB is said to be worried that a future government might side with NSB in the latter's fight to increase its market share, hence the appointment of blacks to its hierarchy.

Insurance coup

(176)

Sowetan 14/5/93

■ Motlana to be chairman of restructured board:

By Mzimkulu Malunga

BLACKS have taken effective control of Metropolitan Life.

It was announced yesterday that a group of six blacks have formed a company called Methold, which acquired a 10 percent shareholding of Metropolitan Life.

Methold is in a "voting pool" with the majority shareholder, Sankorp, meaning that the new company will form part

of the decision-making process in Metropolitan.

Dr Nthato Motlana will be chairman of the restructured Metropolitan Life board.

Methold has been given an option to buy a further 10 percent of Metropolitan's shares in the next five years, a development which will bring the company on par with Sankorp. The latter currently holds 30 percent of Metropolitan.

Young star comes alive on stage

Star 1415793.

(176)

WHEN Capetonian actor Chris Gxalaba told his career guidance teacher he wanted to be an actor, the teacher looked him straight in the eye and said: "Why do you have such low self-esteem?"

He has never forgotten that moment, nor has he given in to the emotional blackmail.

Now Gxalaba is the star in Charles Fourie's *Vrygrond*, an Afrikaans play showing at the Market Theatre in Johannesburg. He plays an embittered young man who lives in a squatter camp.

Gxalaba says *Vrygrond* could not have been successful in English. The story is not polite and doesn't need a polite language.

In a way he plays what he has lived. He was born in Jaggeryslei squatter camp before his family



On his way to success . . . actor Chris Gxalaba.

relocated to Guguletu.

Despite the education crisis of the 1980s, Gxalaba struggled and obtained a bachelor's degree in speech and drama from the University of Cape Town.

He has not regretted his career choice and revels in the thrill and freedom he feels when on stage.

"My whole body ceases to be mine. I leave Chris at the door and walk into somebody else — the character I'm playing."

His talent has won him awards such as the 1991 AA Life — Best Actor of the Year in the Cape. He was a national nominee for his performance in *Sizwe Bansi is Dead*.

He has also written two plays.

Though he hasn't entered the world of films, he plans to get there some time in the future.

However, his mother is not crazy about his career. She wants him to find a "real" job like his siblings, who are in careers such as teaching, engineering and nursing.

the Plessey board.

the gold price has risen by \$25 or

by.

and encourage investment in non-residential construction.

Metlife passes to black control

By Stephen Craunston

Effective control of life insurer Metropolitan Life (Metlife) will pass from Sankorp to the black shareholders of Metlife Investment Holdings (Method)

In a press briefing in Johannesburg yesterday, Sankorp CEO Marinus Dalling said Method had bought a 10 percent holding in Metropolitan from Sankorp for R134,9 million.

This is equivalent to R20 a share, the average at which Metropolitan's shares have traded over the three months preceding the agreement.

Method will have the right to acquire a further 20 percent in Metropolitan within five years, and Sankorp's remaining 30 percent will be combined in a voting pool with Method's share.

Funded by IDC

Method will be funded by the Industrial Development Corporation which has provided R137 million in exchange for 137 million renounceable letters of allocation.

Dalling said Sankorp had decided to dispose of a portion of its holding for the sake of black economic empowerment.

"If we are to have strong economy, it is important that everyone participate and be in control of capital."

Metropolitan Life is the ideal vehicle for this empowerment as 85 percent of its policy-holders are black.

He said the deal had been structured on strict business principles. "History has already shown that paternalistically driven black economic empowerment tends to fail."



Signing the deal to establish Method. Front from left: Jan de Bruyn, Marinus Dalling, Dr Ntsho Motlana. Back: WS Pretorius, Attie du Plessis, Marius Smith

Dalling said the move was not connected with the unbundling of Sankorp-controlled Gencor. "Unbundling is about improving focus and removing pyramids. This is not what we are doing here."

He said Sankorp would look at further disposals to the black community, but believed the present issue represented a considerable amount of capital to be absorbed.

The R137 million offer is somewhat larger than the R40 million share offering in National Sorghum Breweries.

Method shares will be sold to blacks only in units of one rand, with 20 shares corresponding to

17B

Metropolitan share. They will be sold primarily through Metropolitan's 3 000-strong sales force, which itself is 88 percent black.

Black-controlled businesses and funds will be able to buy shares, but nobody will be able to control more than 10 percent of Method's shares.

Metropolitan MD Marius Smith said there would be marketing benefits from the deal.

It would be easier to sell policies to those who held an indirect stake in the company, and many people would wish to support a black-controlled business. With a black-controlled board

2322

It would be easier to attract high-calibre black staff and it would be beneficial that Metropolitan was no longer controlled by Sarlam, which was now competing with it in the black market.

Method chairman Ntshato Motlana, who will become chairman of Metropolitan, said he hoped Metropolitan's investment policy would focus more on the black market and look at investment in low-cost housing.

Dalling said while it was easy to identify investment opportunities in the First World sector, they were harder to find in the Third World sector, but that they nonetheless existed.

"If the gold price continues its steady performance, this will undoubtedly benefit export earnings," he said.

Gouws warned, however, that confidence and the resultant boost in demand for goods and credit were still some way off.

"Slower wage and salary increases, higher unemployment figures and the hike in VAT will combine to slow demand over the next few months," he forecast, adding that second-quarter production could also be adversely affected by the April stay-aways.

"The factors are not yet in place that will give us a lift-off and the economy will continue to bump along its current lows for the remainder of the year," he said.

Star 14/5/93 Restructure for Meritex

CAPE TOWN — Meritex has announced a restructuring of its manufacturing business after a net loss of R7,5 million in 1992/93.

"To maximise competitive ability, we have decided to focus on core competencies in-house and to source non-core activities externally," says financial director Dave O'Donovan.

The earnings a share loss for 1992/93 was 48c, while net asset value at year-end fell to 27c.

"Losses since the beginning of the current year have been reduced," says chairman Ed Gordon. — Sapa.

OW ON the heir

Star 14/5/93

Star 14/5/93

Motlana takes over at Metropolitan

CITY PRESS 16/5/93

(176)

By ZB MOLEFE

LONG-TIME black economic empowerment apostle Nthato Motlana this week put action where his mouth is — he is in a group of black businessmen who have paid R140-million for shares in one of the country's leading insurance companies.

The landmark deal, financed to the tune of R137-million by the Industrial Development Corporation (IDC), could be the start of a black takeover of the Johannesburg Stock Exchange-listed insurance company Metropolitan Life.

In terms of the deal the Metropolitan board was reconstituted on Friday. Dr Motlana is chairman and his deputy is former KwaNgwane chief minister Enos Mabuza.

Other board members are Dikgang Moseneke, an advocate of the Supreme

Court, and former PAC deputy president; Nafcoc president Archie Nkonyeni; Durban businessman and ANC corporate affairs advisor Don Mkhwanazi and Cape educationist Franklin Sonn.

Dr Motlana, a mover and shaker in the black economic empowerment process, told City Press: "It should not be forgotten that as late as 1990, when the ANC was unbanned, one of its major statements on black economic empowerment was that blacks had to get into mainstream business.

"When this opportunity came (to buy shares in Metropolitan), we were at the time looking for an insurance company where we could invest. We realised that an insurance company had the ability to mobilise black money."

■ See Page 6.

R500m to bring electricity for all

ESKOM and the life insurers have struck a R500-million ground-breaking deal to part finance Eskom's R3-billion "electricity-for-all" drive.

The project — the insurers have agreed to a first tranche of R500-million — is the first by the Investment Development Unit of the Life Offices Association.

The IDU was set up to facilitate the flow of funds under the control of the life and pensions industry to socio-economic development.

The IDU has been investigating mechanisms to do this. A life-insurance source says Eskom involvement was the key to the scheme and the first tranche of R500-million.

The life business is expected to earn a market-related return on the 15-year bonds which Eskom will issue. The bonds are structured so that yields are low in the early years but improve with time.

"There is no capital risk, although there is a risk on the yield," says a source.

Eskom intends to bring electricity to at least a million people a year.

It is better placed than most to

Two go

STELLENBOSCH-based Gilbey liquor group chief executive Peter Fleck and human resources director Anton Erasmus resigned at the same time this week to follow other interests.

Parent company International Distillers & Vintners president of the Africa region Howard Smith, says successors have not been appointed.

By KEVIN DAVIE

enter the high-risk area of socio-economic upliftment because the pre-paid meters it installs ensure that it gets paid.

Attempts to provide housing and other social services for blacks have, in contrast, largely been frustrated by rent, mortgage and service boycotts, high costs and poor quality and inefficient systems for collecting payment.

SA BUSINESS is characterised by an over-concentration of control in a few white hands while few blacks are shareholders.

There will be enormous pressure in a democratic South Africa for artificial barriers — such as pyramid controlling structures — to market entry to be dismantled and for have and have-not disparities to be dealt with as rapidly as possible.

Two deals — announced by companies in the Sanlam stable this week — have these objectives.

First Gencor said that its pyramid structure would disappear as soon as Finance Minister Derek Key's unbundling legislation had been passed. Two companies would go, leaving five stand-alones in Genmin (to be renamed Gencor), Engen, Malbak, Sappi and Genbel.

The intention is to free control of these companies and unlock value for shareholders through improved share liquidity, management independence and competitiveness.

In the SA context this has come to be known as unbundling. A company increases its exposure to market

ment and technical expertise.

SA Breweries says no single group has outright control of its shares and points to the threefold premium of the share price to net asset value.

"There is no value to unlock by unbundling SAB," says group financial director Selwyn MacFarlane. "We are a focused consumer group. Unbundling applies to conglomerates with interests which do not fit together, such as Gencor."

Rene de Wet, managing director of Pick 'n Pay, says unbundling would result in the Ackerman family's losing control.

"From a shareholder point of view there is a lot of value attached to the Ackerman control of the group."

Business leaders praise Gencor's decision to demerge its non-mining interests. Although Sankorp will retain effective control, the move is seen as an important step for shareholder democracy.

put unbundling on the corporate agenda when he was Gencor chairman, says: "Gencor has an outstanding record as an entrepreneur. I welcome the announcement of plans to unbundle in the belief that it will result in five entrepreneurs."

Brian Kantor, professor of economics at the University of Cape Town, says that although control of Gencor's operating subsidiaries will remain with Sanlam, shareholders will have a stronger influence on affairs.

"Now the operating companies will be controlled directly through Sanlam rather than through the intermediary of Gencor management which may not necessarily be a good thing."

"We need to persuade the ANC that tight control by shareholders is a good thing. They appear to have picked up the US view of anti-trust behaviour which is outdated and in-

Breaking up (not so) hard to do

SOME Sanlam-controlled companies were unbundled this week while another was bundled in a set of moves which have changed corporate SA forever.

Comment by KEVIN DAVIE

forces by stripping away holding companies which may help thwart takeovers.

Only days later Metropolitan Life, also part of the Sanlam stable, said that a new company, Method, would be set up with a 40% stake in Metropolitan.

A special voting arrangement will ensure that control passes from Sanlam's industrial holding arm, Sankorp, to Method.

Metropolitan has assets of R4.8 billion. Method will have mostly black directors and blacks will make up 10% of the shareholders

with a five-year option to increase this to 30%. Metropolitan has good growth potential as a savings and investment vehicle for blacks.

So desirable ends have been achieved in one case through unbundling and in another through bundling. This suggests that the ends — improved competitiveness and wider ownership of the economy — are more important than the means.

Competition Board chairman Pierre Brooks takes a simple view on the unbundling issue. He says in the past there have been incentives to conglomeration. This needs to be changed so that the incentives favour de-conglomeration and the improved competitiveness which this will bring.

Much of corporate SA is at present impervious to takeovers because pyramidal control makes takeovers an unlikely possibility.

But attempts at big-stick solutions, such as enforced break-ups, could replace an unhappy situation with an even unhappier one. As Gencor and Metropolitan have shown this week, win-win solutions are possible without using big sticks.

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RACISM ROW AS BLACK MAN'S HOME-BUYING BID

IS HALTED

By JOHANNES NGCOBO

AN acting magistrate was prevented from buying a house in Witbank this week — because he is black.

Mr Moses Mphaga said the predominantly right-wing mining town of Witbank appeared to have reintroduced the Group Areas Act.

"The reason I wanted to move from the township was simply that

Witbank is closer to work," he said.

Aida Estates, which is handling the sale of the Central Gardens townhouse that Mr Mphaga wants to buy, said it had been instructed not to sell the properties to black people.

Mr Mphaga said Witbank Aida manager Niel Cronje told him the developers had made it clear that the townhouses were for white occupation only.

Mr Cronje said he was unable to reveal the identity of the developers, but told Mr Mphaga they had been threatened with the loss of white business in the area.

Mr Mphaga alleged that Mr Cronje also told him that property in the area would lose its value if it was sold to blacks.

"It is just downright racism," said Mr Mphaga, who has been given a

loan to buy a house of his choice by the Department of Justice.

He accused Aida of sharing the racial attitudes of the developers.

Mr Cronje told the Sunday Times that his estate agency sold houses to everyone, irrespective of colour, but Mr Mphaga's problem was "out of our hands".

"These developers have employed us to sell their houses and not to

argue with them," Mr Cronje said. "We are simply carrying out their orders."

"Why can't Mr Mphaga buy a house in a black township and stay with his people there?"

Mr Cronje confirmed that he feared losing business from whites, who have already bought 51 of the townhouses.

"About R5-million has already

been invested in Central Gardens. If white residents threaten to move out, who will reimburse our money?"

The Southern Transvaal region of South African National Civic Organisation (Sanco) has called on the government to investigate AIDA Estates.

"This organisation is denying the right of people to stay wherever they choose," said Sanco's Mr Ali Maziya.

ST Times (Buss) 16/5/93

Metpol steady on offer to blacks

By JULIE WALKER

METROPOLITAN Life (Metpol) shares were untraded on Friday after major holder Sankorp announced that 10% of its 40% holding in the life insurer would be sold to blacks.

The shares will be paid for by the Industrial Development Corporation in a kind of warehousing operation. The IDC will pay R20 a share to Sankorp, which will gross R137-million in the deal.

The 10% stake will be the assets of a company to be named Metlife Investment Holdings (Method). Its R1 shares will be sold to blacks, as happened with National Sorghum Breweries.

Sankorp chairman Marinus Daling says Metpol is ideal as a vehicle for black economic empowerment. A total of 85% of Metpol's business and 94% of new business is in the black market.

Metpol already mobilises savings of blacks and is largely staffed by them.

Mr Daling says the deal was done at R20 a share because that was the price when negotiations began. Even though it was now 175c higher, Sankorp will accept R20.

He says paternalism in black economic empowerment tends to lead to failure.

Method has an option to

buy another 20% of Metpol from Sankorp in the next five years. Sankorp parent Sanlam has 10%. Sankorp will initially have 30%, to be pooled with Method's voting power.

Metpol management, led by Marius Smith, will be retained, and more blacks trained to fill senior positions.

Method will appoint six of the 15 non-executive directors of Metpol and Sankorp three.

Method's chairman is Nthato Motlana and the deputy Enos Mabuza. Mr Smith will also serve the Method board, as will the IDC's Jan de Bruyn and Gert Gouws. Dr Motlana becomes chairman of Metpol and Sankorp's Attie du Plessis the deputy.



Mr Smith says the move offers Metpol an outstanding marketing opportunity. Metpol insures the lives of perhaps 6-million South Africans.

The new directors bring their own sphere of influence — nine of the 16 will be black after the changes.

The deal ensures Metpol's future as an independent group away from a possible conflict of interest with the parent Sanlam group, which is likely to raise its own

presence in the black life-
insurance market.

Asked if Sanlam would apply the R137-million proceeds of the Metpol sale to black housing, a startled Mr Daling replied that it

formed part of investment income in Sankorp and was pooled and apportioned as such.

The question raised smiles from Dr Motlana and lawyer Michael Katz.

Challenge facing black leaders

■ **CONVINCING MILITANTS** Showing them white skills and capital are vital:

By Gerald L'Ange,
Editor, Sowetan Africa News Service



THE NEXT government of South Africa will ostensibly assume control of a treasury of wealth and skills that has long been the envy of the rest of Africa.

But there is a danger that much of it will have been destroyed by the very struggle to put that government in office.

Events in the past few weeks have dramatically highlighted the danger which has been reflected in two related developments.

One is the economic damage done by violence and mass protest action. The other is the acceleration that has been reported in the exodus of whites as a result of the unrest.

The economic damage has been caused not only through lost production but also through the erosion of business confidence, especially the confidence of foreign investors.

South Africa's ability to attract foreign investment — without which no modern state can survive, let alone prosper — has always set it apart from other African countries.

Even when international sanctions were applied against South Africa some foreign investment continued to come in because its natural and human resources

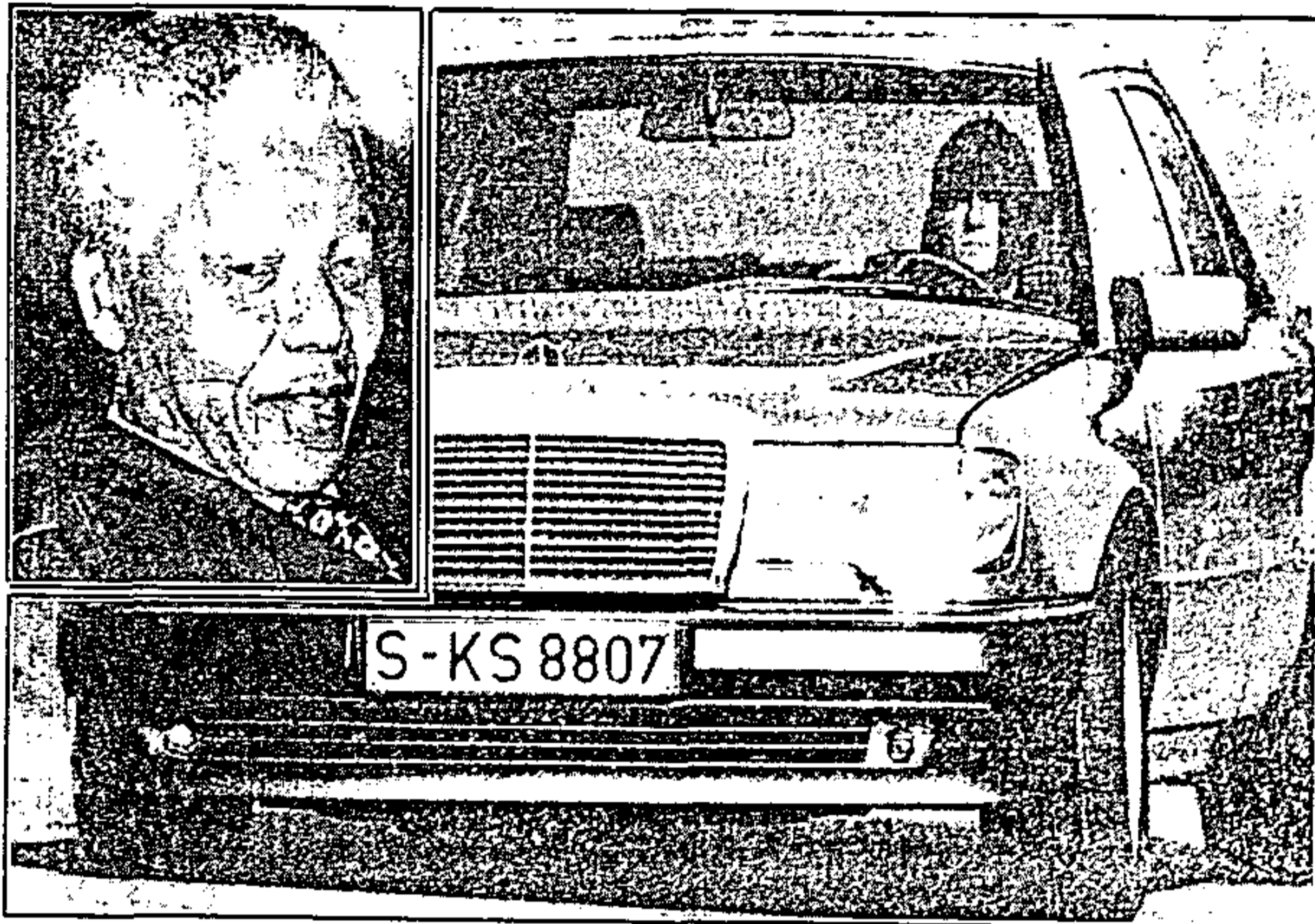
and its economic infrastructure continued to offer good returns on investment, despite the increased risk to those investments from the escalating political struggle.

No other African country could offer anything like South Africa's investment attractions, although all of them would dearly have liked to. No other African country has anything like the number of tarred roads and railways, of locomotives and rolling stock, of port facilities, of factories, of power stations and transmission lines, of telephone exchanges and all the other equipment necessary for creating wealth, jobs and prosperity.

And no other African countries have the pool of human skills that resides in South Africa. Neither have they the educational institutions for spreading those skills nor the research institutions for creating new skills and technology.

Not even the biggest and most developed African countries come near South Africa in any of these fields, despite the enormous damage done to the Republic's economy by sanctions.

According to Africa Institute figures, the gross domestic product of South Africa (including the "independent" homelands that will inevitably be re-



How does Nelson Mandela (above) convince ANC followers that luxury car owners are an asset to society?

joined to the main body) is R282 billion against R155 billion for the next biggest, Algeria; R94 billion for each of Egypt and Nigeria, R70 billion for oil-rich Libya, R27 billion for Kenya and R19 billion for Zimbabwe. Most of the others are far below these levels.

Measured in terms of gross national product per capita, which is a rough guide to the distribution of wealth, South Africa at R15 000 is equalled only by Libya and is far

ahead of Algeria's R6 000, Zimbabwe's R2 000, Egypt's R1 800 and Kenya's R1 100. Hugely populous Nigeria, despite its oil wealth, has a GNP per capita of only about R800.

To the thousands of jobless and desperately poor people in this country these statistics may appear to be either inaccurate, ironic or unjust. They nevertheless show that in general South Africans are much better off than other Africans.

More important, though, is that they demonstrate the strength of the economic foundation on which greater prosperity for all — not just the whites — can be built and on which a fairer distribution of wealth can be based.

Vulnerable

Apart from the physical infrastructure, however, that foundation is a vulnerable one, composed of elements as insubstantial as the confidence of local whites and foreign investors in security and future opportunities, and the susceptibility of wealth to international economic fluctuations.

Most other African countries do not have the means of development that South Africa possesses and therefore neither their governments nor their individual citizens have the opportunities for prosperity that exist here. Instead, they are mired in underdevelopment, debt and hopelessness, dependent largely on foreign aid.

Foreign aid, as distinct from foreign investment, does not in itself make for prosperity: it essentially is an emergency measure. But foreign investors have no interest in most African countries because they offer little security or profit.

It is one of the evils of apartheid that most of the skills and capital are at present possessed by the whites. These skills and capital nevertheless remain the best hope the blacks have of gaining prosperity and the security that goes with it — and of acquiring those skills themselves.

That may be a cruel irony but it is a fact that has been harshly demonstrated elsewhere in Africa. There can be no African

country that does not covet South Africa's skills, capital and investment potential.

Majority rule will dispense no magic wands to create instant prosperity. No government, whether it be ANC, PAC or anything else, will be able instantly to create jobs and housing. The harsh reality is that whoever is in power, the poor will remain poor for quite a long time and the homeless will remain unhoused. But the chances of these deficiencies being remedied relatively quickly will be immensely greater if this country does not lose its skills, its capital and its attraction for foreign investors.

In this light black South Africans ought logically to be dismayed by the news that whites have begun to leave or plan to leave South Africa because of the violence and mass action that followed the murder of Chris Hani. Logically, the ANC leadership should be taking urgent steps to allay the fears of the whites as well as those of foreign investors.

Inhibited

This need is recognised in the ANC leadership but it is inhibited in meeting it by another one — the very real need to retain the support of the majority of blacks, especially the militants.

These are mostly young and often jobless and ill-equipped by their education (or lack of it) to appreciate realities that go beyond their justified anger at white domination and what it has done to them.

But how do the ANC leaders convince the hungry young black man walking the streets in search of a job that the white executive who sweeps past in a luxury German limousine is a valuable asset to society?

There are no easy answers to the question but finding answers is a major part of the challenge facing black leaders in South Africa. Their preoccupation now should not be with defeating white domination — it has already been defeated — but with securing the benefits of that victory. And with ensuring that the victory does not sow the seeds of future defeat.

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NEWS FEATURE *School principal seeks independence by joining the brain drain as a plumber*

From teaching to plumbing drains

By Joshua Raboroko

THE horrible conditions in townships — blocked drains and toilets and the lack of proper sanitation facilities — led former school principal Mr Norman Mukhari (47) to open his first business, a Drain Surgeon franchise, on the East Rand.

The giant Drain Surgeon granted him the franchise to trade in the townships, and using his lifetime savings he established the company in Daveyton in 1992.

Mukhari says: "I established the business on a small scale. Today it is the largest repair plumbing concern on the East Rand.

"Far from being affected by the current recession, the company is growing rapidly and expects to turn over thousands of rands by the end of the year," he adds.

Customers are private homes, blocks of flats, commercial buildings, hotels, restaurants, just to mention a few.

"The service is never out of fashion. Irrespective of the economy, people require bathroom facilities.

"Population growth dictates installation and expansion of plumbing services at a time when the township housing conditions are filthy and dirty water flows freely in our streets," Mukhari says.

Born in Louis Trichardt, he obtained his teacher's diploma at Tivumbeni Training College in Tzaneen in 1971. He started teaching in Tembisa in 1972 and soon his career took an upwardly mobile trend when he was promoted to principal.

He left the teaching profession in 1992 because "I wanted to explore other avenues and to have financial independence — a move I regarded as one of the steps towards black economic empowerment."

He joined Business Challenge and after an enormous interest in the Drain Surgeon's presentation at a meeting in Johannesburg, he realised the business potential.

Squalid health conditions

He says: "I fully supported the appointment of small black entrepreneurs as franchisees to carry out the maintenance of municipal drainage systems when the Government privatised them."

The squalid health conditions in the townships came to his mind while attending a funeral.

"It was terrible the way mourners had to queue to use a blocked toilet — even neighbours had their toilets blocked and dirty water was flowing in the street.

"The problem was the same at other large gatherings like weddings, football matches and festivals. Conditions at squatter camps were even worse," Mukhari says.

He made inquiries about the business and when he was offered an opportunity he grabbed it. It was the turning point in his life. "I have never looked back," he said.

After his first client, many more came and the news about his business spread like wild fire in the townships.

He employs about 11 people whom he trained to do the job. He believes he can show people how they can profit from servicing plumbing installations in homes, public

■ DRAIN SURGEON *The*

service Norman Mukhari

gives is never out of fashion:

and industrial buildings.

"This is not a fly-by-night operation. It is a respected business," he says, adding, "I am prepared to train more people in order for them to create jobs at a time when the country's unemployment rate is growing daily."

He is married to school teacher Mary, who helps him in the business during her leisure. The couple has two children Prinsley and Mikagejo. He can be contacted toll free 080 111-8344, Page 922-4000 code BD 50 or PO Box 159 Tembisa 1628.



Norman Mukhari ... company growing.

Good-humoured doctor a beacon of hope in troubled times

HE is a dapper, neat man, with just a touch of frost at the edge of his beard, and eyes as lively as a bird's on a bright winter's day.

He is smaller than he seems in photographs of him or on television. But such is the energy, the magnetism of Dr H Nthato Motlana that one walks away from a meeting with him feeling buoyed up, glowing.

A born leader of men, he is the newly appointed chairman of the Council for Population Development. It is a Government position, but the ANC member and Soweto community leader shrugs that off with a mischievous grin.

"With an interim government suspending," he says, "I could

wonderful sense of good humour to everything he touches upon, be it a story about his years as a rabid supporter of Benoni United — he was chairman, after all, for 10 years — or the plight of a woman with 11 children.

He's the sort of man who inspires one with hope, who makes you believe there is still a future here in this new South Africa of ours — despite the uncertainty, the daily killings, the distrust that is withering the vine of goodwill on both sides of the colour fence.

Constantly in demand and a member of more boards — well, almost — than he can recall, we had just enough time for an early breakfast at his

176 Diepkloof Extension home before he left for a morning packed with appointments and meetings. And this would be followed, as usual, by the daily opening of his rooms at the Lesedi clinic in Soweto at 2.30 pm.

We had got on to soccer and the fluctuating fortunes of his favourite team, Orlando Pi-rates, when suddenly he looked at his watch and apologised that he had to be "off ... away, another busy day".

He confesses to sleeping like a baby. No wonder. He deserves it.

As an only child — an unusual circumstance in the black community — you might say he is the perfect choice for his new Population Development as-

ignment. On the other hand, he admits to marrying a second time (after divorce) and having six children from the two marriages.

"But perhaps it's like the ox-poacher, becoming the game-keeper," he laughs, that innate good humour emerging again. "I have the experience to preach to others."

People often tell him that he is smaller than they expected. Well, that's fine because Motlana in Tswana means "small". His given name, Nthato, means "the loved one". Sixty-eight years ago when he was born in the western Transvaal at Marapyane — or, in Afrikaans, Sidalpationein — his mother told him he was "a lovely little boy who never gave any trouble".

Being an only child was lucky for him, says Motlana. "Otherwise my mother, as a domestic worker, on £10 a month, could never have afforded to educate me. If I'd had brothers and sisters, there would have been no education and no Dr Motlana today."

His first teacher — "under the traditional maroela tree" — at primary school in Marapyane, had himself only a Std 2 education. "He chewed tobacco, gave you a good kafferklap if you didn't pay attention ... and did a wonderful job. And we didn't rubbish him, tell him to go to hell as kids have been doing to teachers for far too long now."

"It is the major problem of black education today. It has



Influential leader ... Dr Nthato Motlana.

left black teachers demotivated and destroyed their credibility and confidence."

He matriculated at Kinerton High School — later closed down by Dr H F Verwoerd because it was in the wrong area — and went on to Fort Hare University where one of his fellow-members in the ANC Youth League was leader of the IFP.

Dr Mangosuthu Buthelezi. Luck seemed to crop up for Motlana at just the right moments, like sixpences in a Christmas pudding. His only problem when he emerged from Fort Hare with a BSc was that he had matriculated without maths, and that was essential if he was to enter Un-

iversity to study medicine. Of

course he worked hard and is specially gifted, but who should be on hand as a neighbour in Benoni at just that moment? None other than the late Olyver Tambo, then practising as a lawyer in Johannesburg. With personal tuition, he got Motlana through matric mathematics in just six months!

Motlana, who today is Nelson Mandela's personal physician, did his housemanship in Port Elizabeth and joined Baragwanath Hospital, intending to specialise. But, never far from controversy, he resigned over the discrimination existing in canteen facilities.

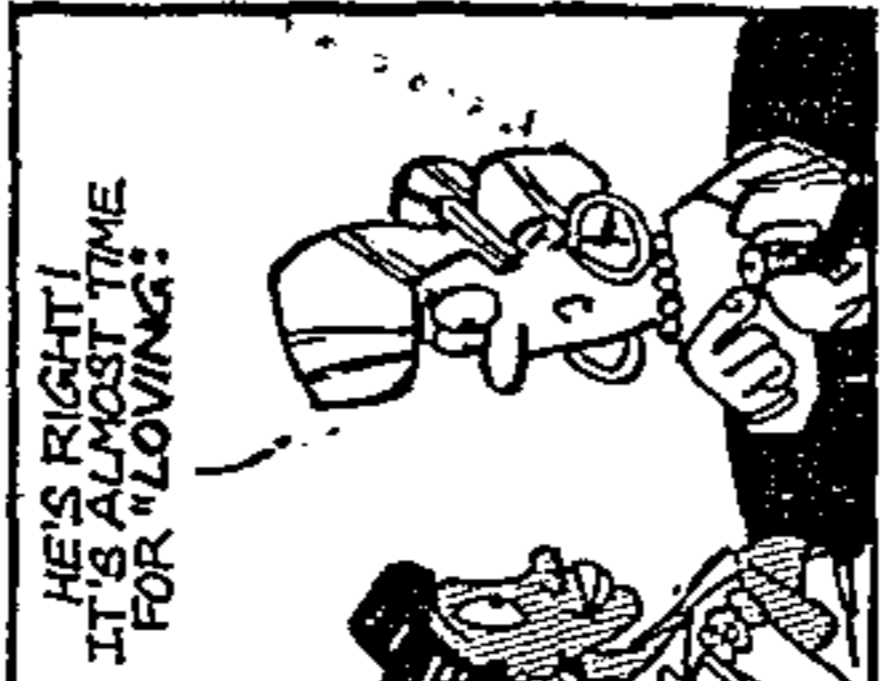
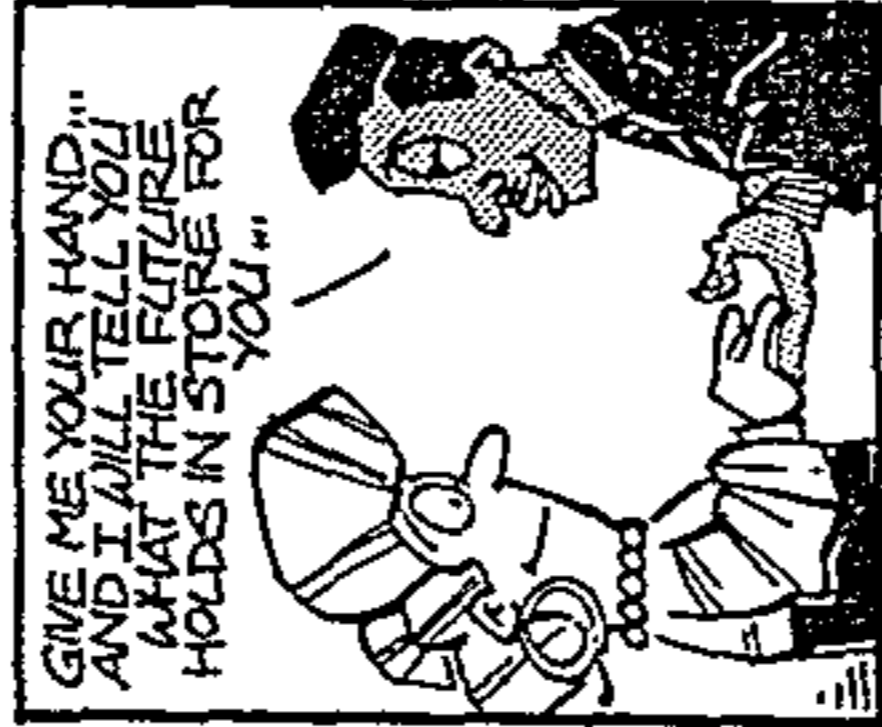
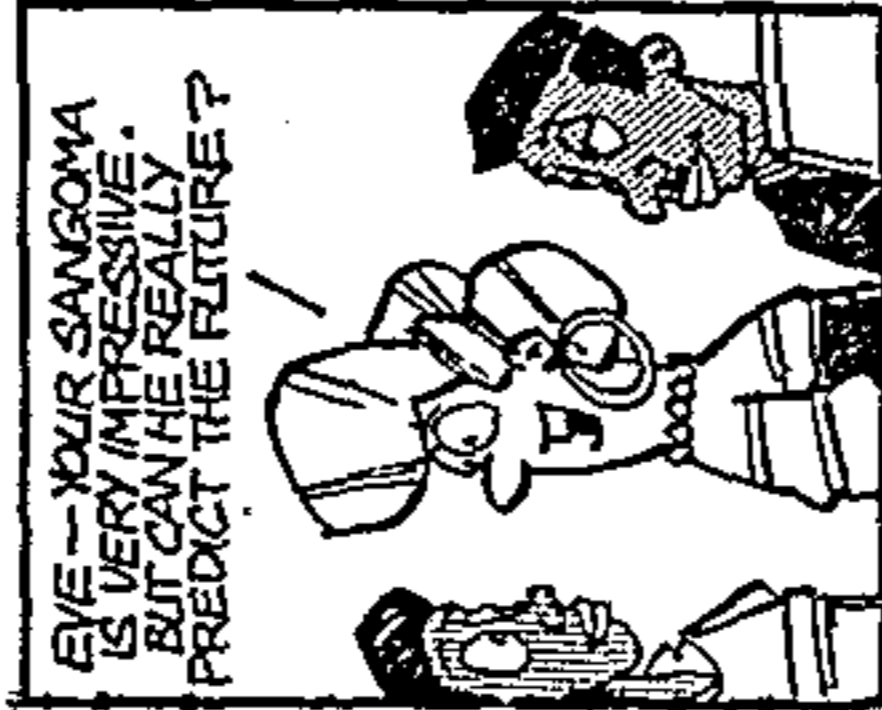
His chief areas of interest, the doctor will tell you, are black education in all its forms, economic empowerment of black people, and health. He is chairman of the Lesedi clinic — the first black-owned private hospital — and a founder of the only exclusively black medical aid scheme in the country.

He passionately believes in the future of this country. "We have to get it right ... just as the IFP and ANC must get it right. We cannot afford another Angola here."

He looks sombre for a moment, then, smiling, he adds: "Whites must have faith; things will come right for us all. And to blacks, whenever they feel down, I say this: remember what Helen Suzman said, years ago, in our darkest times. She said, 'I wish I were a 10-year-old black child now ... that is who the future would belong to.'"

By S Francis, H Dugmore & Rico

MADAM & EVE



© Rex Features/De la Rey 1993

PEOPLE'S LIVES Female medic makes it in rare field • Having tea with Tambo's daughter

Makunyane wins against odds

Sowetan 18/5/93

(S.A.) (176) (S.A.)

BANTU EDUCATION is undoubtedly trash — but that should not be an excuse for relegating learning to the rubbish bin, a black woman surgeon said.

Dr Seipati Makunyane, who recently qualified as an ophthalmologist after four hard years of training as a Fellow of the College of Surgeons in ophthalmology (SA) suggested that it was sheer hard work that helped her pass her examinations.

Similarly, she believes that despite all the historical hurdles placed in the way of blacks by the terrible system of apartheid, the challenge to burn the midnight oil must forever remain for the black child.

Makunyane said she was humbled by the fact that she was only the third African in the country to qualify as an ophthalmologist.

Ophthalmology is the study of the eye and its diseases.

"There were role models, chiefly my late father who gave me the support and motivation to study medicine as well as to specialise. I thank him for that," Makunyane said.

Makunyane's father, Abner, died a few years ago. Her mother, who is a nursing sister and businesswomen, gives a lot of support to the 32-year-old surgeon.

Finishing medicine at the University of Natal at the early age of 22, Makunyane served her year's internship at the Grootvlei Hospital in 1983. The following year she worked at Zola Clinic in Soweto.

It was between 1989 and 1990 that Makunyane set her mind on specialising in ophthalmology, first becoming a senior house officer and then a registrar at the St John Eye Hospital near the Baragwanath Hospital. Her

comes crippling effect of Bantu Education:



Dr Seipati Makunyane

studies lasted from 1990 to 1993, at which point she wrote her final examinations through the South African College of Medicine in March.

Two weeks ago, the pains of swotting ended in the ecstasy of the graduation ceremony at the Johannesburg College of Education.

She is currently working towards her master's degree in medicine through the University of the Witwatersrand.

Asked why she chose to specialise in ophthalmology, Makunyane said in general medical doctors knew very little about the eye diseases.

"It was the sparseness of knowledge in this field that made me decide to venture into it," she said.

Married to Dr Peter Matseke, whom she met while they were students at university, Makunyane said her husband had been a source of inspiration, supporting her through the years of tortuous studies.

She said she was proud to join the only two black ophthalmologists in the country, Dr Julia Nhlape of Yeoville and Dr Kgosi Letlape of Diepkloof Extension in Soweto.

Makunyane and Peter have two children and live in Bryanston.

Star 18/5/93

ANC welcomes unbundling

By Bruce Cameron

CAPE TOWN — The ANC has welcomed Gencor's unbundling and the sell-off of shares in Metropolitan Life to blacks as a first step towards breaking up the conglomerates and to spreading ownership.

ANC economics spokesman Trevor Manuel said in an interview the unbundling had to be viewed as part of a trend to break up the conglomerates, increase competitiveness and get rid of monopolistic trends in the economy, as well as to spread ownership among all South Africans.

The ANC did not want to clash with business on the issue but would like

to see business through interaction with political parties and labour initiate the process of increasing competitiveness itself.

He hoped the move by Gencor would lead the way for other conglomerates.

South Africa did not have a history of a sound competitions policy as in the United States and Europe.

But in SA anti-trust legislation could not be looked at in isolation because of the size of the conglomerates, cartel arrangements, trade policy including ad hoc tariff protection and general industrial policy.

An example was the housing material indus-

try where the conglomerates controlled everything from cement, to bricks, to roofing and paint, resulting in higher prices.

All these different problems had to be examined to find to increase competitiveness, while protecting jobs and stimulating small- and medium-size business.

Referring to the Metropolitan Life change in ownership structure, Manuel said it would be interesting to see how an organisation under a chairman like Dr Ntatho Motlana would operate with a senior management that was almost entirely Afrikaans, white and male with a market of mainly black policy holders.

26 Southbusiness

Roping in the private sector to help small business

South 1515 - 19/5/93

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PROVIDING a small business with an experienced business mentor from the formal sector could mean the difference between success and failure.

This vital process remains one of the major challenges facing the small business support fraternity, like the Small Business Development Corporation (SBDC).

The challenge can be addressed in co-operation with the private sector by recruiting a few hundred dedicated and experienced mentors willing to help emerging entrepreneurs handle the many obstacles facing them in the early phases of their businesses' development.

Some of these mentors might be sponsored, others might arrange some payment from the enterprises they represent. But most should come forward and get involved on a volunteer basis.

Their brief would involve:

● Adapting technical expertise available to formal sector enterprises to meet the special problems facing emerging entrepreneurs;

● Bookkeepers interested in making a contribution will have to know how to draw up meaningful sets of

"statements" from scratches of paper and shoeboxes full of "information" — and present it to the entrepreneur in a way that he or she really understands and is able to use;

● Franchisors have to play a more active role in designing new types of franchises that effectively transfer skills, maintain financial discipline and strengthen independent entrepreneurship — yet do all of this at a reasonable and attainable franchise fee;

● Suppliers of emerging black enterprises should realise the developmental role they can and should play in effective-

ly planning and executing deliveries of equipment, new materials, finished goods and other commodities. Quite often the supplier can be the most effective trainer, if willing to undertake that role;

● Financial institutions should accept that current accounts and other normal client services offered to black entrepreneurs provide the opportunity for active training in how to handle their money. Even though this takes time, costs money, and is not a statutory part of bank-client relationships;

● Training institutions offering courses to small enterprises still have a long way to go in finding new and innovative ideas to effec-



MENTORS: Small businesses need experienced business mentors from the private sector to help them with training and skills

tively teach the large number of informal and emerging formal sector entrepreneurs who need skills, but find conventional training methods inappropriate;

● Established enterprises in the formal sector should "adopt" emerging black entrepreneurs, especially in their own sphere of expertise. For example, a pharmacy in Bellville or Claremont could play a partnership role for black pharmacists in, say, Khayelitsha, advising on shop lay-out, pricing, credit control, supply channels, security and medical aid matters. Part of the adoption would imply visiting the newcomer's establishment. Another

would entail the newcomer's presence in the well-run shop or industry;

● Chambers of Commerce, industry and related bodies can be used to mobilise panels, or willing "partners", in specific business sectors, so that emerging entrepreneurs can choose likely mentor candidates, and;

● Black entrepreneurs who operate black/white partnerships can show that non-racial business relationships are equally advantageous to both parties. The fastest route to black business advancement can lie in the acceptance of the partnership challenge.

Everybody's
BUSINESS

LABOUR

W/M 145-20 15/93

Affirmative action: From 'if' to 'how'

THE need for affirmative action was clear without anybody saying a word at a seminar hosted by Drake International earlier this month. Not even 10 percent of the 200 delegates were black; a few more were women and an even smaller proportion were black women.

The seminar of middle managers and personnel officers — keen to hear the latest on what must be one of the most burning human resource issues in the land — was a microcosm of a bigger problem: statistics show that only four percent of South Africa's managers are black.

But this may change when affirmative action programmes begin to bear fruit. Three in five companies quizzed by Drake in a recent survey had instituted such programmes — 50 percent had done so after 1990.

Four in five companies said they would be happy to comply with a quota system — where fixed numbers of black and female appointments must be made until a target is reached.

Equal opportunities or the quota system? Companies are now focusing on how to implement affirmative action programmes.

FERIAL HAFFAJEE

reports

But a survey by Quest Personnel found the opposite: business feels less positive about government-imposed quotas than it did when the last survey was done last year. The overall impression was that "business should be left to implement its own decisions".

Of the 700 companies surveyed, 43 percent had affirmative action programmes in place but only half thought the programmes had been successful. One in 10 companies said they would reject a homosexual or a disabled person and four in 10 would turn down a prospective employee who had Aids.



Eric Matuna ... No problem with token appointments

A survey of engineering companies by the Steel and Engineering Industries Federation of South Africa (Seifsa) has found that employers are paying "insufficient attention" to affirmative action.

Almost 40 percent of the respondents had put affirmative action programmes in place. But on closer inspection, Seifsa found 93 percent of these were equal opportunities pro-

grammes, while five percent "base them on preferential treatment for disadvantaged groups".

The affirmative action debate has shifted from "if" to "how", indicating the inevitability with which most companies view affirmative action.

Most participants at the seminar viewed it as the "only way" to meet the country's skills needs and to level the playing fields.

For the Democratic Party's Tony Leon, quotas and token appointments will compound problems; he suggests that time-tables should be set instead and that these should be accompanied by supporting legislation.

Such legislation should outlaw discrimination, but allow differentiation to remedy substantial existing inequality. Legislation must include sunset clauses to end affirmative action when its work is done.

Lonrho's Tony Frost said at token appointments were "sitting ducks" being set up for failure, but Eric Matuna of the Black Management Forum

said he saw no problem with token appointments.

Management consultant Tony Manning said in a monthly newsletter: "In their anxiety to elevate blacks to top jobs, many companies are putting good administrators into jobs that demand skilled leaders. These people will inevitably fail."

Most speakers worried about sacrificing competence in affirmative action appointments. Bhabhalazi Bulunga, Gillette personnel manager, questioned why black appointments always elicited queries about competence. "I find this insulting," he said.

The choice of the panel sparked comments like these: the speakers, apart from one woman and Matuna, were all white males giving what were often their own thoughts on affirmative action.

One of the shortest contributions, which won the biggest applause, came from a woman who said: "Once again, while people are setting the standards and goals for black people..."

BUSINESS Siphon Nkosi's 12-year-old dream of becoming independent pays off

Bright and shiny sign of success



Siphon Nkosi ... successful signwriter.

By Mzimkulu Malunga

It took 12 years of soul-searching for Siphon Nkosi to finally take the plunge and start his own business.

"During twelve years of working for a firm of signwriters, I used to ask myself if a similar business would work for me. And when I told my friends and colleagues, they advised me against it," he says.

Just when Nkosi was about to crase the thought from his mind, a man in Randfontein asked him to do a sign for him.

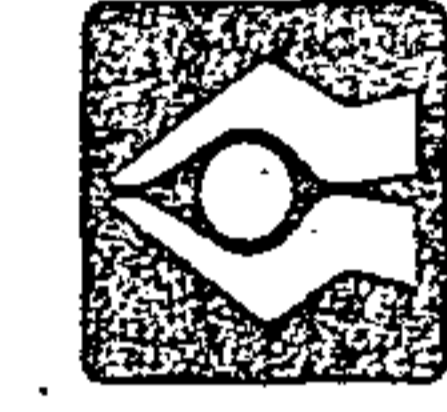
"When I told him where I was working he asked me if I could signwrite a board for him. I gave it a go and he was very happy with my work."

But he only began taking things seriously in 1983 when he was approached by representatives of the Release Mandela Campaign to design banners for them.

The money he made helped him hire a workshop in Orlando West Industrial Park and set up a company called City

REACHING GREAT HEIGHTS Small

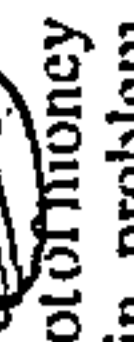
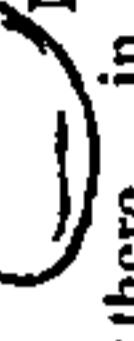
signwriting company thrives:



Sowetan 21/5/93

Sanlam

(176)



Signs.

Business increased steadily. But there was a major handicap: the stayaways and boycotts which brought many township businesses to a standstill from time to time.

Four years later City Signs found a new home in another Small Business Development Corporation hive, Pennyville. It was here that the business really began expanding. Today its client list reads almost like a who's who of the corporate world.

Ironically, most of City Signs' business comes from white companies.

Nkosi says: "I have lost a lot of money in the townships. The main problem with many of our people is that they give you a deposit — but getting the outstanding amount from them is not easy."

City Signs employs 11 people, most of them skilled signwriters. Siphon Nkosi qualifies for the Sanlam-Sowetan Entrepreneur of the Month competition. He will compete with other entrepreneurs of the month for the Sanlam-Sowetan Entrepreneur of the Year award. His business is situated at 73 Pennyville, SBDC Hive, tel (011) 474-9443.

Poaching black managers 'detrimental'

B/D/M 21/5/83

(176)

WILSON ZWANE

COMPANIES should identify blacks with managerial potential in their ranks instead of poaching experienced managers from other companies, says Black Management Forum executive director Lot Ndlovu.

Writing in this month's edition of the Institute of Personnel Management's People Dynamics, Ndlovu says a number of black managers are underutilised.

"One needs to ask ... to what extent can appropriate and relevant experience form the basis for a more involved utilisation of those people" in higher positions?

He says companies have to find potential and develop it to suit their requirements.

However, many companies prefer to poach suitably qualified and experienced

black managers rather than commit themselves to developing managerial potential within their ranks. Ndlovu says this practice is "detrimental to development commitment from companies.

"People sometimes move on for the flimsiest of reasons, often at the expense of acquiring solid experience. At the end of the day, organisations don't find or keep people ... and individuals have limited experience."

However, he feels that arrangements in which individuals are bound by contracts for "plough-back periods" should be monitored by third parties.

Poaching black managers 'detrimental'

BIDAM 21/5/93

~~176~~ (176)

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WILSON ZWANE

There's nothing like a plan of action for getting you that loan

MANY people decide to start their own small businesses based on either a gut feel, a marketable skill or a business idea which is believed to be viable.

It is crucial to first check the facts and comprehensively examine the viability of one's ideas.

Starting your own business requires the maximum utilisation of all your talents – and a business plan.

A business plan is a detailed programme outlining every aspect of your proposed business venture. It should describe:

- What you intend doing;
- How you intend doing it;
- When you intend doing it; and
- Why your idea is viable.

A business plan indicates to financial institutions that you are serious

E/P/Plan 23/5/93
Format

A business plan can take a format of your choice, but must be written down.

That plan should be:

- Of a good appearance;
- Concise;
- Comprehensive; and
- Simple and easy to read.

Step 1: Ensure that the front page is neat. It should contain:

- The name of the business;
- The type of business;
- The name(s) of the owner(s);
- The address and telephone numbers of the owner(s) of the business;
- Logo or emblem if you have one;
- The date presented; and
- Divide the contents page into clearly numbered headings with corresponding page numbers.

Stimulate interest

Step 2: Your introduction should be concise, stimulate interest and contain the following information:

- A description of the service or product you intend selling or manufacturing for resale;
- Why you believe your venture is viable; and
- Your short-, medium- and long-term business goals and objectives.

Step 3 should contain:

- The type of business ownership selected;
- Any legal requirements like licensing, permits and tax regulations;
- A comprehensive outline of your product(s) or service(s). If you intend producing or manufacturing a product, explain in detail the processes involved, machines you intend using, etc;
- A technical outline containing details and capabilities of your machinery and equipment;
- A description of your location, features, floor layout, proximity to com-

petitors, leasing conditions, etc

- A comprehensive outline of your educational qualifications, work experience and training course attended;
- A comprehensive SWOT analysis of your business i.e. outline the: Strengths (S), Weaknesses (W), Opportunities (O), Threats (T).

Indicate what you are going to do about each of these four factors – that is, describe your competitors and their products.

In step 4, your plan should explain how step 3 will be achieved. This is one of the critical areas that a financial institutions looks at very closely. It should include:

- A description of your specific target market;
- A projection of your short-, medium- and long-term turnover;
- A description of your competitors' marketing strategy and the potential effect on your business; and
- A description of your purchasing, costing, pricing, selling and sales promotion strategy.

Your financial plan should also contain the following:

- A description of how many staff you intend employing, why, where and how you intend recruiting them;
- A description of your management and staff, their qualifications and experience and what their job descriptions and income packages will be;
- A description of your administration or record-keeping system; and
- A description of your staff policy regarding working hours, fringe benefits, overtime, sick leave etc.

Your conclusion should be positive and motivating. It should be:

- A summary of why you believe your business plan will succeed;
- Why you believe finance should be granted; and
- A motivation for other people to have faith in your proposed venture.

If you compile a comprehensive business plan and continue to use it as a working action plan, you will be half-way to achieving your goals. Your Business Plan is an extremely useful tool and should be used to:

- Regularly evaluate your overall position;
- Monitor your actual income and expenses as opposed to your forecasts; and
- Make future decisions and plans.

Rather spend more time planning properly than regretting it later. If you get stuck do not hesitate to contact your nearest SBDC office or small business unit of any bank for advice.

Black chartered accountants in demand

DEMAND for black chartered accountants continues to outstrip supply, recruitment firms say.

"Out of the briefs coming through for black chartered accountants — nearly one-fifth of all briefs are for qualified chartered accountants — about 40% cannot be filled," Grey Appointments executive director Jim Wilson said at the weekend.

Demand for black chartered accountants had moved from the "window dressing stage" of a few years ago to the point where companies were scrutinising applicants' skills, Wilson said.

Of the 14 000 members of the SA Institute of Chartered Accountants (Saica) about 64 were qualified black chartered accountants and nearly 500 were Indian or coloured, he added.

8/08/93 24/5/93 (176)
ANDREW KRUMM

Impact Human Resources director Roly Boardman said one result of the shortage was that black accountants with a few years' experience came at a premium. "An experienced black CA might be able to command a higher salary than a white counterpart, but this depends entirely on the candidate's qualities."

Boardman said earnings of aspiring and newly qualified chartered accountants were generally on a par.

Saica operations director Graham Terry said progress was being made in rectifying the backlog of black accountants. Boosting the number of blacks in the profession was one of the institute's strategic objectives in 1993 and an endowment trust, which

offered bursaries to students from disadvantaged communities, was at the forefront of this thrust.

Saica was co-operating with the Association of Black Accountants on a high school awareness drive and in sponsoring academic support programmes at universities.

"We have also recommended that member firms increase their intake of black accountants from 10% to 15% of all new entrants in 1993, and encouraged them to run mentoring programmes for disadvantaged employees," he said.

Chris Aitken, spokesman for chartered accountants' endowment trust Eden Trust, said 174 potential chartered accountants had been assisted with bursaries totalling R1,4m in 1992.

US computer giant to set up shop in SA

Star 26/5/93

By Sven Lünsche

The world's third-largest computer group, US-based Digital Equipment Corporation (DEC), is to set up a wholly owned subsidiary in South Africa in July.

It is the first major American company to take a stake in the country's future since the large-scale disinvestment of the Eighties.

The establishment of Digital SA will be accompanied by significant investment in education and black business.

Announcing the deal yesterday, DEC vice-president for strategic resources, John Sims, said despite volatility in SA "now was the time to invest".

"We have consulted widely with leaders across the political

spectrum and with our major multinational customers who operate here and they have all said it is time," Sims told a press conference.

He said an estimated \$2 billion was invested in the SA information technology industry annually, which made it the largest market in the world in which the group was not invested.

DEC last year reported worldwide sales of \$14 billion from its operations in 99 countries.

US Ambassador Princeton Lyman said earlier that more US companies were likely to follow DEC's lead.

Outlining details of the investment, Alan Peters, general manager of Digital SA, said the new company would provide sales and back-up for DEC's wide range of computer systems.

While refusing to divulge sales details, Peters said Digital SA

aimed to be a market leader in its field of operation.

It is estimated that current sales of DEC equipment in SA total R50 million to R100 million a year and that about 800 local companies have DEC systems installed.

Peters said DEC, which had been strongly opposed to investments in "Apartheid SA", did not authorise sales in this country.

However, industry sources say that most sales were conducted through Olivetti Information Technology, which has been appointed by Digital SA as one of the authorised resellers of DEC products and solutions.

Digital SA will also extend its successful Reach educational project to South Africa, in terms of which 100 scholars a year will be selected for a four-year fully funded educational programme.



Alan Peters . . . aiming to be a market leader

First black-controlled computer firm formed

Star 26/5/93

By Sven Lunsche

The first black-controlled computer group in South Africa, Bheki Computer Systems, has been formed in the wake of Digital's entry.

Bheki has been named as one of the two local value-added resellers of Digital products, the result of three years of negotiations between black businessmen and Digital.

The operational core business of the new group is DDS Computer Systems, an independent

company acquired by Bheki because of its experience in the Digital backup market.

Bheki is backed 25 percent by SA's third-largest information technology group, Persetech, which has two seats on the Bheki board.

The Thebe Investment Corporation is the largest shareholder with 45 percent.

Chairman of Thebe, businessman and former KaNgwane Chief Minister Enos Mabuza, will also chair the new group.

Thebe itself is owned by a

trust controlled by senior ANC leaders including Nelson Mandela and Walter Sisulu.

Mabuza defines Thebe's main task as redressing the economic imbalances caused by apartheid.

Bheki will be managed by Gibson Thula, whose Vela International will hold 25 percent of the new group. The remaining ten percent in Bheki will eventually be owned by staff.

Thula said yesterday that Bheki had a strong track record based on the fact that DDS had

been operating successfully and profitably in the Digital market for some time.

He said Bheki hoped to improve computer usage across a range of community organisations, government and parastatal and business enterprises.

"We want to develop our own competitive edge and not receive favours as a result of our majority black shareholding," he said.

DDS managing director Mike Bogatie becomes operational director of Bheki, which will start operations on July 1.

Mandela orders investigation after educational publishing sector

ANC president Nelson Mandela has intervened in a row which has blown up within the publishing industry, and between the ANC and an ANC-linked investment company, over the future of the lucrative educational publishing sector.

The row was sparked by a proposed joint venture between Macmillan Boleswa — the Manzini-based subsidiary of multinational Macmillan Publishers — and Thebe Investment Corporation, a company initiated by the ANC as part of a black economic empowerment strategy.

ANC education department deputy head Lindelwe Mabandla said the issue had stirred a "hornet's nest" and confirmed that Mandela had initiated a full inquiry into the matter.

Other publishers and the ANC education department view the proposed deal as a "repugnant", secretive attempt by Macmillan to corner the educational publishing market by establishing a special relationship — through Thebe — with the ANC.

Thebe has established travel, trading, marketing, catering, property development and car-hire arms. And, according to MD Vusi Khanyile, the proposed deal with Macmillan is part of a possible move into publishing. Khanyile is former ANC finance department head.

The Thebe board includes others with ANC links, such as PYW chairman Tokyo Sexwale and Enos Mabuza.

Publishing row

In terms of a formal written proposal, Thebe would have an initial 28% stake in the joint venture, to be named Newco. Macmillan would give Thebe 20% of that stake at no cost. In return Thebe would, among other things, "provide a regular

line of communication with the relevant government structures in the new SA" and "facilitate close working relations with the ANC's mass media trust". The written proposal suggests that Newco, to be staffed by black South Africans, should be formed by July 1 and be fully operational by January.

Macmillan is part of a possible move into publishing. Khanyile is former ANC finance department head.

Mabandla said the ANC education department's view was that future commercial contracts between government and private sector companies should be concluded through "a tendering process without underhand interference".

Khanyile and Macmillan Boleswa MD Luchi Balarin yesterday described reports of the proposed deal as "premature". Both said they were discussing educational publishing with other parties. Neither believed the project was unethical.

Balarin said he did not see the Thebe link as a political one. Khanyile said Thebe was an independent company, seeking to give blacks economic muscle.

ANC education department was concerned that the corruption which had become commonplace within the Department of Education and Training could be extended into a future SA if particular companies received special treatment through their political connections.

Publishers' Association of SA (Pasa) education committee chairman Robin Gillian said Pasa had been "shocked" to hear of the proposed arrangement, as it could have a drastic effect on the local publishing industry and on the quality of educational material. This would occur through a reduction in the choice of books available to teachers; the absence of competition to ensure the best possible quality and pricing of books; and the reduction of the amount of educational research in general.

Educational publishing in SA until now had been dominated by Afrikaans establishment companies, such as Nasionale Pers, Perskor and Juta, he said. The ANC did not want such arrangements to con-

He estimated the supply of prescribed school textbooks alone to be worth more than R500m a year.

To Page 2

From Page 1

ROW

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ALAN FINE

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Black group wins SAB contract

Sowetan 21/5/93

Wheels of South Africa to transport beer in PWV region:

By Mzimkulu Malunga

SOUTH African Breweries has sub-contracted part of its beer distribution in the PWV area to a black company. (17b)

The newly formed Wheels of South Africa, comprising a group of

distributors who used to sub-contract for SAB on an individual basis, has been awarded a five-year contract to transport beer in the PWV region as well as between three major depots on the Reef. (17b)

The eleven transporters who own Wheels of South Africa have bought

a fleet of five trucks worth over R2 million. Already the new company has launched a campaign to make township residents aware of its existence.

Managing director Sydney Mhlongo says the community awareness campaign is aimed at ensuring that the trucks are not mistaken for white delivery vans in unrest situations.

BUSINESS Indirect stake in insurance giant

Sowetan 27/5/93

Shares on offer to blacks

■ Selling price will be R1 each says Methold chairman Nthato Motlana:

By Mzimkulu Malunga

THE newly established Metlife Investment Corporation will invite the black public to buy its shares in a month's time.

Methold chairman Nthato Motlana said the shares would sell at R1 each.

It is not clear how many shares will be issued to the public but the company has a total of about 6,8 million shares.

Methold was born out of a transaction in which a group of blacks bought a 10 percent shareholding in insurance giant Metropolitan Life.

Owning shares in Methold gives a shareholder an indirect stake in Metpol. The latter's shares are priced at over R20 on the Johannesburg



Dr Nthato Motlana

Stock Exchange.

Motlana said his company had an option to increase its stake in Metpol to 29 percent.

"Such a development will depend

on how fast the shares are bought."

Metropolitan Life would take a lead in investing in socially responsible areas such as housing, he said.

The company would also attempt to influence other major players in the insurance industry to do the same.

"We are aware that returns on investments like housing are low. We will have to balance them with other forms of investment yielding high profits."

Socially responsible

If insurance companies do not start investing in socially responsible projects now, a future government would force them to do so, according to Motlana.

"But if we start doing it now, at our own pace, there will be no need for the government to pass legislation to that effect."

focus on black growth

IT IS NOT TOO EARLY for blacks to accept appointments to senior civil service positions, argues the new chairman of the Population Development Council, Dr Nthato Motlana.

"If a young black is offered a position as superintendent of the Baragwanath Hospital and comes to me for advice, I will say take it," he says.

Ironically, these words come from a man who once regarded those serving in government structures as "sellouts".

The eloquent doctor scoffs at criticism that he has accepted a senior position from a regime he had energetically fought over the years.

Motlana firmly believes his comrades in the African National Congress are not angered by his decision to accept the post.

"What do you think all those groups at Kempton Park are doing? They are talking about power and bringing about changes and it is time black people start preparing themselves for the future."

Some of the critics of Motlana's decision to serve on the PDC suggest he accepted an appointment from a person who once called black people "kaffirs". But, as usual, he refuses to be battered into submission. "Almost every white in this country called black people 'kaffirs' at one time or another."

Although most of the population programmes in this country have failed, Motlana believes he can put an end to this syndrome.

His strategy to bring about the changes will centre on thorough research accompanied by careful implementation.

"I first want to see what programmes are on the ground, which ones have succeeded and why. There must also be a reason why some were unsuccessful," he argues.

However, it appears as though the legitimacy of such population programmes remain a major problem.

As a first step in a quest to cultivate trustworthiness in population programmes, Motlana says he intends visiting the rural areas to spread the gospel of smaller families.

Population development activists are worried about the booming numbers of South African people in the midst of an ailing economy.

For years now the 68-year-old doctor has been engaged in what many believe are two irreconcilable activities — activism and business.

As a participant in the structures of a liberation movement dominated by people who regarded owning your own business and succeeding as selling out, Motlana admits it has not been easy.

But the realisation is steadily taking shape among a broad section of activists in the broad liberation movement that economic empower-

Entrepreneur and political activist Dr Nthato Motlana, the man who once regarded those serving in government structures as 'sellouts', explains to Mzimkulu Malunga why he has accepted a senior government post:



Dr Nthato Motlana ... sits on many corporate boards.

ment is necessary for political power to thrive.

"I get angry every time I see a skilled young black going to a white man for a job. For goodness' sake, why can't he create his own job?"

While some activists still believe it is shameful to be rich, these days even hardline communists like Chinese leader Den Xiaoping say: "It is glorious to be rich", argues Motlana.

To him, China has strengthened the arguments of the champions of black economic empowerment by combining their socialistic political approach with a wealth-creating economic formula.

"You have to create wealth before distributing it," says the man who believes in "capitalism with a human face".

Of course, some of those companies collapsed but Motlana never stopped trying as he

What d'you think those groups at Kempton Park are doing? They are talking about power and bringing about changes and black people must start preparing themselves for the future



saw such a strategy as the eventual salvation of black people in this country.

His day begins in the early hours of the morning, ending deep into the heart of the night.

Motlana serves on the boards of more than a dozen institutions, with many others trying to lay their hands on him.

"I don't know how I manage. Sometimes I find meetings of these institutions clashing with one another," argues a figure who has engineered the formation of many black companies.

In such cases priority plays an decisive role. Meetings in which his presence is crucial get preference.

Two weeks ago, Motlana and five other activists-cum-businessmen made history when they acquired effective control of Metropolitan Life in a deal amounting to R137 million.

This move has been hailed as the second-biggest coup in black business history after National Sorghum Breweries landed in black hands.

As a result, the chairmanship of the board of Metropolitan Life is the latest to be added to Motlana's long list of responsibilities.

Though some people about love to hate him, one thing is certain with Motlana: he is a mover.

Star 27/5/93
**Call to discuss
property values**

Randburg post for Alex man

By Bunty West

Randburg Town Council has invited residents of Chartwell Agricultural Holdings and Lanseria — the areas which were granted to the town by the Demarcation Board — to discuss their problems with the council.

According to management committee chairman Gary Cooney, property values was the issue. People had said they could not sell properties because of incorporation. — Staff Reporter.

Randburg Town Council has initiated its affirmative action policy taking on Willie Khumalo, Alexandra's town clerk, as Randburg's assistant town secretary (general).

His salary, that of an assistant head of department, will be R82 308 a year.

His appointment dates from June 1, and besides his normal duties, he will attend council meetings. Alexandra civic organi-

sations have been notified of the appointment.

Randburg set aside an additional R800 000 in its recent annual budget so that affirmative action could be implemented.

Council management committee chairman Gary Cooney explained: "Randburg should be proud of its foresight in implementing this strategy."

Councillor Andre Jacobs said: "By next year the face of Randburg will have changed dramatically."

Mandela orders investigation after educational publishing sector row

row

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line of communication with the relevant government structures in the new SA" and "facilitate close working relations with the ANC's mass media trust". The written proposal suggests that Newco, to be staffed by black South Africans, should be formed by July 1 and be fully operational by January.

Mabandla said similar deals between Macmillan and authorities in Swaziland and Botswana had given the company a monopoly in the educational publishing sector. The ANC believed this was undesirable and could undermine a future government's options. It would also eliminate

Publishing row

2/15/93

From Page 1

an independent company, seeking to give blacks economic muscle.

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To Page 2

Coup for black company ~~(S)~~

A BLACK-CONTROLLED company has been appointed distributor in South Africa of products of a leading American computer giant. *Soweto 2/15/93*

The newly formed Bheki Computer Systems has taken over the operations of a South African information technology company, DDS, to distribute equipment of the US-based Digital Equipment Corporation. DEC will establish its wholly-owned subsidiary in South Africa, then BCS and another computer company will have exclusive rights to sell the equipment. *(16) (S)*

Creating space for Africa

THE city of Chicago may be continents away but Mottlati Peter Malefane says he has usually felt more understood there than he has at home.

"When I was studying architecture at university here I always had this desire to show people how I was thinking, but I really got that opportunity in the United States.

"They enjoyed meeting someone who didn't just copy them but looked at architecture in a different way. The most exciting thing about America is that they are always looking for something new."

Malefane, the first black to graduate in architecture from a South African university, files off to Chicago next week to receive an honorary fellowship from the American Institute of Architects.

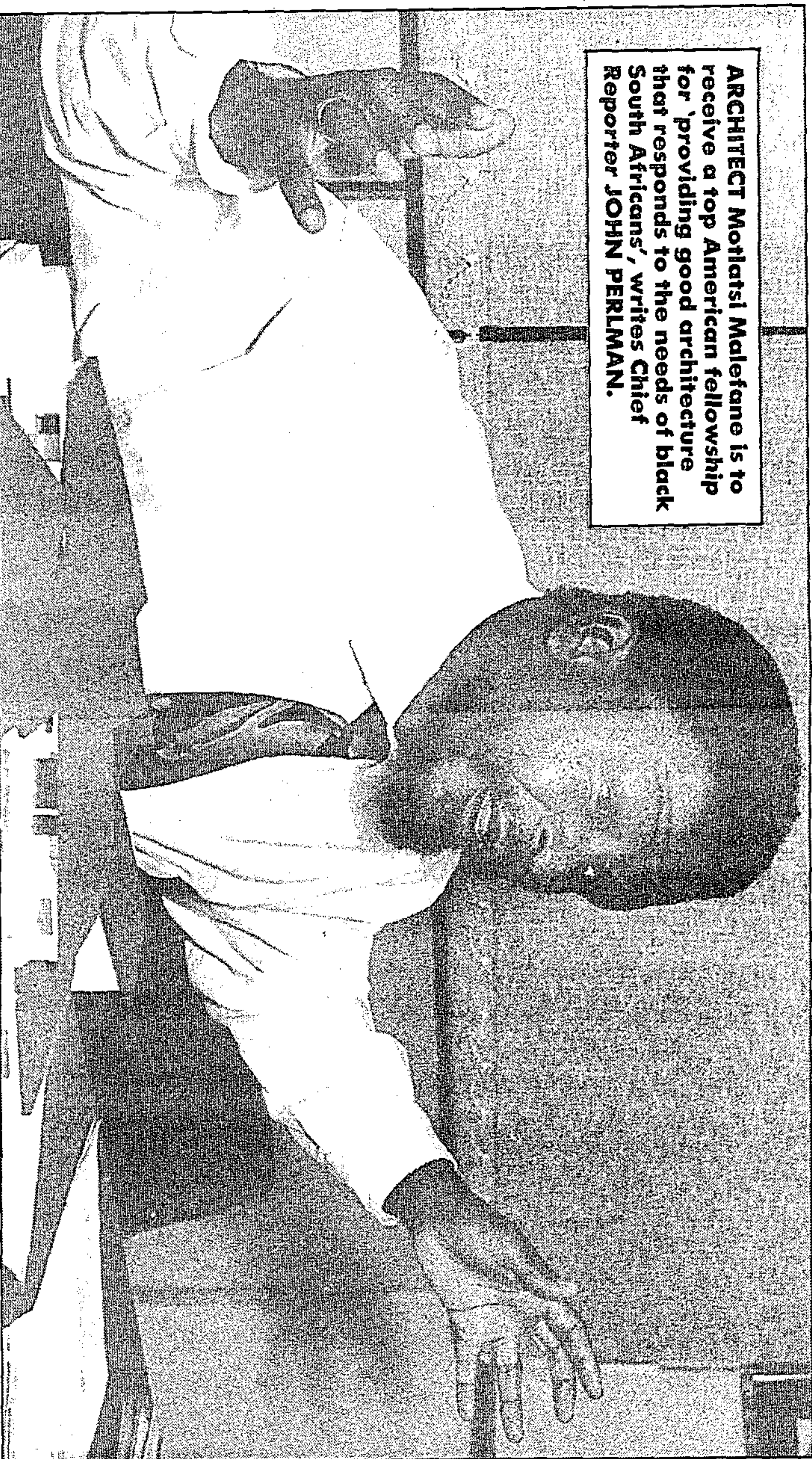
HE institute describes this as the highest honour it can bestow on a foreign architect.

Cited for a career devoted to "removing barriers imposed by apartheid and providing good architecture that responds to the needs of black South Africans" Malefane will be in distinguished company.

Among the 13 honorary Fellows — he is the only South African — is Oriol Bohigas, a Spanish architect responsible for "the creative planning and coordination" of venues for the 1992 Barcelona Olympics.

Malefane (45) works out

ARCHITECT Mottlati Malefane is to receive a top American fellowship for 'providing good architecture that responds to the needs of black South Africans', writes Chief Reporter JOHN PERLMAN.



SENSITIVITY COSTS NOTHING: Architect Mottlati Malefane is designing buildings where black-~~say~~ feel at home. ● Photograph: MYKEL NICOLAOU

SA's first black architect honoured in the US

of a building in Johannesburg's bleak industrial south. But his fifth-floor offices sparkle with life and light — walls painted in lilac and blue, partitions shifted to open rooms up to the sun. "As an architect I feel I can move into any space and revive it," Malefane says.

The landlord has since been inspired to get out the paint brushes himself. But the bigger picture is not changing much: "There is nothing in the architecture of Johannesburg that reflects the fact that black people live here. Nothing. Look at the recent conflict over the

taxis. They are a vital part of this city and it has never really accommodated them. "Every building in Johannesburg looks like a Western rip-off, like it comes straight from Boston or New York. There is nothing here that is indigenous," he says.

Malefane says there is no guarantee that politics will change this. "It will depend on who decides and designs things," he says. "Will it be the same architects and planners?" Malefane's work hit the news a few years ago when he designed the Mandelas' controversial

Soweto house. But that is just one project in a much larger portfolio of schools and clinics, shopping centres and creches, hospitals and hotels. He explains his philosophy by outlining plans for a health centre in Gazankulu.

"The way it looks does not suggest a hospital at all," he says. "It will reflect the attitudes of someone who is ill and coming there from one of the villages. We don't want to create the kind of space in which they think they are going to die because it is so unfamiliar. "In most hospitals the problem is transition of

spaces — hard surfaces where everything hits you, threatens you. We've designed courtyards, places where the sun comes in, a much more familiar relationship between indoor and outside space. And we've done it within budget — what is needed is sensitivity, and that costs nothing.

Sensitivity to different cultures — Malefane talks about that a lot. "The problem is that there are about 15 black architects in the whole country," he says, and blames universities for the way the subject is taught. "I battled through architecture because I never designed anything for black people. Teaching should respond to different cultures and then structure a course that will embrace them all."

HE ADDS: "Multiculturalism in education will then lead to multiculturalism in practice."

Malefane, who grew up in Lesotho and learnt about design from a Swiss missionary architect, was the first black student to register at Natal University's School of Architecture. One of his professors said the following in a letter: "On many occasions he would work until the early hours, then sleep under his drawing board, ready to work again early the next morning... he battled through the course against immense financial odds."

Malefane says: "I hope this award will be an encouragement to other black people. They will see that these things are not out of our reach."

Challenging the white man's world of commerce

Souths 2915 - 216193

176

THE BUSINESS Skills and Development Centre (BSDC), a voluntary association, aims to redress educational deficiencies and improve contact between black people — especially women — and the business world.

The centre, which is run by a board of trustees and sponsored by private enterprise, is based in Cape Town and offers students basic office skills, business English and personal development. Courses are practical and relevant to the students' lives and business environment.

Speaking at the BSDC's sixth annual general meeting, the chairperson of the board, Mr Kenneth Mqamqo, said that the history of education in South Africa had been a painful experience for the majority of the population.

"With black people coming from a culture in transition and a social structure determined by race, many young and talented people were denied the opportunities that would have contributed to their further development," Mqamqo said.

"They were regarded as different and coming from a culture that did not link with the prevailing corporate culture in South African organisations."

He said black education lent itself to a labelling process by which employers saw black school leavers as coming from a system that was never intended to serve the needs of business.

"The BSDC plays an important

role in filling this gap through a programme that was designed to address some of the problems inherent in our education system," Mqamqo said.

"After six years we are proud of what we have achieved in what had become a hostile environment to any development of blacks within the corporate structure of the country.

"We are equally proud that many organisations have taken note of the centre's contribution in enabling black men and women to enter this environment better prepared than when they left school."

Ms Hazel Bowen, the BSDC's course coordinator, said 1992 started off as a tough year for the centre.

"The first part of the year developed into a marathon of getting courses started, keeping everything functioning and coping with the backlog of work," she said.

"But in May life slowly started returning to normal."

Bowen said the BSDC, since its inception, had been addressing both the practical and the strategic side of gender issues and with much success.

Past students have improved their ability to obtain employment, earn a reasonable income and thereby generate a better standard of living. They have become much more economically independent — with a resultant boost to their self-confidence and self-esteem.

"Everyone involved with the BSDC has gained tremendous satisfaction from watching the students' development as it continues



KENNETH MGOAMQO: Chairperson of the Business Skills and Development Centre

after the course and once they are working," Bowen said.

"I feel sure, too, that the men attending the evening classes have

been exposed to some worthwhile 'propaganda' on women's issues and have been duly influenced!"

EDWINA BOOYSEN

Star 29/5/78

Blind Danny brings light to



DARKNESS OVERCOME: Danny Kekana has become an important, fully functioning community leader. ● Photograph: MYKEL NICOLAOU

DANNY Kekana lost his sight 18 years ago in one of those senseless incidents of township violence that has become so endemic that you just shrug helplessly when you hear about it.

At dusk on December 22 1977 during a curfew in Soweto, three armed men stopped Danny and two friends from Morris Isaacson High School near Diepkloof and demanded to know where they were going.

Seconds later, before they could even answer, shots rang out, plunging Danny into a darkness that profoundly changed his life.

He was a matriculant then, caught up in the maelstrom of events of the 1976 student rebellion. Morris Isaacson stood at the centre of that storm and Danny's classmates, among them Tsietzi Mashinini and Murphy Mobero, were among many who played roles as leaders of that rebellion.



DANNY spent a long time in a traumatic recovery.

"I woke up the next morning in St John Eye Hospital to be told I would likely never recover my sight," he said. "Tell that

A MAN blinded in 1977 did not lie down in misery. He worked hard to become educated and now trains community leaders in business skills, writes JOE LOUW.



stand in my way — not even blindness."

Fortunately for Danny, he had written and passed his matric exam just before the shooting. He spent the next six months learning braille at Baragwanath and shortly afterwards registered for a bachelor's degree in political science at Turfloop.

"It was an uphill struggle but one thing that truly inspired me was the

goodwill and kindness of my fellow students," says Danny.

"There were a lot of people who would pitch in, willing to give, willing to help. Fellow students read to me, took me to class, led me to social events, gave up their time to walk with me. It was very touching. It gave me a deep confidence in my fellow human beings."

It also led Danny to want to serve others, and so he chose a career in community development. After receiving his BA honours at Turfloop, he enrolled for an MA at Wits.

Today Danny is a hero of a different kind to his

peer group: he has paid his dues through sheer determination to overcome the shackles of blindness and become an important, fully functioning community leader.

"Many of the guys I meet who have dropped out see me as some kind of a hero," he says modestly. "Many want to go back to school or are encouraging others to stick in there. They say 'Danny, if you could do it, with your handicap, then we can do it too'."

Danny is a director of the Soweto training programme of the Institute for African Alternatives, a non-governmental organisation which runs courses in disadvantaged communities to improve management and other skills.

"What we're doing basically is to inculcate values and skills that point people in the direction of self-reliance, using the African experience as a model, to give people skills to initiate development programmes, to create jobs rather than wait for sponsorship in job creation."

HE ADDS: "Development for us is not just having skyscrapers and high technology, but also having things that affect people's lives directly like jobs, housing, food, health, education.

"At the institute we look at alternative strategies — especially as they evolved in African countries.

"Given the socio-economic realities that prevail in the townships, we find that providing basic skills in administration and in maintaining good organisation is absolutely necessary."

Twice a week Danny and five other lecturers conduct seminars for about 200 "students" — organisers from a variety of community-based organisations. They include individuals from stokvel groups, the Soweto civic, informal-sector traders, executives from the Soweto Chamber of Commerce and Industry.

"The need for basic business-skills training is so great in the Soweto area," says Danny, "that we're actually oversubscribed by 50 people."

BUSINESS Black business is making its presence felt in small manufacturing industry

Stan's cleaning up

By Mzimkulu Malunga

BLACK BUSINESS IS MAKING its presence felt in the small manufacturing industry and Stan Mkhabela of Essence Laboratory is no exception.

Essence Laboratories, which manufactures fabric softeners, dishwashing liquid, car-care products, bleach and hair-care products was born in 1991 and currently employs eight people.

After reading the then *Black Enterprise* magazine, Mkhabela and a group of friends mobilised their investments to start a company which aimed to invade the manufacturing sector with vigour.

With the help of Hoechst's business development service, Essence Laboratories was able to access raw materials much more easily.

Hoechst — a chemical products company — also helped Mkhabela with the technology of manufacturing. The car-care products are specifically

puts entrepreneur on right track:

manufactured for BMW. Although the quantities are much smaller, Essence laboratories has a capacity of three tons (about 3 000 litres) of care products a month.

"Though the returns from the BMW orders do not make enough profits to sustain the manufacturing of car-care products without backing them up with making of other detergents, we want to take things step by step.

"Once we have established a sound base with regard to infrastructure, we will start exploring new markets. There

is no need to rush," says Mkhabela.

Essence Laboratories supplies some of Pick 'n Pay's Northern Transvaal outlets with household detergents.

Some of the eight people employed by the company work as sales promoters. Their work entails visiting shops where Essence Laboratories' range of household detergents compete with the likes of Sunlight.

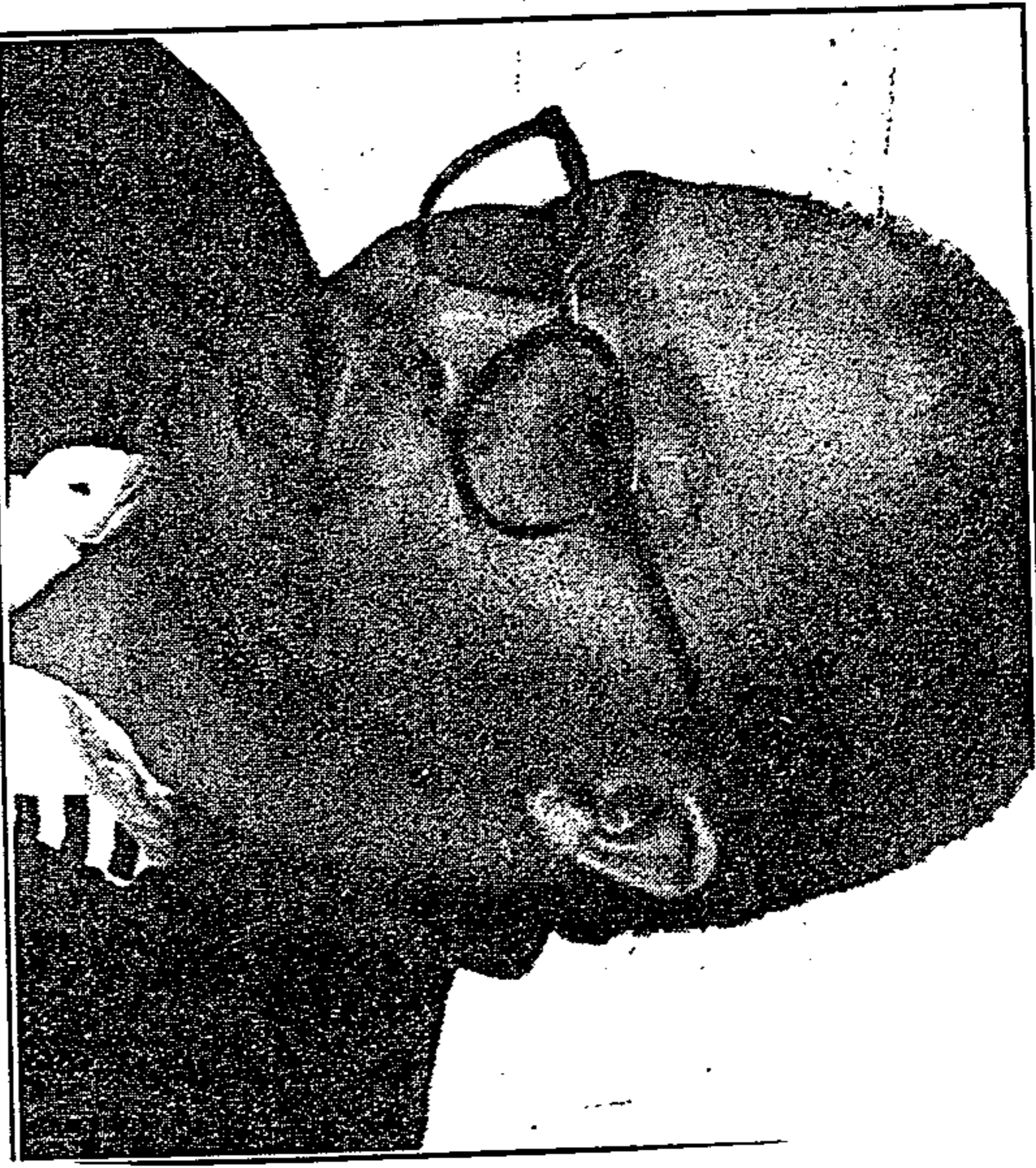
The emphasis is to entice customers to buy a fabric softener, a dishwasher or bleach with the brandname Mam's Pride on it.

TECHNICAL BACKUP Chemical firm



Sanlam

South African 31/6/93



Stan Mkhabela of Essence Laboratories

BY IDEN WETHERELL

MAJOR questions have been raised about accountability for donor funding in a range of companies belonging to the African National Congress' business arm, Thebe Investment Corporation.

Companies that have been cited as less than transparent in their administration of external funding include Thebe's tourism wing, Oriole Travel.

This follows disclosures last week that Thebe had concluded a deal with Macmillan Boleswa, giving the publishing giant privileged access to a future ANC government in return for shares in a joint publishing venture. That deal, described by Thebe and Macmillan as exploratory, has been criticised by other publishers and by the ANC's education department.

In a letter to the press, Thebe managing director Vusi Khanyile has refused "suggestions of corruption or potential corruption" in the proposed joint venture. While no allegations of corruption have been made in regard to the Macmillan deal, irregularities

'Irregularities' in ANC firms

W/Mail 4/16-10/6/93

and sloppy accounting procedures appear to be plaguing various Thebe concerns. "Thebe is so busy setting up new companies that it is ignoring the need to consolidate existing ones," a former Thebe executive said.

Oriole Travel has been the recipient of funds donated to the ANC by European and American donors. It is believed that casual ticketing and poor record-keeping at Oriole has led auditors to insist on tighter procedures. "They were losing money hand over fist," said one business consultant.

Part of the problem at Oriole and other Thebe companies is the random selection of directors, many with little hands-on experience, and a lack of accountability.

Thebe appears to have little capital of its own and depends upon ANC transfusions. Although over \$5-million (R15-million) raised by Nelson Mandela in the United States in recent

years on behalf of the ANC is routinely channelled through Thebe, the company says that as an independent concern it is not accountable to the wider ANC membership.

This may explain certain policy inconsistencies. While the ANC has been calling for sanctions to remain in place until the establishment of a transitional government, individuals in the ANC treasury department were negotiating for foreign investors to enter the South African market. Digital Equipment Corporation of the US has just announced a deal whereby Thebe-related company BCS will market its equipment in South Africa.

When Khanyile was head of the ANC finance department auditors Coopers Theron Du Toit are believed to have withdrawn from a 1990 audit of the ANC's accounts because they were such a mess. Accusations about lack of trans-

parency surfaced at last year's Durban congress, when Khanyile claimed that because ANC headquarters Shell House was not owned by the ANC, its ownership was not the concern of members. There has also been controversy surrounding the receipt of gifts by individuals in the ANC leadership.

Controversy also surrounds Thebe's catering company, Pitseng, which has reached an agreement with established caterers Feedem Catering Services to enter the mines' canteen business. The mining houses are anxious to subcontract their catering divisions and Thebe has expressed a keen interest.

Pitseng MD Jeremy Webb believes that "structured partnerships" leading to black economic empowerment is the way to go in the catering industry.

But National Union of Mineworkers' spokesman Marcel Golding said his union would oppose any proposal to sub-contract in respect of hostels

and catering, which he regards as prejudicing the welfare of NUM members and causing problems in future negotiations with the mining companies. "Health care, housing, transport and catering are management's responsibility," he said.

There appears to be some concern in the ANC that, as in the Cape fishing-contracts saga, white business concerns see Thebe as a useful conduit to new opportunities. Black businessmen have complained that Thebe employs white banks, auditors and other established service-sector companies instead of emergent organisations.

One ANC insider familiar with Thebe's operations said the most frequently expressed criticism is that "in promoting black empowerment, Thebe rides roughshod over the sensibilities of local communities, the unions and other interests with which the ANC is closely affiliated".

Khanyile was reported to have been in Ghana, exploring the possibility of a partnership with a bank there.

See PAGE 19

Bringing the PC to black business

(176)



A NEW computer company has been formed to assist small black firms in running their businesses and to provide job opportunities for black computer graduates.

Launched at this year's Computer Faire, the company, called Vusizwe, is run by a management team under the chairmanship of Dr Enos Mabuza.

The man behind the plan is managing director Ian Melamed, better known as the country's leading expert on computer virus protection. The staff are all black computer studies graduates.

For a nominal fee Vusizwe provides the following services to black entrepreneurs: accounting bureau, tax advice, insurance, electronic banking, risk control and statutory requirements and guidance.

The company is also marketing a Small Business Starter Pack which has been assembled by Softsource in association with the Small Business Development Corporation (SBDC) and includes the SBDC recommended Chart of Accounts for retail, manufacturing and service industries.

The pack consists of easy to use software packages which do not require specific hardware.

The packages, which run under MS-DOS, include: Brilliant Accounting, Quattro Pro, Harvard Graphics, a Menu System, Mail Manager, Dr Solomon's Anti-Virus tool kit and Professional Write. The pack retails for only R2 920—a saving of more than R4 000.

Vusizwe has also developed a computerised business plan which is provided free of charge to any budding entrepreneur who wishes to approach a lending agency to start a business.

Bev Mortimer

PC Review June 1993 P.S. in Wilmail 4/6-10/6/93

Company integration still

C/Press 6/6/93

a long way off - survey

(176) (177)

LOCAL businesses think they should be left alone to implement affirmative action plans, says a firm of recruitment consultants.

With the positive reception given to the firm's affirmative action survey last year, the Quest Personnel Group has recently completed a follow-up project to track attitude changes in the private sector.

The latest survey, which took two months to complete and in which nearly 700 companies participated nationwide, is part of an ongoing programme by the company which is one of the country's largest recruitment consultancies.

The survey shows that out of the four possible criteria of race, gender, age and physical disability, race was the option most likely to receive support for an affirmative action programme with age the least likely.

Asked about likely discrimination against candidates for a management position, one company in 10 indicated it would reject a homosexual or someone physically

disabled. An Aids sufferer had a two in five chance of being turned down.

Religion and the speaking of an African language were not important issues but bilingualism in Afrikaans and English seemed to play a fairly significant part in selection, particularly in Pretoria and Bloemfontein, where half the companies considered it extremely important.

Representative

Overall, 40 percent of respondents felt bilingualism was important for a management position.

A total of 43 percent of all companies surveyed indicated that they had a policy of affirmative action, an increase of two percent over last year's survey figure.

Half of these considered their policies to be successful. The highest proportion of companies with such a policy was found in Johannesburg and Natal.

It would appear, however, that many employers regard an "equal opportunity" policy as affirmative action.

Only 29 percent concurred with Quest's definition as a test of their own policies. Quest's definition is: "A programme of action instituted by the management of an organisation to recruit, train and nurture certain sectors of a community in preference to others - for example blacks in preference to whites or females in preference to males."

Of the remaining 71 percent, only a quarter claimed to have plans to adopt such a policy.

Commented Roy Silver, Quest's executive chairman: "It would appear that we still have a long way to go before we can consider our workforce to be truly representative of the country and integrated to such an extent that optimum performance is assured.

"The only way SA can ever hope to compete globally is when all segments of our human resources are developed and fully productive.

"It is up to companies to ensure that they are proactive in creating an environment where this can be achieved."

Big role for black community

South African \$16193

IN a dramatic move, the black community acquired a leading role in the control of Metropolitan Life (Metpol), a company with a market capital of about R1.5 billion.

Existing management and the involvement of Sankorp at board level will be retained. This came about through the sale by Sankorp of shares in Metpol to the newly established Metlife

■ Control of Metpol company with market capital of R1,5 billion:

Investment Holdings (Methold).

The transaction, which makes Metpol the first company on the JSE in the control of which the black community plays a dominant role, has been financed by the Industrial Development Corporation (IDC).

Sankorp chief executive Marinus Palling said the sale resulted from Sankorp's desire to

contribute meaningfully to black economic empowerment.

Methold has been financed to the tune of R137 million by the IDC.

This money will be used to acquire, as a first step, a 10 percent holding in Metpol consisting of 6 745 496 ordinary shares at R20 a share.

The price of R20 was the average at which Metpol shares traded in the three months prior to the date of approval of finance by the IDC.

The funding from the IDC will be redeemed as money is generated through the issuing and marketing of Methold shares to the black community.

ENTERTAINMENT *Betty Shabazz picks up where Malcolm*

D DR BETTY Shabazz, the widow of Malcolm X, is coming to South Africa on a visit from Sunday (13).

An educator and trained nurse, Shabazz will be here to speak at an educational and cultural conference organised by an international hair products company based in Johannesburg.

Shabazz comes here while the story of her husband's life and struggles is still fresh in the minds of most South Africans who have seen the Spike Lee movie, *Malcolm X*, currently on circuit.

While her husband challenged the status quo and crystallised the conscience of black America during the civil rights struggle, Shabazz became his assistant, supporter, sounding board as well as his solace and friend.

When Malcolm X was assassinated in 1965, Shabazz courageously assumed the burden of continuing his work while at the same time raising their six children.

Today she is the director of communications and public relations at Medgar Evers College of the City University of New York.

Shabazz will speak at two annual educational and cultural events hosted by the Soft Sheen International Foundation in Johannesburg.

The events are a fundraising effort by the company.

All proceeds from the events, which promise to be highly prestigious, will go to bursaries, education and training for black South Africans.

"Our research shows that television and film personalities have the greatest impact on the youth we need to educate and train," says Soft Sheen International Director, Ms Annette Hutchins.

Malcolm X's widow visits

FUND RAISING *Proceeds from speaking engagements will go to bursaries:*

"The *Malcolm X* film has made an impact on this target population and for this reason we have invited Dr Shabazz to come here.

"In spite of her celebrity status, she has maintained a warm and caring spirit and an unshakeable commitment to the education of young people," Hutchins said.

Shabazz has also undertaken and completed extensive research in Africa, the Carib-

bean and Europe on such topics as the sociological and economic conditions of minorities.

She holds a variety of positions in

both public and private organisations and participates regularly on commissions and task forces at all levels of government.



Dr Betty Shabazz ... continuing Malcolm X's work.

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Giant step towards black economic empowerment

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IN a dramatic move, the black community acquired a leading role in the control of Metropolitan Life (Metpol), a company with a market capital of about R1,5 billion. Existing management and the involvement of Sankorp at board level will be retained. (176)

This came about through the sale by Sankorp of shares in Metpol to the newly established Metlife Investment Holdings (Methold). (232)

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Methold has been financed to the tune of R137 million by the IDC. This money will be used to acquire, as a first step, a 10 percent holding in Metpol, consisting of 6 745 496 ordinary shares at R20 per share, with options to buy up to a further 20 percent less one share within five years. The price of R20 was the average at which Metpol shares traded in the three months prior to the date of approval of finance by the IDC. Although the price of the share has since risen above R20, Sankorp will honour the original agreement.

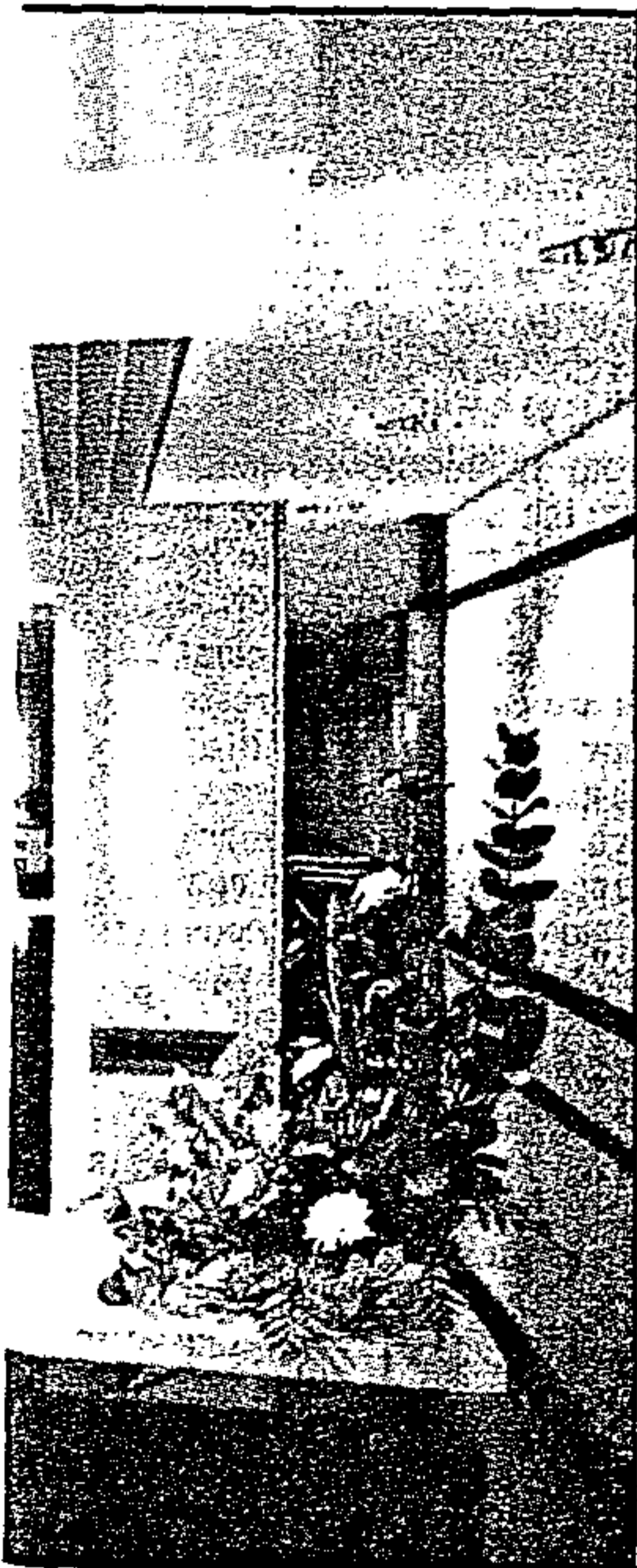
The funding from the IDC will be redeemed as money is generated through the issuing and marketing of Methold shares to the black community. The 40 percent of Metpol shares held between Sankorp and Methold is the basis for a voting pool agreement between these two parties.

The agreement allows Methold, on acquisition of the initial 10 percent holding, to nominate six of the 15 non-executive directors, and Sankorp, which will hold about 10 percent of Metpol equity after all options have been exercised, to nominate three.

The chairman of Methold is Dr Nthato Motlana and the deputy chairman Enos Mabuza. The other directors are Dikgang Moseneke, Don Mkhwanase, Archie Nkonyeni and Franklin Sonn. Marius Smith, MD Metpol, will also serve on the Methold board, while the IDC has nominated Jan de Bruyn, a senior general manager of the IDC and Gert Touws, its manager of finance.

Motlana said although the company had been created primarily to secure the shareholding in Metpol, it could come to play a larger role in black economic empowerment.

ure



s now ready for the company's 75th

Basics of selling just not enough

TRAINING the whole man is aim of the Sanlam training team in Northern Transvaal.

Willie Snyman, senior training manager for Sanlam in this region, reckons that training a marketer in the basics of products and selling techniques is no longer sufficient.

Training must include stress management, writing and communication skills and time management. Successful marketers make good use of their time. Time management skills are addressed by the Sanlam trainers because they are seen to be vital.

However, training people of various cultures and backgrounds makes differentiated training methods essential.

This is especially so for some black people who may be unfamiliar with many financial terms. This is why trainers of black financial advisers have to be familiar with their culture.

Phillip Mmola, a former University of the North lecturer and until recently a marketer, has been appointed to train black marketers for Sanlam at Regional Head Office.

He says that needs are the same but the approach must be tailored.

"We are in the process of adopting a probation programme for training graduates so that they can gain practical experience and learn the meaning and application of financial expressions," says Mmola.

Sanlam in Northern Transvaal is aiming to double its black training programme. Snyman, along with the rest of the world, finds it difficult to define the ingredients for a successful salesman. However, one element is the need to succeed or win -- or not to

fail. The negative response from clients, motivates them to win the next one. This driving force is coupled with the necessary communication skills and confidence in their products.

Sanlam is constantly researching all aspects of marketing, to try and find a selling culture and to put together a programme.

While senior management in Bellville advocates that culturally the staff should reflect the

race of the business, Snyman reckons the same ratio should reflect the trainers of the staff.

His black trainers are currently 10 percent, but are being increased to 20 percent.

"The black people are becoming more and more knowledgeable about insurance products and will be the market of the future.

"While there are cultural differences, the basic future needs are the same," Snyman says.



Phillip Mmola . . . training black marketers.

The Pepkor Group

congratulates Sanlam on its first 75 years – eventful years during which it grew, driven by the vision and energy of the farsighted men at its helm, into a major force in the South African economy.

Started off to help find the Afrikaner a place in the country's economic sun, it developed into a truly South African institution committed to the wellbeing of all sectors of the community.

May it continue to flourish. And may it continue its beneficial role in helping mould the new society emerging in our country.



PEPKOR

The Pepkor Group

Committed to the future

CP publishes proposals for the new constitution

Buss. Day 9/6/93

CAPE TOWN — The CP published yesterday its constitutional proposals, which insist on Afrikaner self-determination under a confederal constitution in a territory to be negotiated.

The proposals, submitted to the negotiations technical committee on constitutional affairs, do not specify the territory the CP suggested should be set aside as an Afrikaner state.

Nor do the proposals indicate specifically whether it will be possible for people in the territory who are not white to have the vote.

The document argues, however, that in terms of international law, states are not obliged to grant the vote to non-citizens.

Only Afrikaners would qualify for full citizenship in the state. Afrikaners were defined as people who were "descendants of the Afrikaner nation and those patriots who share

TIM COHEN

the same destiny".

CP MP Corne Mulder declined to say specifically whether this definition would exclude people who were not white, saying only that the definition was self-explanatory.

Non-citizens within the Afrikaner state would not have the vote, would not be able to stand for Parliament, would not be able to lay claim to immovable property, but would have other private law rights.

On the territory, the CP document proposes that a process of negotiations should result in a legitimate set of boundaries "as opposed to mere unilaterally proposed instant maps".

The CP would present its proposals to the commission on the delimitation of states, regions and provinces, declining to release details of its proposals until they had been considered by the commission.

In contrast to parties that proposed a unitary state or a unitary state with regional powers, the CP was proposing self-determination for those who desired it, and any other dispensation for the rest.

These states — there would be at least two, the Afrikaner state and the New SA — would be bound together "for the benefit of all in a confederation of mutual acceptance and cooperation".

The confederal state would cooperate economically, in a way similar to the EC, and would share scientific and technical progress.

The document concluded that if all parties to the negotiations were serious and accepted the realities, it would be possible to resolve SA's complex problems.

"This may be our last opportunity to resolve our constitutional problems in a peaceful manner," the document said.

PAC rejects nationalisation

TIM MARSLAND
THE PAC would not nationalise industry if it came to power, PAC secretary for economic affairs Siphoshe Shabalala said yesterday.

Addressing a conference on commercialisation and corporatisation at Midrand yesterday, he said the PAC did not have nationalisation on its agenda.

"I want to set the record straight. We will never nationalise buildings and so on. We are not fanatics," he said.

However, the PAC would like to see blacks on the boards of companies so that the workers "have a sense of ownership ... We want all people to have access to wealth," he said.

PAC economist Mosebjane Matsi, who is also senior policy analyst at the Development Bank, said the organisation's focus would be on black empowerment through education.

There were too few blacks with the know-how to handle the running of businesses. Therefore, the organisation would make education a key priority, he said.

Reading

DP MP attacks liquor Bill

CAPE TOWN — Rather than stimulating competition, the Liquor Amendment Bill would protect certain players in the liquor industry, Geoff Engel (DP Beaufort West) told Parliament yesterday.

Speaking in debate on the measure, he said the DP would vote against the Bill because the state's deregulation was unsound and licences and conditions of operation made such business inaccessible to local communities.

Central government should not determine trading hours.

"Due to the strong emotive, moral and religious issues at stake here, we believe the desired level (for setting hours and conditions) is third-tier government structures, namely local authorities, where each community can decide its wishes."

While the NP supported regionalism and devolution of power, it still demonstrated how selective its principles really were.

The DP knew there were many opponents of the Bill who did not want any deregulation.

However, experience in other countries had shown that deregulation did not necessarily increase alcohol consumption, and in some instances had actually decreased

consumption and abuse.

Government had not been even-handed in its deregulation programme, which continued to discriminate against beer sales in supermarkets or other retail outlets where wine sales were permitted.

This was unjustified state interference originally prompted by the wine co-operatives against English business, he said.

Earlier, Deputy Trade and Industry Minister David Graaff said the implementation of the Liquor Act was a dynamic process that depended on the perceptions of the society it served. But all the problems would not be solved by the amendment.

However, the industry had come a long way on the path of deregulation. He had no doubt that Parliament might find it necessary to pass further deregulation measures in future.

DGH Nolte (CP Delmas) said the CP would oppose the measure because it extended liquor trading hours, and the CP was against trading on a Sunday.

At a time of increasing murders, robbery and death, lengthening selling hours would contribute only to more violence and unrest, he said. — Sapa.

Analysts warn of SA election chaos

PRETORIA — Political analysts disagreed yesterday on the readiness of political parties, particularly the ANC, to meet the formidable challenges in the "brief" 10 month run-up to an election.

Willem Kleynhans said the country was totally unprepared for an election within a year and an attempt to hold one would end in chaos and a badly flawed result.

Of the country's 22-million eligible voters, 17-million would be Third World political illiterates.

It would take a year or more of intensive education programmes to equip them properly to take part in a democratic election.

He said there were massive "no

go" areas where parties would be unable to hold meetings without provoking violence and disruption.

For the ANC, these areas included Bophuthatswana, Ciskei and Kwa-Zulu, while NP recruiting efforts would not be tolerated in townships. The DP would not fare much better.

Kleynhans said farmers were unlikely to allow the ANC to campaign on farms for the votes of the 500 000 enfranchised farm workers.

He claimed the ANC had almost no election infrastructure and had put out the "begging bowl" in an effort to scrape together the R200m it claimed it needed to fight an election.

However, Wits University political science associate professor Tom Lodge said an election in 10 months' time was feasible, with much hard work, and "certainly desirable".

He claimed the ANC was as well prepared as any other party at this stage but much remained to be done in registering and educating voters.

In certain areas the ANC's organisation was "creaky" but then so was the NP's.

Lodge said a delay in the election could lead to fragmentation of ANC support to the right.

An early election had the support of the business community, which believed it would lead to greater business and consumer confidence and stimulate investment.

Black clinic for E Rand

Sowetan 10/6/93.

Top services will be ready in a year:

By Mzimkulu Malunga

176

A R25 million black-owned clinic is being built in Vosloorus on the East Rand.

Construction started yesterday and promoters of the project expect it to be completed in a year.

The engine behind the Botshelong-Empilweni Clinic is Dr Peter Matseke.

Matseke says the clinic will provide top-class health services, job creation, economic empowerment as well contribute to nation building.

A group of 23 doctors will shoulder the bulk of the construction costs.

Additional finance comes from an engineering company, Afrox, two black medical aid funds (Sizwe and Bonitas) and a financial institution which chose to remain anonymous.

The 102-bed clinic will have three theatres and four intensive care units. It will have maternity, urology, ENT surgery and gynaecology wards. There will also be a laboratory, a pharmacy and X-ray facilities.

Matseke, who was called on to assist with the restructuring of Lesedi Clinic when it had financial problems two years ago, will be the executive director.

The board of directors includes specialists Dr Herbert Ngakane, Dr Andrew Morole, Dr Abner Selele, Dr Sam Shabangu and Dr Peter Cole of Lancet Laboratories. Soccer official Mr Solomon Morewa and Mr Rodney Hull of Afrox will also serve on the board.

BUSINESS Salesman starts manufacturing plant

Hair care industry must stay black

Sowetan 10/6/93

By Mzimkulu Malunga

■ SALON PIONEER Products mostly

used by blacks, says Manasse Shole:

BLACK MANUFACTURERS must fight hard to keep the hair care industry in black hands, says Mr Manasse Shole of Medicos Products.

Most of the hair care products are used by blacks and it was important that this industry be kept black, he said.

"To me, the hair care industry is like sorghum beer," Shole said.

One of the pioneers of the black hair care industry in this country, Shole has been in the business for over a decade.

He was involved in the launching of South Africa's first black hair salon, which opened for business in Soweto in 1980.

The salon, Lumoman, catered for people nationally as there was no other black salon then.

A few years later Shole moved into the distribution of American hair care products. He said he was let down by the manufacturers he was dealing with as they started giving business to white companies.

This led him to start his own manufacturing plant.

A deal was made with a Zimbabwean hair care products manufacturing company and this saw the birth of Medicos Products.

With the help of the sister company north of the Limpopo, Medicos got the



services of a chemical engineer who is helping with manufacturing technology.

The company employs 28 people and has offices in Soweto and Cape Town.

Shole says the aim is to service the entire Southern African market. Already there are outlets in Botswana and Namibia.

"I am going to Maputo this week to explore markets there. We have had inquiries from people in Zambia, Tanzania and Kenya," he said.

Medicos was growing steadily. "We are here to stay," Shole said.

He feels that with an injection of capital, Medicos could compete with the giants in the industry.

Estimates put the market for the hair care industry in this country at R300 million.

However, Medicos has not escaped the problems faced by the rest of black business in the country. Support from black people is shaky.

"Black people still want to buy from white business. Some may argue



Manasse Shole

that it is because of the quality of service but I believe our products are among the best in the country," said the man who quit his job as a sales representative with South African Breweries.

Manasse Shole qualifies for the *Sowetan*-Sanlam Entrepreneur of the Month competition and will contend with other weekly nominees at the end of this month.

Black people still want to buy from white business. The hair care industry must be kept black

Entrepreneur of the Month

EACH week the *Sowetan* features an entrepreneur who automatically qualifies for *Sowetan*-Sanlam Entrepreneur of the Month competition.

Monthly winners go through to the final contest of the competition and the overall victor receives R15 000 while the runner-up gets R5 000.

This year more emphasis will be placed on entrepreneurs in the manufacturing industry but other business categories — except retail enterprises — are also eligible.

Contact Mzimkulu Malunga at (011) 474 0128.

BUSINESS German company introdu

Start your own car wash plant

Sowetan 17/6/93

SBDC will consider requests for finance:

By Mzimkulu Malunga

AN agent for a German company, California Roche, has a car wash plant franchising scheme for black business people.

International Trading Engineers SA, has sole right to distribute products of the company which manufactures car wash machines.

ITE's director Dieter Kinsky says the package is two-fold. His company either comes in as a minority partner with about 20 percent interest and provides some of the finance or the prospective franchisee buys the machine and raises all the finance himself.

Setting up a car wash plant requires a site where it will operate. The machine and other equipment needed to run the



Dieter Kinsky

business costs around R200 000.

Kinsky says he has approached the Small Business Development Corporation to assist with the finance of prospective car wash plants.

SBDC's chief economist Edwin Basson says requests for finance will be considered if a feasibility study relating to the viability of such a project is done.

Misfortune turns into life's dream

Sowetan 17/6/93



Danny Lekalakala

Sanlam 75

ACTION MAN Thugs did

this ex-bus driver a favour:

By Mzimkulu Malunga

WHEN MR DANNY LEKALAKALA lost his left eye in 1985 after being attacked by thugs in Soweto, he did not sit back and wait for pity. He swung into action by venturing into the business world.

At the time he was a bus driver and Lekalakala's company felt he was no longer of any value to them. So he left.

Ironically, he had always dreamt of being in business. So he tried his luck selling leather jackets. He bumped into a German technologist who introduced him to pit toilet care chemicals.

"In my days as a driver, I used to transport people on trips to various parts of the country, particularly the rural areas. In the process I recognised the need for pit toilet care chemicals," he said.

He formed a company called Calichem which specialises in producing a chemical that eats up the dirt in pit toilets which extends the life of the toilet.

"The chemical, called calic powder, forms a living micro-organism that dissolves the waste into liquid which in turn dissipates into the ground," explains Lekalakala.

Raw materials are imported from the United Kingdom and blended in South Africa.

To introduce his product on the market, Lekalakala went on an advertising campaign though he had limited resources. In addition to the small advert in the *Sowetan*, he printed 8 000 leaflets and with the help of friends and relatives distributed them nationally.

Today, his customers come from as far as Zimbabwe, rural areas as well as squatter camps.

As the response to Calichem's products grew, Lekalakala added a toilet deodorant and pesticides.

The company employs four people and has been in operation for the past nine months.

Despite the positive response so far, Lekalakala has been unsuccessful in convincing big companies that he could be a reliable supplier. "All those that I tried have given me the cold shoulder," he says.

His enterprise has a capacity to produce about 1 000kg of calic powder a month.

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FUND NAME	BUY	SELL	YIELD
ABSA: GE	149,82	140,14	5,15
Industrial	132,16	123,61	4,09
Income	102,39	101,01	na
BOE: Growth	166,96	155,98	2,76
Community Growth Fund	114,32	108,07	na
COMMERCIAL UNION: Growth	129,08	120,51	3,44
FEDLIFE: Fedgro GE	137,33	128,25	4,48
GUARDBANK: Growth	2770,28	2577,33	4,35
Resources	168,55	158,56	5,01
Industrial	136,75	128,06	5,33
Income	118,71	117,46	13,78
IGI Life: GE	136,98	128,14	3,17
METBOARD: Metfund GE	207,70	192,88	3,69
	108,83	107,69	12,81

I used to transport people on trips to various parts of the country, particularly the rural areas. In the process I recognised the need for pit toilet care chemicals

Setback for Southern plan

SOUTHERN Life's plan to sell its 77% stake in African Life to the black community suffered a setback when a key player in the plan, Nthato Motlana, pulled out to join forces with rival Sankorp, sources said yesterday. *B/Doy 17/6/93*

Motlana became the new chairman of Metropolitan Life when Sankorp sold 10% of its stake in the life insurer to a new company, Methold, in a deal seen as a first major step towards black economic empowerment. It is understood Southern Life's sale of Aflife had been scheduled for an announcement this week, but Motlana "crossed the floor" and forced Southern to delay the announcement and return to the drawing board. The life insurer, in the Anglo American fold, is still committed to putting together a transaction. *(176)*

Motlana declined to comment but confirmed he had resigned from the boards of Southern and Aflife before the deal with Sankorp. Sources close to Southern Life said he pulled out because of "tardiness" in putting together a deal. *(S)*

Aflife director Don Ncube, who is also a director of Anglo American, said yester-

GRETA STEYN

day it was no secret that African Life wanted greater black shareholder participation. He noted the 1993 annual report said "a specific direction" in regard to participation in ownership of Aflife by black shareholders was being pursued. "If it progresses as positively as we would hope, a major step forward will be possible," the annual report said. Ncube would not elaborate other than to say the situation had proceeded along those lines.

Southern Life chairman Neal Chapman declined to comment on the possible effect of Motlana's departure on the insurer's plans. He referred all queries on possible transactions to the last annual report.

Speculation is that a transaction might be done with the ANC-linked Thebe investment company, but the need to depoliticise the arrangement might create difficulties in following that route. *(S)*

Southern owns about 77% of Aflife, which has assets of about R313m and gross premium income of R104,7m. Aflife's share price rose 5c yesterday to 490c.



ACTION LEARNING ... IMC director of studies Kennedy Skosana teaches workers how best to do their jobs.

Each one teach one the IMC way

THE NSB is more than aware that all its dreams of black economic empowerment can never be realised without an educated workforce – from the shopfloor to the boardroom.

This, say company insiders, is a priority which has won over the people who for the past three years have earned their living at this vibrant black-owned and managed company which has been making waves in corporate SA.

As a result the NSB has embarked on one of the most ambitious management development programmes ever launched in this country. The NSB is offering to its employees, and members of the public, programmes built on "Action Learning" in partnership with one of the world's leading institutions in this field, the International Management Centres (IMCs), which have pioneered action learning programmes in 20 countries in the past decade.

The IMCs, who work with major international companies – and with the smallest enterprises – have been keen and dedicated partners with the NSB to help it achieve its mission of an educated workforce.

Already 100 NSB managers are participating in the IMCs' Master of Business Administration (MBA) programme; 60 are participants in its Bachelor of Management (BMgt) programme and eight in its Doctor of Business Administration (DBA) programme.

"Yet such participation is only the beginning," said NSB executive chairman and chief executive Mohale Mahanye. He added:

Mahanye, who in June was elected the worldwide IMC chairman, added: "With the promised support of the NSB Education Trust, we are able to promote managerial and scientific studies as part of our overall strategy of black economic empowerment.

"Such a focus can alleviate the unacceptably high unemployment in our country and graduates will be equipped with skills which will enable them to participate in corporate SA with greatly enhanced competencies."

The IMC's multinational associate dean and director of studies, Kennedy Skosana, the first black South African to hold this post, agrees: "We teach workers how best to do their jobs. To be able to be effective managers."

Skosana explained the IMC approach to worker and managerial education was a tried and tested method – from the UK, Finland, Holland, Belgium and Germany to Malaysia, Singapore, Indonesia, Hong Kong, Macau, Taiwan and Australia.

And some of the world-renowned blue chip companies like Ernst and Young, Malaysian Airlines, Du Pont, Allied Irish Banks and Shell, are among 1 000 companies worldwide

which use IMC education systems.

■ IMC was established in 1964 in the UK and was originally known as the Institute of Scientific Business. Since 1982, when its programmes of "Action Learning" studies were launched, over 20 000 managers worldwide have participated.

Using "Action Learning" the vital issues facing an enterprise become the curriculum for study. The IMCs also provide a supporting network and resources for managers who wish to learn together. Some of this support comes from IMC faculty members deployed from universities, enterprises and consultancies worldwide.

In addition IMC work is coordinated by five deans and regional faculty boards worldwide based in Africa, the Far East, the Pacific, North America and Europe.

NEWS FEATURE *Fears that deal with multinational publishing company will lead to monopoly*

Thebe not ANC's 'business wing'

By Mzimkulu Malunga

Officials of Thebe Investment Corporation are at pains to dispel any notion that the company is controlled by the African National Congress.

"We have no direct relationship with the ANC," says managing director Vusi Khanyile.

Those who label Thebe as the business wing of the ANC base their argument on the fact that most of its officials are either members or known sympathisers of the ANC.

"When people work for the ANC and later leave the organisation, it does not mean the movement is involved in the projects those people are engaged in," said Khanyile, who used to work in the ANC's finance department.

Since its inception, just about a year ago, Thebe has been doing business on the quiet until last month when news that it wanted to enter the school textbook publishing market through a joint venture with a multinational company, Macmillan, started circulating.

There are fears that the proposed deal between Thebe and Macmillan would lead to a monopoly in the textbook publishing market under an ANC-dominated government.

Khanyile said over the last three

■ SOLE SHAREHOLDER Established

by trust, whose members include Mandela:

months intensive investigations of the feasibility of participating in publishing were undertaken and contacts were made with potential publishers in the South African market, including Macmillan.

Contrary to reports, Khanyile said the company had not yet made deals with Macmillan.

In response to the Macmillan affair, Khanyile said the decision to proceed with the publishing venture would depend on its viability.

Khanyile also attacked those expressing concern over the political connotations of the proposed deal, saying that they themselves were linked to the Afrikaner establishment and the National Party.

"To suggest that a black publishing company would only gain a position with a democratic government through corruption sounds very much like another way to keep black business out of the market," Khanyile said.

Thebe was established by the Batho-Batho Trust, whose trustees include ANC president Nelson Mandela and his deputy, Walter Sisulu.



The trust remained the sole shareholder in Thebe. The trustees did not benefit as individuals from profits generated by the company. "For them it is a community project."

The ultimate aim was to convert Thebe into a public company and invite individuals to buy shares with the trust either relinquishing its share altogether or becoming just one of the stakeholders, Khanyile said.

But the entity needed to establish a track record.

Batho-Batho Trust's legal representative, Ismael Ayob, who is also Mandela's lawyer, said the funds with which the trust was set up were "modest" and came from "private sources" and not from the ANC.

Other people, however, regard Thebe as the brainchild of the ANC's special projects department because Tokyo Sexwale sits on the board, an allegation emphatically denied by the company's general manager, Litha Nyhonyha.

"From my understanding, the special projects department had a totally different brief altogether," he said.

Though the company's management



Vusi Khanyile ... managing director.

is uncomfortable about releasing figures, Thebe's investments, believed to be running into millions of rands, are spread across seven companies. Some of the companies are wholly owned, others are joint ventures.

The most publicised joint venture is Thebe's 45 percent shareholding in Bhekisizwe Computer Systems, which is one of the companies appointed to distribute products of the United States-based Digital Equipment Corporation.

Other partners in Bhekisizwe are Vela International, which controls 20 percent and the Barlow Rand-owned Persch, whose stake is 25 percent.

Other Thebe operations include an import-export company, Thebe Trad-

ing, which will operate fully after the lifting of sanctions, Oriole, a travel company, and three property companies. The company also owns Movement Marketing Enterprise which markets and sells ANC T-shirts, bags, caps and other items. Khanyile says this company is currently undergoing restructuring though he won't elaborate.

In addition to Khanyile, Thebe's board of directors includes, Enos Mabuza (chairman), businesswoman Wendy Lubabe, property developer Lester Peteni, insurance official Gary Harlow and former official of the National African Federated Chamber of Commerce and Industry Moss Nxumalo.

Nafcoc takes advantage of NEF's inner workings

Cypress 20/10/93

(176)

THE National Economic Forum (NEF) is the tripartite alliance that was initiated in October last year made up of representatives from business, government and labour.

It was further divided into two groups, the long term working group (LTWG) and the short term working group (STWG).

The LTWG looks at macro-economic proposals for the long term and the STWG at initiatives to be implemented in the short term.

Added to this arrangement, members in the Business Forum of the NEF are divided into career members and participants. The Business Forum is comprised of 15 business organisations made up of the major employer bodies, the chambers of commerce and the Black Business organisations, Nafcoc and Fabcoc.

Nafcoc has the distinction of being both a career member and participant in both working groups. The Nafcoc delegation is headed by Michael Leaf who is sup-

ported by four other Nafcoc members from other parts of the country.

Leaf, general secretary of Soutacoc, has been promoting the interests of both black business and small enterprises. This culminated in his appointment as convenor of the Business Forum's small business task group as well as the task group addressing the public tender system.

To date, the NEF has tended to address proposals put forward by the labour delegation and which has prompted a reactive response by business as their own proposals were not coming to the fore.

Leaf expressed concern over the non-participation of black business and the SMWG in the public tender system and other aspects of the system.

This week he convened a small business forum meeting of 17 organisations from all over the country on behalf of the Business Forum. This forum addressed the future policies and strategies for small business and a

number of initiatives for implementation in the short term.

These initiatives took cognisance of the informal and the rural sectors and included sub-contracting, deregulation, markets, education and training, finance and infrastructure.

It was stated that small businesses needed to have a say in matters relating to them and should not always be lead by bodies that were not party to their interests.

The result was that a broad representation of small businesses would speak at the Business Forum at a 10-a-side meeting of NEF representatives on June 28.

Giant who never

CIPress 2016/43

forgot being little

THE giant Premier Group is pleased to be the official sponsor of the 23rd Soutacoc Annual General Meeting, according to chairman Peter Wrighton.

This is understandable: Premier has not forgotten its own humble beginnings – very similar to those experienced by black business today.

Premier was formed 80 years ago on October 24 1913, and in February 1929 became a listed public company. This was through the efforts of a handful of dedicated and talented men.

Premier was the result of the vision of a penniless, illiterate Lithuanian immigrant, Joffe Marks, who started out selling mealie meal porridge to miners on the Rand.

He was a charismatic man who had a gift for making friends and learning entrepreneurial skills. Hard work and diligence made up the rest and he was able to buy the mill which supplied him, Perry's Mill.

With great foresight the ambitious Marks persuaded a pillar of the English establishment, Dr Alexander Aiken – also a leading auditor – to become chairman of his fledgling company, Premier Milling.

The resultant Premier Group – one of SA's largest food and pharmaceutical producers and distributors – was built, say some, by two Jews and two Scotsmen.

They were Joffe Marks; his nephew Harry Jaffee and Scotsmen Dr Alexander Aiken – principal of chartered accountants firm Aiken and Carter – and James "Jock" Elliot.

They were different men, but, say company historians, their talents were complementary. For instance Aiken's careful financial advice worked well in tandem with Marks' gregarious and aggressive marketing style.

Years later Joffe Marks was succeeded by his nephew Harry Jaffee, an astute businessman who was instrumental in organising and unifying the SA milling industry. Another newcomer to the Premier stable was Arthur Aiken, son of Dr Aiken. The younger Aiken was a sound financial manager who was to become the next chairman.

Joe Bloom, nephew of Harry Jaffee, was next in the chair. He came armed with old-fashioned entrepreneurial spirit and an intuitive grasp of every facet of the business. This was when the Jaffee family

sold a controlling interest to the UK-based British Foods company.

Then into the Premier picture came his son, Tony. A superbly educated and highly professional manager, he was a shaker and mover in his own right.

Tony Bloom flattened the historic Premier pyramid structure while maintaining tight financial control from the group's Johannesburg head office. It is history now that it was the popular Tony Bloom who wrested control of Premier back from the hands of business giants Liberty Life, Johannesburg Consolidated Investments and Anglo American, who took large shareholdings in Premier.

Today, 80 years down the line, Peter Wrighton leads Premier, bringing great humanity combined with financial and organisational skills to the group.

This year the group again posted excellent results. Turnover was up by 13 percent to R10,1-billion.

Said Wrighton: "We are proud to be posting these excellent results during our celebratory 80th birthday year. Premier was registered as a public company in 1913 and turnover during that year was £170 639 (R341 280).

Nafcoc rebuilds to meet the challenge of the day

CIPress 2016/93

IN spite of the violence and the acrimonious debates that this country has experienced, some of us are persuaded that from here we can only move closer to one another.

To me it looks as if SA has seen its darkest hours and from this point onwards the light at the end of the tunnel can only grow brighter and brighter.

Colleagues

I and all my colleagues in Nafcoc are confident that the Multiparty Negotiating Forum will be able to move swiftly in the direction of a dispensation that will restore confidence in the integrity of this great country as well as its economic future.

And it is on that plain that the business community must find one another and ensure that, firstly, positive signals are sent out to the investor public and secondly, that we do not lose the ability to influence planning in the direction of policies that are guaranteed to turn this economy around.

The opportunity before us is so unique; I can only agree with Bobby Godsell when he says: "SA finds itself in a moment of rare opportunity: the past is rapidly fading; the future is not yet in place. People and organisations have a chance to redraw the lines of our social architecture in a way seldom given to societies and nations."

Guarantee

As organised business we carry the responsibility to "redraw the lines" of our relationship in a manner that will guarantee the growth of the economy to a level where it is capable of optimally servicing the total needs of the members of our community. This will get our communities closer to the central point of the structure that directs and influences the deployment of the nation's resources. In the process we



Nafcoc president Archie Nkonyeni recently delivered a well-received speech at a Johannesburg function attended by some of the country's big business leaders. The function was a presentation of Nafcoc's current status and an announcement that the black chamber has opened its president's office in downtown Johannesburg. This is an edited version of his speech:

need to develop an irresistible thrust into the markets of the world; we need to formulate a superior strategy for attracting foreign capital and we need to develop a greater capacity for job creation in our country. The chances of achieving this are slim in that we fail to assume joint responsibility for the rebuilding of our organisational capacities to meet the challenges of the day.

Nafcoc's role in marshalling the influence of black business will be as crucial in future as it has been in the past. Its lobbying will surely be more effective in the improved political climate, and its guidance to emergent business associations is bound to be invaluable.

It will continue to lobby for a larger stake in the

economy, for the extending of contracting arrangements between large corporations and their sector, for training and investment, for the dismantling of monopolies, and the many other measures it feels will assist its members.

One of the many misconceptions that surrounds Nafcoc is the idea that it is a business federation for wealthy black businessmen. This is not so. Among Nafcoc's affiliates are taverners' organisations, a farmers' union, a transport and distributors association, a taxi association running more than 100 000 taxis and builders' associations, all of which are made up of small informal business people.

But the surest indication that Nafcoc is the

common man's chamber of commerce comes from our affiliation with the country's largest hawker's association, the African Council of Hawkers and Informal Business.

Nafcoc, as a representative of black business, will use its credibility in the outside world to improve our country's image in the eyes of foreign investors. Nafcoc looks up to its peers in the business community in this country for assistance in making it possible for Nafcoc to develop a capable secretariat that will operate comfortably and effectively in the unfolding scenario. If this is not done black business will continue to remain on the sidelines of our economic development.

Stability

This organisation needs to be proactive in bringing about social and economic stability not only in the townships but in rural areas as well.

Hence, the programmes for the current year which range from construction of stock dams to lobbying for the establishment of National Equity Funds for underpinning real small business development and effective employment creation.

Assistance

We are expected to influence black SA to begin to participate significantly in developing our tourist potential because the country needs it. Nafcoc will have to be assisted to be able to initiate the necessary public awareness programmes.

Our appeal to you all is to assist us in whatever possible way to ensure that we play a decisive role in the transformation of our society away from hunger, away from crime, away from poverty, confrontation, violence and assassination, towards a peaceful and prosperous order in which all of us will be co-operating in the creation of a better world for our children.



"INCREASING BLACK BUSINESS THROUGH GROWTH SOUTACOC 23rd ANNIVERSARY - SURVEY

Black bonding is vital for the new SA boom

Clifford 20/6/92

*Creativity in spite
of apartheid hostility
will give us the edge*

Supplement compiled
and edited by ZB Molefe

SOUTACOC president
Joe Hlongwane swears by
every word of this year's
conference theme.

In fact he sees the
theme - "To increase the
stake of black business
through a programme of
growth" - as a signal to
his region.

He says the Southern
Transvaal Chamber of
Commerce (Soutacoc),
must attend in order to
become a major player in
the affairs of its mother
body, the National Afri-
can Federated Chamber
of Commerce (Nafcoc).

He said: "We must cre-
ate strong forums at
branch level in our region
so that we can identify
problems that plague
black business. We be-
lieve in going to our mem-
bers and discussing their
problems."

This approach, says
Hlongwane, will help

Soutacoc's branches
move out of a "dependen-
cy syndrome" from moth-
er body Nafcoc.

And what Hlongwane
means is that Soutacoc
must help its branches
achieve their objectives.

He believes business
skills programmes are an
excellent starting point.

"For instance," Hlong-
wane says, "we could ask
Woolworths to help teach
our butcheries the art of
meat cutting. Already
one well-known account-
ing firm will be setting up
training schemes to help

our members in this criti-
cal business area."

Hlongwane is not
afraid to point out that
black business has for
decades been working
with an indifferent gov-
ernment which never at-
tempted to give blacks in
business a break.

Hlongwane says a
black business boom is
beckoning in the post-
apartheid SA.

"That is where Souta-
coc could work as a cata-
lyst, as facilitators, for the
funding of black small bu-
sinesses in the townships.
This is where, for in-

stance, we believe organi-
sations like the Small
Business Development
Corporation will have to
take a cue from us in that
post-apartheid South
Africa.

But something which
troubles Hlongwane is the
old bogey of township vio-
lence and its destabilising
effect on black business.
He argues that the solu-
tion lies in township busi-
ness and the major politi-
cal movements coming to-
gether to hammer out
common strategies.

"We must address the
question of political con-
flict. (Black) business
people must be neutral,
tolerant and guard
against imposing their
views on others," Hlong-
wane points out.

He cites the proposed
Mandela-Buthelezi peace
meeting as the way to go.
He also urged his region
to adhere to the Peace
Committee's programme
of peace.



SMART ATTACK... Soutacoc's Joe Hlongwane is urging black businessmen to get smart fast in preparation for the coming post-apartheid boom.

ANC to head 'buy black' campaign

B/Dewy 24/6/93

THE ANC would head the campaign to buy first from blacks to improve the black businessman's lot, ANC economics department head Trevor Manuel said in Johannesburg yesterday.

Giving the keynote address at the annual conference of the Southern Transvaal African Chamber of Commerce, Manuel said an ANC government would outlaw banks' discriminatory lending which barred black access to finance, and would change the situation where the economy was controlled by a few conglomerates.

SA industrial policy at present was capital intensive and did not provide for job creation, Manuel said. The public sector was not geared to helping people, the Land Bank was not set up for blacks, the Industrial Development Corporation did not care and 73% of the SBDC's lending volume went to whites. (176)

"We will change all that and introduce institutions for cheaper lending," Manuel said. "The country, too, needs strategies in which people will have access to training."

Blacks should not be confined to the small and medium enterprise sector. "We need 100 more companies like the National Sorghum Brew-

THEO RAWANA

eries," Manuel said.

Nafcoc president Archie Nkonyeni called on political leaders to stop bickering and speed up negotiations

"If this economy is to be preserved for posterity to build on, then our leaders must rise to the occasion and be the statesmen we believe they are," Nkonyeni said. (177)

He added: "From all business formations, from Nafcoc, from the Business Forum, from the National Economic Forum, and from the conference at Kempton Park, they must be left in no doubt that, even though we know that we are dealing with a situation that has its own realities, its own dynamism and its own imperatives, the nation expects nothing less than going to the polls on April 27 next year."

He said the transitional executive council, expected to be installed soon, should use its greater credibility than that of the current government to quell violence.

The future government and the whole nation needed to commit themselves to policies, programmes and plans that would help the economy to grow. He called on black businessmen to take the initiative.

BUSINESS How a photo-journalist with a dream set about making

Nothing negative for this photographer



Sanlam 75

Sowetan 24/6/93

■ **OWN DESTINY** Bongani Mnguni works

round the clock to achieve success:

By Mzimkulu Malunga

IN THE highly competitive photographic world, patience and hard work are the names of the game, says Mr Bongani Mnguni of Black Image.

"Many publications and agencies have their own photographers and for them to use your pictures they have to be exceptionally good," says the man who works round the clock.

After working in the newspaper industry for over a decade, Mnguni wanted to determine his own destiny and teamed up with a friend to take photographs for various American companies.

But when the sanctions campaign heightened and many American companies pulled out of South Africa, Mnguni and his partner were left in the cold.

Despite the setback, he refused to be battered into submission and established a photographic agency which supplied pictures to local and overseas publications.

"Initially the objective was to organise journalists who were out of work to form a co-operative through which we could share

facilities and be able to survive.

"But that did not materialise because some people could not cope. In this field you have to work really hard before your operation matures," he says.

Mnguni says he has managed to secure the confidence of a number of publications, companies, institutions and black business organisations.

In addition to being the official photographer of the University of Venda, Mnguni takes pictures regularly for the National Sorghum Breweries.

The Association of Black Accountants of Southern Africa and the Association of Black Hairdressers of South Africa are among some of Black Image's clients. Taking pictures for business brochures or annual reports pays better than newspapers and magazines, says Mnguni, but he is not prepared to turn his back on photo-journalism because of his love of the field.

His dream is to expand Black Image into a fully fledged news agency supplying pictures and news stories. Already there is someone who writes news stories which are distributed to a number of local and overseas publications as well as agencies.



Bongani Mnguni

BUSINESS

Affirmative action confuses SA firms

WMAJ 25/6 - 1/7/93.

THE business community has real difficulty grasping the essence of affirmative action, judging by a special survey on the subject.

Almost three-quarters of the 700-odd respondents to Quest Personnel Group's affirmative action study appear to believe that an "equal opportunity" programme is the equivalent of affirmative action.

A total 43 percent of those polled by Quest concurred with the consultancy's definition: "A programme of action instituted by the management of an organisation to recruit, train and nurture certain sectors of a community in preference to others — for example, blacks in preference to whites, or females in preference to males."

Half of these considered their policies successful. But, on probing, Quest found only 29 percent interpreted this as meaning blacks and women or both would be preferred in management positions. Of the remaining 71 percent, says Quest, only one-quarter claimed to have plans to adopt such a policy.

The study shows that being crippled or gay still entails some active discrimination. One company in 10 indicated it would reject a crippled person as a candidate for a management position.

Only 14 percent of the companies were likely to reject a homosexual. But companies fear Aids: 39 percent would probably, says Quest, reject outright a suitably qualified candidate if it found out he or she had Aids.

A survey has revealed that

businesses believe that 'equal opportunity' is equivalent to affirmative action.

By REG RUMNEY

Religion and the ability to speak an African language were not important issues for businesses surveyed, but bilingualism in Afrikaans and English were, particularly in Pretoria and Bloemfontein.

Overall, 43 percent of the respondents said bilingualism in Afrikaans and English was important for a management position.

How would companies react to legislated affirmative action programmes?

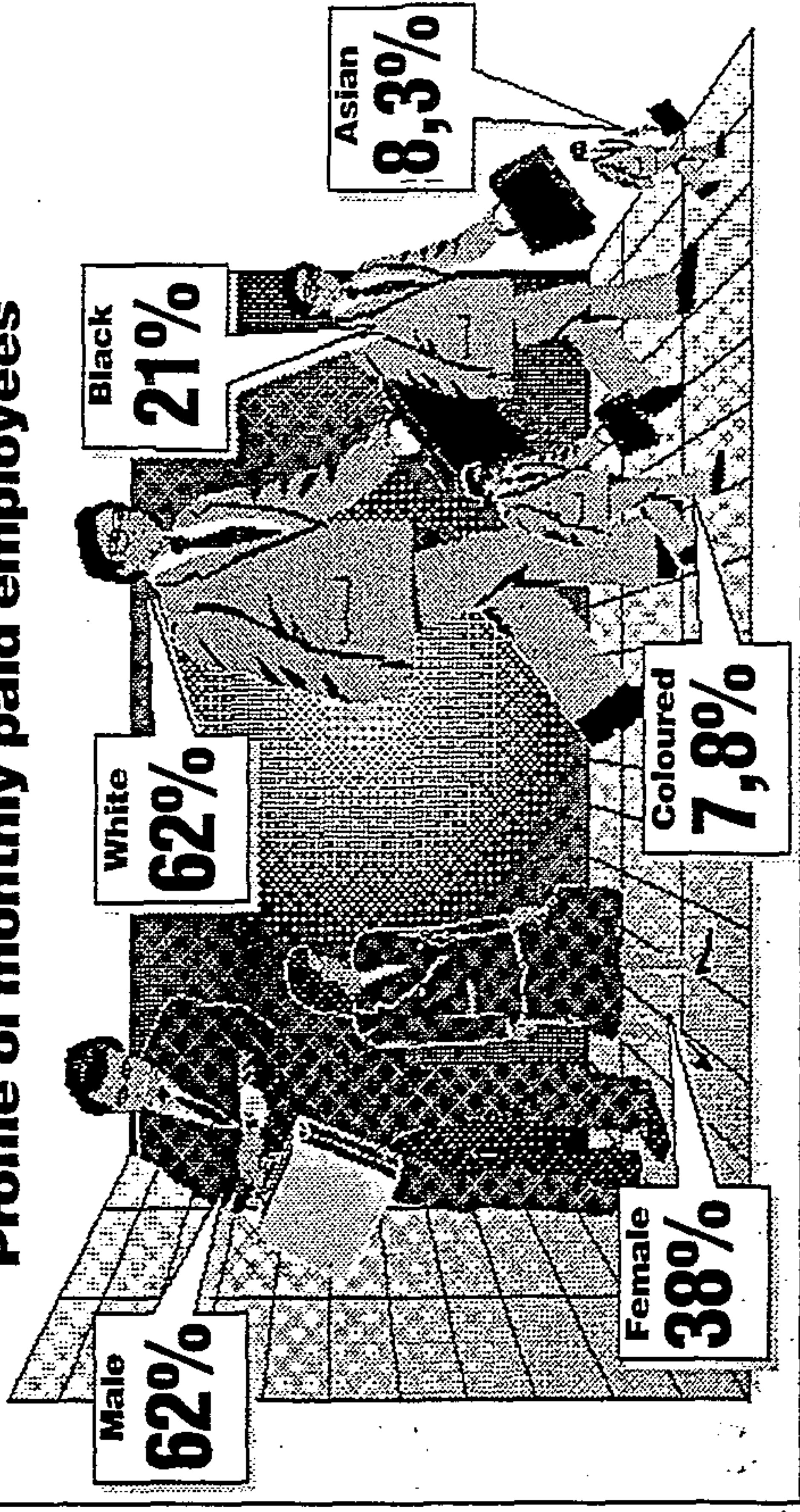
While a race-based affirmative action programme would be accepted, other disadvantaged groups would lose out.

A legislative programme based on age would be resisted, and one based on race most accepted. A full 56 percent of the respondents would accept a race-based programme, and 39 percent would oppose it; 49 percent would oppose an age-based programme.

An affirmative action programme based on sex would engender heated debate: more than half would accept it, while 43 percent would oppose it.

A programme based on physical disability would similarly be accepted by more than half of companies polled and 42 percent would oppose it.

Profile of monthly paid employees



Still far from equal, let alone representing the racial mix of the broader South African population, is the composition of SA firms. As the graph shows, white males still predominate among the monthly paid employees of companies. The converse is that weekly paid — that is, blue collar — workers are still mostly black, according to a recent survey undertaken by Quest Personnel Group.

Plastics venture shapes a new industrial mould

By REG RUMNEY

THE planned R2,5-billion joint plastics venture, announced last week, between Sasol and AECI cuts across a number of preconceived notions about industrial strategy.

The joint venture will merge the plastics businesses of the two companies to make a vertically integrated company which, it is

CALLING 'NON-GOVERNMENT ORGANISATIONS'

African Bank grows net income

AFRICAN Bank has increased net income after tax by an annualised 8,1% in 1993 to 1991's 34,1%. (176) (58)

The bank's results released yesterday for the 18 months to end-March, its new year-end, showed net income had grown to R2,19m from R1,35m in 1991. Total assets rose by an annualised 34,3% (33,1%) and deposits grew by 35,1% (33,3%).

Chairman Sam Motsuenyane said business conditions were expected to remain difficult during the next financial year.

CE Jack Theron said the bank would continue to monitor its credit risk exposure and focus on its key objectives of improving its return on assets and shareholder's funds.

A total ordinary dividend of 10c (7,5c) a

Biday 25/6/93
SHARON WOOD

share was recommended by the board. Theron said the bank would decide on whether it would pay out interim dividends on a regular basis after seeing the first six month results of the 1994 financial year.

The bank planned to open branches in Pinetown, Pretoria, Isipingo, Phalaborwa, Botshabelo, Port Elizabeth and a second outlet in Pietersburg during the next financial year, he said.

Planned branches in Germiston, East London and Phuthadithjhaba had been opened during the period under review.

African Bank's disclosure of operations remained low, but Theron said it would be ready for full disclosure next year.

Thebe insiders close ranks

w/mail 25/6-11/7/93 (176)

By FERAL HAJAJEE

THE Thebe Investment Corporation, which claimed this week it had found three bugging devices in its offices, concealed the debugging sweep from its own staff.

An investment company with African National Congress links and funding, Thebe swept its offices at the weekend in the wake of a spate of controversial revelations about its business dealings.

Staff were instructed in a circular not to make arrangements to work on Saturday on the pretext that the office was being refurbished. The memo was from a junior employee who signed on behalf of managing director Vusi Khanyile.

Not even Khanyile's senior management team knew about the planned operation. Two Thebe insiders have independently contacted *The Weekly Mail* to express fears that Thebe itself may have planted the bugs.

After revelations of Thebe's controversial business deals in the press last month, Khanyile called a staff meeting and told employees he feared information and documents had been leaked to the press from the company.

He instructed staff "to be more responsible". Soon afterwards, the offices were debugged.

Insiders also say Khanyile and his circle of advisers are increasingly closing ranks. Monthly staff meetings

have all but stopped, and Khanyile recently said there was no longer any need for weekly management team meetings either.

The company said that the discovery of the devices came at a time when "attempts are being made to discredit Thebe, particularly over its links with the democratic movement". It claimed the bugging "shows the extent to which certain groups will go to destroy efforts to right the wrongs of apartheid."

"We note that other black companies that threaten established interests have been subjected to measures intended to destabilise them." Thebe also alleged that the "dirty tricks" incident smacked of "political interest rather than business practice".

Revelations last month exposed Thebe's intention to start a joint venture company with multinational publishing house Macmillan-Boleswa for the supply of textbooks.

Thebe would supply Macmillan with "a regular line of communication with the relevant government structures in the new South Africa" in return for a 20 percent shareholding in the new company.

An attempt to move into the mine catering business hit flak from the Congress of South African Trade Unions-affiliated National Union of Mineworkers.

And an earlier bid to secure lucrative fishing quotas on the Cape coast was vetoed by the ANC's national leadership.

Sorghum Breweries

BLACK business gained where academia lost when Sipho Nhlapo decided that his sheltered employment at university was frustrating.

Nhlapo is not your run-of-the-mill academic. He has a Ph D in microbiology and biochemistry and was head of the University of the North's department of microbiology.

This was after a brilliant school record at Frankfort in the Free State where he grew up. He went on to matriculate at the Amanzimtoti Training College.

Then he read for a BSc, honours and masters degree at Fort Hare University before completing his PhD at the well-known Rutgers State University in New Jersey, United States.

Frustration

The business bug bit Nhlapo when he joined the world-famous pharmaceutical giant Johnson and Johnson in the US as a management trainee. From there he was transferred to the company's South African operation in 1982.

But the pull of academia once again got the best of Nhlapo and he joined the University of the North as a senior lecturer in microbiology. Nhlapo, in fact, started the department of microbiology and ended up as its professor.

Frustration with the academic environment set in and Nhlapo joined the National Sorghum Breweries "to put my knowledge and experience to industrial use".

Yet Nhlapo has not totally severed ties with

Brainpower's the force behind prof's business firepower

CIPRES 27/6/93



EXPANDED VISION ... Prof Sipho Nhlapo's research, development and marketing division is studying diversification.

academia. He maintains links with the University of the North because, according to an interview in *Enterprise* last year, there

is "a need" for microbiologists and biochemists. The magazine reported: "He sees it (academia) as an avenue for black

empowerment."

He also said: "We can delegate research contracts to black universities and sponsor post-gra-

duate students. This is a way for us to help develop black scientists. There is room for lots of co-operation and we invite the universities to come and discuss these plans with us."

At the NSB research, development and marketing division his job entails setting up laboratories to maintain the high quality of his group's products and to research and develop new products.

Nhlapo feels challenged. He pointed out last year: "For so long the company has depended on the Council for Scientific and Industrial Research (CSIR) to do its research. Now all those activities have been brought in-house."

Nhlapo told *Enterprise* that some of these new products included high-protein food products.

Quality

Diversifying the group, he said, would help the NSB sustain itself in the long term. But Nhlapo is adamant that he is not ignoring the NSB's mainstay product, sorghum beer.

He said: "Sorghum beer has never been given the image it deserves. It has even been known as a health hazard. Our role is to set a high standard of quality and improve that image. It should be a drink for everybody and we are going to market it as such."

Judging from the strides the company has made in the past three years, many do not doubt that Nhlapo has kept his promise.

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SAB drivers win in-house contract

St. Times (Buss) 27/6/79

By DON ROBERTSON

IT has been tried before, but the idea of allowing truck operators, working for a major distributor, to own their own trucks has taken on a new concept at SA Breweries.

Black truck drivers at the Baragwanath depot of SAB have formed a close corporation and have won a contract for an inter-depot transport contract. (176)

The formation of this new "informal" group has resulted in an order for 11 ERF truck tractors, costing about R500 000 each.

This story of co-operation between black and white businessmen creates a position in which owners become operators with the necessary benefits.

The new group, Wheels for South Africa CC, is an unexpected, but welcome spin off from the brewery's owner-driver programme, says SAB.

Bob Jones, general manager for truck sales at ERF says they were approached by the group which had no financial or credit

track record and no assets other than their own 100 years of distribution experience.

"The close corporation partners had been chosen from SAB's owner-driver programme and would be monitored for driver use, experience, customer orientation, technical capabilities and honesty. (322)

"We realised that these people, with all their experience, probably knew more about distribution than most," says Mr Jones.

"We, therefore, saw the potential and took the initiative by submitting a proposal to our joint venture finance company, Wesbank. This proposal was approved." (482)

The success of Wheels of SA was a pleasant surprise for depot manager, Deon Kriel, who had planned to award the inter-depot contract to "outside contractors."

Page 1

United

Blacks trained to fill key public service jobs

B. Day 2/16/93
GERALD REILLY

PRETORIA — Efforts are being made by the Commission for Administration and by the ANC to equip more blacks to move into senior and key posts in the public service, government spokesmen say.

More than half of the public service in SA is black although most of these workers are in lowly paid jobs.

Of the 599 000 workers in central government departments, 300 000 are black and 222 000 white. In the Own Affairs departments, blacks number 22 106 and whites 80 122 of a total of 181 000, and of the 240 000 public servants in the six homelands, all are black.

A Commission for Administration spokesman said training programmes had been intensified to prepare blacks for more skilled jobs.

A total of 64 blacks were being trained for posts in junior, middle and senior management up to and beyond the level of director. Programme guidelines aimed at a more representative public service had been issued to all state departments.

The commission conceded that some race groups were represented poorly in the public service and this needed to be rectified. (b) (7)

The inevitability of a black public service at higher levels has been accepted by the Public Servants Association. The association said as long as promotion in the service was based on merit and qualifications, there could be no objections.

The ANC has said there would have to be early retirement of some public servants in the process of affirmative action, but there were no plans to fire white government workers en masse.

Changing

C/Press 21/6/93

the face of business

IN just three years the National Sorghum Breweries (NSB) has become the largest black-owned company in SA.

With more than 4 000 employees, the company carries the hopes and aspirations of most black South Africans.

In fact, at a recent glittering function in Johannesburg where NSB chairman and chief executive Mohale Mahanyele was honoured with the Businessman of the Year Award, ANC president Nelson Mandela lionised the company as having "put the issue of black economic empowerment very forcefully on the agenda in this country".

What Mandela and many others are already saying is that the NSB is black economic empowerment in action – not some obscure academic concept which does not deliver the goods as promised. Its humble beginning has the ring of a Cinderella story.

It was after the bewitching midnight hour when it was officially established as an independent business after the Industrial Development Corporation's (IDC) assets and operations were transferred on June 30 1990.

On July 1 1990 the NSB was born and black economic empowerment was put to the test.

Three years later the NSB has made great strides as it gives the sorghum beer industry a new, serious image and facelift. The hard facts are that in pursuing its objectives of real and tangible black economic empowerment the NSB has been recording healthy trading results.

Somehow the company can stand tall and proud in confirming that black South Africans can make it – particularly in a big industry like sorghum beer, which for years had blacks demanding that it be handed to them to run and manage.

On the other hand, the NSB has become the barometer of how blacks will handle economic empowerment when the majority of South Africans find themselves in a post-apartheid society. The NSB was born against the backdrop of a country that is engaged in a painful transition to a democracy.

Mahanyele told a business magazine last year: "NSB has a massive responsibility to show the people of SA how business should be done in this part of the world."

He went on: "NSB does its business among the poorest and amid the squalor of the squatter camps. We are therefore more acutely aware of the problems."

Because Mahanyele believes that the new SA will not usher itself in on its own but has to be created, he says the NSB has adopted an active policy of black economic empowerment to contribute to this dream of millions of South Africans who were cast in the role of underdogs.

Mahanyele does not pull his punches: "There will never be justice, fairness

and equality unless past inequalities are addressed through such programmes as affirmative action. The recent history of the Afrikaners is a poignant reminder of how vital it is to empower the poor in order to help themselves."

And to see that this dream and responsibility solidifies, Mahanyele has surrounded himself with able and willing people on the NSB board of directors.

Included on the 11-person board are well-known businesspeople, Moss Leoka; Peter Wrighton of Premier Milling; popular musician "Mama Afrika" Miriam Makeba; former Soweto schoolmaster and now businessman Legau Mathabathe; musician-academic Professor Khabi Mngoma; accountant Israel Skosana and academic Dr N Mzamane.

In addition to pursuing its mission, the NSB has reorganised its management and made numerous appointments. No wonder today it boasts the single largest component of highly qualified and experienced blacks of any company in the history of SA.

The black community also plays an important part in the affairs of the NSB – it sources a large portion of professional services and supplies from this community within which it conducts business. Some of these services include advertising, marketing, insurance, travel, photography and printing.

Mahanyele told *Enterprise magazine*: "The company has created employment for hundreds of entrepreneurs who operate as independent distributors of sorghum beer and has a close relationship with many more shebeeners and taverners through the South African Taverners Association."

Another proud milestone was reached when an overwhelming number of blacks purchased shares in mid-1991 – there are now more than 8 000 ordinary shareholders plus 4 000 employees who belong to the NSB Employee Share Trust.

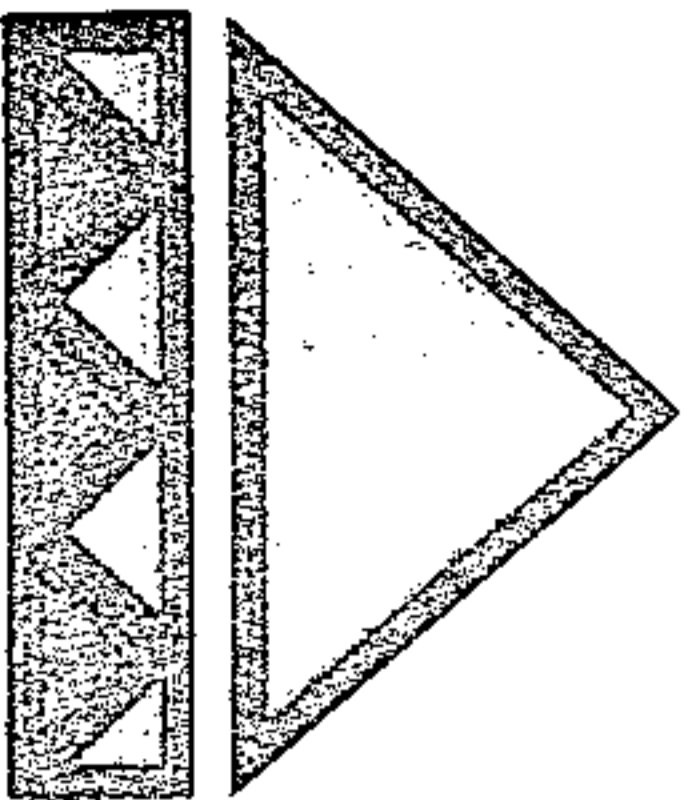
"Our shares are still available to the public at R1,15 a share in 100 units. Those who still want to buy our shares can purchase them from their nearest NSB brewery or Mercantile Bank," said public affairs executive Derrick Luthayi.

Other visible jewels in the NSB crown are its brand-new Ladysmith brewery which is in full production and the Naspotie Brewery in the eastern Transvaal's Nelspruit area, which was completed this month and will be officially opened in August.

A lot of people sit up and listen when Mahanyele says that the NSB has truly become the "people's company" and is changing the face of business in SA.

It is not an idle boast. The man is a firm believer in that oft-repeated truism: "Nothing on earth is as powerful as an idea whose time has come."

(176) (102) (102) ()



National Sörgjhuum Bina MAKING BLACK ECONOMIC EMPOWER



CLASS OF '91 . . . NSB board members (standing left to right) N Mzamane, Eugene van Rensburg, Israel Skosana. (seated) Moss Leoka, Mohale Mahanyele, Miriam Makebe and JJ de Bruyn.

A 'puppet' with pull?

Star 28/6/93

THE disclosure that an electronic sweep of the Thebe Investment Corporation's Johannesburg head office last week had revealed a whole series of bugging devices came as no surprise to several big segments of the business world.

Scores of companies — big multinationals as well as smaller fry — admit in private they would love the chance to eavesdrop on the deals being struck at the Thebe HQ on the 18th floor of Glencairn in the city centre.

The fascination revolves around persistent rumours that Thebe, which was created less than a year ago, is the investment wing of the ANC.

Taking a realistic appraisal of who will hold the political reins when the first post-apartheid elections are over, lots of businessmen reckon that hand-in-glove close relations with Thebe could provide the keys to unlock treasure chests worth millions of rands — even billions — in future government contracts.

How much potential political as well as financial clout may be wielded by Thebe when the timing is right?

Thebe executives issue repeated repudiations of suggestions that the whole operation is under strict ANC control.

Fine, but anyone analysing the who's who behind the corporation is conscious of a credibility gap.

The chain of command begins inside the top ANC hierarchy. The sole shareholder with ultimate control of Thebe is the Batho-Batho Trust, which was founded by ANC president Nelson Mandela and ANC deputy president Walter Sisulu, who on recent accounts remain the sole trustees.

Observers can only guess about the origin of the funds used to establish the trust.

The ANC connections flow through into the Thebe boardroom, where former KaNgwane chief minister and ANC sympathiser Enos Mabuza sits as chairman. The managing director is Vusi Khanyile, who

The Thebe Investment Corporation firmly denies it is the puppet business arm of the ANC. While speculation persists about political links, Thebe spreads its wings wider and wider, reports MICHAEL CHESTER.

(176)
moved from the ANC finance department. Also on the Thebe executive is regional chairman Tokyo Sexwale.

Thebe was swept into the headlines when heated controversy broke out around news that it was thinking about a joint venture with the huge multinational publisher Macmillan.

The prize promised to be a foothold in the multi-million-rand business of publishing school textbooks.

Proposals envisaged that Macmillan would use subsidiary Macmillan Boleswa to move back into SA.

Temperatures rose when rumours circulated — in turn denied — that Thebe was negotiating about "a regular line of communications with the relevant government structures in the New South Africa", in exchange for a free gift from Macmillan of a 20 percent shareholding in the proposed venture.

True or false, the proposals appear to have been put on ice following the uproar of rival publishers who made plain their fears that the Thebe/Macmillan foothold in school books would turn into a stranglehold on the educational book market once the ANC started to use its clout in the allocation of contracts.

No deal has been struck, but that may not mean Thebe has abandoned its ambition.

The burst of criticisms over the Macmillan joint venture has clearly angered Khanyile.

"To suggest that a black publishing company would only gain a position with a democratic government through corruption," he says, "sounds very much like another way to keep black business out of the market."

Thebe had a far smoother passage when it ventured into

(176)
the computer market with a 45 percent stake in Bhekisizwe Computer Systems, which claims to be the first black-controlled company in the field.

It promises to be a lucrative investment. Bhekisizwe has been named as one of only two South African distributors of products from the vast Digital Equipment Corporation based in the United States.

Thebe's operations are spreading wider and wider. Also under its wing:

- Oriole Travel, in the holiday and tourism market, which lists diplomatic missions, trade delegations and corporate customers among regular clients.

- Three property companies.

- Movement Marketing Enterprises, a division involved everywhere from selling ANC T-shirts, acting as wholesaler to hawkers and street vendors, to running an arts and crafts centre.

- Thebe Trading, created as an import-export company in readiness for the removal of sanctions.

Thebe found itself in heavy seas when it was about to strike a big deal with Viking Fishing, one of the biggest fishing companies on the Cape west coast, to apply for a quota to bring in a stunning 2 900 tons of hake.

Thebe was hit by a whirlwind of criticism from members of the local fishing community, which had been pledged support from local ANC leaders in applying for quotas to win a stake of their own in the market.

Thebe, red-faced over the gaff, scuttled its quota plan.

The investment corporation has lots more fish to fry. Khanyile confirms that once Thebe has proved a sound track record it intends seeking a listing on the Johannesburg Stock Exchange. □

BoE and stokvels in investment package

THE Board of Executors (BoE) and the National Stokvels Association of SA (Nasasa) have reached an agreement on a special investment product for members of stokvels. (S)

Neither the BoE nor Nasasa would comment on the deal yesterday.

But sources said the product, which they described as "unique" and "revolutionary", would be launched in Sandton tomorrow.

The sources said the product was a "package", one component of which would be unit trusts. They added that the package

B1504 29/10/93
WILSON ZWANE

was a joint venture by the BoE and Nasasa.

Negotiations between the two began last year in the wake of Nasasa president Andrew Lukhele's statement that his organisation planned to alleviate the black housing crisis by diverting millions of rands from banks to specially designed unit trusts, which would serve as collateral for home loans. He said the plan would allow black savings to be ploughed back into black communities. (S) (176)

Affirmative action plan

810A4 16/2/93

WILSON ZWANE

A TOP researcher has suggested that SA copy the Australian model if it wants to enact affirmative action legislation which has political legitimacy as well as economic realism and flexibility.

Employment equity programmes cannot be left entirely to collective bargaining, writes Kathy Albertyn, a researcher at Wits University's Centre for Applied Legal Studies, in this month's edition of the Institute of Personnel Management's People Dynamics.

Albertyn says that with a strong recent history of collective bargaining in SA, the negotiation of employment equity programmes between management and trade unions is an attractive option.

However, the male-dominated nature of management and trade unions, the fact that unions are of varying strengths, and international studies which tell us the attitude of employers remains one of the principal causes of inequality and job segregation in Western Europe and the US, suggest that employment equity programmes cannot be left entirely to collective bargain-

ing.

For this reason, she says, SA has to copy the Australians if it is to pass laws setting out the details and parameters of mandatory affirmative action.

This does not mean that the situation in our country can be equated to that of Australia. There are clearly significant economic, political and demographic variations and, consequently, different problems that have to be addressed in the workplace.

"What is useful in the Australian experience is the manner in which it stipulates procedures and strategies which ensure that employment equity programmes are implemented."

In addition, the Australian model is not only the kind of legislation which will meet the dual need for political legitimacy and economic realism and flexibility in SA, but it will also provide guideline needs, says Albertyn.

There's money in those bottles

THERE is a school of thought that a crisis sparks creativity and for an entrepreneur Mr Lebogang Diretse this saying is no old wives' tale.

Eleven years ago when he lost his job, he thought the world had come to an end. But the entrepreneurial spirit soon took over in Diretse's soul. He decided to buy a van and sell fruit and vegetables - the usual trend in the townships if a person does not venture into the retail sector - either by owning a spaza-shop or a cafe.

One of his friends, however, advised him to explore the bottle collection busi-

ness. After some thought he took up the challenge and called his enterprise Sizanani Bottle Collection.

Looking back at the turbulent 10 years, Diretse has no regrets.

The way I see it work is like this: children bring bottles to their schools, then I collect them from there.

"Every month - end I pay the schools for all the bottles collected from them," says Diretse.

In each school there would be a contact person to oversee the bottle collec-

tion. The project has the support of the Senoane Civic Association.

About 15 schools in Soweto have responded positively so far, he says.

Diretse buys beer bottles from groups and individuals for 25c each and sells them to South African Breweries for 30c. He also buys spirits bottles for 20c and sells them back to the likes of Gilbey's for 25c.

In a single load to SAB at any given time he carries 146 cartons and there are 12 bottles in each one of them. For the

spirits he loads 108 crates each containing 36 bottles.

Gilbey's national recycling manager, Mr Ian de Wet, feels that the money his company injected into Sizanani to help the enterprise to lease larger business premises has not gone down the drain.

The company has paid three months' rent on Sizanani's new premises near Midway station.

If Diretse is successful in involving schools in bottle collection, Sizanani's profits could shoot up to around R20 000 a month and create 15 jobs.



Lebogang Diretse



176

18/2/93

Soweto

BUSINESS IOD course will level entry grounds for blacks ● A flourishing enterprise

Retired executives in franchise drive

Sowetan 18/2/93  (176)
INFORMAL TRADERS Executives

By **Mzimkulu Malunga**

A GROUP OF RETIRED EXECUTIVES is planning a major upliftment project for informal traders in the townships.

The International Executive Service Corps, an organisation comprising retired corporate executives, is engaged in a franchise drive for black entrepreneurs.

Key to IESC's drive is the identification of a maximum of 5 000 spaza owners who could be trained and given various support systems to mould them into major players in the retail industry.

Though the retail sector in the township is saturated, IESC volunteer executive, Les Hutton says the likes of Metro and Makro still control 90 percent of the market share.

IESC's research discovered that many of the informal retail operators identified for the programme require training in various forms of management, says Hutton.

Also high on the agenda is the establishment of what IESC terms "mini

planning a major upliftment programme:



Les Hutton

where a number of franchisees will operate a diversity of businesses, but sharing resources, skills and management.

The first "mini mall" in the Transvaal is due to be opened in Ivory Park near Midrand, northeast of Johannesburg.

"Franchise business is the best form of skills dissemination.

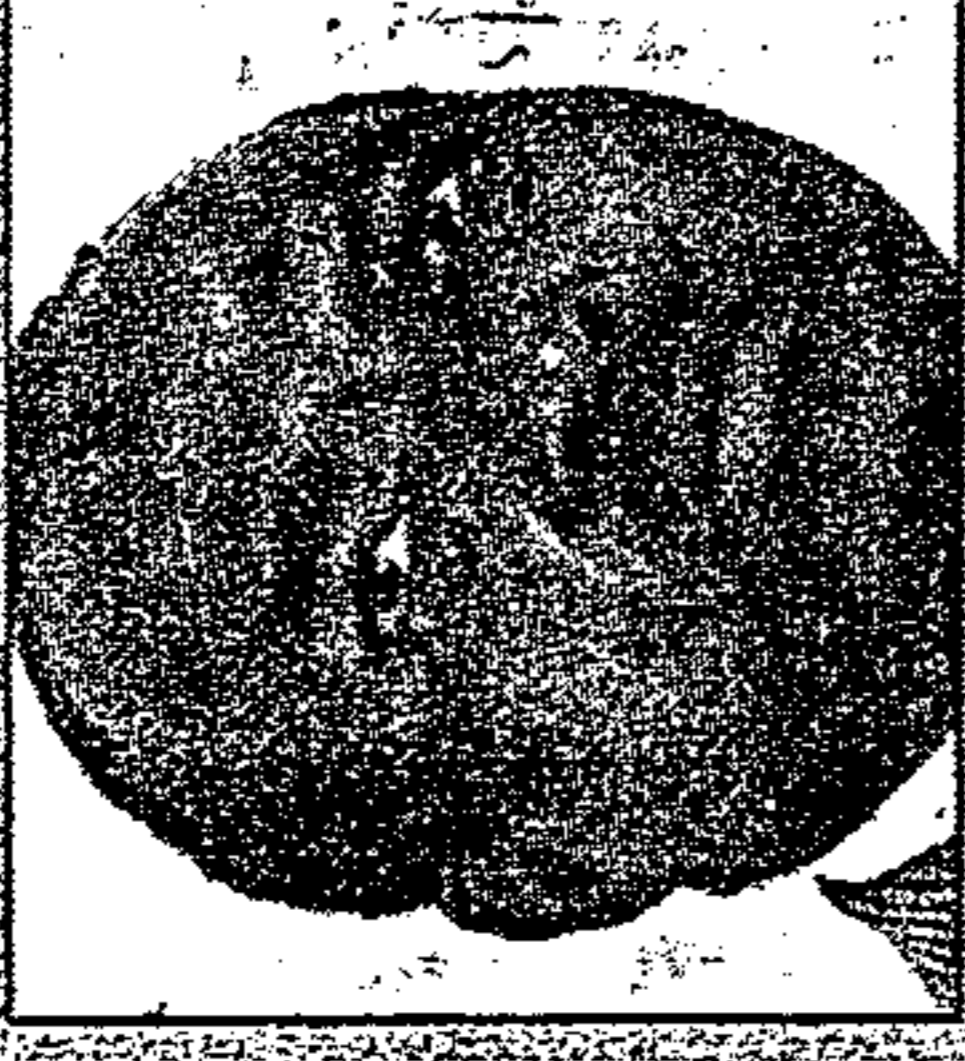
"Our aim is not to assist just five people to start Kentucky Fried Chicken in the township, but to help tens of thousands of entrepreneurs to venture into a variety of affordable franchise businesses," says Hutton.

To buy a franchise from Kentucky Fried Chicken costs around R1 million while a Chicken Liken franchisee has to part with about R300 000.

But the IESC says its franchise prices range from R500 to R10 000. Prices can also go up to R65 000, mainly for franchisees interested to start Kippies Chick 'n Grill outlets.

Hutton says the entire operation will work through a three stage approach in which IESC as the facilitator will oversee the projects while skilled entrepreneurs help their unskilled counterparts in day-to-day running of the businesses.

People on the move



Enoch Mabasa has been appointed branch manager of the Metropolitan Life in Potgietersrus.



Abel Wessie has been appointed Metropolitan Life's branch manager in Mogwase near Rustenburg.



Perfect Malmela has been appointed to the board of directors of Fedles Group. He is chief executive of a human resources consultancy firm.



Dr George Misibi has been appointed to the Fedles Group's management board. He is the company's director of market development.

Training for black managers

■ Course will help advance
middle management:

Sowetan 18/2/93

By Mzimkulu Malunga

BLACK managers are likely to benefit from a company directorship course due to be launched soon.

The course, a Diploma in Company Directions, is run by the Institute of Directors (IOD).

According to IOD executive director Richard Wilkinson the course is nearly complete and will be polished at a meeting today.

The two-week course will cover a variety of subjects such as directing human resources, effective management development, developing organisations and many others. IOD executive David Hutton-Wilson, says this move is similar to that introduced by the Institute of Directors in the United Kingdom in 1982.

Since then, over 1 000 senior executives have enrolled for the course. The immediate past president of the National African Federated Chamber of Commerce and Industry (Nafcoc), Sam Motsuenyane, once highlighted Nafcoc's policy as ensuring that all companies listed on the Johannesburg Stock Exchange have 30 per cent of their board members from the black community.

"If this challenge is to be met, current listed boards should now be searching for around 380 black executives competent to hold down the responsibilities of a company director," says Hutton-Wilson.

Full circle for unlikely employee

176

By Abdul Milazi

STAR 23/2/93

In 1976 Kate Mamabolo and thousands of Soweto pupils fought against the introduction of Afrikaans as the only medium of expression in black schools. Today she is employed by an Afrikaans organisation — to change its image.

"Without faith in the future we are trapped in our past," says the petite Sowetan.

When Mamabolo joined the Suid-Afrikaanse Vereniging vir Gesondheid Bevordering (SAVG) as its public relations officer last year, she had



Ever-changing times
... Kate Mamabolo.

no idea what to expect from her colleagues or the local community.

"I was afraid of being used as a soft target by

some whites who might see the employment of a black person in a 'white' organisation as a provocative move," she said.

"I was also worried about the reaction of my colleagues when they found out that their new public relations officer was black. But I was surprised and encouraged by the warm welcome they gave me."

Mamabolo's job includes promoting the association's programmes on alcoholism, life enrichment, dealing with stress, and healthy living. She also conducts

youth seminars and women's conventions.

The daughter of a dressmaker and a deliveryman, Mamabolo is an executive member and founder of the South African Women's Forum, and sits on the boards of Impumelelo Collections & Interiors and BC Stars, a pottery factory in Germiston which she and six other women bought two years ago.

"I never measure myself against ordinary people. I always want to be where others have not dared to go or where only a few have ventured," said Mamabolo.

Moseneke dons silk as third black SC in SA

Sowetan 23/2/93

By Joe Mdhlela

■ The 15-year-old sprout who returned to the court that put him away:

ALMOST a decade ago, a 36-year-old Pretoria attorney was admitted to the bar as an advocate of the Supreme Court of South Africa.

At about the same time, a caricature in a daily newspaper depicted an aged judge in spectacles. He was scratching his head as if trying to recall where he had seen the slightly built man he was about to admit as a barrister.

"I recall seeing you somewhere?" said the judge tentatively.

He was right, except that he had not seen the man "somewhere". The man had stood trial in his court and had been sentenced by him to 10 years imprisonment for sabotage 20 years before.

The cartoon strip was rather a comical, albeit heart-rending, depiction of events surrounding Dikgang Moseneke, his incarceration and his determination to rise to the top of his chosen profession.

The admittance ceremony took place at the Pretoria Supreme Court on July 19 1983.

The same court, 20 years before, had found him to be a saboteur and sentenced him to a prison term on Robben Island.

He was a mere 15-year-old sprout.

Last week Moseneke joined an exclusive club of barristers. As Senior Counsel he now wears silk, giving him the honour to have his name suffixed by the abbreviations SC, the equivalent of Britain's Queen's Counsel (QC).

Two other blacks who share this honour are Mr Louis Skweyiya of Durban and Mr Ismail Mohamed of Johannesburg.

Mohamed was promoted to the bench a few years ago.

Moseneke's elevation to Senior Counsel puts him in line for an appointment to the bench as a judge.

Promotion

The 46-year-old Moseneke, who resigned his position as PAC second deputy president last December, had his promotion confirmed last week.

At 15 he was probably one of the youngest political prisoners to be incarcerated on Robben Island. He served the whole sentence until he was released in 1973.

On his release he was served with a five year banning order which remained effective until 1978.

Undaunted by his term in jail, he went on to pass the Standard 8 and matriculation examinations on the island. While serving his term, he graduated with Bachelor of Arts and B Juris degrees through the University of South Africa (Unisa) in 1969 and 1973.

Four years later he graduated with a Bachelor of Laws degree (LLB) from Unisa and served articles until he was admitted as an attorney in 1978.

Five years later Moseneke became an advocate, all along earning himself respect in legal and political circles.

Two years ago he was in the legal team that defended Mrs Winnie Mandela, who was charged with the abduction and assault of the child activist, 14-year-old Stompie Seipei.

Moseneke scored a legal victory in 1978, winning the right to practise as an attorney in South Africa after his loss of citizenship as a South African.

This came about when Bophuthatswana gained its so-called independence in 1977.

Moseneke had citizenship of the homeland forcibly imposed on him.

Moseneke proved that he was a South African and that he would never relinquish it for a sham citizenship.

After a lengthy legal battle, the full bench of the Pretoria Supreme Court reinstated his citizenship. He was then allowed to practise as an attorney.

Moseneke's victory was to become a test case for many Tswana-speaking South Africans who had lost their citizenship when the bantustan gained independence. Today Moseneke stands on the threshold of bigger things as a Senior Counsel.

His many struggles, both in the leadership of the PAC and for human rights, have contributed immensely to changing the country's political landscape.

Even his resignation from the PAC last December was received with shock, especially by the Africanists. But his promotion is certainly a victory for the disadvantaged people of this country.



LOST GENERATION

Fm 513/93

Greatest threat

(176)

A programme to train and employ millions of marginalised young people is being developed by the ANC Youth League. It proposes a partnership between businessmen, public authorities and the youths to tackle what is arguably the most serious socio-economic problem facing SA.

ANC economics spokesman Tito Mboweni says it is critical to find ways to draw the marginalised youth into the economy. He adds that the core of the group is 2m children between seven and 16 who have had no schooling. Their numbers swell annually by 300 000 who do not complete standard four and are effectively illiterate. Another 250 000 complete only primary school.

He outlined the plan at a symposium with Cape Town business people last week.

Fm 513/93

Mboweni says SA needs an emergency national youth programme aimed at education and employment generation. An eight-point plan has been put forward by the League and is under consideration. It includes:

- Training and development for self-employment;
- Training aimed at assisting people in finding formal jobs;
- A public works programme aimed at revitalising and adding to infrastructure;
- Agricultural and rural development training in certain parts of the country;
- Part-time and casual work (in collaboration with the trade unions to avoid conflict);
- The establishment of a national youth opportunity trust funded by the public and private sectors and managed by the youth;
- The provision of adequate recreational facilities for young people; and
- On-the-job training.

Mboweni says the business community's role in the programme should include: efforts in every company to employ young people; support for the proposed national youth opportunity trust; subcontracting whenever possible to businesses run by young entrepreneurs; the avoidance where possible of retrenchments affecting young employees; adult education programmes within companies; and support for outside academic and other education programmes.

He warns that the economy is already under severe constraints and time to deal with the problem is running out.

Youth League president Peter Mokaba says "frustrated youth" posed a greater threat to SA's stability than either the Right or a reactionary bureaucracy. ■

176

'A body to reckon with'

SOUTH 6/3-10/3/93.



176

KHABA, the Khayelitsha Business Association, is an active body of business men and women, who look after the interests of the business community in Khayelitsha, and, *inter alia*, the rest of the community.

Formed in September 1989, by half a dozen spaza owners (four of whom still serve on the executive) Khaba has become an organisation to be reckoned with.

In August 1992, aided by sponsorship from the Nedcor Chairman's Fund, Khaba was able to open its own office with a full time secretary.

Since then it has become the address for anyone with business ideas or problems and also for those from the wider community who are seeking to distribute goods.

Khaba serves its membership in various ways. For the past year, the executive has been negotiating with the security authorities in an effort to overcome enormous problems with regard to criminal activity in the area.

Many meetings and discussions have taken place with potential developers who turn to Khaba for their knowledge of what is required in Khayelitsha by the community.

This, of course, has raised the debate (recently reported in the daily press) about outsiders taking advantage of the opportunities presented by a new market of consumers.

The issue was sparked off by the

opening of a supermarket at the Tembani shopping centre by an Indian trader. In the process at least half a dozen spazas had to close their doors as they could no longer compete.

Angered by their helplessness, they turned to the Khaba Executive to hopefully solve their problem by expelling the Indian traders.

This put the Executive in a dilemma. Believing in a Free Market on the one hand, and understanding that outside development was the only way for the community to raise its living standards, they also resented the fact that they could not do the developing themselves.

They felt acutely disadvantaged compared to those who, due to past government policy, had been allowed to accumulate wealth and were therefore now in a position to take advantage of the situation.

The solution lay in working together with the developers in such a way that businesspeople in Khayelitsha would be given the chance to "catch up".

This would mean renting accommodation until they could afford to buy; entering into partnerships where the local people could "learn the ropes" and being offered franchises where they could accumulate expertise.

In other words, to have a transition period during which entrepreneurs who have started their businesses from small bases would be given time to consolidate their



LEADERS: Michael Jwambi (left) and Victor Mbauli, respectively vice-president and president of the Khayelitsha Business Association

assets and be able to compete on an equal footing.

These discussions are taking place daily and potential investors are sympathetic and willing to find new ways to solve the problems.

There are no precedents from which one can learn how to tackle these particular kinds of issues and lateral thinking and new thought processes must be brought to bear so that everyone is able to win in the end.

Khaba is also involved in trying to organise bulk buying for the many spaza owners in Khayelitsha.

The problem encountered here is complicated by the lack of proper communication facilities.

Postal services to the spazas are non-existent and very few even have telephones.

However, after many meetings

with Telkom, the infrastructure for telephone lines is in the pipeline and telephones will shortly become available to those who want them.

Training in business skills is also available to members of Khaba and many courses have been undertaken by those who were interested. Here again, a problem exists which the executive is tackling — and that is lack of premises from which to operate.

Many companies and organisations have budgets in their social responsibility programs for training and education, but the question remains: where are the trained people to go?

Financial viability is always a top priority and that is understandable. But somewhere there must also be a mechanism so that people who have the skills and have been trained in

business principles can rent premises and get on with starting their own small businesses.

Small factories are needed where the unemployed can subcontract to the bigger companies, and ultimately give them cheaper goods and lower overheads.

Khaba executive members network with many and various organisations in an attempt to put Khayelitsha on the business map. It is slow and painstaking work, but it is being done.

Mr Victor Mbauli, president of Khaba, says that every time a new visitor is introduced to the area and reacts with astonishment that "it is nothing like I thought it would be" the closer we get to the possibility that the development that is needed in Khayelitsha will come about.

JENNY HARRIS

Everybody's
BUSINESS

Economists under fire at launch of book on affirmative action

Political Staff

AFRICAN National Congress national executive member Dr Albie Sachs has taken economists to task for being caught up in their own economic ideology.

A professor of law at the University of Cape Town, he said at the launch of a book on affirmative action yesterday he had no faith in economists.

A free market, left to its own devices without any intervention, would deliver the required equity and advances.

"Economists are a barrier, they are neither flexible nor pragmatic," said Dr Sachs, who is one of eight contributors to *Affirmative Action In A Democratic South Africa*.

The book is being promoted by the Cape Town Chamber of Commerce.

Chamber president Mr Herbert Hirsch said affirmative action was pertinent at boardroom level, adding that line managers should see it as part of their job evaluation.

They should ask themselves continually what had been done to rectify imbalances.

Mr Hirsch said affirmative action had to be done for reasons of equity and justice, but if that was not good enough, business had to do it for reasons of enlightened self-interest.

He said: "Organised business should be proactive and not reactive, that is why the Chamber of Commerce is taking up the matter."

Mr Charl Adams, editor of the publication, said it was aimed at creating an opportunity for debate on a subject which had been given a great deal of negative publicity and had been used as a political bogeyman by both the left and right.

He said the term "affirmative action" was better defined by the Afrikaans translation "*regstellende aksie*" or corrective action, which implied that some wrong had to be put right.

Mr Adams said affirmative action was a process through which imbalances were corrected.

"It is not reverse discrimination, but finding a balance."

The important thing was that, once the imbalances were corrected, the action should disappear and not become a permanent part of the legal system.

Mr Sam Montsi, another contributor to the 164-page book, said affirmative action would unlock enormous productive resources for South Africa.

It would also remove the artificial apartheid ceilings under which black workers, denied the prospect of advancement, had stagnated or become demotivated and resentfully unproductive in the past.

Other contributors to the book include former Transkei University principal and Development Bank of SA director Professor Wiseman Nkuhlu, Peninsula Technicon rector Mr Franklin Sonn, and University of Cape Town Labour Law Unit director Professor Clive Thompson.

Economists come under fire

Sowetan 9/3/93.

(S) (176)

ECONOMISTS were neither flexible nor pragmatic and were the major barrier to affirmative action in South Africa, University of Cape Town law professor and ANC executive member Dr Albie Sachs said yesterday.

He spoke at the launch of a new book, *Affirmative Action in a Democratic South Africa*, to which he is one of eight contributors.

The book is being promoted by the Cape Town Chamber of Commerce and

■ Major barrier to affirmative action in SA, says Sachs:

follows a symposium on the subject held in August 1992.

The editor, Mr Charl Adams, said by way of introducing the 164-page publication that it was aimed at creating an opportunity for debate on a subject which had been given a great deal of negative publicity and had been used as a political bogeyman by both the left and right.

Adams, a Stellenbosch Business School graduate and current Human Resources Manager of the Cape Town Chamber of Commerce, said the term affirmative action was better defined by the Afrikaans translation *Regstellende Aksie*, or Corrective Action, which implied that some wrong had to be put right.

showing the way

ANDREA WEISS
Health Reporter

WHILE many firms battle to get to grips with "affirmative action", the Medical Research Council is showing the way with an innovative adult education programme for staff with an education gap.

The brain-child of Dr Sonia Wolfe-Coote, head of the MRC's experimental biology programme, the project is designed to train laboratory staff — from cleaners to receptionists — to do far more than just clean test tubes or answer telephones.

Mr Andrew Tomboer, a father of two who grew up in Ravensmead, is a case in point.

Mr Tomboer never completed matric and started his working life assembling diesel tractor engines on an assembly line in Atlantis. He joined the MRC in 1983 as a laboratory assistant and found himself washing glassware and keeping laboratories tidy.

Under the guidance of MRC staff, he gradually learned more intricate tasks usually done by medical technologists with technician diplomas — and now he fulfills a combined managerial, technical and administrative role.

His title is chief laboratory assistant, but Dr Wolfe-Coote maintains this does not reflect fully his value to the laboratory which does, among other things, important research on heart disease and human reproduction.

Dr Wolfe-Coote said certain laboratory activities, such as processing tissue and section cutting, were repetitive but crucial to research.

By finding people with an aptitude and training them, she was freeing researchers to get on with their jobs.

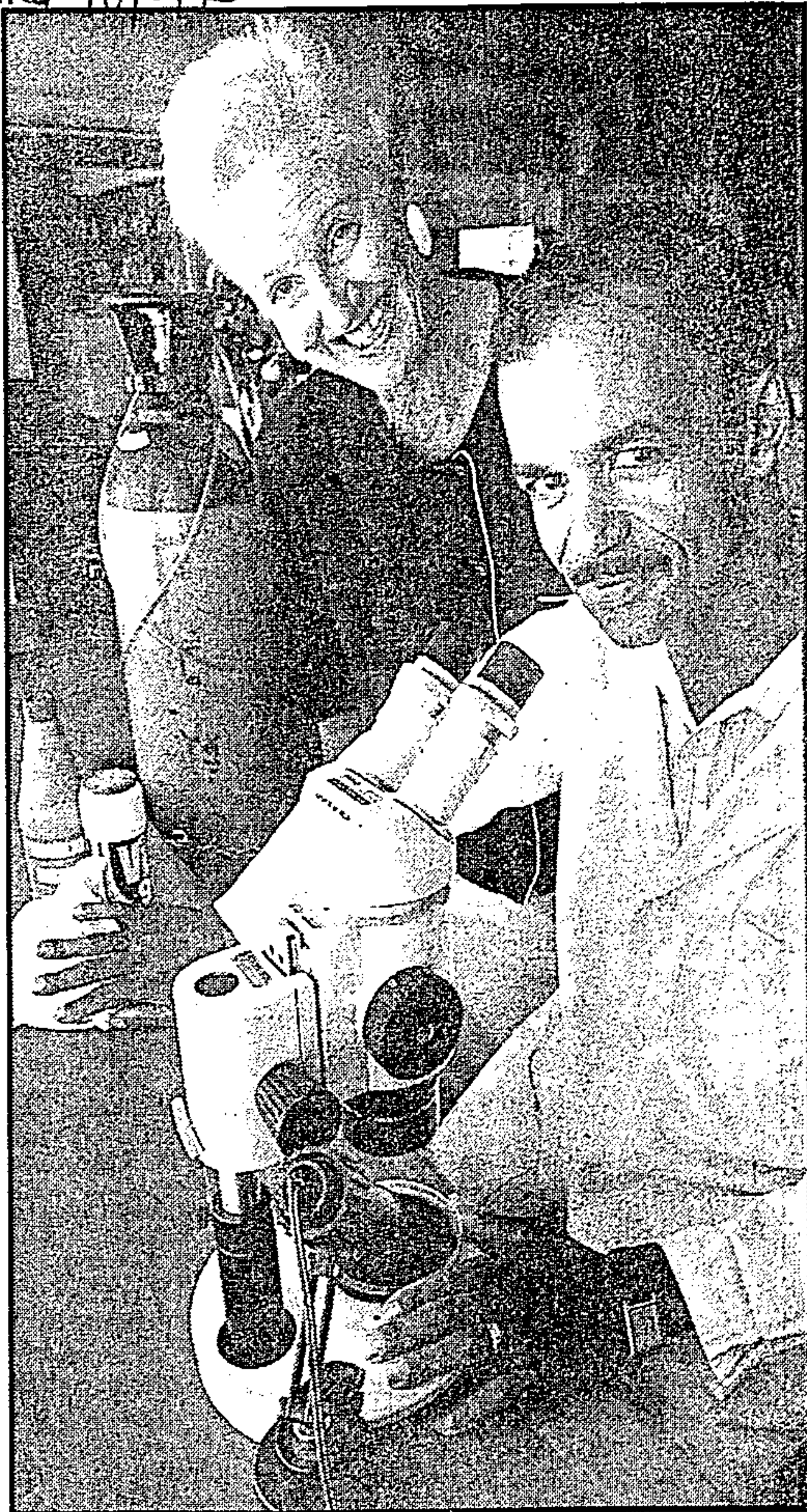
The next step came when Dr Wolfe-Coote was put in charge of the experimental biology programme early last year and she had more direct say in how staff should be used.

"I was lying in bed one night and thought maybe we could use this example to train others," she said.

Her idea fell on fertile ground at a staff meeting.

And thus the adult education modules were born, offering a range of courses to train people in subjects such as laboratory safety, reagent and specimen preparation.

The courses are to be offered



GOING PLACES: Dr Sonia Wolfe-Coote of the Medical Research Council with chief laboratory assistant Mr Andrew Tomboer. The MRC is launching an adult education programme to develop the full potential of laboratory staff.

Picture: ROY WIGLEY, The Argus.

at a time both convenient to employers and their employees — and they have interested other adult-education orientated groups, notably the Congress of SA Trade Unions.

They have been designed to be accessible to people who are not entirely literate and include the use of cartoons as lecture notes.

While firms and even a doctor from the Eastern Transvaal are interested in sending their staff for training, African countries

such as Kenya (which recently formalised links with the MRC) are also keen.

Dr Wolfe-Coote has also helped in getting medical technologists in her department to further their qualifications through universities — even though their initial diplomas are from technikons.

One such member of staff in her department is registered for a PhD, while several others are doing masters degrees.

Medical Council's educational scheme

Study will assist firms

WILSON ZWANE

176

BUSINESS and Marketing Intelligence and the Black Management Forum have completed a study which they say will help companies with implementation of affirmative action programmes.

Thirty companies including Sasol, Shell, Eskom, Old Mutual, Nedcor and Standard Bank contributed more than R500 000 to the study, conducted nationally among managers.

Black Management Forum research and projects manager Loyiso Mbabane said the study covered:

- International affirmative action experiences;
- Perceptions of black, white, female and male managers; *8/10 AM*
- Successes and failures of affirmative action programmes; and *1/13/93*
- Strategies for affirmative action.

Mbabane said the study found affirmative action was seen by a large number of managers as "equalisation of opportunities".

It identified obstacles to implementation of effective affirmative action programmes and proposed ways by which these could be overcome.

Mbabane said copies of the study could be bought from the Black Management Forum's Johannesburg offices.

Affirmative action for SABC

LLOYD COUTTS

(176)

THE SABC has embarked on an affirmative action programme based on an "employment equity" policy, according to the corporation's newsletter, Interkom.

An article in the publication said the corporation was seeking to redress inequalities in the composition of its staff, especially at managerial and specialist level.

A steering committee had been appointed to implement the policy, which had been approved by top management and unions.

The article said a mentorship programme aimed at identifying staff members with potential had also been launched.

SABC group personnel manager Fred Coop denied employment equity was aimed at replacing white employees with blacks simply to achieve a quota reflecting the demographics of the country.

"The employment equity programme will not take away positions from people

who have earned them. Employees from one race group, on whatever level, will not be dumped, simply to be replaced by employees of another race group."

He said tokenism was rejected by most black people.

There were categories of staff, however, where consideration would have to be given to justified differentiation to accommodate specific skills or the requirements of specific cultural services.

The mentorship programme would give equal opportunities to minority or disadvantaged employees.

"The bottom line is that the SABC is striving to reach a representative composition in its staff complement by good recruitment, and by developing its present personnel," Coop said.



C/Pres 14/3/93 (172) 176

Bridge over stress gap

BLACK managers in SA are often subject to far more stress than their white counterparts due to our unique and complicated economic and financial structure.

On the one hand SA possesses a highly developed and competitive business environment which can hold its own in most parts of the developed world. On the other hand there is a massive developing element that is demanding rapid economic advancement.

In bridging the gap between these two poles the black manager is playing a key, but extremely difficult, role.

The stresses and strains he is being subjected to are in many respects unique, which means that management programmes and strategies applicable to industrialised nations overseas often don't meet his specific needs.

A recent study predicted 86 percent of SA's

MONEY TALK

black managers would develop a stress-related illness over the next two years unless techniques were found to reduce their tensions.

As a result of the report a special management group has been founded, with Dr. Ben Allmann, Medical Director of Bristol-Myers Squibb, heading the new group.

Allmann says the study, conducted over a three-year-period, shows that community pressures on black managers even make some of them reluctant to accept promotion.

Pressures such as not being part of a team, a lack of support and a rift between their home environment and their status at work, tends to mount as the manager's career advances.

The group plans to develop an intervention

strategy which employers and managers can use as a guideline to handle the advancement problems being experienced by black managers all over the country.

The strategies will be based on the best local know-how and experience to help provide direction for the future.

Some of the techniques already becoming apparent include formalising the work process, reviewing mentoring and addressing problems of self-image and self-esteem, says Dr. Allmann.

Over the longer term alleviation of stress problems will, of course, be beneficial to the employers as well as no organisation can operate efficiently if many of its managers suffer from stress-related diseases.

Getting the financial support of large companies to develop a strategy to help their black managers cope should, therefore, not be too difficult.

Affirmation (176)

DURBAN. [3] 1973

Businesses giving serious consideration to affirmative action will reap benefits long before those who wait for Government intervention, says Coopers Theron Du Toit regional chairman Tony Dixon.

Announcing a merger with specialist consultant Anne Newman, Dixon said the company planned to provide a national affirmative action consultancy service.

US franchises targeting SA blacks

CAPE TOWN — A "second wave" of US franchises coming into SA was being aimed at black businessmen, Price Waterhouse world managing partner Howard Hughes said yesterday.

"While American franchises such as Pizza Hut and Kentucky Fried Chicken have been in SA for many years, this second wave of franchises seems tailor-made for black businesses, particularly in light of the fact that it is supported by USAid, the world's largest bilateral aid agency."

Hughes said many aid organisations were waiting in the wings for a multiracial government to be installed. The EC was also poised to provide large amounts of state aid and private sector investment.

(176) LINDA ENSOR

"Some \$89m in EC aid is expected to be available this year for the 'positive measures programme' for resettlement of refugees and rehabilitation of health and education programmes."

But Hughes warned that foreign business leaders were "unfavourably impressed" by what they perceived as a reluctance on the part of South Africans to invest heavily in their own country.

"Perhaps this is the time for local business people to send a strong signal of confidence to their counterparts in other countries by becoming more visible as investors in an evolving SA."

Firms urged to speed up affirmative action

ALIDE DASNOIS, Business Staff

176

COMPANIES which are dragging their feet on affirmative action would do well to speed up the pace: in the new South Africa they may well be legally compelled to employ more blacks and women in higher-paid jobs, says Professor Dennis Davis of the Centre for Applied Legal Studies at the University of the Witwatersrand.

Professor Davis is one of the keynote speakers at a one-day seminar on implementing affirmative action to be held in Cape Town on Monday.

"It seems virtually certain that any Bill of Rights will include measures to redress the wrongs of apartheid in the workplace. Legislation is also likely to be passed".

18/3/93

Affirmative action is unlikely to be implemented through a quota system, he says.

"It's more likely that companies which haven't made an effort in this respect won't get government contracts.

"The government will be obliged to support companies and organisations which have made progress."

Professor Davis also foresees legislation to prevent private companies from applying covertly discriminatory recruiting criteria.

Tougher legislation on sexual harassment, he says, is also on the cards.

Monday's seminar is organised by Eden Africa, a Cape Town-based organisation which specialises in the recruitment of black staff.

For further information, contact Mandy Goldstone or Gillian Evans, ☎ (021) 418 2475 or fax (021) 419 9669.

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Development agencies Star. 1913.193 have massive aid plans to boost black business

Additional financial support will be provided by European and North American development agencies to boost black business in South Africa once the country has moved further along the road to political freedom.

This is the view of Douglas Franke, director of the corporate finance division of business advisory firm Price Waterhouse Meyernel.

"Development agencies such as the European Economic Community, United States Agency for International Development, Canadian International Development Agency and the World Bank, are poised to provide grants and loans that will stimulate black business," Franke said.

At present about \$400 million a year was coming into South Africa which was earmarked for various social upliftment

programmes, including education, housing and community-based activities.

176
"Even now, some of this money has been allocated to black business development. But more dollars running into hundreds of millions will be made available once an interim government is in place and the ANC has given the green light to the lifting of all sanctions."

"The development agencies are looking for medium to large size businesses in which to inject loan capital and provide technical assistance.

"Black entrepreneurs will have to put forward a well-thought-out and sound business plan for the company requiring the investment. Financial success, however, will be just one of the criteria on which the businesses will be judged." — Sapa.

Committed to business for all

SOUTH 20/3-24/3/93

176

THE Foundation for African Business and Consumer Services (FABCOS) is a non-racial business and consumer body committed to assisting disadvantaged communities in southern African.

It mobilises key informal market segments under one banner, to help each one become a major participating force in the South African economy.

The seventies saw an important milestone on the road to altering the history of South Africa — for disadvantaged people in particular. Black South Africans decided they had had enough of the injustices of political disenfranchisement, economic exploitation and social dehumanisation — the time for positive action towards liberation had finally come.

In response, 21 taxi operators came together to establish the Southern African Black Taxi Association (Sabta).

The success of Sabta was a model for business organisations within the black community and when the idea of "an association of associations" was first put forward in 1988, its model was adopted and various economic and consumer sectors established FABCOS.

Today FABCOS has 12 affiliates representing more than a million members nationwide. Affiliated organisations include the African Farmers Association, the Black Association of Travel Agents, the National Stokvels Association of South Africa, the South African Taverners Association and Sabta.

FABCOS consists of two bodies:

the policy body comprising affiliated member associations assisted by two advisory councils, and the marketing arm, FABCOS Marketing (Fabmark).

FABCOS policy making is directed by an executive committee of elected office bearers.

The executive committee translates the needs and aspirations of the affiliated member organisations into positive action plans, either through the policy body itself or by instructions to Fabmark.

The committee is assisted by the Corporate Advisory Council and the Community Advisory Forum in its dealings with formal business and the community.

Made up of the major sponsors, the Corporate Advisory Council provides checks and balances and

business orientated direction to the Executive.

The Community Advisory Forum is chaired by

Mr Aggrey Klaaste, editor of the *Sowetan* and provides a two-way communication conduit between FABCOS and the community that it serves.

Fabmark is a private company, with FABCOS holding 50 percent of the equity and the balance being held by the directorate and staff of Fabmark. It operates in terms of a long-term mandate granted by FABCOS.

Its major function is to provide nationwide infrastructure, support and service to the organisation.

To provide specialised marketing support to the marketing-orientated affiliates, a number of specialised marketing satellites have been estab-



FABCOS EXECUTIVE: From left, standing: James Lenyehelo, Nonia Ramphomane, Andrew Lukhele, Abner Tambo. Sitting: Sam Tuntubele, James Ngcoya, Ellen Khuzwayo, Joas Mogale

lished, such as Aba Marketing, Afsure, Batasa Marketing.

FABCOS' objectives are:

- To register a central trust fund for all member associations and appoint independent trustees to administer the trust;
- To actively seek development funding both in South Africa and abroad and to administer the funds in the best interests of the member associations;
- To promote mutual support and aid among associations and business to create economic empowerment that will extend to a commitment to unite behind each other's projects to ensure success;
- To promote training and development for member associations;
- To act as a lobby to extend

credit and finance facilities to member associations and reduce the cost of products used by members;

- To encourage members of affiliated associations to participate in the mainstream economy;
- To channel the cash-buying power of the consumer in a way that creates credit opportunities;
- To negotiate with the formal sector on joint ventures;
- To initiate, promote or oppose legislation which affects member associations;
- To secure uniformity, simplicity and efficiency of member associations' procedures and the administration of justice in all matters connected with the welfare of member organisations and the public, and the maintenance of high standards of the member associations;

● To oppose matters which impinge or encroach upon rights and privileges of member associations;

● In the interest of its member associations, to take up membership or co-operate with any other body, inside or outside Southern Africa and internationally;

● To publish a Code of Ethics for all member associations.

FABCOS Western Cape was launched in 1989 and is headed by Mr Sam Tuntubele, who is also first vice-president of FABCOS National. Their offices are at 7th Floor, 30 Waterkant Street, Cape Town. Tel: 21 5032 Fax: 21 5039. More on FABCOS Western Cape next month

ANC reassures public servants

GERALD REILLY

PRETORIA — Public servants affected by an affirmative action programme would get a fair deal from the ANC, but extravagant retirement settlements would be eliminated, ANC spokesman Carl Niehaus said yesterday.

He was enlarging on a statement by the ANC's NEC last week that a major conference was planned in the next four months to design clear policies for restructuring government. This would include the judiciary and the public service.

He said the extent of retirement settlements would be negotiated with the various staff associations. "We have no intention of throwing people out of jobs without fair compensation."

The NEC also recommended a morato-

rium be placed on all public servants' gratuities except for contractual ones.

Niehaus said the civil service of a government of national unity would have to be more representative of the whole population. The restructuring of the service was being studied. (176) (250)

Costly duplication and overlapping of functions and services would be eliminated. The main aim, Niehaus said, would be to cut government costs, raise efficiency levels and allow in more qualified blacks.

In the process there would inevitably have to be early retirements. But he stressed there were no plans to "mass fire" white government workers.

By ARI JACOBSON

SA corporations were accused of being "the most racist and oppressive in the whole world" by executive chairman of National Sorghum Breweries, Mohale Mahanyele.

Speaking at the affirmative action seminar organised by Eden Africa, Mahanyele said black people need only to "be afforded challenging opportunities in order to perform".

He went on to add that the "power at the top of corporations" would determine the success of affirmative action programmes.

Illustrating by example he said that National Sorghum Breweries employed more black accountants and engineers than any other com-

SA's corporations CF 23/3/83 (176) 'the most oppressive'

pany "in the history of SA".

"The truth is that at the head of this organisation there are black people interested in positioning blacks."

Mahanyele said that management must face the reality that those denied opportunities in the past "have shown they can achieve".

He warned that the inequalities perpetuated through apartheid

"would take a long time to repair".

Earlier the ANC's official spokesman Carl Niehaus pointed out that affirmative action could be speeded up "if the stakeholders in corporations facilitated the process".

Here he suggested that rewards should be forthcoming for organisations that adopt such programmes.

Niehaus mentioned that this would include investments in black-

owned businesses.

He said that structured affirmative action programmes would replicate "for many years to come" and that these programmes should not "be postponed for one day longer".

Niehaus added that the redistribution of resources via affirmative action should be a national objective in which all organisations could play a role.

"The price of affirmative action is peace and stability."

In this regard group training manager at Stellenbosch Farmers Winery (SFW) Anthony Hill pointed to the fact that companies should concentrate "on growing their own timber".

'Only black applicants wanted . . .

176

CT 23/3/93

By ARI JACOBSON

TOP management in SA should show clear intentions to adopt affirmative action programmes by advertising for black personnel and stating that this was non-negotiable, Gilad Stern, who heads up Eden Africa management consultants, said yesterday.

Speaking at the affirmative action seminar at the Mount Nelson yesterday Stern said that "one true visionary is required in each company for affirmative action to work".

He added that this person should have "passion" and would preferably be at or near the top of the organisation.

He added that blacks have "outrageous expectations" which are being met by white fears.

Here Stern pointed to the fact that highly qualified blacks were struggling to find work in organisations or otherwise being offered positions below their capability.

Stern said that black managers should be given a chance and this meant "a chance to fail".

However given the opportunity "to achieve clear targets that impact on bottom line profits" black managers would show they were "extremely upward mobile".

He called it a "tremendous leap of faith on behalf of organisations".

Stern also warned local companies "to stop shifting the goalposts in employing blacks".

He said that these companies should show their serious intentions by fixing a time-frame for hiring black personnel.

Langeberg Foods branch manager Ken Modise mentioned that the black market is the "future consumer market for SA" and so accordingly black management would be needed in local corporations to identify consumer tastes.

Oceana Fishing divisions human resource manager Zolani Mtshotshisa added that blacks would have an increasing share of disposable incomes in the future and would tend to avoid companies that did not practice affirmative action programmes.

He said that he had reservations about "replacing white faces with black faces" but supported attempts to redress the racial imbalances in SA through such programmes.

She's still all 'go' at 67

STAR 24/3/93

176



Razor sharp . . . Constance Koza is self-employed at 67. Picture: Jacob Rykliff

AT 59, Constance Koza was forced to retire as a principal of Inanda Seminary for girls because she was "too old to understand young charges".

When the axe fell, no-nonsense Koza was already called Gogo Connie by fearful students who did not underestimate her energy and zest for life.

She left, but instead of investing her pension in a rocking chair, she landed a full-time position with Eskom as a human resources group consultant. Her main portfolio was to improve cross-cultural understanding, employee well-being and to help develop their equal opportunity programme.

At 63 she was awarded a certificate in recognition of her contribution. Now, at 67, she runs her own consultancy in Johannesburg on communication and human management skills.

She is co-ordinating women from the sub-Saharan region to attend the world conference of gender, population and development to be held in 1994.

She is not bitter about growing old.

She sees it as a natural occurrence that makes her even more valuable than she was at 30. What she does regret is growing old in a world that no longer values its elderly.

"I have acquired wisdom that only comes with age and experience," she says.

Resource

South Africans fall flat on development because they throw away old people instead of using them as a resource.

Koza says they should take their cue from the Japanese who retain wise old people as internal consultants. They do not hamper the growth of young upcoming talent, but their knowledge and experience are readily available.

Koza does not deny that age has some limitations. She is no longer as agile and active as she used to be, although she still walks high on her fashionable stiletto heels.

Mentally, she is "as sharp as ever".

PHANGISILE MTSHALI

prima facie involving or amounting to an offence on the part of any person: In the light of the fact that there was no direct evidence of how the wound under the chin of the deceased was sustained, the court was not in a position to make a finding as to who caused or administered it.

(iii) DAANTJIE BARENS, a 23 year old male.

(a) Date of death: 7 November 1991.

(b) Cause or likely cause of death: Internal and general loss of blood due to a penetrating projectile wound through the chest.

(c) Whether the death was brought about by any act or omission *prima facie* involving or amounting to an offence on the part of any person: On the available evidence it cannot be determined who was responsible for the death of the deceased when he was fired upon by armed persons, while he was assisting the South African Police as a tracker.

The findings of the inquest were brought to the attention of the Attorney-General, Kimberley, who indicated that no further steps were considered by him.

(2) A statement is not necessary, since this answer is itself too long in any case.

Navy: affirmative action

*5. Mr A S BEYERS asked the Minister of Defence:†

(1) Whether, with reference to certain statements allegedly made by a spokesman of the South African Navy on the radio programme Monitor on or about 4 March 1993, the Navy has decided to increase the percentage of Black employees in the Navy as against employees of other race groups; if not, what are the relevant details of the statements on

Monitor; if so, (a) by what percentage and (b) as against what race groups;

(2) whether the Navy has accepted the principle of affirmative action; if not, why not; if so, what are the relevant details;

(3) whether the Navy recruits employees on a racial basis; if not, why not; if so, (a) for what reasons and (b) to what extent;

(4) whether the Navy intends to monitor the composition of its work force on a racial basis in future; if not, why not; if so, for what reasons? B431E

†The MINISTER OF DEFENCE:

(1) to (4)

Blacks only started to attest in the Permanent Force in the SA Navy in 1991 with the result that their numbers are very low in comparison to other population groups. In the Monitor radio programme the spokesman merely indicated that applications were at present being received from Blacks whose qualifications made them suitable for attestation and further training in the Permanent Force of the SA Navy. In so far as the term "affirmative action" means the replacement, without merit, of whites by blacks, the answer is no. All members with the necessary development potential receive purposeful and appropriate training to qualify them for successful careers in the Navy. Whereas in the past Indian males were specifically selected for voluntary services at SAS JALSENA, this practice has now ceased and this particular unit has been disbanded. The population composition of the SA Navy is not monitored. It is the result of selection on the grounds of candidates' abilities and qualifications and race plays no role.

†Dr W J SNYMAN: Mr Chairman, arising from the hon the Minister's reply, can we accept that he is saying, contrary to the former hon Minister, who mentioned on 17 June 1992 that provision would be made for affirmative action in respect of elements of the SA Defence Force, that this is now no longer the case?

†The MINISTER: Mr Chairman, every application is considered according to its specific merits. There is no question at all of there being discrimination against any population group. Merit is the only criterion that justifies an appointment. By that I mean that merely replacing

ing White persons by persons of colour would be discriminatory, and this is certainly not the case.

†Dr W J SNYMAN: Mr Chairman, further arising from the hon the Minister's reply, I would like to know whether MK members who have for instance been trained elsewhere overseas, and who return and join the SA Defence Force, will be accommodated within the command structure of any section of the Defence Force by means of affirmative action.

†The MINISTER: Mr Chairman, there is no such policy. In most cases one would not even know whether such a man is an MK member or not.

I can tell the hon member that 11 new Black members have been recruited since 1991. According to tradition few Blacks were interested in the Navy before 1991. I accept that in the years to come more interest will probably be shown, and those cases will, like all other cases, be dealt with on merit.

MRC: buildings erected

*6. Dr F H PAUW asked the Minister of National Health:†

Whether the South African Medical Research Council at any time erected buildings, established an innovation fund and/or invested funds without complying with the required legal provisions or obtaining ministerial or Treasury approval for doing so; if so, (a) (i) when, and (ii) why, in each case and (b) what is the total amount involved? B432E

†The MINISTER OF NATIONAL HEALTH:

Yes.

(a) (i) and (ii) and (b).

Erection of buildings

In order to make provision for specific and motivated requirements, the MRC applied to the State to (a) erect a building in Pretoria to be used as a regional office and (b) to carry out certain extensions to the head office complex in Parow.

The regional office in Pretoria was completed in November 1988 at a cost of R9,1 million.

The extensions to the head office complex in Parow, which consisted of additional office

space, computer accommodation and conference facilities, were completed in September 1991 at a total cost of R0,4 million.

Concerning both building projects, correspondence with the Department of National Health and Population Development commenced during 1983 and submissions and motivations were provided. On the grounds of these submissions and motivations, the Department of Finance gave financial backing to both these projects.

The Department of National Health and Population Development, as well as the Departments of Finance, State Expenditure and National Education, through the Committee of Heads of Scientific Councils, was at all times aware of the whole project. The only legal provision which was not complied with, was that formal ministerial approval for the project was not obtained. This omission has in the mean time been addressed and is in the process of being corrected.

Innovation fund

In terms of Framework Autonomy, it is expected from scientific councils to initiate own income supplementary to the basic financing provided by the State by means of commercialisation actions and initiatives.

In order to establish a management framework whereby requests for support with regard to these projects could be accommodated and managed, it was decided to earmark an amount of R1 million from the general reserves of the MRC for this purpose. The calculated interest on the R1 million can be utilised annually to support research projects with a market potential.

In the general and management documentation of the MRC this earmarked amount is referred to as the "Innovation Fund" merely to identify such fund. There is however no money for fund which is separately invested and it remains a part of the MRC's General Reserves.

As this "Innovation Fund" is purely a management aid establishing financial guidelines whereby awards can be made, the management of the MRC was of the opinion that it did not represent a "Fund" as intended by section 12 (5) (c) of the MRC Act, 1991 (Act 58 of 1991).

CT 28/3/43
146 judges

one not white

Political Staff

SOUTH AFRICA had 146 judges in February this year but only one of these was not white, Minister of Justice Mr Kobie Coetsee said.

In reply to a question tabled in Parliament by Mr David Dalling (ANC, Sandton), he said that 137 of these judges held permanent posts.

The only judge who was not white was Mr Justice Ishmael Mahomed of the Transvaal Provincial Division.

Apartheid likened to affirmative action

BIDAY 3/3/93 (49) (176)

THE policy of apartheid had been an ambitious affirmative action programme and in spite of its all-encompassing nature, it was still a dismal failure, former Pacific Research Institute policy analyst Jim Peron writes.

In a monograph — Affirmative Action, Apartheid and Capitalism — published by the Free Market Foundation and released yesterday, the author claims to debunk "widely held myths about economic power, discrimination and affirmative action".

He places affirmative action in a historical context in SA in order to show how this policy proposal is not new, but a revised form of apartheid.

"This means that affirmative action in SA will help relatively well-off blacks, not poor blacks, and it will come at the expense of those whites

BILLY PADDOCK

who are relatively less well-off," Peron said.

Another major contention in his study is that economic power and political power are not the same thing and that poverty is an economic problem that needs economic, not political solutions.

"Affirmative action is a political solution to an economic problem and that is one reason it doesn't work," Peron said.

He said the business community had to foot the bill for apartheid which "kicked it in the teeth and now because of the injustices of that system, advocates of affirmative action are suggesting we kick business in the teeth again".

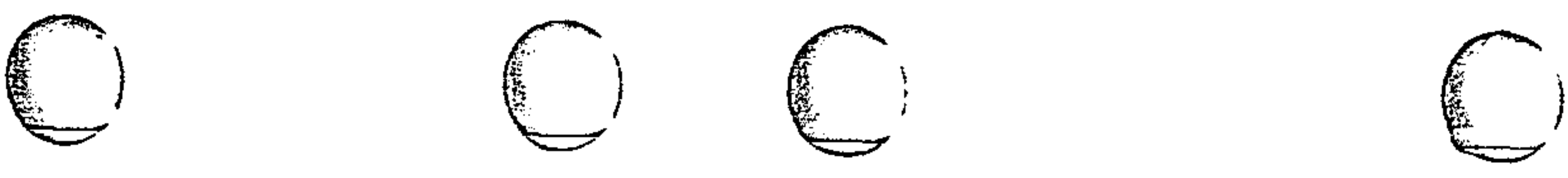
He concludes with an analysis of

the economics of discrimination and claims to show why the free market would tend to discourage discrimination and why politics tends to increase it.

However, he defends affirmative action from a classical liberal perspective, stating that businesses have the right to voluntarily establish affirmative action programmes.

In another study on Industrial Policy, Wits University's Industrial Economics Prof Duncan Reekie contends that competition policy perversely penalises success.

He argues that state-owned firms be handed over to a unit and that units be given away to all South Africans to either keep or sell for cash. Units could also be sold by government for rands or foreign exchange to fund infrastructural projects.



Black marks against females and managers

SITIME (BUSS) 7/3/93.

By TERRY BETTY

BLACK managers and female managers have half as many subordinates and earn on average 33% less than their white male counterparts.

This is the finding of a three-year study made under the auspices of the Collaborative Working Group for the Advancement of Black Managers. The aim of the study was to establish the main factors that affect advancement in general.

Working group convenor and Bristol-Myers Squibb medical director Ben Allman says this is the first scientific study of its kind in the world. It was conducted because black management advancement programmes focusing on prejudice, education and training are insufficient.

He says black and female managers cope less well with stresses and pressures in the environment for similar reasons, although this is significantly more acute for black managers.

Abusers

He says women feel that they are discriminated against, have to tolerate more peer-related jealousy, do not have support and do not have sufficient stimulation or challenge in the workplace.

Black managers earn less salary, receive less feedback and are expected to produce the goods without being included as a member of the team. They also spend longer hours travelling to and from work.

On the home front, women are pressured by boredom, interpersonal conflict, lack of time for themselves or for a social life, feel they are not appreciated and often are substance

abusers because of this.

But the home environment is the real problem for black managers, as they face twice as much pressure there than they do at work.

Pressures include the fear of financial adversity and retrenchment and the effect of an economic downturn. Half of them are afraid of the security forces, they are pressured by their peers to support mass action and strikes and those promoted are regarded as sell-outs by their peers.

The survey also shows that black managers are far more pressured by the lack of education for their children and the inadequacy of health services. For them their home environment is less stable, potentially more violent and much less attractive than for other managers.

With all these pressures, many black managers do not feel it is worth their while to climb the corporate ladder.

All managers surveyed were subject to family and financial stresses and were concerned about the political future, the economy, violence, their relationships with their superiors, their lack of personal time and the quality of people resources available to support them in the workplace.

These findings are supported by the fact that in SA, 86% of blacks are likely to suffer from stress-related illnesses over the next two years versus 50% for white males.

Such disorders include ulcers, heart disease, hypertension and psychological syndromes. Dr Allman

says blacks show more stress-related symptoms, such as anxiety, tension, fear, insomnia and depression, and he says that these are warning signs that need to be addressed before the person becomes seriously ill.

Dr Allman says a person can only achieve if there is stability in either the work or the home environment, and suggests that corporate responsibility may extend beyond the workplace. "A manager cannot be simply trained, promoted and then ignored or forgotten."

Dr Allman says that for female and black managers it is imperative that they establish formal and informal networks and associations throughout industry, which helps them cope with pressure, as problems are shared and recipes for success formulated.

Strategies

White males tend to cope better, as they have their "old boy" type of network for mutual support structures and they are in the majority in most companies.

As for how to address black pressures, a collaborative working group will convene later this year. It will include experts in the field of organisational and human resource management — for example, industrial psychologists — as well as representatives from the conglomerates.

Dr Allman says strategies would probably have to include restructuring mentorship, helping managers to become aware of their pressures so that they do something about them and address issues of self image and confidence, as nobody can perform if these are negative.

W HATEVER political solution is found in South Africa it will have to confront immutable economic imperatives if the country is to survive, let alone prosper. Looking at the "daunting agenda" ahead — the need to reduce inequalities of economic opportunity, to foster sharply higher growth to pay for the levelling of the racial socio-economic playing field and so on — the Centre for the Study of the South African Economy and International Finance, based at the London School of Economics, has analysed Malaysia's experience for any lessons it might provide.

The centre was set up by the Commonwealth Heads of Government in 1990 to monitor SA and neighbouring economies and its latest quarterly report offers a brief guide to the New Economic Policy (NEP) which Malaysia has applied for the past 22 years to deal with the problems it faced after independence in 1957 from British colonial rule.

It started with the "Bargain": the majority Malays (53% Muslim) basically traded equal political rights and citizenship with the Chinese and Indian settlers for guarantees that priority would be given to the economic upliftment of the indigenous underclass.

The "Bargain" was written into the constitution but failed to meet its objectives in the 60s under a coalition government of all three ethnic groups.

Industrial development focused on import substitution dominated by foreign companies, who used imported parts to make goods which were sold profitably in a protected domestic market. The new industries were not very labour-intensive and use of advanced technologies produced jobs and rising wages mainly for the educated urban Chinese.

In agriculture, which employed almost two-thirds of the Malay workforce, development emphasis was on increasing productivity by the modernised non-Malay farmers — moving into new cash crops, such as palm oil and timber — not bringing up the peasants, who lacked the capital.

The upshot was serious unemployment among the Malays and a widening of the gulf between their living standards and those of the Chinese and Indians. Average gross domestic product growth of 5.8% for the first 13 years exceeded the population increase but did not benefit most Malays. "Indeed, they were going backwards," says the

Look to the Malays

SITimes (bus) 2/13/93

JOHN
CAVILL
IN
LONDON



aims were set: average annual GDP growth of 7%, manufacturing rising 12.5% and exports at the rate of 15%.

That required an environment in which the private sector and non-Malay businesses could prosper and while retaining nationalistic ownership principles, the government brought in a host of measures to attract foreign investment on a joint-venture basis.

The centre's report lists some of the successes over the first 20 years. Growth ran at 7.4% a year up to 1980, 5.2% in the following decade and has accelerated. Between 1970 and 1987 the value of exports multiplied 10-fold to US\$18-billion, with manufactured goods growing four times faster from a mere US\$201-million to US\$8.1-billion. Discovery of oil in the mid-70s and the explosion of economic activity around the whole Pacific Rim makes it impossible to attribute everything to the NEP, says the report.

It shows in real household income changes in the first 14 years. For Malays it rose by some 120% while the Chinese gain was 72%. The ratio of average Chinese incomes to Malays narrowed from 2.3:1 to 1.8:1. The shift in employment patterns has been even more dramatic. While the total numbers of all races working in manufacturing has climbed by 120%, Malays have trebled and overtaken the Chinese. Growth and training has seen Malay numbers in all sectors shooting up and all ethnic groups have enjoyed the prosperity which has seen total employment more than double.

The NEP was renewed two years ago. It still referred to the "principle of social engineering" and the need for "some affirmative action," but this was directed principally towards the areas of education and training to provide equal opportunity.

The achievements of the past two decades are also allowing Malays to move away from intervention. Privatisation and deregulation are key aspects in the NEP's new, and staggeringly ambitious, goal — to multiply national income by a factor of eight by the year 2020, or an average annual growth rate of 7.5% and propel Malaysia into the ranks of the fully developed economies.

It has not all been plain sailing, however. The centre's report concludes: "The NEP has also had its share of failures and caution must be exercised in drawing lessons for South Africa."

These are to be examined in its next quarterly report.

study. Political gains by two Chinese parties in the 1969 elections provided the spark for trouble. Chinese victory celebrations in Kuala Lumpur ignited vicious ethnic violence and forced the coalition to launch radical change.

Out of it came the New Economic Policy (NEP) in 1970, with three main objectives: national unity, employment opportunity creation and overall economic growth.

WITHIN this broad sweep it targeted specific areas of development in agriculture and sectors of business with growth potential, backed by a programme of government intervention and assistance centred exclusively on Malays, not the economy as a whole.

The plan was anathema to the Chinese business community, but as refugees from Communism and facing possible loss of their assets "they had little alternative but to stay on and make the new situation work to their advantage as much as possible," says the report.

Time moved on, ethnic tensions subsided and thinking softened. Intervention remained a plank of policy and the original goals of the "Bargain" were intact, with refinements.

But the planners realised that all this, including the massive training expenditure to raise Malay skills and economic empowerment, could not be achieved without speedy growth. Twenty-year

Sanlam addressing staff composition imbalances

SANLAM had relatively more English-speaking and black policy owners than was reflected in its staff composition and it was necessary to address this imbalance which could be detrimental to the standard of service offered, Sanlam chairman Pierre Steyn said at the Ilpa conference yesterday.

"More balance is required in our staff composition, but this must not lead to reduced standards of service or quality. The driving force must be to help people to help themselves, and the main areas in which it can take place are in appointments, personnel development and bursary schemes.

"In all Sanlam's sectors and departments, goals have been agreed upon to address each of the imbalances. When we found we had too few black employ-

ees, too few women in management and too few English-speakers, as well as too few males in purely clerical jobs, we formulated goals to be reached in five years and over 10 years.

"The five-year goals were subdivided into departmental goals on a year-by-year basis," Steyn said.

Activation

To supplement this programme called the potential activation programme — Sanlam had also addressed the need for more qualified blacks by providing bursary schemes.

"Sanlam has already allocated more than 100 special bursaries to black scholars and technikon and university students, some of whom have completed their studies and are now employed

by us. This is in addition to our normal scheme which makes bursaries available on merit to students of all races."

Steyn stressed it was imperative for Sanlam to make the appropriate internal changes to keep abreast of the changing environment. These changes related to changes in business strategy and the composition of its staff.

He also pointed out that Sanlam's employment policy was not based on ideological or political considerations which ignored the realities of the labour market and solid business principles.

"Nor is it based on tokenism which destroys an employee's self-respect and credibility and demotivates every man."

It was vital that recruits be placed and developed in real posts and not fictitious or invented ones, Steyn said.

B10177 24/3/93

(176) (S) (S)

Companies warned of boycott danger

176
ARL 27/3/93

EMMANUEL LEDIGA
Weekend Argus Correspondent

JOHANNESBURG. — Companies that rely on black consumers for the bulk of their revenues could face a future in which their profits are eroded by consumer boycotts unless they apply appropriate affirmative action policies.

So says Professor Karl Hofmeyr in a recent paper prepared for Unisa's School of Business Leadership where he teaches organisational behaviour.

"Black consumers already represent a dominant share of the market for many products and to understand and have credibility in such markets companies' structures need to reflect society, lest they be a target for action for not being progressive enough.

"They also run the risk of being targeted by legislation from a future government intent on redressing past injustices."

Outlining reasons contributing to the failure of black advancement policies, Professor Hofmeyr points out that although companies normally have good intentions and spend a lot of money and effort on such policies, relatively little progress has been made because of inappropriate methods.

"Advancement plans in most companies are not driven and monitored with the same enthusiasm as other strategic plans. They actually need to be

part of business plans and not merely of the human resources strategy.

"A human resources division might lack the necessary credibility and expertise to achieve set objectives. And one thing is certain — if top management is not involved, affirmative action usually fails."

His assessment also indicates that the process is more likely to succeed if it is widely accepted by all employees. This can only be achieved if all the stakeholders — managers, employees, unions and others — formulate and implement the plan.

"It should not be a 'master plan' only understood and managed by a few select people.

"Acceptance can be achieved through workshops, forums, and consultation in which the process can be explained to employees to enhance it across the spectrum.

"This will help determine factors that might lead to the success or failure of a programme. For instance, what are the traditional barriers to affirmative action in a company? What are the attitudes of managers and supervisors? In which areas are vacancies for skilled employees likely to appear in the future?"

This would allow white employees to air their concerns and, in the process, clear some misconceptions about affirmative action.

Usually, companies which succeed in this arena target

certain job categories for affirmative action, providing top management with a means to evaluate progress of line managers just as they might their "bottom line" results.

"To meet their targets, companies will have to actively recruit blacks to provide the pool of talent from which to draw when vacancies occur and deliberate plans have to be made to train such employees. These could be job restructuring, accelerated development and bridging programmes."

However, he says, any training programmes, especially of skilled labour, should be racially integrated. This will help minimise the perceptions of differences between race groups as well as creating a climate of trust and understanding.

"Another crucial point is, given that most of what managers learn is via experience, a strong support system needs to be created that will bring prospective managers whose career paths have been carefully worked out in regular contact with supervisors and colleagues — both at work and socially."

A policy of "equal opportunities" is not enough. "If a company has a 'promotion on merit' policy then many advantages enjoyed by whites will ensure they continue to be promoted ahead of blacks. A period of equalising opportunities is needed to level the playing field so that equal opportunity can become a reality."

MANPOWER - BLACK MOBILITY
1993

2

The new elite: Educated, employed and black ⁽¹⁷⁶⁾

■ From PAGE 11
 WWM 24-30/1/93
 resilience and focused his mind on his objectives to the bitter end."

Educated at the semi-church school Salesian High in Swaziland, he studied at the University of Swaziland, graduating with a BComm in 1982.

In 1984 he attended the US International University in San Diego, acquiring an MBA.

On his return he worked as the financial manager of the Council of Churches in Swaziland before returning to South Africa in July 1985. Since then he has worked for Shell

— being promoted to the job of regional business analyst in 1988 and network adviser in 1990 — and Liberty Life, where he was sales manager. He moved to Barlows this year.

"The schools I attended really groomed me for my position," he says. "I met a lot of people and we shared experiences and ideas."

His ambition is to become the general manager or a director of Barlows, or to start his own business ventures. Sowazi, who lives in Sunninghill, Johannesburg, enjoys the occasional game of golf with friends and keeps healthy by going to the gym and jogging.

CHARLES MGADZA

Charles Mgadza (35) holds advocate Dilganga Mosenke and Zimbabwean President Robert Mugabe in high esteem.

"What I particularly admire about Dilganga is that he was self-taught and was able to rise above people who got all the opportunities. I respect Mugabe for shattering the myth of white supremacy."

Educated in Swaziland at Matsapa High School, where he matriculated in 1977, he continued his education at the University of Swaziland, graduating with an LLB degree in 1980. He furthered his legal studies at the Uni-

versity of Edinburgh and at the University of Exeter, where he obtained his LLM degree.

Mgadza worked as a prosecutor in Swaziland before practising as an attorney specialising in commercial and corporate law. He spent three years as legal adviser in Standard Bank Corporate Investment Ltd, before moving to Absa in the same capacity.

He has found the social adjustment to the corporate world "humiliating". "The corporate world is skewed in favour of the white culture. To make it as an African person, you are expected to conform."

Mgadza complains that there is a glaring shortage of African professionals involved in high finance. "It's my ambition in the next five years to break this pattern and move into the high finance area."

An ardent soccer lover, who favours Orlando Pirates, he enjoys watching soccer matches and listening to music when he is at his home in Sandton.

SWAZI TSHABALALA

Swazi Tshabalala (27), whose father was a businessman and mother a nurse, is an employee benefits consultant with Old Mutual. She is a product of St Theresa's private school in Rosebank, where she

matriculated in 1981. After studying commerce at Wits University an economics at Lawrence University in Wisconsin she joined Wake Forest University in North Carolina where she completed her MBA in finance in 1990.

Her role models are South African women because "they show an amazing ability to redefine themselves in trying circumstances and not only survive, but thrive".

She sees centralisation as a key flaw in black education. "Decentralisation is essential to allow for more creativity and innovation in learning and teaching methods, as well as the testing of knowledge. I'm opposed to centralised exam systems because it encourages regurgitation rather than learning. Above all, ind

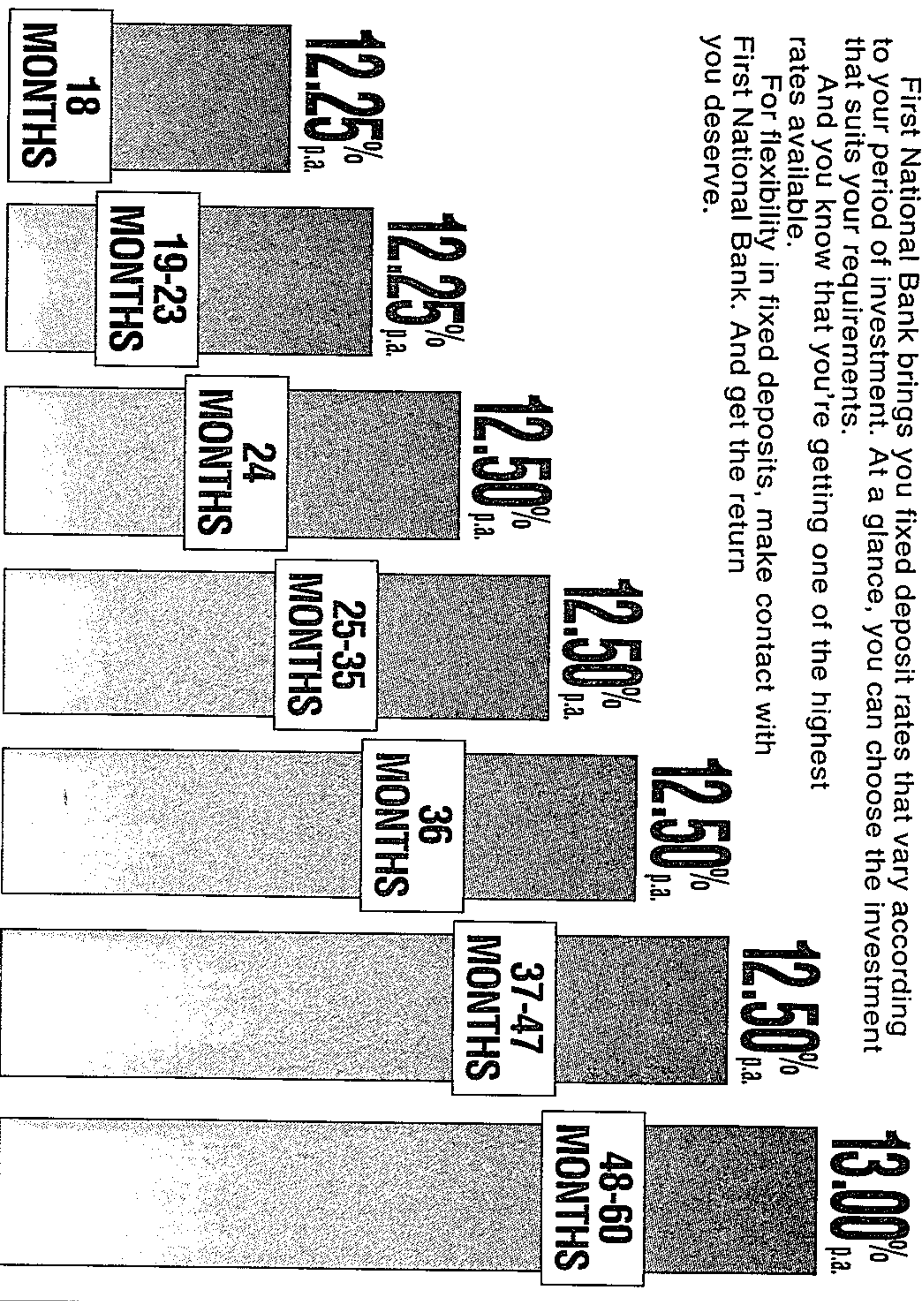
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nurtured." "I never have much spare time, but when does avail itself I do a lot of reading, listen to music & hang around with friends at home in Sandton," she said.

Reservation or correction imbalances

From PAGE 176 Penny Abbot of Adcock Ingram agrees. "Even companies employing affirmative action, they still have to maintain standards."

Formerly white dominated companies are faced with a problem convincing white employees that the exercise is not meant to take away jobs from them.

"This is not a reversal discrimination exercise. Black people have been marginalised, so the approach is to help them occupy positions which were reserved for white."

The ultimate goal is to reach people of all colours," says Mthwishi Sanyal. "Even white graduate was surprised with a realisation that other races are capable of doing what we previously for whites."

Attitudes have to change. "The high rate of dropouts in the white communities is not mainly due to affirmative action. It's a connected to a couple of reasons like recession."

well employed ... and black



Uhuru Motjuwadi ... A long journey from Mohlakeng's dusty streets to his plush surgery in Pimville

in Pimville, Soweto.

Motjuwadi, who is in his early thirties, is the son of former *Drum* editor Stanley Motjuwadi. He matriculated at Woodmead private school in 1978 before doing A-levels at Waterford-KaMhlaba school in 1981.

The following year he went to Glasgow in Scotland to study for his MBChB. He then practised medicine in Scotland, Watford, Somerset and London. On his return to South Africa he worked at Baragwanath Hospital in Soweto before opening his own practice in 1990.

"I believe I went to good schools. My only regret is that not everyone had access to them, because of the lack of money," he said. Although he encountered no racial problems, he said "the staff at these schools is not representative of the student population, and there was a reluctance to employ black staffers".

Motjuwadi called for the scrapping of the fragmented black education system, and "drastic improvements" in teachers' salaries. It was also important that education be "technically orientated".

His greatest inspiration is Pan African Congress leader Robert Sobukwe, because of his "principles and sacrifices".

"I normally have very little spare time, but if the opportunity arises I spend the time with my family, going out on a picnic or to the theatre. Motjuwadi lives in Glenvista, south of Johannesburg.

PAT SEBUBE

Pat Sebube's love of children landed her the position of national director of Streetwise, an organisation dedicated to reconciling street children with their parents and giving them education, technical skills and health

awareness.

Her role model is her father. "He was such a modest man, intelligent, but not educated; manly, but gentle inside," she said.

Sebube (43) matriculated at Moeding College, in Botswana, before doing British A-levels through Turret College in South Africa. In 1979, she obtained a BA in economics and accounting from the University of Botswana, Lesotho and Swaziland.

From 1980 to 1983, she worked as a trainee manager at Standard Bank and Citibank, before being awarded a scholarship by the Education Opportunity Council in 1985 to study for an MBA in the US. However, she returned to South Africa before completing her studies.

In 1987 she worked as an administrator of the Dominican Convent schools, before joining the US South Africa Leader Exchange Programme

as the manager of the community leader training programme.

Before joining Streetwise, she worked as a development officer for Foodcorp in 1991.

"Outside I was free to express myself. In South Africa freedom of expression is suppressed," she says. "The degrees in other countries are broader in scope than those in South Africa, in terms of standards and structuring. I have an edge over, and more confidence than, my South African counterparts."

On black education in South Africa, she says: "It does not develop skills, it does not teach a person to be analytical and it reinforces dogmatic beliefs."

On her ambitions, Sebube says: "I would like to have a national campaign on the treatment of street children, to teach our communities how to treat them. I would also like to see Streetwise expand in all major cities in the country."

DONALD PUPUMA

A doctor and the brother of Leslie Pupuma, Donald Pupuma, who is in his late 20s, is a product of St Marks in Swaziland and St Stithians in Johannesburg, from which he matriculated in 1982. He was one of only 12 black pupils at St Stithians.

His role model is his uncle, a doctor in Transkei. He said his uncle gave him the recipe for success — "work hard". He studied for his MBChB at Medunsa, where he graduated in 1989. In 1991 he joined Baragwanath Hospital. A year later, he was singled out by being given the opportunity to specialise in paediatrics at Bara.

In 1992 he left the hospital to open his own practice in Soweto.

His belief is that black education is in "mega-crisis". "It has to be improved, but this won't be overnight. Children should have a sense of belonging and that education comes before liberation. "More role models should get to schools and teach the youth the importance of education."

Starting his own surgery posed the problem that "you are own your own and everything is on your shoulders

— the responsibilities of building your own practice are yours".

He says his most challenging moments were explaining to an 18-year-old that she had Aids and treating a three-year-old who had been raped.

Pupuma plans to do further study in obstetrics and gynaecology.

When he is not busy in his surgery, he enjoys a game of squash or getting together with friends at his Bedfordview apartment.

MJANKU GUMBI

An assertive woman who is executive director of the Black Lawyers Association, Mjanku Gumbi (34) matriculated at Moroka High in Thabanchu, Bophuthatswana. Between 1978 and 1981 she did her BProc at the University of the North, moving on to Wits, where she did her LLB.

She worked in Pietersberg and Johannesburg as an attorney before joining the BLA as projects director in 1987. Five years later, she was running the association.

"Education in the country does not liberate pupils psychologically," she says. "We have to change people's attitudes towards education. It is important to any community to be critical, especially the young."

Gumbi sees her challenge as making the law relevant to the society and using the courts as an instrument for social change. She believes she can play a role in in South Africa's constitutional transformation.

Her role models are her mother and author Helen Khuzwayo. "They both have the same values, my mother in terms of strength and ma-Khuzwayo in terms of humility and community involvement."

Gumbi, a member of the Pretoria Bar was critical of South African law degrees: "There's no adequate training; we're only taught theory."

WANDA SOWAZI

Hard work and self-confidence have driven Wanda Sowazi (30) up the corporate ladder to the post of assistant general manager of Barlow Equipment, a Barlow Rand subsidiary.

Sowazi's mother is the general secretary of the Swaziland Council of Churches, and his father a businessman. "My father is my inspiration. In his personal life and business he had

■ To PAGE 12

Reserving jobs or undoing the past?

WIM 24-30/9/93 (176)

Pamela Dube

A SCRAMBLE by big companies — and even parastatals like Transnet and the SABC — to correct racial imbalances by employing blacks threatens to leave white job-seekers in the cold.

Many big companies have intensified their affirmative action policies, ironically reserving jobs for blacks in the same way jobs were once reserved for whites by law.

This week Transnet announced a policy decision of not employing whites. This, it said, was to redress imbalances caused by decades of apartheid in the organisation.

The SABC board recently said it would give priority to blacks in filling the vacant management posts in the next 18 months, to "eliminate racial imbalances in the SABC's staffing structures".

A report recently released by Barlow Rand states: "Political changes and associated economic and social factors have given the issue of black advancement a new urgency. Individual companies in the Barlow Rand group have to consider the pressures on them to actively develop and advance blacks."

products and companies realise that to understand and to have credibility in those markets, their structure has to be more representative of the society."

This line of reasoning is used by Old Mutual general manager of services, Reg Munro. He says his company started recruiting across the racial lines in the 1970s, so that "they could effectively sell life assurance into this, at the time, newly emerging market" ...our business activities in the market place demand it."

Many companies are still grappling with the idea. Policies are being formulated and some are starting the exercise. The target is to start recruiting, developing and promoting black employees.

Companies often do approach the question with the simplistic policy of "recruit blacks only" but some have a more sophisticated approach, which includes stressing black empowerment.

Engen equal opportunities manager Bernard Mthwisha says company policy on recruitment is: "No-body other than a black person can be appointed to vacant positions. The employee structures have to be

policy is "there should be at least one black candidate, and if all have the same qualifications, preference should be given to a black person."

However, Bobby Godsell, Anglo American executive director, says even though his company has been involved in sponsoring and training black students, recruitment should not be based on race. "We hire purely on merit. The aim is to extend opportunities to other races without perpetuating discrimination."

Cilliers says in order to deal with maintaining production and performance standards, non-whites should be trained and developed for their positions. "What is of importance now is not to look at the individual experience, but the ability to do the job."

SABC development manager Professor John Makhene says: "The SABC is still being run by whites, hence we are looking into changing the image. We must other races involved. Black colleagues need to be trained to feel competitive and earn respect of other people."

Cilliers dismisses the notion that companies hire black managers as a "window-dressing" exercise, to please the political changes. He

There's a price, and the price is us."

Catherine Ensor tried to move into the job market when she finished her studies, but ended up enduring 18 months of unemployment, despite achieving above-average marks and gathering work experience during her university holidays. She has also been turned away from numerous job interviews because she is not black.

"It's demeaning," she says. "And there's nowhere to turn to ... If you were black and a victim of prejudice, there were outlets for your frustrations. As a black person you had this whole vocal support network — you could join the African National Congress, civics, Umkhonto weSizwe. For whites in my kind of position there's no political or institutional support.

"The legitimised view is that black people reacted to their plight in a way that was morally acceptable. If we were to start bombing big businesses, we'd be seen as reactionary fascists."

Store agrees: "In a sense we're being crucified by affirmative action, and we agree with it, but we're not part of the reason it's happening."

White South Africans have never needed to voice their grievances or stand up for their rights in public, says Mazzulo. "A lot of white people in this country are scared about getting up

apartheid, but we are its products. There is no space for us. We can't commit ourselves to anything. The words 'guilty' and 'white' are tattooed on our foreheads and we skulk around trying to escape that limitation."

Mazzulo says she seems to transfer public anger into her private life: "I end up lashing out at my mother or taking it out on my boyfriend. They tell me it's because I'm frustrated, but I can't access why. I'm beginning to feel that my life is inconsequential and I never wanted to feel like that.

"For the first time I've considered getting married and having a family. That would be a vocation. I always thought that my career would be meaningful, but I get this picture of myself at the age of 30 never having kept down a decent job, and my dreams become meaningless.

"Perversely, after all I've learnt, I'm in the same situation in the 1990s that my mother was in in the 1950s. You end up being a kept person again.

"I can say that I reject the politics of the nuclear family blah ... blah ... blah ... but I'm still living with my parents out of economic necessity. I can't afford to set up my own life. I feel like a kid all over again and I hate it."

Store concludes: "We're learning for the first time what it's like to be dis-

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Store concludes: "We're learning for the first time what's it's like to be discriminated against. But we're learning in a very gentle way. We're not having people breaking down our front doors and telling us who we may and may not have sex with."

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WM 24-30/9/93 (170)

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Engen equal opportunities manager Bernard Mthwisha says company policy on recruitment is: "Nobody other than a black person can be appointed to vacant positions. The employee structures have to be reflective of the demography of the South African population."

Cilliers dismisses the notion that companies hire black managers as a "window-dressing" exercise, to please the political changes. He says: "At the end of the day we cannot not appoint people who cannot uphold their positions."

In part, employing more blacks is motivated by business reasons, Barlow Rand's Alan Tonkin argues. "Black consumers represent a dominant share of the market for many

Gawie Cilliers, human resources director of ICS Limited, says for every appointment, his company's

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To PAGE 12

A NEW breed of young black men and women is starting to break the white stranglehold on professional and executive jobs in South Africa.

A few are decision-makers and exercise real power; others are still climbing the slippery corporate pole.

With universities turning out more black graduates, affirmative action by companies anxious to show their sympathy with the "new South Africa," and the waning of social segregation, their influence is growing.

Changes under a new government will strengthen the trend: these are likely to include improvements at all levels of black education and the "greying" of the civil service. As more blacks get professional and executive jobs, more black children will be exposed to private education.

Many of the high-flyers are from a middle-class background and either graduates of local private schools or schools abroad — giving them a head start over contemporaries who passed through the Department of Education and Training mill.

The *Mail & Guardian* has selected a group of people who are typical of this embryonic black elite:

LESLIE PUPUMA

For soft-spoken attorney Leslie Pupuma (33), the greatest challenge is proving that black lawyers are the equal of their white counterparts.

Born in Transkei — his father was a lawyer and his mother a business-woman — Pupuma is a product of Waterford-Kamhlaba private school in Swaziland, where he passed British O-levels in 1978. He studied the first part of his LLB at University of Swaziland before completing his degree in Edinburgh in the United Kingdom in 1986.

Pupuma worked as a crown counsel in Swaziland in 1987 and was admitted as a senior crown counsel in

The new elite: Well educated,

Being black is no longer a guarantee of a menial job. Young black graduates are moving into high-end jobs of a kind they once only dreamt of.

Mduduzi ka Harvey talks to 10 people on their way to the top

exposure to the larger society that I realised racism existed."

On the black education crisis, he said: "Education in this country still suffers from the legacy of apartheid. What needs to be done is to instill a culture of learning in black scholars and give incentives to teachers."

Pupuma's ambition is to open a law firm with black colleagues.

During his spare time Pupuma enjoys attending concerts, spending time with his family, swimming and reading. He lives in Bedfordview in Johannesburg.

CAWEKAZI MAHLATHI

Director of the Black Management Forum, Cawe Mahlathi (34) pulls no punches in her criticism of black education. "Children are not taught analytical skills. We are not taught to be decision-makers after university. This kind of education is inadequate for anyone wanting to achieve a goal."

Both her parents are school principals in Transkei, and her mother, a Bhaca princess, is her role model because "she ensured that I got an



Cawekazi Mahlathi ... "The youth must be taught scientific and technical skills"

PHOTOGRAPHS: GUY ADAMS

"We need a major overhaul of our education system and the emphasis should be on providing the youth with scientific and technical skills," she said. "These are necessary to support a growing economy which will have to be internationally competitive."

Felsy and vivacious, Mahlathi was a public prosecutor in the Ministry of Justice in Zimbabwe in 1982, before moving in 1988 to Transkei's Ministry of Foreign Affairs to work as a legal counsellor. In 1989 Mahlathi was an

vulture"; during her spare time she leaves her home in Mountain View to attend theatre, dances and concerts.

NOMSA MANAKA

World-acclaimed playwright, actress, choreographer, dancer and teacher, Manaka (28) also attributes her success to her mother, who "gave her wisdom and taught her about life in general".

Her work includes *Sego, African Calabash*. Let *Their Spirits Rise* and

research into "comparing South African and West African dancing" and travelled extensively in Nigeria, Ghana, Senegal and Burkina Faso.

"My exposure abroad taught me how to work hard to achieve my goals. In our country education is very relaxed; it teaches one to be dependent. Overseas, I was told there were other people out there waiting for the opportunity to learn. If I messed up, there was always someone to replace me" she said. "Education is a

The new elite: Well educated,

WM 24-30/9/83 (176)

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The new elite: Educated, employed and black ^(17c)

From PAGE 11
WM 24-30/1/93

— being promoted to the job of regional business analyst in 1988 and net-work adviser in 1990 — and Liberty Lite, where he was sales manager. He moved to Barlows this year.

Educated at the semi-church school Salesian High in Swaziland, he studied at the University of Swaziland, graduating with a BComm in 1982.

In 1984 he attended the US International University in San Diego, acquiring an MBA.

On his return he worked as the financial manager of the Council of Churches in Swaziland before returning to South Africa in July 1985. Since then he has worked for Shell

CHARLES MGADZA

Charles Mgadza (35) holds advocate Dikgang Mosenke and Zimbabwean President Robert Mugabe in high esteem.

"What I particularly admire about Dikgang is that he was self-taught and was able to rise above people who got all the opportunities. I respect Mugabe for shattering the myth of white supremacy."

Educated in Swaziland at Matsapa High School, where he matriculated in 1977, he continued his education at the University of Swaziland, graduating with an LLB degree in 1980. He furthered his legal studies at the Uni-

versity of Edinburgh and at the University of Exeter, where he obtained his LLM degree.

Mgadza worked as a prosecutor in Swaziland before practising as an attorney specialising in commercial and corporate law. He spent three years as legal adviser in Standard Bank Corporate Investment Ltd, before moving to Absa in the same capacity.

He has found the social adjustment to the corporate world "humiliating". "The corporate world is skewed in favour of the white culture. To make it as an African person, you are expected to conform."

Mgadza complains that there is a glaring shortage of African professionals involved in high finance. "It's my ambition in the next five years to break this pattern and move into the high finance area."

An ardent soccer lover, who favours Orlando Pirates, he enjoys watching soccer matches and listening to music when he is at his home in Sandton.

SWAZI TSHABALALA

Swazi Tshabalala (27), whose father was a businessman and mother a nurse, is an employee benefits consultant with Old Mutual. She is a product of St Theresa's private school in Rosebank, where she

matriculated in 1983. After studying commerce at Wits University and economics at Lawrence University in Wisconsin, she joined Wake Forest University in North Carolina where she completed her MBA in finance in 1990.

Her role models are South African women because "they show an amazing ability to redefine themselves in trying circumstances and not only survive, but thrive".

She sees centralisation as a key flaw in black education. "Decentralisation is essential to allow for more creativity and innovation in learning and teaching methods, as well as the testing of knowledge. I'm opposed to a centralised exam system because it encourages regurgitation rather than

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Reservation or correcting imbalances?

From PAGE 11 ^{W/M 24-30/1/93} (17)

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The ultimate goal is to
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Says Cilliers, "Every
white graduate was sure
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Attitudes have to change.

"The high rate of drop-
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What Nafcoc expects from foreign investment

176

CIPress 19/12/93

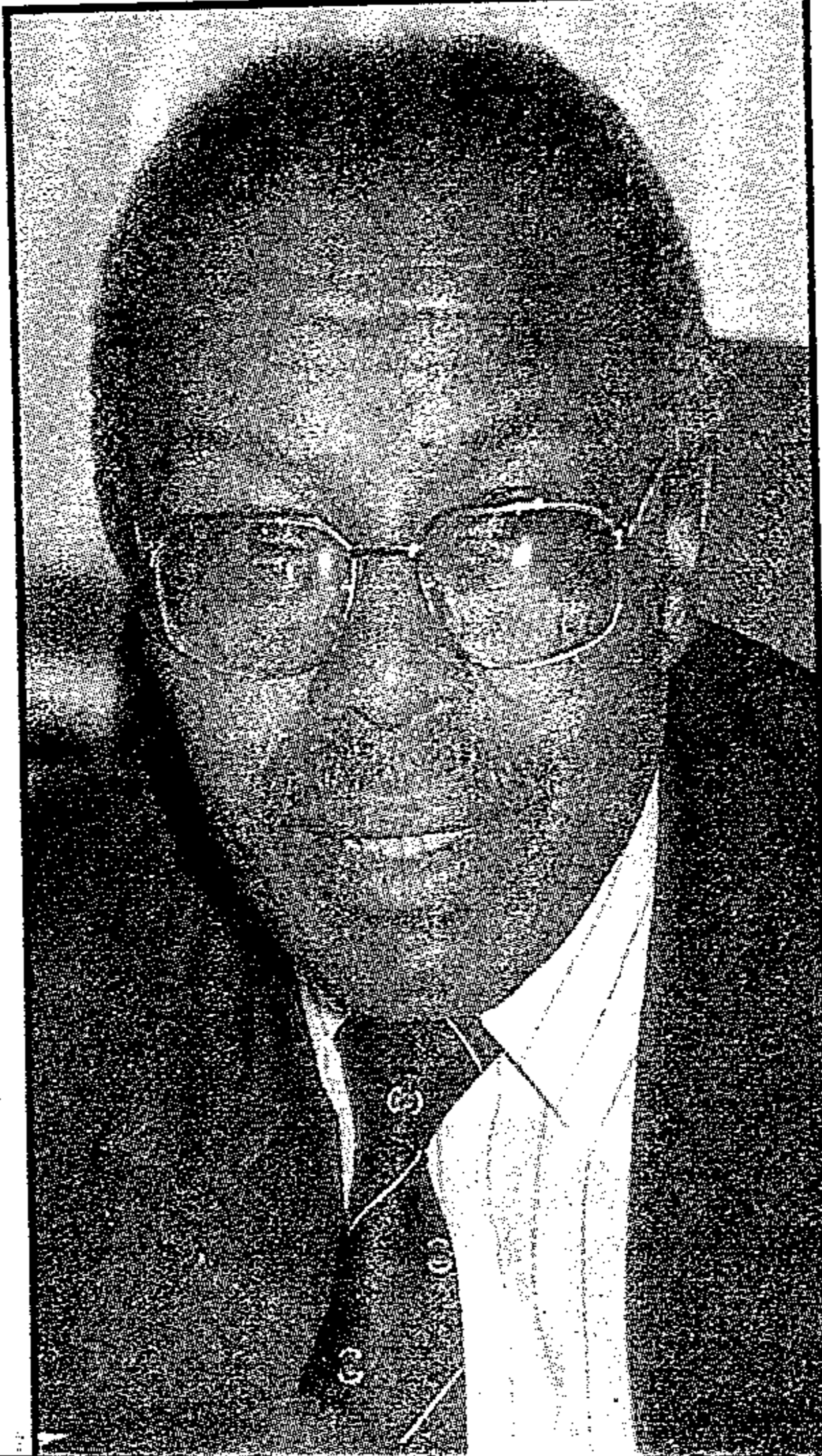
Following is an edited version of a speech delivered by Nafcoc president **ARCHIE NKONYENI** at a seminar in Canada on business opportunities in SA.

I MUST, on behalf of my colleagues and all South Africans, thank the organisers for providing us with the opportunity to address the issues affecting SA's economic transformation.

Our purpose is to invite you to trade with, and invest in our country. Our duty is to provide you with sufficient information about SA's economy to reach an informed decision.

Over the past 80 years the vast majority of blacks were excluded from the body politic. These people will be voting for the first time on April 27.

In systematic disenfranchisement, blacks have fallen victim to Bantu education so as to keep them out of meaningful



I ask you to support black economic empowerment programmes. Black South Africans are saying: affirmative action for Afrikaners gave them a bigger slice of the cake.

Blacks therefore expect this winning formula to be applied in their favour.

I ask you at all times to bear in mind the significance of attaching a higher priority rating to labour-intensive economic activities – if only to begin to address the unemployment problem.

Please do not read this comment as a criticism of capital-intensive investment.

I ask you to involve yourselves as employers in making skills available to black employees, to upgrade the management abilities of employees, to engage in in-house training programmes and to promote employees as fast as merit allows.

It will be in the interests of parity and social stability to give preference to black applicants.

participation in the economy.

Blacks were excluded from certain jobs by a policy of job reservation, initiated way back in the 1920s when it was known as the Civilised Labour Policy.

When the National Party assumed power in 1948 the affirmative action programme in favour of the Afrikaners was intensified as never before at the expense of blacks.

Today, Afrikaners are significant players in the control of the SA economy.

Because it was intended to guarantee a regular supply of cheap labour for the mines, blacks were confined to reserves and an opportunity for smooth urbanisation was lost. The pass laws were used to achieve this.

At present something like eight-million people – mostly black – are unemployed. They are in my constituency. How do I tell them that they are now in control of their own destiny?

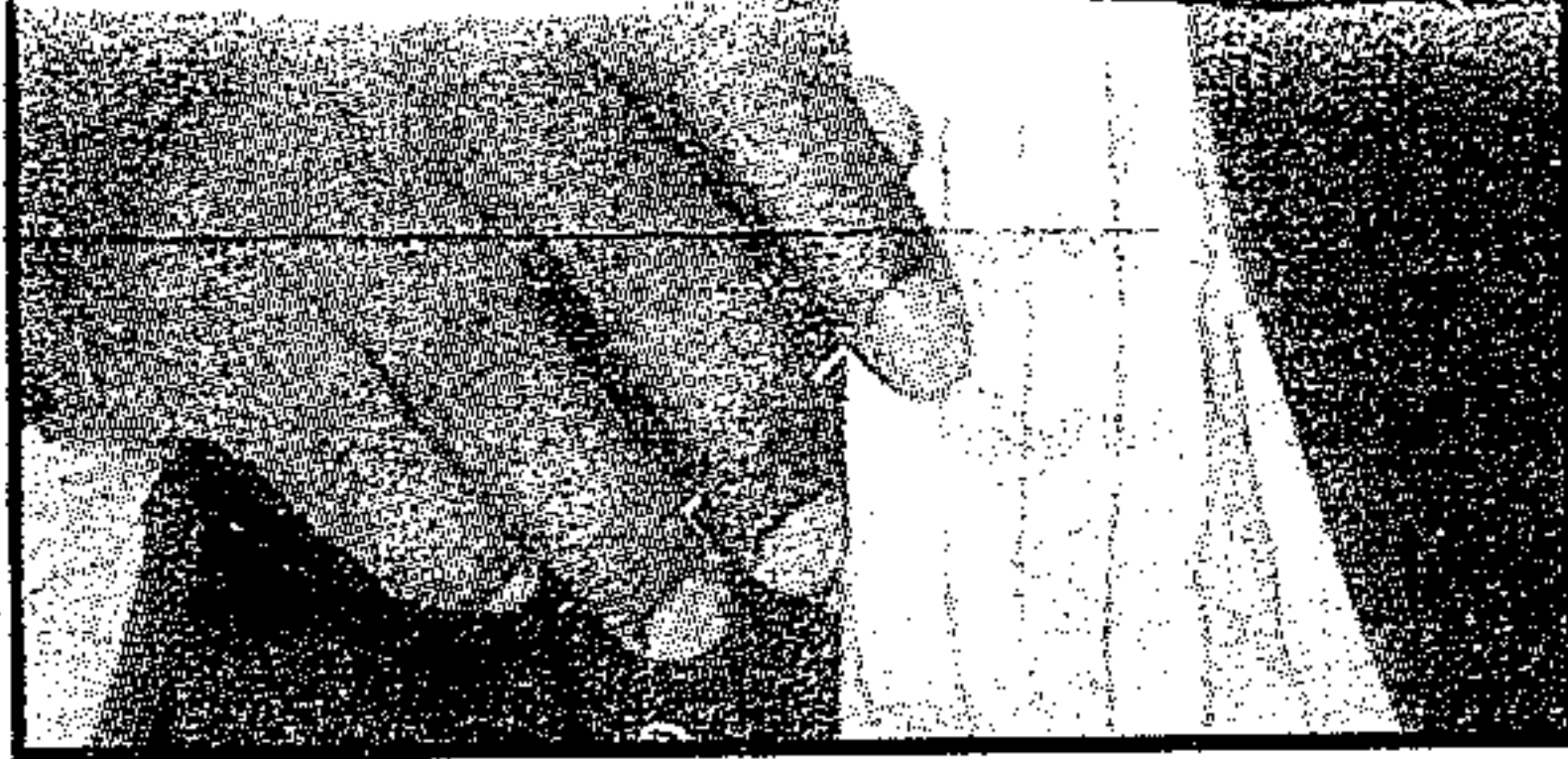
The black entrepreneur whom I represent has been subjected to some of the harshest restrictions possible in a country that claims to be a Christian society.

Blacks were never allowed to accumulate wealth. Nor were they allowed to own property and were therefore denied access to finance.

Further, blacks were unable to develop entrepreneurial expertise to become worthy competitors to white counterparts. If nothing is done blacks will remain permanent underdogs in the economic life of the country.

Perhaps as a consequence of these things there are no more than four black-controlled companies on the Johannesburg Stock Exchange. Five or six large white-controlled corporations exclusively handle the country's wealth. No more than four percent of management positions are held by black people and the contribution of black people to the gross domestic product of the country is said to be just over 20 percent.

Inevitably the image that must now be emerging is one of an economy that is controlled by the white minority. The scenario has some very speci-



ACTION NOW... Nafcoc's Archie Nkonyeni calls for labour-intensive industry.

Affirmative action and a commitment to empowerment

fic implications.

If democracy and social stability are to endure then the advent of "one man one vote" must be accompanied by a significant commitment to black economic empowerment by all sections of our society.

Foreign investors are not excluded from that effort.

If this commitment is not forthcoming, the disadvantaged will inescapably feel cheated.

In those circumstances no investment, whether domestic or foreign, will remain unthreatened by the social instability that will ensue in the host country.

The upshot will be that the credibility of the new democratic government will be in danger; confidence in democracy as a way of life will be destroyed, and respect for a market-driven economy will be challenged to an extent that there will be massive pressure on government to adopt inappropriate economic policies.

The past will revisit our society with a bitterness that will supersede the hatred of apartheid days.

People will question the whole purpose of the struggle and lose faith in their leaders.

In such a scenario, I have my doubts that anyone would be keen to invest.

We invite you to help us by investing in or trading with SA in a manner which will not only enable you to meet the expecta-

tions of shareholders in the short term, but also retain or enhance market viability.

Notwithstanding that finality has not been reached on important matters facing SA, we remain confident that goodwill among all will prevail.

We are in agreement with the Nobel Peace committee when it says to Nelson Mandela and FW De Klerk: even though the negotiations are incomplete your efforts are worthy of recognition by the international community.

We have reason to remain hopeful if any one individual is jailed for 27 years and is released to find that he has lost all those things which we hold dear and he still says: "Let bygones be bygones." There must be hope.

Our invitation to you does not deny that there is violence in SA. Nor do we exclude that possibility in the run-up to April 27, but our greatest prayer is that in the light of the first democratic election our country will be able to take a quantum leap forward.

In the process of overcoming the fears and suspicions of past uncertainty, tension and conflict is inevitable.

But it is a pity that the media is equating the actions of the lunatic fringe with those of mainstream South African society!

So all in all, what do we expect from you and other foreign investors?

There are many programmes that are being put in place to confront the housing backlog.

Please see if you do not have a role to play with respect to your employees. The development of human resources – particularly black – has become very important to South African companies.

I ask you to look very objectively at making some form of contribution towards the advancement of adult-awareness programmes, teacher upgrading programmes, bridging programmes as well as advanced tertiary programmes. Japan has contributed R75-million since 1987 towards this cause.

The future democracy and stability in SA is dependent to a great extent on our ability to make it possible for the ordinary voter to make an informed decision or choice of candidate.

Even before you engage in business in our country it will help prepare the climate in which you intend to operate if you could assist in our voter education campaigns. Now!!

It has come to be generally accepted that the most significant and effective engine for the creation of jobs and the redistribution of wealth and incomes is the development of small business.

I specifically ask you to go to SA with the intention of establishing joint ventures, franchises and partnerships with black people wherever possible.

If you find yourself attracted by doing business with people who have resources such as capital, expertise and contracts there can be no doubt that you will maximise returns in the short term but equally certain is that you will be helping to perpetuate the disparities between black and white – thereby contributing to social breakdown and chaos.

In asking you to adopt these affirmative action programmes we are not advocating an abandonment of normal business principles.

The message we wish to relay is that it is in the interests of all business not to turn a blind eye or a deaf ear to the justifiable aspirations of the majority.



Wendy Luhabe

Affirmative action gets top billing

Sowetan

By Mzimkulu Malunga

"TAKE your skills and share them, dance the choices of life, if you don't share then you find yourself dancing with trouble and strife," chant smiling actors on stage. But this is a unique play. It is about affirmative action.

Using actors Lucasta Baloi and Joss Levine, the theatre presentation is aimed at taking the message of affirmative action to the boardrooms and factory floors of companies.

Organisers say in addition to the overall objective, the intention is to ensure that affirmative action is reduced to the level of ordinary people. 19/11/93

Titled *Engineering the Future*, the play will be formally presented to the business community tomorrow at the VW Conference Centre in Midrand. (176)

With the aim of putting the necessity of affirmative action into context, the play gives an historical perspective of the country as well.

It also highlights the mistrusts which black and white workers have about each other at work places, but nevertheless work together without saying what they honestly think.

"Very soon the concept of affirmative action will no longer be a matter of choice in South Africa.

"It is more than likely to become a legislated matter which will have a major impact on all South African companies," says managing director of a human resources consultancy firm Ms Wendy Luhabe, who is facilitating the programme.

She says South Africa's salvation lies in a strategic implementation of affirmative action.

"There is no doubt that affirmative action will happen in companies.

"But whether it works or not depends on the implementation strategy and commitment of the people in an organisation," says Luhabe.

Luhabe's company is working on the project with a corporate video and industrial theatre production company, Blue Moon.

Already the likes of Telkom, South African Breweries, Dulux and Everite are using industrial theatre to communicate to their staff.

Meanwhile the Black Management Forum is expected to release an uncompromising document on affirmative action today when its annual conference begins.

By Waghied Misbach

AFFIRMATIVE action around basic needs like housing, electricity and access to health care is the first phase of the process, said ANC National Executive Committee member Albie Sachs.

The ANC believed in basic minimum rights including nutrition, health, education and welfare for everyone, Sachs said at an Independent Business Forum conference in Cape Town last week.

"So start off with education until Standard Six for everyone in the towns. Then this policy can be extended to the rural areas. But this should be done in terms of what is affordable to the country."

He said education could then be ensured upwards.

"This is done in many countries, where people look at the money available and then prescribe the mechanisms for ensuring that money is used to create an expanding network of basic services."

He said an investment in education and health was an investment in people, which would help the economy grow.

Race and gender should be used as criteria for change in specific instances like transforming the civil service, the police force and the army.

"The current civil service in the country is almost exclusively white and male and overwhelmingly Afrikaans speaking.

"And part of the problem of the police force is that it looks like a white police force with blacks in lower levels. It doesn't look like a South African police force."

He said this should be done within the next year.

"We can't allow a slow rising in the ranks, which might take 10 or 15 years. We are going to need it next year, so that we have a sense that this is our army.

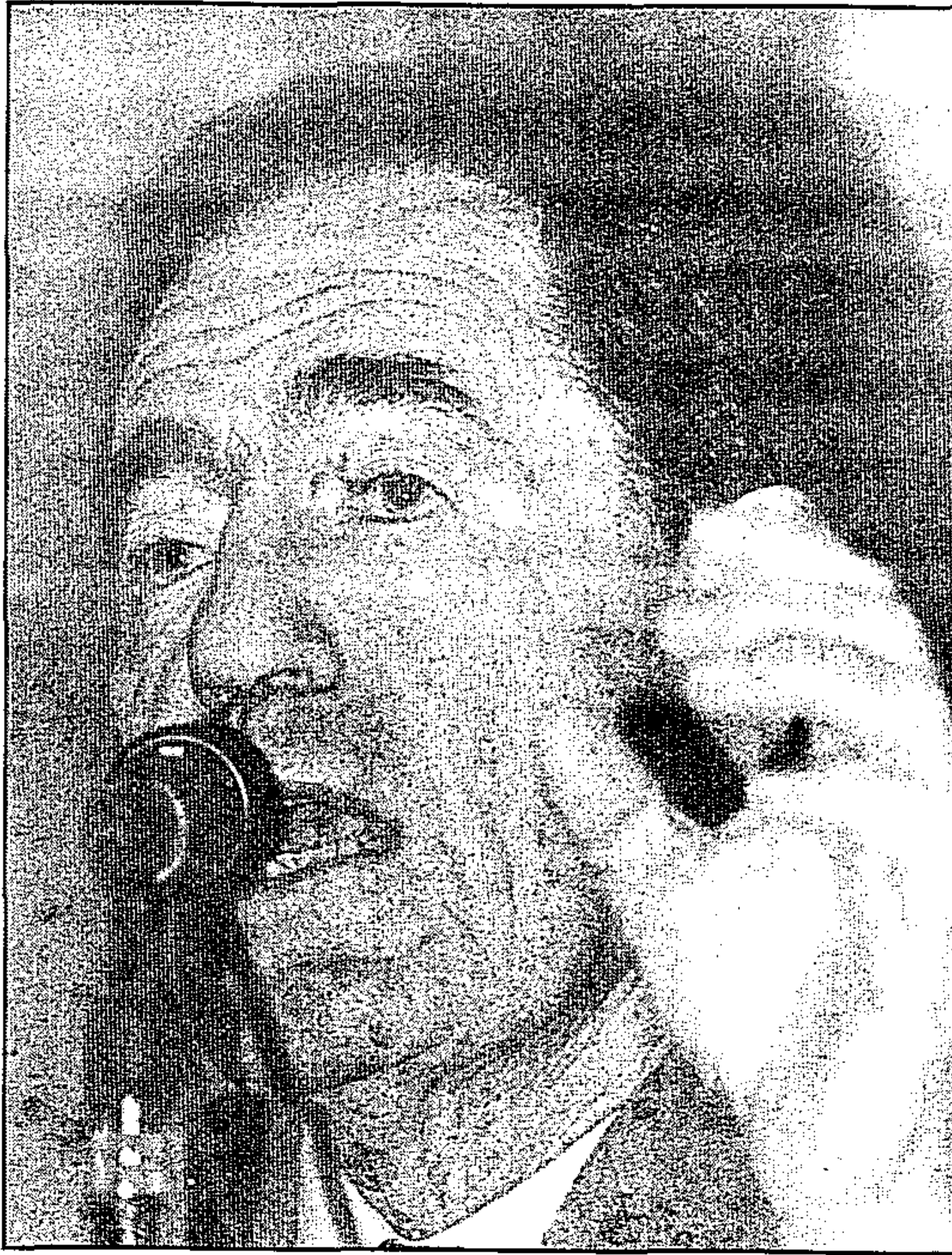
He warned, however, of the danger of "our turnism"; of creating a new elite with the majority of people still suffering.

"That's affirmative action versus a system of patronage. It has nothing to do with the needs of the economy, but simply distributing favours."

South 29/10 - 2/11/93

Start at the bottom

— Albie Sachs (176)



ALBIE SACHS

ing to do with the needs of the economy, but simply distributing favours."

Sachs said it was not simply a matter of being fair to everyone.

"It is a question of survival. It is a question of being South African. We are a very divided society."

It was also not a question of language or politics. South Africans could learn other languages and politics would change.

"Affirmative action in a broad sense is to include all the movement towards equalising society and make

everyone feel like South Africans."

He said this would mean extensive black advancement. Women would also be encouraged to advance and realise their full potential.

He said the ANC used the term affirmative action in two senses.

The first included any steps taken to overcome the inequalities of the past.

"That is done by measures that are not gender or race specific, but simply applying ordinary principles of equal rights.

'Affirmative action in a broad sense is to include all the movement towards equalising society and make everyone feel like South Africans.'

"For example, extending education to everybody on an equal basis. That is not affirmative action in a narrow sense, that's ordinary rights of citizens.

Secondly, there should be equalisation between the various regions.

"Differences in wealth came about because of the whole migrant labour system where poverty was created and people were dispossessed. The local economy was destroyed so that they were forced to work on the mines and the farms."

Equalisation was done in Germany after the war and in Canada and Australia, he said.

He also outlined seven principles of affirmative action which he followed. This was not ANC policy.

● A responsibility to act: not every inequality needed acting. However, there were urgent demands like gender inequalities and rights for disabled people. For example, in American law, two percent of a company's workforce has to be disabled people.

● Equity: there should be no revenge or advancement of a partic-

ular group at the expense of another.

● Inclusive: a few bureaucrats should not be allowed to impose their views on the majority.

● Accountability: there should be accountability to the public, parliament and the courts.

● Security: people should know where they stand. Clear criteria should be laid down in law.

● Proportionality: companies should reflect the population at large in their workforce. But this was not proportional representation. Companies would have to work out, with workers and trade unions, how they would tackle affirmative action. This would not apply to small businesses.

● Flexibility: there cannot be rigid formula for affirmative action. But the programmes should be well-tailored to each sector of the society.

Jobs for blacks 'must be enforced'

THE Black Management Forum (BMF) rejected affirmative action on a voluntary basis, as envisaged by the Sacob, because it could not be trusted, it said at the weekend.

BMF commission on affirmative action member Cawekazi Mahlali said the forum would unveil its policy on affirmative action at a conference this week in Johannesburg on management for a successful economy. He refused to give details on the document as it had not yet been adopted, but said it would be different from the Sacob policy document on affirmative action released last July.

Sacob rejected quota-based affirmative action and rigid timetables for appointing people as harmful and counter-productive. Prescriptive intervention by the state would do more harm than good, it said.

THEO RAWANA

The BMF document proposed a negotiated affirmative action programme providing for negotiated targets, with a mechanism for monitoring and enforcement. (76)

Because past surveys had not been accurate, the document proposed an independent body be established to map a skills data base showing a breakdown of race and gender.

Mahlali said the BMF was convinced affirmative action could not work on a voluntary basis. "There is no basis to trust it will work."

The BMF's two-day conference begins on Thursday. The forum said it would draw attention to the importance of meaningfully involving blacks in management roles.

Affirmative action reports by companies possibility

PRETORIA — Companies might be obliged under a new government to submit annual reports detailing their performance in the field of affirmative action, a senior lecturer at Unisa's Graduate School of Business Leadership said yesterday.

At the National Quality Conference, Delisiwe Dladu said wealth redistribution would be an integral part of affirmative action, but could be achieved effectively only with adequate training and development.

A post-apartheid government would inherit a formidable, deep-rooted socioeconomic crisis which would call for transforma-

tion of the whole socioeconomic system.

"Regardless of who may govern this country within the next five to 20 years, the greatest challenge facing all South Africans is the urgent need for wide-ranging development programmes and projects," said Dladu.

If the need for development was disregarded, the achievement of political goals and liberation would be meaningless. "For affirmative action to be successful, the entire corporation has to be involved in re-evaluating itself."

"Training has to begin from top management down and incorporate all in the organisation." — Sapa.

BIDA 12/11/93

Headhunting 'too costly'

BIDON 24/12/93

HEADHUNTING as a strategy of affirmative action had declined in large corporations and service sector organisations, said Webber Wentzel labour lawyer Jose Verster.

Research by Verster showed that in the recession many firms changed affirmative action strategies and focused on internal training and promotion of black employees.

Companies which began affirmative action recruitment a few years ago saw the futility of headhunting. "Growing employees inside the firm is cheaper in the long term and builds loyalty," Verster said.

The recession had had a deflating effect on recruitment and affirmative action, he added.

Adcock Ingram human resources manager Penny Abbott said poaching employees from other firms often created a self-defeating salary spiral. Adcock Ingram emphasised training at entry level as this would increase the employment market and create career opportunities.

Barlows Equipment human resources manager Riel Pienaar said the company had a policy of internal promotion and did not believe in headhunting. Affirmative action was

BEATRIX PAYNE

part of the company's broader approach to manpower training and had proved successful during the recent recession (176)

Barlows Equipment had identified affirmative action as a core business need and had begun its first affirmative action recruitment about three years ago.

It was cheaper and more efficient to bring people in at lower levels, train them and promote them internally, said Pienaar.

Idasa economist Warren Krafchick said firms should concentrate on recruiting from within their ranks. Adult education programmes could create a pool of potential appointees within the company who could be promoted through creative restructuring and natural attrition.

This approach to recruitment would be applicable during periods of economic upswing but would also be compatible with recession periods.

Krafchick said it was possible that there were more interlocking directorships among the cream of SA's black population than there were among white company directors.



ANC economics department deputy chief Tito Mboweni, left, and Fabcos general secretary Jass Mogaale at yesterday's news conference after the weekend's black business forum. Picture: GARTH LUMLEY

'Affirmative action must be legislated'

2/11/93
THEO RAWANA

THE ANC and black business both believed there should be legislation on affirmative action in order to set clear, negotiable targets to be achieved in management and business equity, a news conference was told in Johannesburg yesterday. *(176)*

This was one of the provisions of the Mopani Memorandum of Undertaking to which business and the ANC agreed after three days of deliberations "to establish a common understanding concerning strategies to achieve black economic empowerment", said the parties.

ANC economics deputy head Tito Mboweni said the parties had also agreed that lending criteria of state institutions such as the IDC and the Development Bank of SA should be reviewed to make them responsive to the needs of black business.

A National Enabling Fund should be established for small and medium enterprises, and public corporations and parastatals should be restructured to ensure that they were "representative of the

character of SA society".

Anti-trust policy and legislation should be introduced and strengthened to achieve a competitive environment. Investment policy should be guided by a "national treatment principle" governing both domestic and international investors.

The parties had agreed that black business would increase its role in voter education and prepare itself to play a role in the elections.

The position of women in business should also be strengthened.

It was also agreed that black business should upgrade its industrial relations system to be in line with the broader labour market practices.

Business leader Eric Mafuna stresses that his statement — as reported in Business Day yesterday — that the ANC had distanced itself from the black leadership class, was not a personal attack on the organisation, but a representation of the sentiments of the Black Business Forum.

The new black elite simply replaces the old white order

(176) WJM 8-14/10/93

The new black achievers have done nothing to improve the lot of the oppressed masses. They have merely moved into the jobs and houses previously occupied by whites, argues **Sandile Memela**

I WAS bemused by Mduduzi ka Harvey's feature focus on the embryonic "new (black) elite" (WM&G, September 24 to 30 1993) which glorifies this young generation of achievers who are irrelevant to black aspirations and hopes.

Any township resident can tell that these articulate and educated blacks who have embraced the invitation to previously whites-only managerial positions are solidly part of the problem today.

Harvey's handpicking a bunch of "achievers", who all studied outside the country in the crucial 1970s and who have consumed imperialist Western education in America and Europe, illustrates what is wrong with the "black middle class" today.

The fact that most of the people interviewed have fled the townships and reside in Bedfordview, Mountainview, Glenvista and Sandton shows that there is no use being optimistic about a black middle class or majority rule. The over-praised black middle class is not aiming to share the juicy fruits of socio-economic freedom and privileges with the impoverished masses, but will bar more than 30-million Africans from triumphing over hunger, inhumanity, exploitation, oppression and injustice.

We must understand that the liberation of the masses is not achieved by the co-option of a few "well educated, well employed ... blacks" but through the upward thrust of the people. The creation of the black middle class in the last decade must teach us clearly that the battle against apartheid injustice is not over simply because a few blacks have got degrees from Europe and America.

Unfortunately, it is not unknown that the doctors, lawyers, managers and other high-flyers of today are the offspring of the black middle class whose parents whisked them away in the mid-1970s from the vanguard of the struggle to cosy schools outside

the burning townships.

Unfortunately, it is not unknown that the black achievers of today are children of "connected" parents who sent them to white universities from which many black students were barred.

Perhaps the white graduates who struggle to find jobs as affirmative action spells the end of white privilege have more in common with the disadvantaged communities. Perhaps they share their anger with the masses in the townships who feel the dawn of a new era in South Africa, instead of fulfilling the aspirations of the people, will only be an empty shell.

Already, there is a perceived awareness in the black community that the lack of practical links between the new black elite—which has moved to the suburbs—and the masses will finally give rise to an explosion of township anger.

The private school and foreign university class who make up this over-praised "new elite" are far too few to allow themselves to be singled out as symbols of black achievement and excellence. To a large degree, they are not involved in the communities that sacrificed to give them the opportunities and privileges they today share and enjoy. Their primary preoccupation seems to be to prove to their white counterparts that they are equals and thus spend their weekends in the office trying to meet their professional deadlines.

It is shameful that today it is impossible to find black achievers who spend their Saturday mornings empowering communities and providing the township youth with positive role models.

It seems that the much-awaited new breed of black elites aims to move into the suburbs, put their children in private schools and make themselves an extension of apartheid capitalism, exploitation and oppression.

These foreign-educated blacks who thrive on affirmative action have to return to the townships and school themselves in indigenous languages and *tsotsi-taal*, drink in the shebeens, attend kitchen parties and *stokvels* and patronise cultural events in the townships' halls. The primary purpose will be to impart marketing, managerial, technical, intellectual and other skills they snatched from their universities to the people.

But they would rather watch Manu

Dibango at the Electric Workshop in Newtown than in the Funda Centre in Diepkloof; they opt for a jazz picnic at Zoo Lake rather than rehabilitate Mofolo Park to what it used to be in the 1980s—a centre to celebrate talent and indigenous music on December 16.

The new black elite is fast developing without an intimate knowledge of what is going on in the townships.

Over the next five years this preposterous black elite will be reduced in numbers and much pressure will be put on it. Because they refuse to be part of the masses of the people they stand condemned to lead this country into stagnation. Already, they are unable to give free rein to their genius, which formerly they claimed was arrested and suppressed by apartheid, under white domination.

With more blacks climbing the corporate ladder, marketing and advertising, for example, is still depicting white views and perceptions of what the black world needs, aspires after and fears. Even with the mushrooming of black ad agencies and people of colour in more marketing and public relations positions, there is no change in the content, language and strategies of reaching the black market.

It is not far-fetched to fear that even under a new black corporate leadership or government, this country will be imprisoned in the deplorable stagnation that it is confined in now.

To this new elite, affirmative action means the transfer into black hands of those unfair advantages which are a legacy of apartheid. Thus this sudden rise in numbers of black thirty-something achievers who have stepped into the positions, houses and offices previously occupied by white, fifty-something males.

This new black elite has to discover its historical mission which is to help translate the aspirations of the people as espoused in the Freedom Charter and the "Mayibuye" slogan.

The mission of the new black elite has nothing to do with transmogrifying the nation and society.

This new elite has to outgrow the self-destructive habit of defending its immediate interests and reveal itself to be capable of rekindling the shattered dream of a new, undivided, democratic, anti-racist and free South Africa.

■ Sandile Memela is the arts editor of City Press

Search for black execs

Staff Reporter

AFFIRMATIVE action is gaining ground rapidly in Cape Town and employment agencies are battling to cope with an increasing demand from big and small businesses seeking "Xhosa-speaking" applicants.

Some agencies are spending as much as 60% of their time searching for suitable black candidates for jobs.

Ms Maeve Berkhout, branch manager for Drake Personnel, said there was a huge demand "across the board" for blacks and many companies were "head hunting" for highly-qualified and skilled people.

Black specialists — like accountants and engineers — were in great demand because of their scarcity and companies were prepared to increase their salaries to keep them.

But skilled job applicants were difficult to find and companies

Businesses implement affirmative action

were having to increase training.

Since April about 60% of her agency's time was being spent on affirmative action placements in the market place, Ms Berkhout said.

Ms Karen McGeachie, branch manager for Kelly Personnel, said business is pressing for affirmative action wanted to "right the wrongs of the past".

There was a huge demand for

CT 7/16/93 (176)
training managers, secretarial, administrative and sales staff as well as graduates. Blacks placed were paid the same as whites for similar jobs.

In the Cape Times Jobfinder this week nine of 20 job opportunities in one advert wanted Xhosa-speaking people.

Mr Charl Adams, human resources manager of the Cape Town Chamber of Commerce and Industry, said he would encourage employees to apply voluntary affirmative action now so as to be in an advantageous position after the elections.

Apartheid, he said, had done great damage to the business community and affirmative action would give people equal opportunity in the marketplace.

● Regional ANC chairman Dr Allan Boesak has come out against affirmative action where it gave preference to employing Xhosa-speakers ahead of coloureds in the Western Cape. He had been inundated with complaints about the practice.

Affirmative action a 'pressing issue'

BIDAY 14/10/93

COSATU unions had tabled draft affirmative action agreements at several companies, but they had not been signed yet, Andrew Levy and Associates senior partner Andrew Levy said yesterday.

Speaking at the annual Outer Edge of Industrial Relations seminar, Levy said this trend was set to continue as legislation to enforce non-discrimination in employment practice was likely to be passed soon.

But he suggested companies preempt this by seriously considering employment equity.

Cosatu's draft affirmative action policy calls for the establishment of an affirmative action and human resources development and training board, consisting of management and worker representatives who would appoint an affirmative action officer.

The board's main tasks would be to investigate, implement and monitor training programmes after completing audits of company practices to eliminate discrimination.

The board would also determine the allocation of the company's affirmative action budget. This particular budget would be based on an agreed overall percentage of the company's total budget.

Cosatu emphasises that human re-

ERICA JANKOWITZ

source development, an integral component of affirmative action, should be viewed as an investment and not an expenditure item.

Cosatu also calls for a retrenchment moratorium to cover "the period of amalgamation or reorganisation" during the implementation of the policy. (17b)

Filling vacant posts should occur only after consultation with the board. A "needs analysis assessment to evaluate literacy levels, prior knowledge and on-the-job experience and skills" should also be undertaken in consultation with the unions. This would serve as a basis for assessing training needs.

Levy stressed that affirmative action had to create employment opportunities at all levels of the company and not just management posts.

He said some companies had already established such boards which generally reported to the senior executive, but were part of the human resources function.

He emphasised the need to involve the union and employee representatives in every aspect of the process because no affirmative action policy would succeed without their cooperation.

A strategy for potential *Fm 8/10/93*

Andries Louw, a lecturer in labour relations at Rand Afrikaans University, offers a new approach to affirmative action

Affirmative action has become the new bandwagon for human resources professionals in SA. Every aspect of human resource management is touched by it and every organisation has either had to implement it or contemplate doing so. But we seem to have a total misconception of what the term implies. SA is creating a new type of racism that will prolong the creation of a single nation. It is time we consider new methods of redistributing opportunities without increasing the gaps between people.

Major organisations such as Transnet and Eskom have embarked on bold affirmative action initiatives aimed at representing the demography of SA as soon as possible. In doing so they have chosen to place a moratorium on the recruitment of whites for as long as it takes to achieve this goal.

Obviously it takes courage and total dedication to the cause to take such a bold step. Unfortunately these organisations are becoming leaders in creating new problems. They have committed themselves to the wrong cause for the right reasons and will thus prolong suffering.

Affirmative action should not be seen as a strategy to achieve equal representation, but rather to create equal opportunities. Where affirmative action has been implemented as a representative ideal, protection for under-represented groups has become a permanent feature of the employment equation that cannot be removed. Racism, reverse discrimination and tokenism have been bred as a result, often exacerbating social gaps.

To overcome these problems and create a situation of true opportunities, what I call the ANLO (Andries Louw) approach to affirmative action was developed. The philosophy underlying affirmative action should be to redress the results of past discrimination, so that people who were denied the opportu-

ity to realise their potential in the past can now be assisted to do so. (176)

Organisations using this approach should always strive to minimise racial tension and optimise competition for recognition and promotion between all employees, without reference to race or creed. Often other strategies that strive for the same ideal tend to increase racial tension and remove competition between racial groups, thereby classifying one or other group as uncompetitive.

Four levels of intervention, as well as four time-periods of intervention are distinguished in this approach, whereby the true ideal of affirmative action is aimed for. One would first have to get top management involved to such an extent that it will take the initiative in the endeavour. This is important for the simple reason that one can only ensure success in a changed management initiative of this nature if top management is completely dedicated towards the cause. Top-management training is needed for this.

Long before the first affirmative action appointment is made, the organisation will have to conduct a proper audit of all racial attitudes in the organisation. A survey will have to be conducted among black and white employees concerning their attitudes towards other race groups, experiences of racism in the organisation, expectations and knowledge about affirmative action and willingness to work in an affirmative action environment.

The results of these surveys must be used to create a training strategy where all employees will be taught the philosophy and ideal underlying affirmative action. They must be guided towards understanding that affirmative action is not a reverse discrimination strategy, but merely a strategy to help people achieve their own potential and that the future of whites in the organisation is not put on hold, but that competition for promotion is merely broadened.

Mentors/trainers will also have to be identified and trained and all other employees

will become support staff who will assist affirmative action employees whenever called upon. In this way all employees will be involved in the strategy, and success will be an organisational goal and not merely a top management goal. After these initial stages, the first affirmative action employees are recruited and trained.

In the full-scale implementation stage, the scope will be broadened to tertiary education, secondary education and to the stage where affirmative action employees are taken off the programme and have to compete for recognition and promotion.

This will be done once they achieve their estimated levels of potential, as determined by the affirmative action monitoring committee set up in the organisation, or when they request to be taken off the programme of their own account. Black people will thus not be affirmative action employees and everyone in the organisation must know that. Open and honest communication must be a central theme so that all concerned parties will know what is happening and the spreading of harmful rumours will be minimised.

A contentious issue of this approach is the environmental intervention level. This level is necessary to prove total commitment to the cause of enabling the black community to realise its potential.

Your own black staff will see this as commitment beyond the call of duty and by supporting black schools and other educational bodies, you might help create your own pool of possible future candidates. Though this is part of social responsibility, the intertwined nature of social problems in SA cannot be disregarded and solutions should ideally be combined.

This approach was created to help solve problems in this country without creating new ones. Possibly it will further the debate on redistribution of opportunity. SA should take the lead in showing the world how to deal with diversity instead of following failures recorded elsewhere. ■

Sacob hears plea for black empowerment

CT 19/10/93

(176)

Business Editor

BUSINESS has not done enough in the field of black economic empowerment, Julian Ogilvie Thompson, chairman of the Anglo American Corporation of SA, said at the Nico Malan Theatre yesterday.

But, he explained in his opening address at the SA Chamber of Business (Sacob) convention, in spite of increasing pressure to advance blacks "there is no quick breakthrough.

"In the absence often of capital and the requisite depth of skills, constructing sound commercially-based empowerment schemes is very difficult indeed.

"There is enthusiasm and raw entrepreneurial talent aplenty, but this on its own is not enough if we are to forge new partnerships for wealth creation.

"It will require great commitment, imagination and effort from all interested parties to produce sustainable deals in this area.

"Similarly, in the field of employment equity, there are no easy answers. The international experience holds abundant evidence that many efforts in this area can turn out to be discriminatory, divisive and counterproductive.

"Many SA companies have committed considerable energy and resources towards identifying, training and developing potential future high-level manpower from sectors of society previously denied access.

"In some areas good progress has been made but in others, despite the best efforts of those involved, the results have been disappointing.

"There are real obstacles to be overcome but those of us in business are simply going to have to do more, for progress in this area is essential if we are to operate credibly and successfully in the new South Africa.

"For the reality we face is that black South Africans are heavily under-represented in the economic mainstream for reasons that include a long history of active discrimination, poor education and the denial of even the most basic economic freedoms.

"SA business now needs to help people of talent to break into the economic system and, through their efforts and hard work, rise in the business world."

However, Ogilvie Thompson said, business had made an important contribution to upliftment through corporate social investment. "By international standards SA has an unusually large voluntary sector.

"All told, charitable welfare and development work by independent agencies represents 2,3% of gross national product in the US. In SA the contribution is double that at 4,7% and the vast majority of this effort is funded by individual and corporate giving."

Warning that a vibrant, dynamic private sector takes active nurturing and can easily be incapacitated — as has been shown in other parts of Africa — Ogilvie Thompson said: "For SA, an expanding, confident private sector is a national asset — not just a sectional interest as some would seem to think."

Countries with "legacies of division, poverty and repression at least as great as our own" were now successfully following the recipe for economic success.

"This proves that those who argue that there are special cases where past injustice demands the suspension of economic laws will only jeopardise the future advance of those they are supposedly trying to assist.

"In a world of increasingly mobile capital and multinational corporations, the successful countries are those which exhibit good governance, providing the political and economic stability in which investors can earn rewards commensurate with the risks taken."

Affirmative action now!

□ Address imbalances, don't wait for legislation — chamber

Staff Reporter DAVID YUTAR speaks to Charl Adams, human resources manager of the Cape Town Chamber of Commerce on the chamber's policy on affirmative action.

AFFIRMATIVE action should always make good business sense, apart from its moral justification, says Charl Adams.

He emphasises that the chamber favours voluntary affirmative action as a way of redressing past imbalances in the market place and the composition of the workforce.

"We cannot prescribe to our members but we can, and do, appeal to them to actively address the historical imbalances that exist ...".

The chamber encourages companies not to wait until affirmative action legislation is promulgated by a future government but rather to act now by beginning to "set attainable targets" appropriate to their particular business needs.

"Regardless of what form legislative intervention takes, companies need to prepare themselves now.

"This is necessary not only from a moral point of view but is also justified by the needs of healthy business practice."

To this end the chamber had set out practical guidelines for companies on how to implement affirmative action.

Their central theme was the need for "systematic and planned intervention" which had its impetus from the highest echelons of management — usually the chief executive officer — and filtered down to every level of the company.

Included in the guidelines are:

- The need for active monitoring and fostering the progress of the "disadvantaged employee" by his immediate superior.

- Helping the employee be more than just a passive "recipient" of a affirmative action programme, rather a part of decision-making processes which affect his career.

- "Cultural assistance" which includes helping the employee gain access to the informal "grapevine" — for example non-structural social events



CHARL ADAMS: "Companies need to prepare themselves now ..."

within a company down to the daily teabreak.

- Extending affirmative action appointments beyond traditionally "liberal areas" such as human resources, training and public relations.

- The vital area of development and training which the chamber sees as crucial not only for the companies concerned but for the growth of the economy.

- Creating a culture of continuous learning beyond the essentials a person requires to secure employment.

- Actively pursuing development and upliftment projects within the community from which the workforce is drawn.

Mr Adams, editor of a recently published book *Affirmative Action In A Democratic South Africa* stresses that the chamber opposes the idea of prescribing to companies the form affirmative action should take.

"People in the business community resent agendas being imposed but the chamber recognises that they need to be galvanised in a positive way into setting and pursuing measurable targets in their companies."

For that reason the chamber was against the idea of punitive affirmative action legislation and quotas, preferring non-prescriptive targets.

These targets had to be more than vague goals, but had to be defined and attainable within a time frame appropriate to the company's needs.

The chamber believed it was essential that such policies began at chief executive level and that a company's executive understood that affirmative action was a "business decision and not just social policy".

Mr Adams said in many companies the so-called "self-fulfilling prophecy" proved an insurmountable obstacle for newly-admitted disadvantaged recruits.

The employee was handicapped from the start by the negative prophecy of a superior or supervisor who claimed "he or she just will not make the grade".

"When the employee *doesn't* make the grade this reinforces the prophecy."

What the chamber proposed was a system in which the employee's immediate superior actively fostered his or her progress and was called upon to give account of his own involvement in the employee's progress beyond the initial recruitment.

The chamber felt that companies needed to get more involved in the welfare of the community from which members of their workforces were drawn. Development and upliftment programmes were a constructive way of doing this.

The chamber opposed what it called "interventionist policies", "regardless of from where they emanate" because they had an inhibiting effect on the free market.

But, said Mr Adams, the guidelines, distributed at a recent regional congress, were part of a continuing effort to move commerce beyond the phase of mere debate to one of active implementation of tangible affirmative action.

(176)
ARL 25/10/93

Coloured, Indian or female? Tough luck!

Southern 5/11 - 9/11/93

Affirmative action programmes are favouring African men, while doing nothing to overcome the years of discrimination suffered by coloureds, Indians and women. **CHRISTELLE**

TERREBLANCHE

reports:

COLOURED people, Indians and women are getting the short end of the affirmative action stick. This is the finding of the Breakwater Monitor at the University of Cape Town's Breakwater Business School: the only comprehensive human resources monitor in the country.

"Women, coloureds and Indians might as well go to Mars for they are only getting the crumbs," says Mr Angus Bowmaker-Falkner, who started the Monitor in 1991.

He says the discrepancy is most evident in the area of training.

"At this point in time there is no political kudos for companies in looking for coloured people and Indians. The companies are only

interested in African people, particularly African males.

"They are practising affirmative action for all the wrong reasons. Instead of employing people for sound business reasons and with a sustainable economy in mind, they are motivated by fear and guilt. Companies are jumping to get on the right side of the new politicians."

According to him there is not one coloured person in South Africa who is an executive board member, the highest rung on the company ladder.

Ms Marie Norval, who runs an employment consultancy, agrees. "A lot of coloured people were employed during the seventies and eighties, mainly because they were cheaper than whites. But they have not been promoted beyond the middle grades.

"The coloured and Indian people have not gone full circle in companies and now they are actively being discriminated against in favour of

There is not one coloured person in South Africa who is an executive board member

and women on these levels.

According to Bowmaker-Falkner, companies seem to give their affirmative action programmes very little thought. It is particularly worrying that spending on training and development is not done honestly and appropriately. "They can't explain why they are spending the money, on whom and how," he says.

"A lot of money is going into this, although not enough compared to internationally accepted ratios. If they don't have a plan, the money should be considered wasted."

From the Breakwater data it is evident that 74 percent of all apprentices and trainee technicians are still white, with Africans making up just more than 19 percent, coloureds four percent and Asians two percent. Only 0,7 percent of these are women.

Of the money spent on training and development, Africans get 60 percent, whites 28 percent, coloureds eight percent and Asians 3,3 percent.

These figures get even more out

Of all educational grants allocated, Africans get 68 percent and coloureds only 4,6 percent

of proportion in relation to population size where companies hand out money for education. More than 47 percent goes to whites, 37 percent to Africans, and 12 percent to Asians. Less than three percent reaches coloured children.

Of all educational grants allocated, Africans get 68 percent and coloureds only 4,6 percent.

"Coloured people in particular seem to have an outsider status in relation to the economy," Bowmaker-Falkner warns.

"You can phone any company now and tell them you have an experienced coloured person for a particular job, and they would turn this down immediately. They are only interested in Africans and are thus creating a false sense of option in the economy."

He is worried about the effect of the discrepancies on productivity, morale and organisational dynamics.

"South Africa is still obsessed with profit. Companies have not reached a balance in their thinking between profit and social restructuring which would encourage a more sustainable economic dispensation."

SYLVIA VOLLENHOVEN
will be back with her column next week

Nafcoc road to prosperity

ONE of the duties of Nafcoc is to produce innovative policy proposals designed to redress past economic injustices.

Among these are preferential policies favouring blacks, which, at the same time, will avoid shortchanging formerly advantaged groups.

In effect, whites will continue to do business in accordance with the existing legislative environment. Preferential policies, however, will apply to the historically less advantaged, precluding them from legislation which interferes with voluntary business.

The crux of the proposal:

- Whites continue for 10 years to do business under existing regulations, with its high taxes, tariffs, exchange controls, licensing laws and the myriad of prohibitions on trading and other activities. No additional burdens are placed on them.

- Blacks on the other hand are totally exempt from this web of controls, which is not of their making.

The purpose of this policy is to allow blacks a comparative advantage, giving them 10 years of the most advantageous business conditions possible, as a means of righting some of the wrongs of the past.

If blacks should decide to go into business with whites, they will have to maintain a majority participation in the business if they wish to benefit from the exemptions. For instance, blacks will have to have at least 51 percent of the shares and a majority of the seats on the board of directors of a company.

Another option is that all formerly disadvantaged areas be declared Economic Development Areas (EDAs), in which residents and businesses will be given significant exemptions from economic regulations and taxes.

The primary purpose is to create a comparative advantage for people living and doing business in these areas. This measure will provide opportunities that will far exceed anything that can be produced on a forced transfer basis.

A great advantage is that the people will identify and utilise the opportunities themselves and will not have to wait for government handouts – an inefficient transfer method at the best of times.

What is the logic of this proposal:

- It is a temporary expedient (10 years).
- The playing field will be tilted radically in favour of blacks.
- Whites will go out of their way to work

A future South African government faces political and economic difficulties. Meeting the high expectations of the people who voted it to office is sure to be a formidable task, says National African Federated Chamber of Commerce second vice-president GABRIEL MOKGOKO, (right). This is an edited version of a speech he gave at a dinner hosted by affiliate Inyanda Chamber of Commerce in Durban last weekend.

CIPRESS 28/11/93
with blacks without being compelled to do so.

- Blacks will be placed at the helm of a rapidly growing economy which will reduce poverty, unemployment and backlogs.

- A rapid and spontaneous restructuring and total transformation of the economy will occur. (176) (176)

- Whites will be no worse off than they are now.

- The high expectations for rapid change will be adequately catered for.

- Justice will be seen to be done.

- The international community is unlikely to see the policy as punitive.

- Whites are likely to accept the policy.

- The policy is unashamedly racist, recognising that the damage caused by past racism cannot be assuaged without in some way reversing the process.

The proposal would appeal to many and is better than trying to wring inadequate resources out of reluctant whites which is likely to increase racial tension.

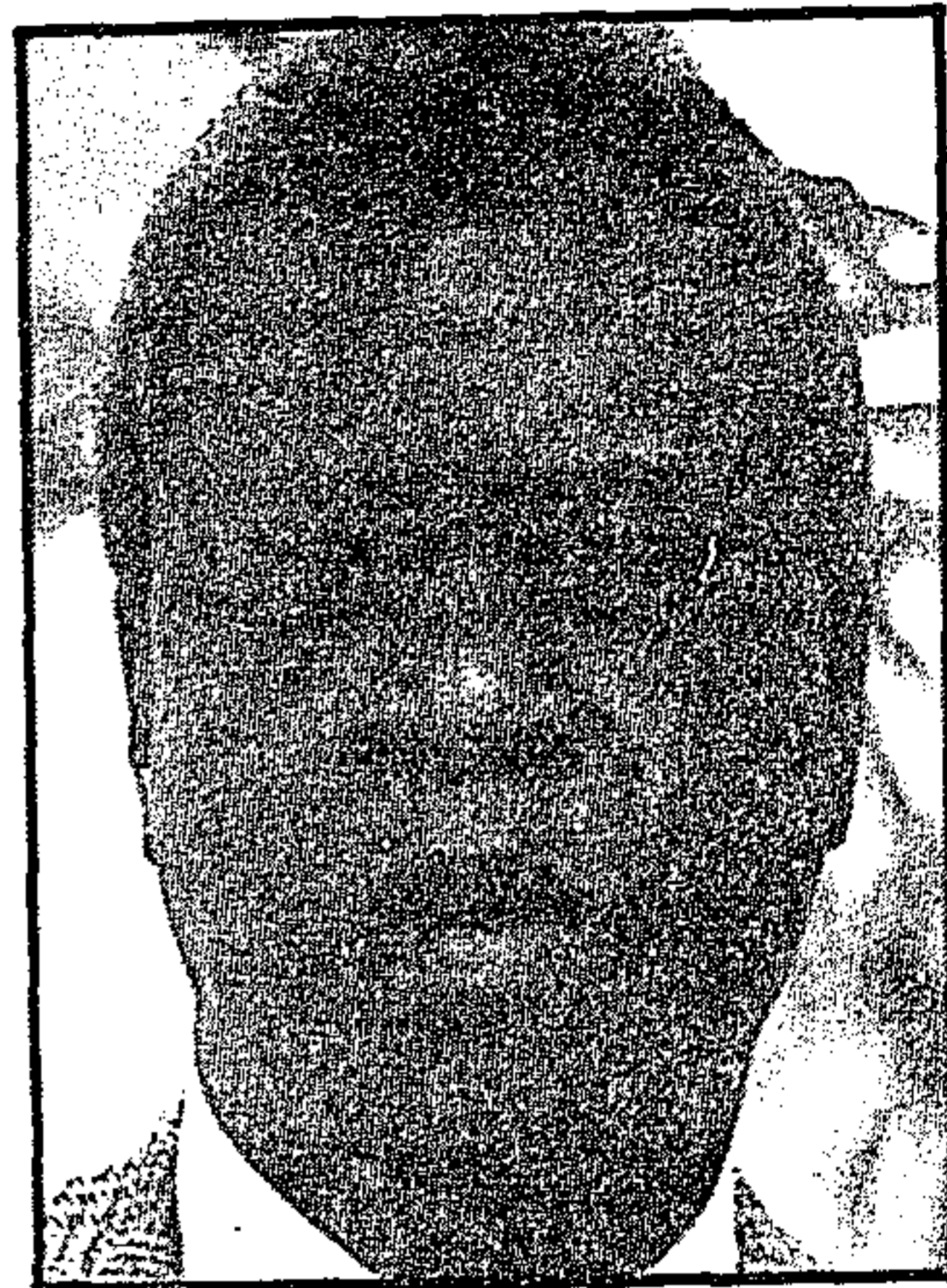
With regard to the protection of property in a Bill of Rights, blacks should enjoy stronger rights than their white counterparts in terms of expropriation.

Blacks will be exempt from all land use laws and regulations. These include laws pertaining to subdivision of agricultural land, zoning laws and building regulations. The only restriction on land use which will apply to blacks will be the common law.

Black farmers should have freedom of association with agricultural marketing boards.

Blacks will be exempt from all laws relating to mining licences, mining leases and the lease formula.

Agricultural land is presently protected



against subdivision. Blacks would be able to buy farms (without paying transfer taxes) and subdivide this land into smaller parcels for sale as smaller farms, residential sites, industrial land and so on.

Blacks would be able to build without complying with building codes and restrictions except those concerning safety.

“Black” companies would have a majority of black shareholders (51 percent) and a majority of black directors. Such companies would be exempt from company taxes and would also qualify for all the exemptions available to individuals.

Blacks will be exempt from import duties, excise duties, tariffs, income tax, stamp duties, and a multitude of similar taxes. Black-owned businesses will be exempt from registering for VAT.

Blacks will be exempt from all exchange controls and currency restrictions. They will be entitled to hold accounts at local or foreign banks in currencies of their choosing.

Blacks will be exempt from all licensing laws and would be able to enter into business without having to comply with legal formalities. They would not be debarred from doing any work which they are competent to perform because they lack certification.

Steps will be taken to ensure that laws necessary to govern corporations, property rights, financial institutions, stock markets and the airwaves do not continue to protect vested interests at the expense of blacks.

affirmative action

'Be serious about affirmative action'

South 29/10 - 2/11/93

"MANY businesses, while they appear to embrace the principle of affirmative action, continue to do so without the total commitment necessary."

This is the opinion of Mr Sam Montsi, Chief Executive of business and projects consulting firm, Montsi and Associates, in a new book titled "Affirmative Action in a Democratic South Africa".

In a chapter titled "The Bottom Line: Does Affirmative Action make Good Business Sense?", Montsi concludes: "The result of this is the cries of tokenism on both the part of the beneficiaries of the programme and those who are directly affected."

"We must realise that the issue is no longer whether we agree with

the principle or not. Even the Interim Report on Groups and Human Rights of the South African Law Commission, after exploring international experiences, defends the principle. (176)

The book was compiled by Mr Charl Adams, human resources manager of the Cape Town Chamber of Commerce. It consists of eight chapters by respected South Africans taking an in-depth look at affirmative-action.

Among these are Professor Albie Sachs of the ANC on "Affirmative Action and Black Advancement in Business"; Professor Wiseman Nkuhlu of the University of Transkei and the Development Bank of Southern Africa, who deals with putting theories into

practice.

Other chapters deal with, among others, legislating affirmative action, affirmative action as a development tool in business and programmes to counteract gender discrimination at work.

The book is the result of a symposium organised by the Cape Town Chamber of Commerce last year and, according to the publisher, is the most comprehensive on the subject available in the country.

"The book is not about recrimination and revenge," says Adams. "It attempts to clarify issues that have been obscured by years of following a paradigm of thought that argued in terms of 'us and them'."

CHRISTELLE TERREBLANCHE

Soft approach proposed for affirmative action

S. Times (Bus)

By CIARAN RYAN

THE Black Management Forum (BMF) is to release a blueprint which is expected to form the basis of affirmative action legislation under a new government.

It proposes a "soft" approach to affirmative action, employment targets being subject to negotiation between an equal opportunities commission (EOC) and companies in terms of broad parameters determined by the government.

The BMF seeks a time limit on targets, after which the programme should be retired.

Failure to meet targets would invoke non-negotiable quotas and a system of penalties, including public exposure of delinquent companies and possibly tax imposts.

The proposals require non-whites to hold 50% of all board seats by the year 2000, 30% of senior management posts, 80% of trainee positions and more than half of middle, junior and supervisory jobs.

The proposals are the result of BMF research involving business, labour and political parties. The proposals will be made public at a BMF conference at the Carlton Hotel, Johannesburg, on Thursday and Friday.

The targets would apply to all

companies and would be monitored by the EOC. (176)

BMF executive director Lot Ndlovu says: "We have set broad targets, but it will be up to the EOC to establish sectoral targets after due consultation. 14/11/93

"This does not mean that companies will be allowed to negotiate ridiculously low targets. The EOC will base its decisions on the supply of suitably qualified employees.

"Once targets have been set, the EOC will monitor progress in the company. If it fails to meet these targets within the given time, quotas will be imposed on the company by the EOC."

The BMF proposes rewards and penalties for compliance or non-compliance with targets. Each company would have to appoint an affirmative action manager to implement the targets.

"The affirmative action manager should be rewarded by the company to the degree that targets are met," says Mr Ndlovu.

No distinction is made between coloureds, Indians and blacks in the BMF's definition of non-whites,

although company employment practices should reflect the population mix of the country.

The BMF recommendations will not, it seems, apply to public servants because of guarantees protecting their jobs for 10 years. The guarantees are underwritten by the ANC and the National Party.

"This guarantees exclusion and incompetence," says Mr Ndlovu. "It is the same as a company guaranteeing not to retrench workers.

"However, it is easy to be critical when one is not part of the negotiation process. I imagine there was some form of trade-off between the major parties."

The BMF recommendations are less onerous than many companies feared.

Large investment in education and training is expected in the next seven years.

A worry is the establishment of a public service bureaucracy to oversee the implementation of affirmative action. Mr Ndlovu says comparisons with the United States, where affirmative action quotas are widely recognised to have failed, are specious.

"Bar one or two similarities, the situation in SA is vastly different to that in the US," says Mr Ndlovu.

Seven years to get company houses in order

Deadline set for affirmative action

Star 22/11/93

176

■ BY CLAIRE GEBHARDT

Seven years — that's what the Black Management Forum (BMF) has given companies to get their affirmative action house in order.

By the year 2000, business will have to ensure that blacks comprise:

■ 30 percent of all non-executive directors;

■ 20 percent of executive directors;

■ 30 percent of senior management;

■ 40 percent of middle management;

■ 50 percent of junior management;

■ 70 percent of supervisors; and

■ 80 percent of all trainees.

Executive director Lot Ndlovu told delegates to the BMF National Congress in Johannesburg on Friday the proportion of blacks at top executive level was currently only one percent because of racist socio-economic policies aimed at stunting blacks.

He said the BMF quotas were national targets and were absolutely achievable, though it might take longer for blacks to reach the executive director level, which was the policy-formulating level within an organisation.

QUOTAS are national targets and absolutely achievable, says the Black Management Forum

"But a company can recruit people from outside for this level, while accelerating the development of people from inside the organisation."

Ndlovu said it was accepted internationally that non-executive directors (NEDs) should wield more power in boardrooms.

Small pool

"We believe that there are enough blacks with an awareness of business who could be appointed as NEDs, over and above the small pool of a dozen or so being used now."

Affirmative action did not imply lower standards, he said.

"Black people must be qualified and have the necessary experience and technical skills.

"Those who are not suitable must be given training and development."

Beneficiaries of affirmative action would be black men and

women as well as other historically disadvantaged groups.

Ndlovu said an important milestone in affirmative action would be reached when the number of black people and women in various positions had reached critical mass (CM).

"Thirty percent representation at middle and senior management levels is sufficient CM for affirmative action to begin to propel itself."

Ndlovu said it was crucial to define the point at which organisations could exit from affirmative action programmes to prevent the process turning into reverse discrimination.

BMF director Cawe Mahlathi recommended the enactment of affirmative action legislation and the establishment of an Equal Opportunities Commission (EOC).

"Employers will have to submit plans to the EOC setting out their affirmative action targets and time frames. The EOC will be empowered to revise them if they are unreasonable and to set alternative targets."

Mahlathi recommended that all identity documents include a race and gender code and that a Manpower Commission be established to survey and map human resources data by race and gender.

BHEKI TWALA... MARY AGNES KHUNWANA...
 FLORA MTHEMBU... YOU ARE A
 SHINING EXAMPLE OF WHAT NATION
 BUILDING REALLY
 MEANS



focus on change

Sowetan 10/11/93

AFFIRMATIVE ACTION — two words that instil fear into the hearts of so many whites.

The call to redress the imbalances of the past through affirmative action brings with it frightening notions of losing control, lowering of standards, reverse discrimination and revenge.

It strikes at the very heart of white prejudice and challenges white senior managers to show visible and sincere commitment to ensure that blacks are equitably and effectively represented at all levels of the organisation.

Apartheid created social and economic inequalities in South Africa and these injustices have been mirrored by companies in the workplace.

There are many casualties of apartheid who deserve special concern before democracy can level the playing field.

These injustices were discussed by speakers who entered a debate on the question of affirmative action during a seminar held at Sun City recently.

Speakers contended that the fundamental question today is not *whether* South Africa should implement affirmative action, but rather *how* it should go about doing it.

Development of employees

The purpose of affirmative action is to redress and diminish inequalities of gender, race, ethnicity, reduce disparities and create positive discrimination.

Affirmative action will not come about by itself — it needs to be managed, and to start from the "top down". Organisations should use it as a method of achieving business success, and should therefore plan it.

As executive director of Black Management Forum, Mr Lot Ndlovu aptly put it: "Monitoring and evaluation systems should be developed to ensure that the affirmative action process is maintained and adapted where necessary."

"The main purpose of affirmative action is the development of employees to their fullest potential, the improvement of productivity and therefore the overall performance of companies."

"This can only be done by implementing an integrated and well managed affirmative action programme."

Another consultant Mr Urin Ferndale says affirmative action programmes will not work if management does not take control of the process.

But many blacks are ignorant or have not heard about affirmative action, according to a poll by Markinor carried out among 1 000 blacks and 1 000 whites in September.

According to the poll only six percent of blacks and 40 percent of whites in South Africa's metropolitan areas have heard of affirmative action. Markinor deputy managing director Ms Christine Woessner says the low level of awareness among blacks is alarming — employers are apparently not publicising their affirma-

Affirmative action has gripped the nation but in some quarters many people who need to know what it is and how it works remain ignorant or stubborn, blinded by prejudice.

Sowetan writer **Joshua Raboroko** puts it in a nutshell: (176)



tive action policies sufficiently.

Even among whites the awareness level is lower than expected, she adds.

Affirmative action programmes in South Africa have been heavily criticised for being racist, elitist, discriminatory, sexist and for producing few results.

Because of the Bantu Education system, whites have developed the stereotyped idea that blacks have nothing meaningful to offer business.

There is also an inherent fear among many whites that blacks are not to be trusted in positions of authority or responsibility. To reinforce this stereotype, they are quick to point out the failures of so-called "black advancement" or affirmative action.

To some managers and supervisors, employee empowerment means the handing over of power by whites to blacks; something that frightens them in both the organisational and political environment.

The empowerment of blacks through their trade unions has added the dimension of an ongoing "us and them" confrontation between management and labour.

This goes beyond the "acceptable" conflict of interests between profits and wages which is inherent in the capitalistic system.

It is made worse by the fact that management is predominantly white and labour predominantly black. It is a racial conflict.

Concerned about tokenism

Blacks on the other hand are concerned about tokenism. They are afraid that promotion will be perceived by their colleagues not so much as a reward for personal achievement but rather as "a hand-out to ease the consciences of white management".

There is a constant dilemma, therefore, between the need for affirmative action on one hand and fear of being labelled a "product of affirmative action" on the other.

In an article in Institute of Personnel Management's *Equity versus Equality* based on the affirmative action debate, Labour Link consultant, Mr Ian Fuhr, makes some suggestions regarding allaying the confrontation of racial fear, and that:

- managers challenge their own fears and

those of their subordinates by creating forums for discussion where people of diverse race, culture and gender can openly debate their differences;

- they need to discover, through open debate, why others think and behave the way they do; why they are so bitter and angry; why the perception gaps are so wide; why we are afraid of each other;

- they stop rewarding managers for managing by fear;

- they address racism, not through forced integration, but through the acceptance and respect for the diversity of others;

- they make a firm commitment to the eradication of even subtle discrimination;

- they educate white employees as to the need and inevitability of affirmative action.

He contends that the current wave of political and criminal violence has served to harden attitudes and to further polarise the race groups.

Now, more than ever before, there is a burning need to break down racial and cultural stereotypes in South African organisations.

"South African line managers and human resource practitioners must acknowledge racism is a primary cause of our human resource problem.

"Racism is both a product and a cause of fear. It should be confronted, openly and honestly, to allay fear and pave the way for positive progress," he says.

Human resource manager of a leading sugar company Mr Bhekuzulu Magwaza says managers who are concerned about the future of their companies are going to have to be bold and make tough decisions.

They do not have to pamper whites who still refuse to share toilets with blacks.

Firm and steady conviction from senior management is clearly required in addressing both arrogance and the fear of whites.

The challenge is to promote realism, equity and tolerance.

The late exponent of the black consciousness movement, Steve Biko, once claimed that blacks have to be raised from a level of inferiority to a level of humanity.

Perhaps the whites need a Biko from within their own ranks who could also raise them from a level of superiority to a level of humanity.

Affirmative action 'vital to the economy'

PRETORIA — The implementation of affirmative action programmes is a vital economic requirement, says Sanlam MD Desmond Smith. *B. Day*

Affirmative action and empowerment were not only unavoidable but were also in the interests of the declining white minority, Smith told delegates to a Unisa faculty of economic and management sciences day at the weekend.

It was crucial that such policies were not developed merely to address disabilities, but to create abilities, he said. *9/11/93*

"The importance of black participation in the future SA economy and the positive contribution it can make to the development of a successful and fairer economy must be acknowledged," he said.

SA companies would also have to do much more to generate funds for development as well as to look anew at socially responsible investments.

"We will have to join forces to channel enterprise, expertise and aid to assist blacks to join in the mainstream of the SA economy. It is the corporate responsibility of every large organisation not only to do business for the sake of making a profit, but also to act as development agent for emerging businessmen."

ADRIAN HADLAND

Smith said people in business were beginning to realise that consumers were interested in much more than a product and its price. They were interested in what could be regarded as the social products of a company. *(176)*

"The successful company of the future will have to be a good corporate citizen and be aware of how important it is to have and to maintain a sound relationship with its diverse publics, including its staff."

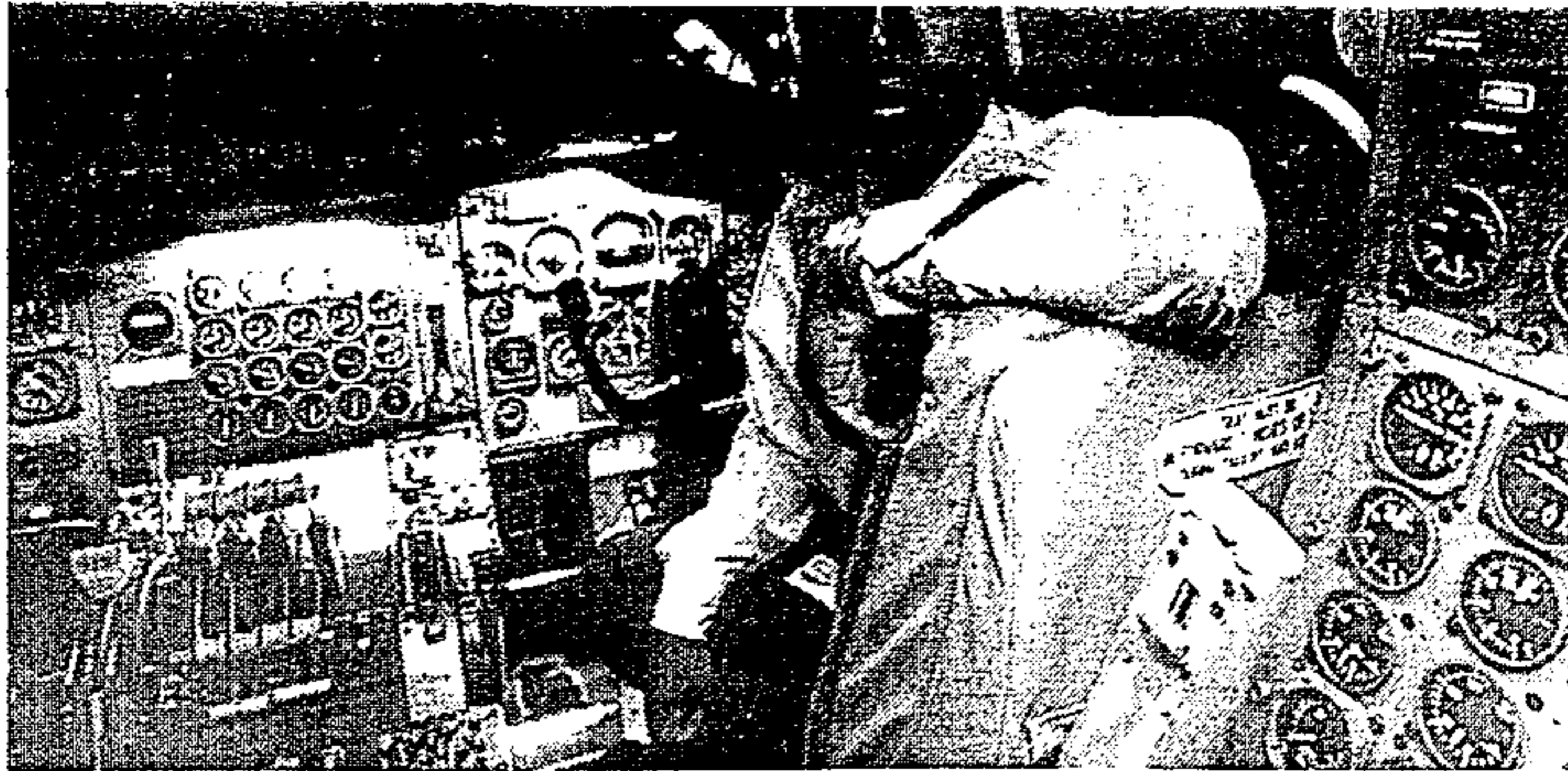
The concept of corporate legitimacy was central to the success of companies in the future, he said.

"It is through legitimacy and good standing that a company will sell more of its products, will encourage people to work for it and will give investors the confidence to invest in it," Smith said.

He also appealed to political leaders to respect the economy and not to harm it for the sake of political gain.

There was a close relationship between the successful implementation of a new political dispensation and the ability of an economy to facilitate the process, he said.

"If the economy is unable to fulfil this role, the chances are slim that the political process will run smoothly."



WELCOME ABOARD ... SAA recruit Isaac Khumalo

Picture: JOHN HOGG

SAA gets first black pilots

SITimes 19/12/93

By ROGER MAKINGS

SOUTH African Airways has appointed its first four black pilots, who will report for duty next month.

The four, all of whom hold commercial pilots' licences and instrument ratings, will join six other recruits, among them an Indian and a woman, as third officers on Boeing 747s.

The airline has tried on several occasions in the past two years to appoint black pilots, but none managed to fill the stringent requirements.

One of the recruits, Isaac Khumalo, 27, of Mmabatho, said this week he was "over the moon" with his appointment.

Mr Khumalo, who flies as a

co-pilot for Bop Air, is also a first officer on President Lucas Mangope's twin jet Cessna Citation.

He began flying in 1986 and was awarded the trophy for the best pupil pilot of the year at the Wonderboom Flying School, near Pretoria.

In 1989 he passed his commercial pilot's licence and joined Bop Air in 1990 as a first officer.

Mr Khumalo, who has nearly 1100 hours flying experience, has flown widely in South Africa and done several trips to Mozambique and Botswana.

"It has been my life's ambi-

tion to be accepted as a pilot in SAA, which is known to have among the highest standards in the world for pilot training.

"It was the proudest moment of my life when I received my letter of appointment. It's an honour to be among the first black pilots on SAA," he said.

Mr Khumalo, who plans to start studying for his senior commercial pilot's licence next year, will begin his duties as a third pilot on long-haul Boeing 747 flights in January and within a year should be the first officer on Boeing 737s flying domestic routes.

The other recruits are two Ciskeians, who were trained by the SAAF, and a pilot with an airline transport pilot's licence who flies for a mining house.

Captain Doc Malan, SAA's chief pilot, flight training, said this week he was thrilled with the appointments.

"They more than met our minimum requirements of an instrument rating, commercial licence and 500 hours experience.

"They had to comply with standards that were acceptable to our other pilots.

"These men, by the time they are qualified, will be the best-trained black pilots in Africa," he said.

In April, the Sunday Times reported that SAA, in an attempt to put at least 12 black pilots into its cockpits within two years, would lower its entry-level qualifications from 1000 hours to 250 hours.

SAA's chief executive officer, Mr Mike Myburgh, said then: "We would like to have cockpit crews that better reflect the composition of the SA community."

No affirmative action for DP

CT 24/12/93 176
Political Correspondent

THE Democratic Party in the Western Cape has resolved not to follow the lead of a number of other parties in adopting affirmative action quotas for their regional list of candidates.

But the party will "strive to ensure that our lists are fully representative", DP spokesman Mr Demetri Qually said yesterday.

Outlining the nomination procedure, he said every DP member was invited to propose candidates for the national, regional or provincial lists.

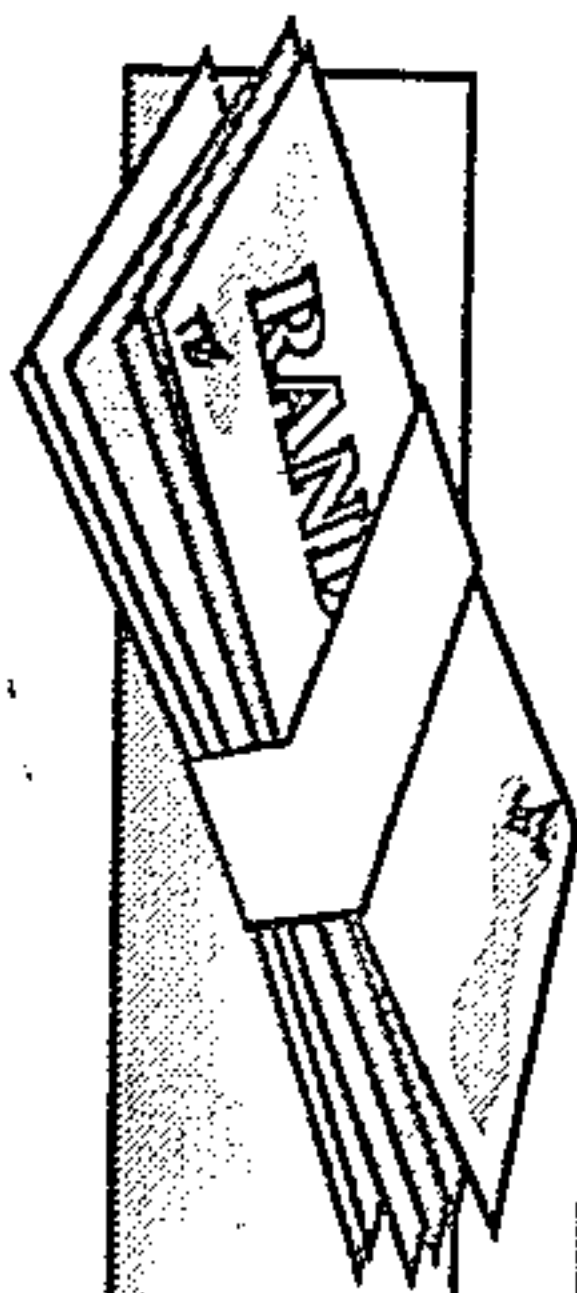
In addition, members of the public were welcome to make suggestions or even make themselves available for any of the DP lists.

Nominees will need to be seconded by nine members in addition to the proposer. Nomination must be submitted to the DP regional office on the prescribed forms by noon January 20.

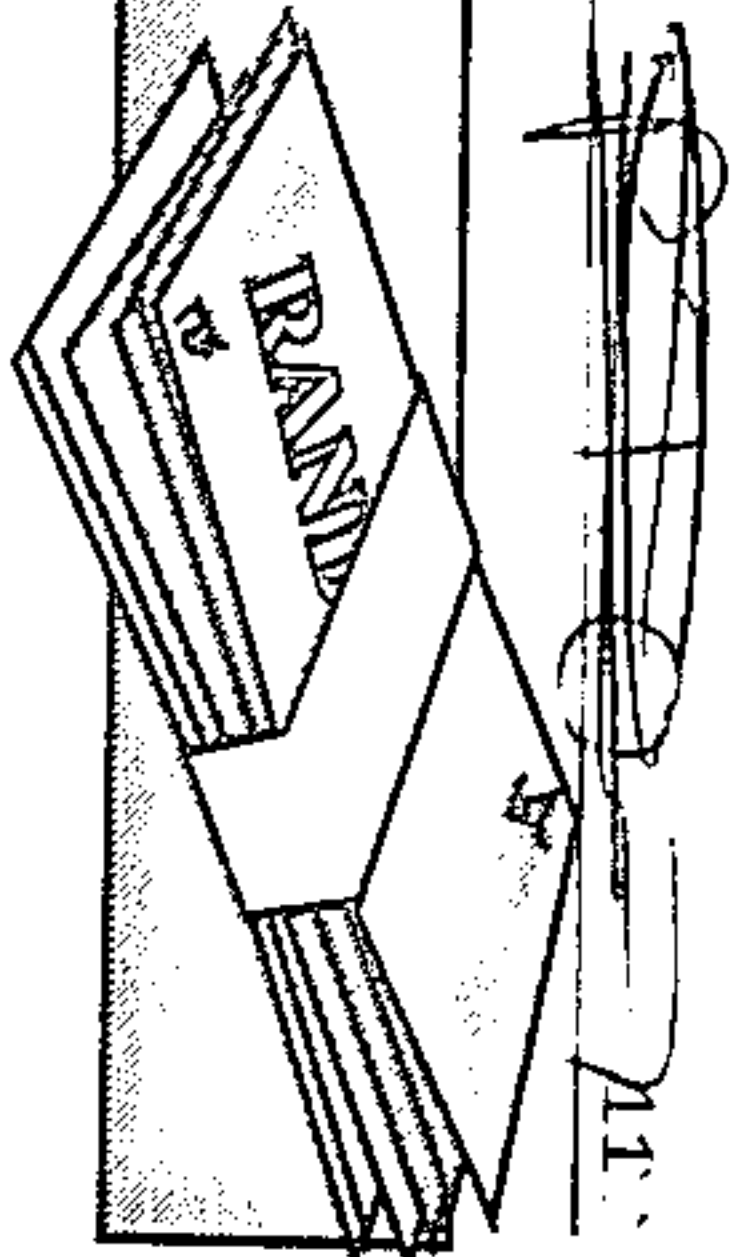
On the weekend of January 22-23, the candidate committee will interview nominees and compile short lists of about 50 for the provincial list and about 25 for the regional list.

The final selection and ranking of candidates will be handled by the regional electoral college on the weekend of January 29-30.

● DP Western Cape leader and MP for Green Point, Mr Hennie Bester, has decided to only make himself available for the provincial list.



FOCUS ON BUSINESS



By Mzimkulu Malunga

HAVING MADE A LOT of headway in 1993, black business should not pin too much hope on the new government after the April 27 election.

Many black business people seem to think that the hostile environment under which they operate will suddenly disappear after the elections.

Apart from the danger of expecting too much from a government that is going to rule by consensus, the people from whom black business expects assistance pay only lip-service to black economic empowerment.

Black politicians are always willing to shout black advancement from public platforms for the obvious reason of winning more votes in the elections, but the very same politicians give business to white companies rather than black ones.

Even in situations where black service has proved itself, black organisations still doubt black companies' ability to deliver.

Black companies appear to be only favoured when black organisations are cash strapped. Black business is asked to do things in the interest of the struggle, but once funding has been sourced, off goes the money into the bank accounts of white business.

Once money flows into black organisations questions like "Are you going to be around next year?" and "What is your track record?" are thrown at black companies some of whom have earned high respect even among their white competitors.

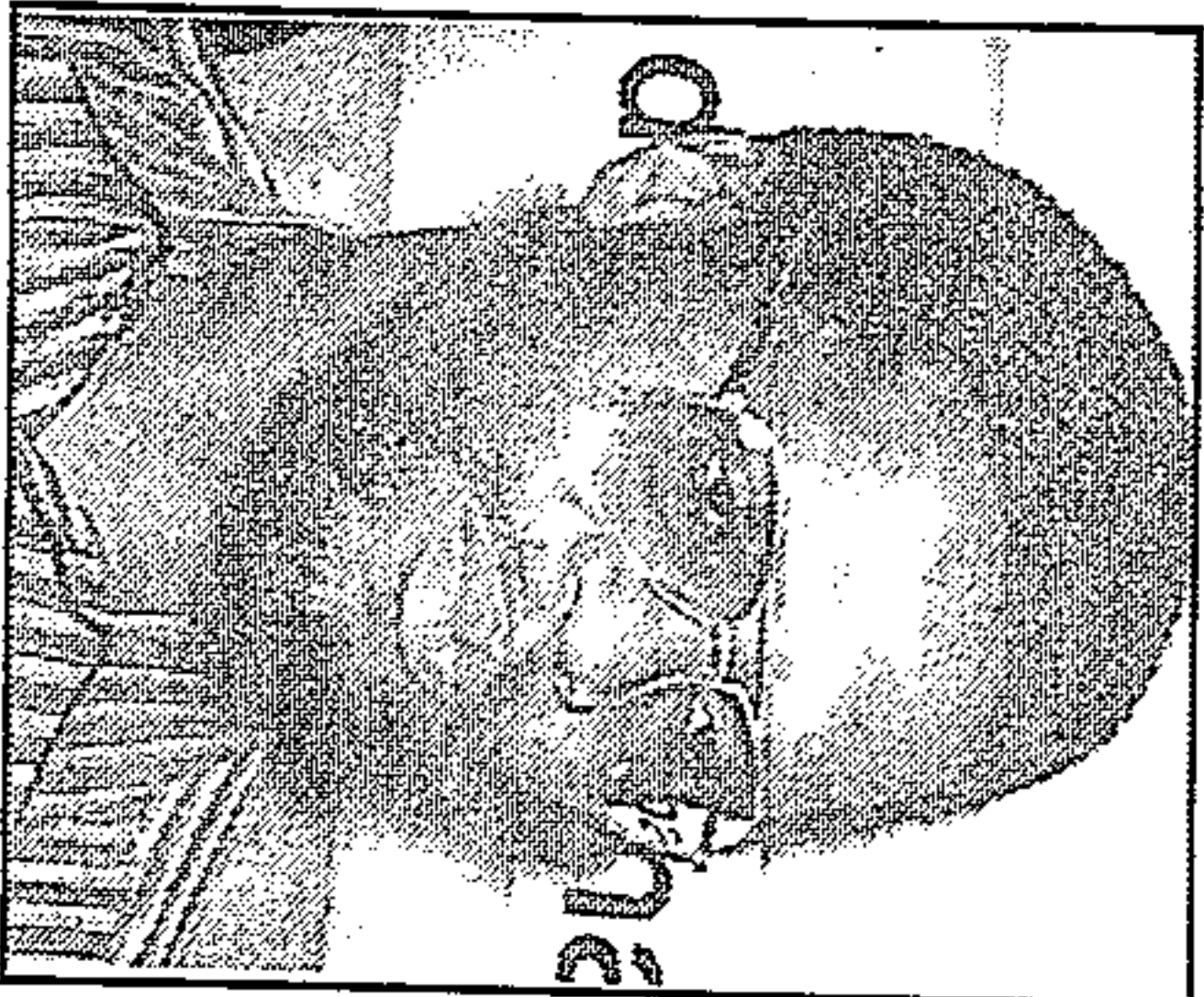
There is still no clear role for black business in the post-April 27 era.

However, despite operating in this hostile environment black business

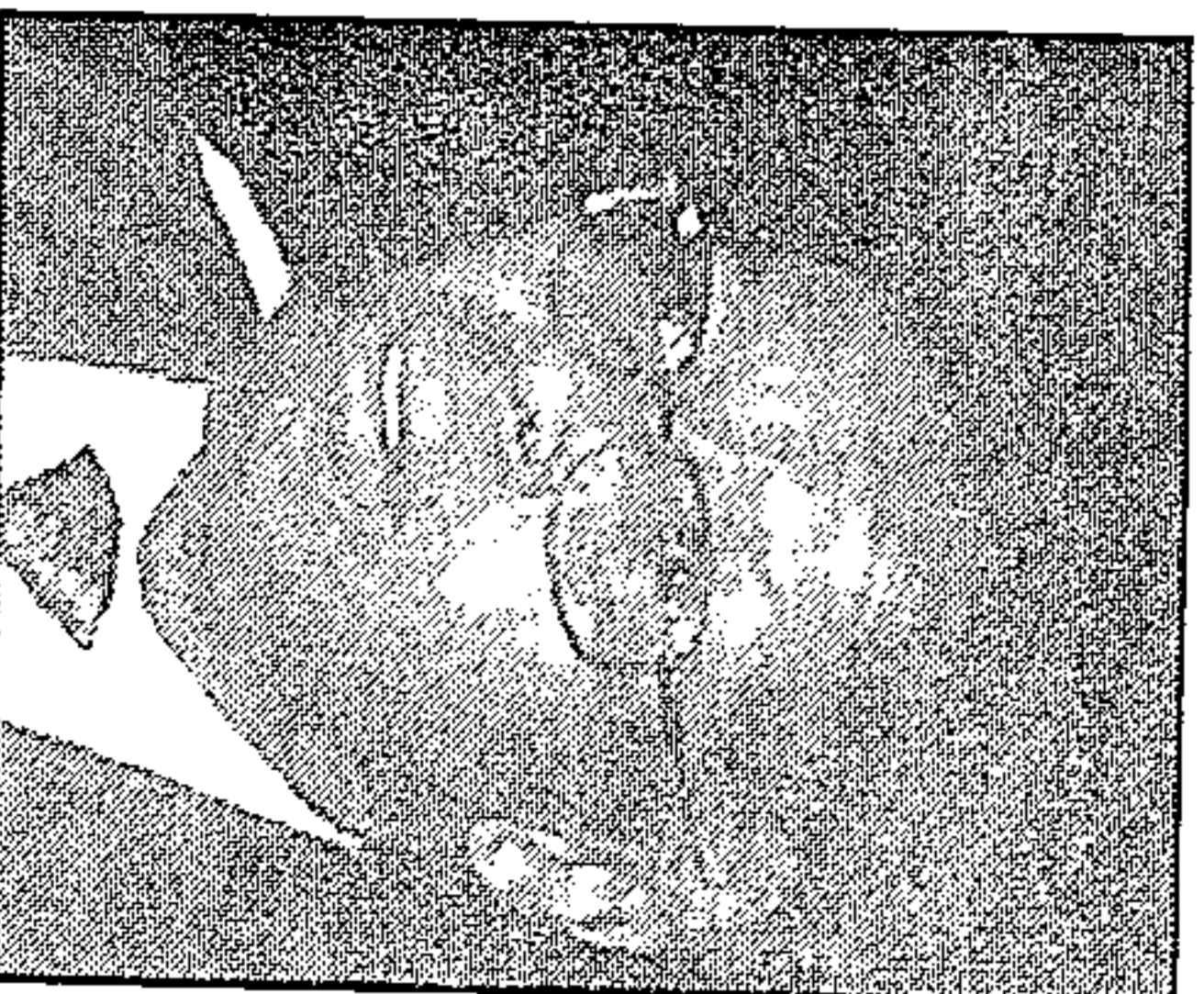
Black businesses blossom

■ HOPES RUN HIGH But danger lurks of expecting too much too soon:

Sowetan 23/12/93



Vusi Khanyile ... his company is "not fronting for the ANC".



Archie Nkonyeni ... called for the restructuring of the SBDC.

BRAND 176

While it is time to build black business monuments, it is also time not to rely on blackness alone

the ANC's business wing and join ranks with other black companies to fight for the common goal.

The company continued to flex its muscles throughout the year with the outstanding ventures being Thebe's involvement in the formation of Bhekisizwe Computer Systems and Ndlwazi Educational Publishers, through teaming up with other black businesses.



made a number of advances this year. In organised black business circles, 1993 will perhaps be remembered as the year in which the artificial divisions of the past were overcome, not through mergers, but with closer working relationships.

Closed ranks

As opposed to the previous years, black business as a whole closed ranks to protect that sector's interests more often this year.

For the first time since the Foundation for African Business and Consumer Services was formed over five years ago, it had an official representative to the annual conference of the National African Federated Chamber of Commerce and Industry.

Though this development went mostly unnoticed, it marked a milestone in the relationship of the two organisations who have been bitter rivals.

Nafcoc president Mr Archie Nkonyeni's call for the restructuring of organisations like the Small Business Development Corporation received widespread applause from all sectors of organised black business.

More businesslike

This year's Nafcoc conference was unlike of the previous ones. In addition to being more businesslike, it will go down in the organisation's history books as an occasion during which business women refused to be relegated to the back seat.

For 28 years they have been going to such gatherings only accompanying their husbands, but this year they organised themselves under the banner of the Women's Forum to cater for their interests within Nafcoc's ranks. Many Fabcos and Nafcoc affiliates,

particularly in the taxi and liquor sectors, joined forces in numerous battles they fought this year.

Unfortunately, the taxi industry — once hailed as the living testimony of black achievement — continued to plunge further into crisis with blood still staining the taxi ranks.

Even attempts to resolve the conflict were clouded by controversy when the National Transport Policy Forum's three-day conference was shunned by one of the biggest taxi associations in the country.

The establishment of the Black Business Caucus (BBC) which was born out of what has become to be known as the "Mopane Understanding", following a bush conference between black business and the ANC, was another encouraging development.

More encouraging

What is even more encouraging is a resolution which the BBC took later in the year not to limit its consultation with political organisations to the ANC alone. As for the black corporate world, there were also a number of encouraging factors.

Though many still remain small and informal, black companies are growing at an amazing pace. They range from bottle and can collection, distribution and warehousing to the manufacturing of household and hair care products.

The year also saw the emergence of big black business with the establishment of Metlife Investment Holdings (Method) in which black business bought a significant stake in insurance giant Metropolitan Life.

On the other hand, Thebe Investment appears to have successfully shrugged off accusations that it was

BLACK HAT CARE PRODUCTS MANUFACTURERS Black Like Me reached the peak of its involvement in boxing sponsorship by financially backing a major world title bout in which Dingaan Thobela won the World Boxing Association's lightweight title.

History was made when a black distributor, Moses Mgcina, became the first black person to win the Sanlam sponsored SBDC Entrepreneur of the Year.

Black gains

Perhaps the gains which black companies are making could strengthen even further if they get rid of the false idea that because they are black and hold the moral high ground, black enterprises cannot be subjected to criticism, constructive or otherwise.

The saga which followed the allegations of corruption within the ranks of National Sorghum Breweries must have taught many black people a lesson.

Reacting angrily to allegations of corruption without coming out clearly does not push the issue into oblivion; it merely buries a seed into the ground and there is no guarantee that when the rain comes the issue will not raise its head again.

The argument that is being advanced by many black people following the NSB story is that most of the things mentioned are no different from what happens in white companies, could be very destructive in the long run.

While it is time to build black business monuments, as the Method advert says, it is also time not to pin hopes on blackness alone.

Instead we must work even harder and not copy the wrong things done by white business.



Moses Mgcina, the first black to win the Sanlam/SBDC Entrepreneur of the Year award, with his son Sifo (left).

SHARE PRICE INDICATOR		Real Answers to the Stock Exchange	
NAME	PRICE	UNIT TRUST	
ABSA	600	ABSA: GE	159,24
AFRIFFE	470	Industrial	138,66
AFROX	9700	Income	106,21
AMCOAL	10300	BOE: Growth	181,29
AMC	10900	People's Income	106,75
ANGLOS	19500	COMMUNITY: Growth Fund	125,50
BARLOWS	5000	COMMERCIAL UNION: Growth	140,08
BEATRIX	2800	COMPOSITE: All Share Index	104,80
BERTHOUD	10500	FED/IFE: Fedgig GE	148,29
CITYLDG	10500	GLA/HDBANK: Growth	298,47
DEBIERS	96500	Industrial	179,26
DRIES	5600	Income	149,02
ENGEN	3225	IGI LITE: GE	125,95
FRISTEK	8300	METBOARD: Metfund GE	143,73
FOODCRP	3750	Income	237,15
FOSSHINI	7600	METROPOLITAN: Metlife GE	125,78
FREGOLD	7000	Income	133,07
GENCOR	840	MOMENTUM: GE	286,25
HUDACO	1300	NBS: Halfmark GE	1056,35
ISCOR	225	Halfmark Income	103,11
KLOOF	5675	NORWICH: GE	446,68
LTA	725	OLD MUTUAL: Investors	3081,80
LENCO	675	Growth	260,00
MARHLID	6150	Top Companies	282,95
MALBAK	1850	Industrial	419,05
METLIFE	2875	Mining	419,05
METALUM	5800	Gold	328,96
PALAMIN	1550	SAGE: Gdn equity	173,44
PEPKOR	1500	Income	112,97
PPC	5600	Financial	274,27
PREM GRP	6050	Financial	149,29
RANDINT	4450	Financial	508,21
REMGRD	2925	Income	474,60
RICHMOND DR	4000	Income	224,65
RUSPLAT	8100	Index	1773,48
SA BREWS	8050	Prime Growth	1473,74
SBC	10000	Industrial	506,22
SENCHM	950	Industrial	473,71
SOVALA	14000	Mining	1075,71
TIG OATS	4850	Income	289,30
TIHOLD	120	Income	110,88
TRANS NTL	1300	Mining	217,58
UNITRAN	1180	Pure	232,56
VVAL FRF	42700	Income	159,13
WESWITS	300	Income	128,58
		Income	580,97
		Income	1330,84
		Income	95,34
		Industrial	244,00
		Industrial	118,21
		Industrial	111,29
		Industrial	116,41
		Industrial	339,78
		Industrial	317,79
		Income	133,28
		Income	114,85
		Income	1191,71
		Income	2448,92
		Income	425,57
		Income	2178,99
		Income	1300,24
		Income	1297,24

Gold LDN PM ↓ R33845 ↑ Rand

Krugerrand R1365 — All Share Index ↑ 4612 ↓ All Gold Index 2072

Industrial Index ↑ 5193 ↓ Dow Jones 3795

R150 1218 ↑ Bond

CHI FOR MORE INFORMATION CONTACT: GEORGE HUYSAMER & PARTNERS TEL. 836-7871

Affirmative action rumpus

Staff Reporter

A CONTROVERSY has erupted at the University of the Western Cape over the possible appointment of an Eastern European national to a senior post in the faculty of dentistry.

Sources within the university said yesterday some people believed the appointment of a foreigner would be contrary to the policy of affirmative action.

Professor Martin Hobdell, dean of the dentistry faculty, would only confirm that "a number of representations" had been made about the chair of maxillofacial and oral surgery.

He also confirmed that an application "from there" (former Yugoslavia) had been received.

Professor Stanley Ridge, director of development and public affairs at UWC, said the appoint-

UWC row: 'Foreigner' may get job

ment had "not yet been concluded".

He was asked if the university felt the same way as ANC spokesman Mr Carl Niehaus did about immigrants taking jobs at the expense of unemployed South Africans.

Professor Ridge pointed out that there was no necessary link between university and ANC policy. However, he said, in this case Mr Niehaus's statement was in accord with the university's policy. Mr Niehaus had said:

"South Africans and the oppressed people will get preference, but obviously on the basis of merit."

The university's appointments were intended to sustain academic excellence and provide opportunities to people from groups that were under-represented in universities.

"It should be clear that no foreign candidate would be appointed unless the person were significantly superior to local candidates and able to communicate fluently and well in English."

Asked if the application had arrived after the closing date, Professor Ridge said: "The university considers all applications submitted by the closing date, and feels free to consider late applications and to solicit further applications from outstanding people." (76) CT10/12/93

Nafcoc to pair black and white business

B/Say 9/12/93

THEO RAWANA

THE National African Federated Chamber of Commerce (Nafcoc) had established a joint ventures programme which would seek to pair black businessmen with experienced white business to form viable joint enterprises, the chamber said yesterday.

The initiative was designed to accelerate black participation in the mainstream of the economy, Nafcoc president Archie Nkonyeni told a news conference.

He said the move was in response to more people in SA and abroad seeking to form joint ventures with black South Africans. "These people were motivated on the one hand by what they perceived as a huge and potentially lucrative black consumer market, and on the other by a genuine desire to develop black business skills."

Nafcoc had enlisted the support of

KPMG, "the world's largest accounting and business advisory firm", to manage the programme. KPMG would help potential partners assess each other's compatibility and commitment, conduct feasibility studies on proposed ventures and assist in setting up company structures.

The programme was designed to prepare black business for the new government's affirmative action programme, which would not succeed "if the intended beneficiaries lack the skills and resources to take advantage of it". (176)

Nkonyeni said the quickest way to empower black business was to build on existing resources in the country — to set up

To Page 2

Nafcoc

B/Say 9/12/93 From Page 1

viable partnerships in which blacks had a meaningful stake and white businesses were not expected to give hand-outs. (176)

Strong local partnerships would also facilitate the involvement of foreign investors, who did not always know the SA market and would require local skills and infrastructure to do business. (32)

One strategy of the programme would be to mobilise resources, "especially in

industries where blacks particularly need representation". Nafcoc would identify such industries and approach large players to "divest a significant portion of their interest in favour of black partners". It would also approach a significant player in an industry to start a new company in conjunction with black partners.

Picture: Page 3

State upgrade worker skills • Speeding privatisation

20-year training campaign urged

(176)

Sowetan 9/12/93

By Mzimkulu Malunga

THE private sector will have to help the State develop the skills of black workers in the country.

According to a report released by an ANC-aligned intellectual group, the Macro Economic Research Group, commitment is required among employers to upgrade skills of their employees. A Merg report submitted to the ANC last Friday proposes massive investment in training for a period of 20 years to narrow the skills and wage gap between blacks and whites.

In a chapter on human resources the report says failure to effect radical changes in the education system will result into a negligible seven percent improvement in the wage gap between blacks and whites.

For instance, while in 1990 black wages were about 40 percent of salary earnings of whites, the figure could only rise to 47 percent by the year 2010 if the

status quo is maintained.

However, if radical changes are implemented, Merg projects that the wage earning capacity of black workers could rise to 70 percent of white wages during the same period.

"By end of the projection period (2010) only about 5 percent of the economically active black population will be confined to the lowest education skill category compared to 28 percent if policies remain unchanged," says the report.

Using 1992 figures it is estimated it will cost the Government about R5 billion a year to provide 10 years of education to all children in the country.

Merg also proposes an adult basic education programme to upgrade the skills of semi-skilled employees.

Such a programme will require the Government to employ additional teachers and trainers costing in the region of R80 million. It is expected that the government could alleviate the burden on employers who embark on the

adult basic education programme by subsidising their wage bill during the period that companies spend training their employees.

The organisation claims that employers could recover the remaining part of the costs of the basic education programme through increased productivity and an efficient work force. Nominal tax holidays and subsidies are among the incentives which Merg advocates to lessen the burden on employers.

"The proposed reforms of the industrial relations system would widen the scope of such industry-level negotiations to relate wages, skill formation training, investment, technological change and work reorganisation," says the report.

Meanwhile the Development Bank Southern Africa has welcomed the Merg report as an "important contribution from the democratic movement to the current debate about the design of new policies for economic reconstruction and development in South Africa".



WORKHORSES: SA Express has ordered a dozen De Havilland Dash 8 50-seaters and has options on six more from Canadian manufacturer Bombardier, which will provide the finance to get the new airline off the ground.

Star 4/12/93

Thebe to put R250-m into airline

THEBE Investments, a black-owned investment company with strong ties to the ANC, has committed itself to paying out more than R250 million to fund the start-up of its newest investment, SA Express.

The formation of SA Express, an airline which will serve George, Upington, Kimberley, Pietersburg and Phalaborwa, was announced earlier this week.

Surprise

Industry sources this week expressed surprise over the announcement of the new airline, saying the first they had heard about it was in reports published on Thursday.

Department of Transport

MANDY JEAN WOODS

spokesman Maurina Nel said the only information the department had about the airline was what had been published.

"We have never heard of them before," she said.

SA Express chief executive officer Bill Deluce said Thebe had a 51 percent stake in the airline, while a consortium — made up of Deluce, his brother Bruce and South African chartered accountant Michael Gray — would own 49 percent.

Canadian aircraft manufacturer Bombardier, from which the airline had ordered 12 new aircraft at a cost of more than R500 000, would be facilitating

the funding, Deluce said.

The airline had also taken options on six more new aircraft.

"Significant support is being offered by the equipment supplier," he said.

"The fairly extensive package includes training in Canada for flight and technical staff, as well as spares."

Bombardier had decided to increase its presence in Africa, hence the decision to assist in bankrolling the start-up of SA Express, he said.

The financing did not involve the Government or South African Airways (SA Express's commercial partner) or any South African companies, Deluce said.

"I can assure you that SA Express has full financial and human resources support from both partners, and both are fully committed to getting the project off the ground," he said.

"It is not unusual for an airline equipment manufacturer to supply its customers with things like training and other support."

Repay

SA Express, which would repay Bombardier over a 10-year period, would begin services in the first quarter of next year.

Thebe Investments managing director Vusi Khanyile could not be reached for comment.

176

~~176~~

Thebe launches R500-m air deal

Star 2/12/93

■ BY JOHN MILLER
and THABO LESHILO

In a deal worth R500 million, a consortium of black businesses led by Thebe Investment Corporation, and a Canadian consortium, has formed a new regional airline, Southern African Airline Holdings, which will take over several domestic routes from SAA. (176)

Thebe is seen to have close links with the ANC.

The new airline has formed a strategic alliance with SAA, to which it will provide a cost-effective commuter feed system.

Trading as South African Express Airline, to be known as Sax, the new airline will be the majority shareholder in Southern African Airline Holdings. The Canadian consortium, led by Lardel Holding Inc, and known as SA Enterprises, will take a minority position.

Sax hopes to begin operating in the next six months.

According to industry sources,

SAA will allow the new airline to take over several routes, including Cape Town-Upington-Kimberley-Johannesburg, Johannesburg to Pietersburg and Phalaborwa, Cape Town-George-Port Elizabeth-East London-Durban through to Maputo, Cape Town to East London, and Durban to Bloemfontein.

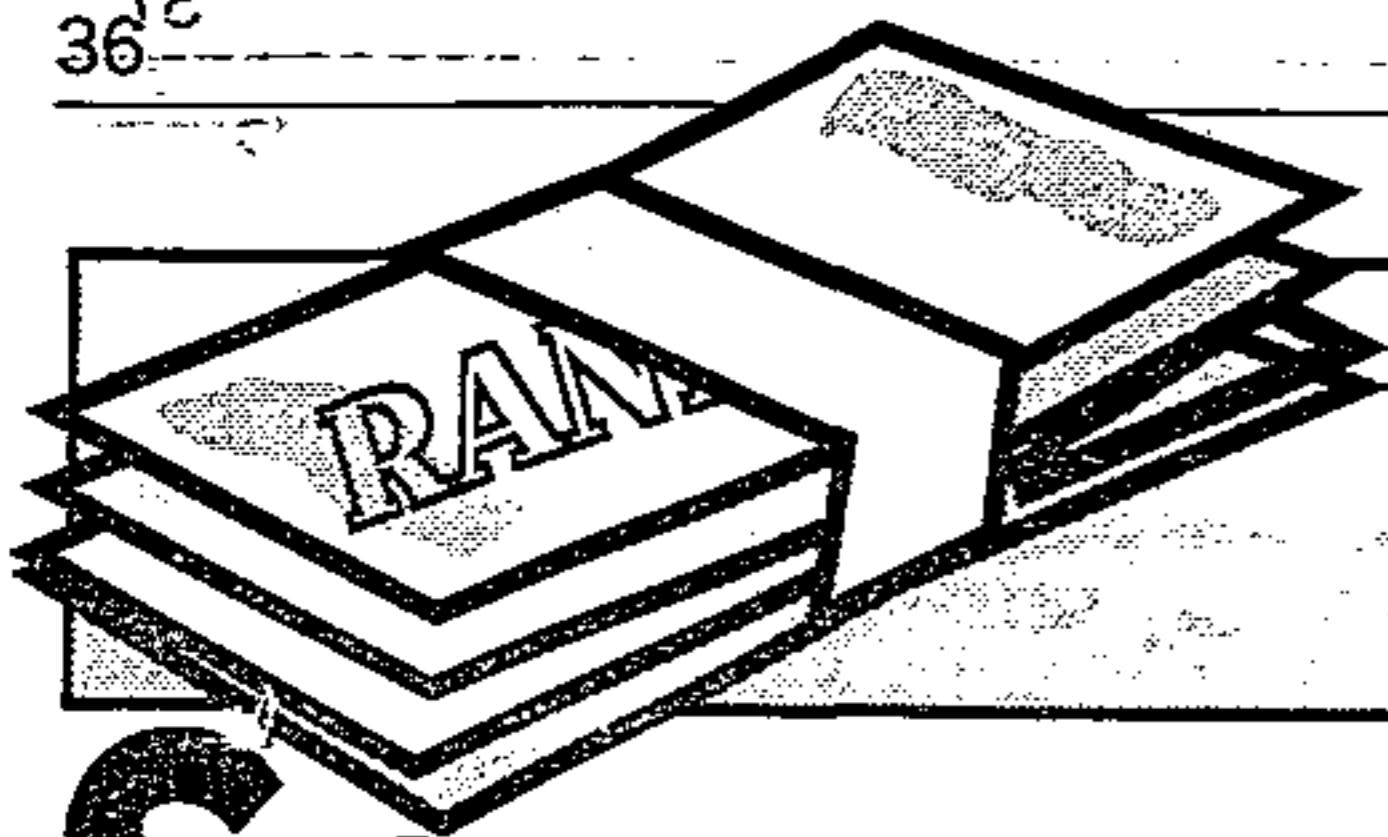
SAA spokesman Zelda Roux described the airline's co-operation with Thebe as a "strategic alliance and business arrangement," and not a political favour.

A union representing workers at several airports has expressed dismay at the scaling down of SAA services.

A statement in Johannesburg by Salstaff president John Benwell said SAA employees were being seriously disadvantaged by the rationalisation of SAA by the Government.

Meanwhile, Flitestar has welcomed the move, saying it was very good for airlines and the customer.

Comair was not available for comment.



Focus on Business

Some milestones for life insurance giant

Sowetan 2/12/93

By Joshua Raboroko

■ **MOTLANA CHAIRMAN** The first

black-owned company on stock exchange:

ONE OF SOUTH AFRICA'S biggest life insurance companies, Metropolitan, achieved several milestones during the year, an executive, Mr Peter Doyle, said in Cape Town yesterday.

Speaking after a Press conference where the company released its annual results, Doyle said Metlife, through the Methold take-over, became the first company on the Johannesburg Stock Exchange control of which passed to the black community.

Methold, whose chairman is Soweto medical practitioner Dr Nthato Motlana, became the first black company to be listed on the JSE in May this year. In its report, the company said the

take-over by Methold saw an increase of 23 percent in premium income and for the first time exceeding the one billion rands mark, while total assets for the first time topped R5 billion to stand at R5,73 billion. (176)

Doyle said the company advocated black advancement in its regional and internal structures. Forty-eight thousand employees have been assured training and improvement of skills in the future through affirmative action.

The company has set out targets to economically empower its staff by allowing them to buy shares, as well as to obtain loans to buy shares.

He was optimistic that the company would do well in business, even after the elections, although violence was a disturbing factor.

Part of the property market was largely affected by the countrywide large scale violence, such as in Katlehong where its shopping complex was razed.

In his report, managing director Marius Smith said in the year to September 30, Metlife boosted earnings per share by 22 percent to 105 cents (1992 — 86 cents) on a 21 percent increase from 58,5 million to 70,9 million rands in its disclosed surplus.

yesterday.

Picture: AP

they urged members of the public not to visit the cemetery alone.

Patten snubbed as Buddha is unveiled

Own Correspondent

HONG KONG — Just four years before Hong Kong reverts to communist rule which barely tolerates religious freedom, thousands of Buddhist monks and pilgrims converged on the Hong Kong Island of Lantau yesterday for the official inauguration of the world's tallest outdoor bronze statue of Buddha.

The 30m-tall and 520-ton Buddha sat serenely atop Mok Yu peak in the sparkling sunlight of the Hong Kong winter as Governor Chris Patten and China's official representative in the colony, Zhou Nan, appeared together in public — a rare event since Sino-British relations deteriorated over Patten's reforms for the colony.

But Patten was diplomatically snubbed when he offered his outstretched hand in friendship to Zhou, head of New China News Agency. Ignoring Patten's hand, Zhou clasped his own hands together in traditional Buddhist style.

Zhou said China would protect religious freedom after 1997 but the Chinese government and religions "would not be subordinate to each other".

Officially known as the Tian Tan (Temple of Heaven) Buddha, the statue gazes calmly towards Hong Kong and holds its right hand aloft in a gesture of protection over the colony. Costing more than £6m, the statue is designed to withstand typhoons. — Daily Telegraph.

Natal violence toll nears 90 as five more people are slain

BIDON

30/12/93

DURBAN — The number of deaths in Natal/KwaZulu since last Thursday has steadily risen to almost 90, with five more deaths reported yesterday.

A KwaZulu Police spokesman said members of an Umlazi family were attacked in their home early yesterday by a group of people armed with guns and knives.

A 15-year-old boy, Sfiso Dlamini, was shot dead, his father, Henry, stabbed in the arm and Joel Ngoko shot in the back.

Their assailants stole a TV set, hi-fi and three wristwatches before fleeing.

On Tuesday an unknown man was found dead in U section, Umlazi. He had been shot in the head.

Police spokesman Maj Bala Naidoo said a taxi driver was shot dead by two passengers near Duffs Road on Tuesday.

Mbhonginsani Mzimela was shot dead and a friend injured when an unknown person fired shots at them while they were walking home on Sunday night.

Naidoo also reported that Raj Rajaram, 38, was shot in the chest at his Reservoir Hills home on Monday night. An Indian woman has been arrested.

Meanwhile, the Inkatha Freedom Party has issued a red alert to its self-protection

Own Correspondent

units to be especially vigilant this weekend.

Inkatha spokesman Ed Tillett said the party had received information of an alleged "full-scale ANC military offensive" planned in Natal over New Year.

Tillett said this followed the killing of at least 30 Inkatha members since Christmas Day, including the pre-dawn massacre of six Inkatha members in the Swayimani district of Wartburg, Natal Midlands, on Tuesday.

Sapa reports from Maritzburg that Inkatha-aligned Chief Ndukuyakhe Shangase has fled the Swayimane area following the massacre.

Shangase's house was reported to have been burnt in the attack.

□ The latest report by the Human Rights Commission says political violence claimed 441 lives in November, 80 more than the 1993 monthly average.

The most severe violence was in Natal where 216 died, compared with the average monthly average of 160.

There were 194 deaths in the PWV region.

Elsewhere there were 31 deaths, compared with an average of 34. — Sapa.

Bomb rocks Port Elizabeth

PORT ELIZABETH — A bomb explosion caused minor damage to a block of flats in the city's Swartkops industrial area shortly after midnight on Tuesday, but no casualties were reported.

A police spokesman said no arrests had been made and the motive for the blast, which took place at 12.10am, was not known.

No further details about

the type of the explosive device were available.

Shortly after the blast police found large amounts of explosives in several places at a block of flats in Algoa Park, about 15km from Swartkops.

Police said yesterday they were investigating a possible link between the blast and the explosives which had been seized. — Sapa.

'Poll hinges on Indians, coloureds'

DURBAN — The Indian community in Natal could hold the key to an outright victory by the ANC alliance in the April election, according to the latest issue of Africa Confidential.

The London-based publication says that, although many Indians fear blacks and recall the 1949 attacks against them by Zulus, they are more likely to back the winners in the election than the more sceptical coloured community.

It says the Indian community, which is more affluent than the coloured one, is also less fathomable in its political tendencies.

Own Correspondent

Africa Confidential says the 2-million coloured voters are the most strategically important in the ballot, particularly because as many as 45% of them are undecided or apathetic.

How the coloured electorate votes, it says, will determine whether the NP or the ANC wins the vital western Cape region; whether the ANC can claim to be more than just a black party, the future of the NP and the future of the DP.

The newsletter says the DP has failed to match its liberal track record with dynamic and charismatic

leadership and the image of a multiracial party.

It says the party will be finished unless it makes substantial gains among the coloureds.

"Recent opinion polls suggest most of the 55% of coloureds who intend to vote want a substantial white presence in the post-apartheid transitional government, despite the bitter legacy of apartheid.

"If the NP fails to woo these voters, its claim to be a multiracial party will be a sham and other contenders will be left to fight over its corpse," according to Africa Confidential.

Smith told to stay out of politics

MICHAEL HARTNACK

HARARE — Former Rhodesian Prime Minister Ian Smith, 73, has received an angry warning not to re-enter Zimbabwean opposition politics.

In interviews over Christmas Smith said he would continue efforts to resolve leadership wrangles in opposition forces, which he urged to unite against President Robert Mugabe's "Marxist" policies.

Zimbabwe's semi-official daily newspaper The Herald, which is controlled by the parastatal Mass Media Trust and usually reflects government thinking, yesterday described the former Rhodesian leader as "the godfather of opposition parties".

"Smith is not doing his charges a favour by publicly acknowledging his patronage," said the newspaper.

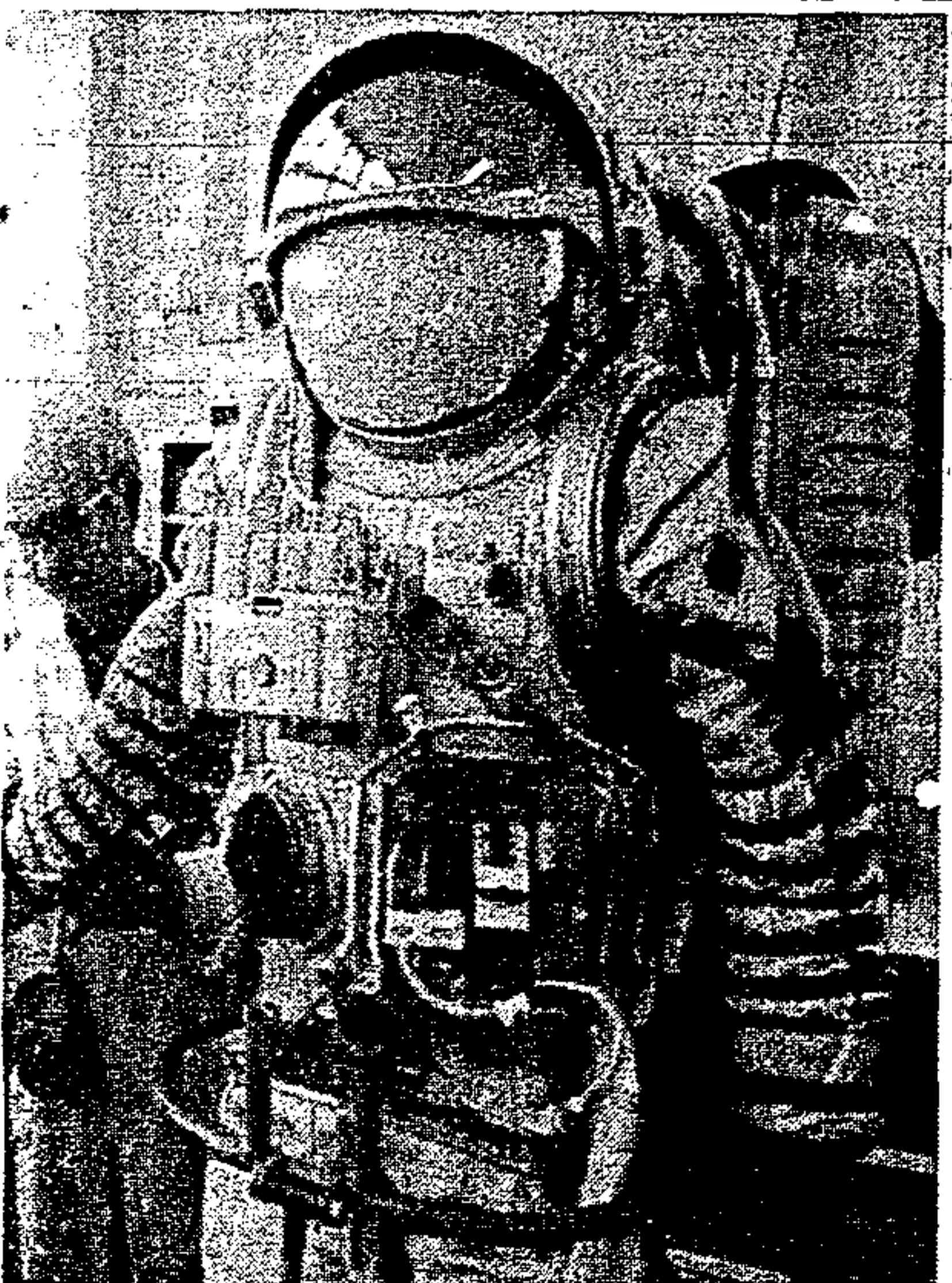
"Zimbabweans may be reconciliatory and forgiving. Forgetfulness is one disease they do not suffer from. To them Zanu (PF) may have its many faults, but supping with Ian Smith is not one of them, and that is a major plus for the ruling party."

Smith's "conservative alliance" helped fund Edgar Tekere's Zimbabwe Unity Movement at the 1990 elections when Tekere won 24% of votes but only gained two of the 150 seats under the "first past the post" electoral system.

The Herald accused former Chief Justice Enoch Dumbutshena, who leads the newly formed Forum Party, of linking hands with Smith.

Smith, who was prime minister from 1964 to 1979 and led Rhodesia into its ill-fated Unilateral Declaration of Independence in a bid to stave off black rule, maintains farming and other interests and is understood to be near to completing controversial memoirs.

Publication next year may raise a fresh political storm around the man President Mugabe said should have been "hanged and hanged publicly" for the deaths of 40 000 people in the 1972-80 bush war.



work on a space suit for cosmonauts, who will be working on the Russian space station Mir to help new US station's construction.

Picture: AP

inherit the habit

Metpol hoists earnings 22%

Star 11/2/93

■ By STEPHEN CRANSTON

Metropolitan Life (Metpol), the life office catering predominantly for the black market, increased earnings per share by 22 percent to 105c in the year to September.

The dividend has been raised by the same percentage to 67c.

MD Marius Smith said yesterday it had been a crucial year because control passed from Sanlam to Methold, a company in which all shareholders are black (176)

Other milestones were that premium income exceeded R1 billion for the first time, rising 23 percent to R1 001 083, while total assets grew 19 percent to R5,73 billion.

An encouraging feature of Metpol is that the bulk of its income is derived from recurring premium income, rather than from single premium income, which promises a more stable flow of funds in the future.

Recurring premium income increased 19 percent to R922,1 million.

This was achieved despite a 10,6 percent decline in home service (funeral insurance) recur-

ring premiums to R60,5 million

Based on recurring premium income, Metpol is now the fifth-largest life assurer in SA.

This represents 92 percent of the company's total premium income, compared with an industry average of 60 percent.

Single premium income is, nevertheless, increasing fast. It rose by 89 percent to R79 million.

Smith says surrenders of individual policies is at an unsatisfactory level. He says, however, that surrenders are inevitable because of the current level of retrenchments.

Nevertheless, the level of withdrawals fell from 16,5 percent to 16 percent of premium income.

There was an encouraging fall in the number of death claims, indicating improved mortality rates.

Death claims fell from 22,2 percent of premium income to 19,5 percent.

In its asset distribution there was a marked shift away from equities, which accounted for 36 percent of assets, compared with 39 percent a year ago, to bonds which increased their share from 20 to 25 percent.

Affirmative action for legal posts

176 ~~176~~ 11/12/98
Weekend Argus Reporter

AFFIRMATIVE action is essential if the Justice Department is to be "more representative" of South Africa's population, says Deputy Justice Minister Sheila Camerer.

Speaking in Port Elizabeth, Mrs Camerer said all posts in the public service would have to be filled on a representative basis in the future.

"Affirmative action implies positive action. It is a positive thing to employ a more representative group of men and women from our full community, to confirm our goal in the department of equal treatment and equal opportunity."

Mrs Camerer said the department was considering recruiting people from non-governmental organisations with experience in public administration, and training court interpreters with the potential to become judicial officers.

Enterprise works in a

By KEVIN DAVIE

PAMELA Nkwenyane was unemployed and had just R300 when she set up shop at the Small Business Development Corporation's City Hive in Johannesburg.

Now, two years later, her mini-company Juice Fountain produces 300 cases of fruit juice a day. A contract to supply one of SA's largest corporates is in the offing.

Juice Fountain is one of 170 businesses employing 500 people in the three-storey hive.

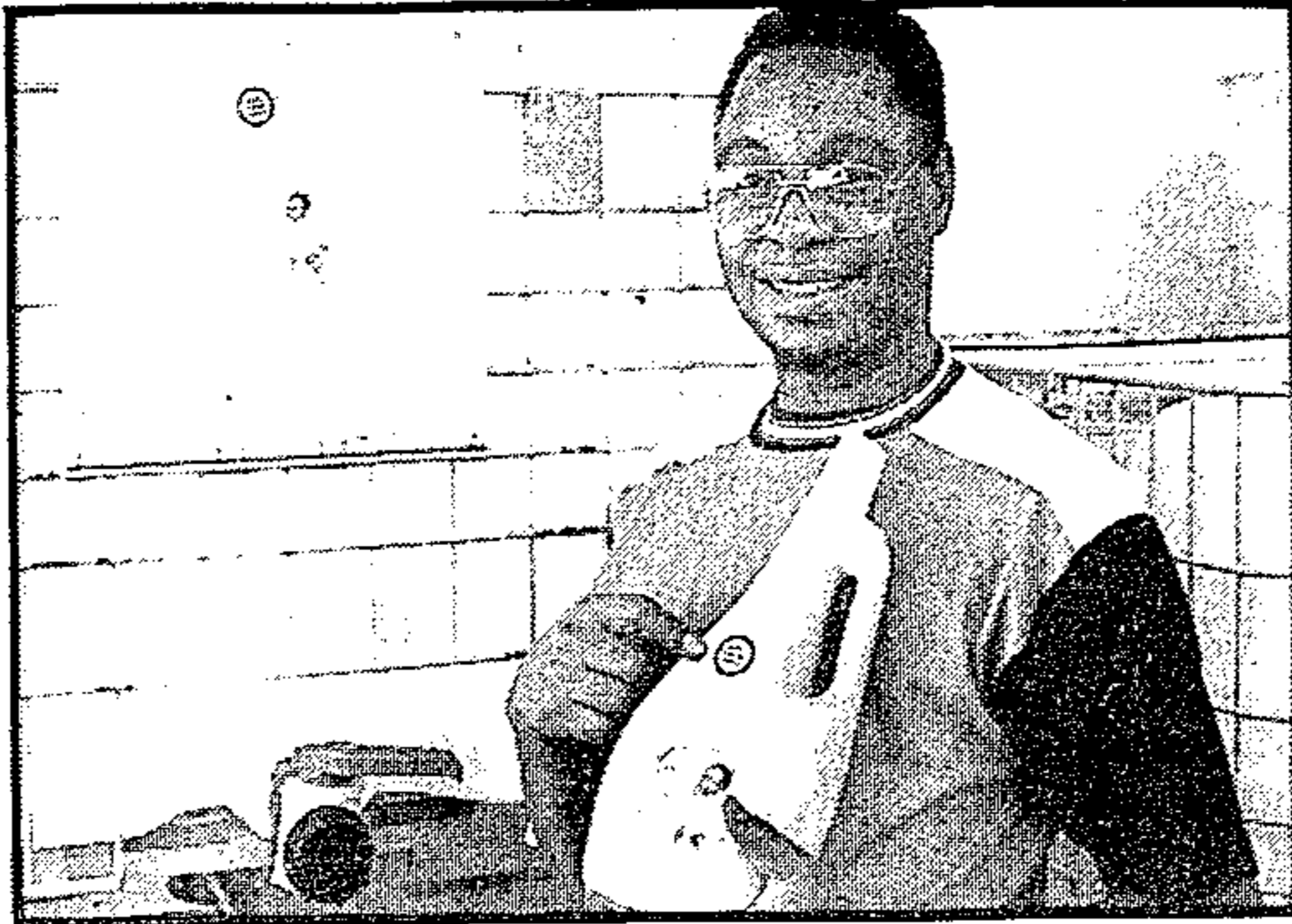
The businesses include detergents, cane furniture, kitchen cupboards, welding, electronic games, television repair, upholsterers, antique repair, a knife-maker, a vegetable wholesaler, retailers, shoemakers, softdrink bottling, a printer and signwriting/making.

There are also shopfitters, lamp-makers, a spraying equipment manufacturer, a potter, T-shirt printers, office cleaning services, clothing cut and trim, electronic component repairs and distributor repair businesses.

One firm makes a hot-water urn from a plastic bucket; another polishes and cleans cutlery for SAA. Some supply large corporates such as Anglo and SAB.

A car valet started in two booth spaces in the hive; it now occupies half of the basement area.

One of the many clothing businesses makes corporate uniforms,



BUSY AS BEES: City Hive tenants Albert Mokonyama, Pamela Nkwenyane and Daniel Mphahlele

while several schools train people in skills such as welding, electrical technology and boilermaking.

Daniel Mphahlele, a 28-year-old entrepreneur from Pietersburg, sits with his eight workers, weaving cane baskets. Mr Mphahlele's business is just six months old, but he is "making a lot of money".

Sales are made at roadsides and at flea markets. Employees often also act as salesmen for the products they make, says City Hive manager Johan Lubbe.

A number of businesses were closed during a visit this week. Mr Lubbe explains that some of the entrepreneurs market their products during the day and make their products in the evenings.

The hive is open 24 hours a day, many businesses operating double shifts to improve productivity and meet orders.

One business has not yet received all its equipment but is very busy in one corner making uniforms. "They got an urgent order," explains Mr Lubbe.

Albert Mokonyama, formerly a human resources manager at Pick 'n Pay, took over a failed household detergent business two years ago. Now he has his own brand name, Glittex, and supplies fabric softener to 85 supermarkets from his 50m² premises.

"I can supply double concentrated fabric softener at the same price," says Mr Mokonyana.

He operates on the principle that if something is not ordered it is not made. He simply does not have the space to do otherwise, but he is about to install a fully automated production line and introduce new lines such as bleach, household cleaner, hair products and a dishwasher liquid.

He is competitive on price with name brands and hopes in the coming few years to firmly establish his product.

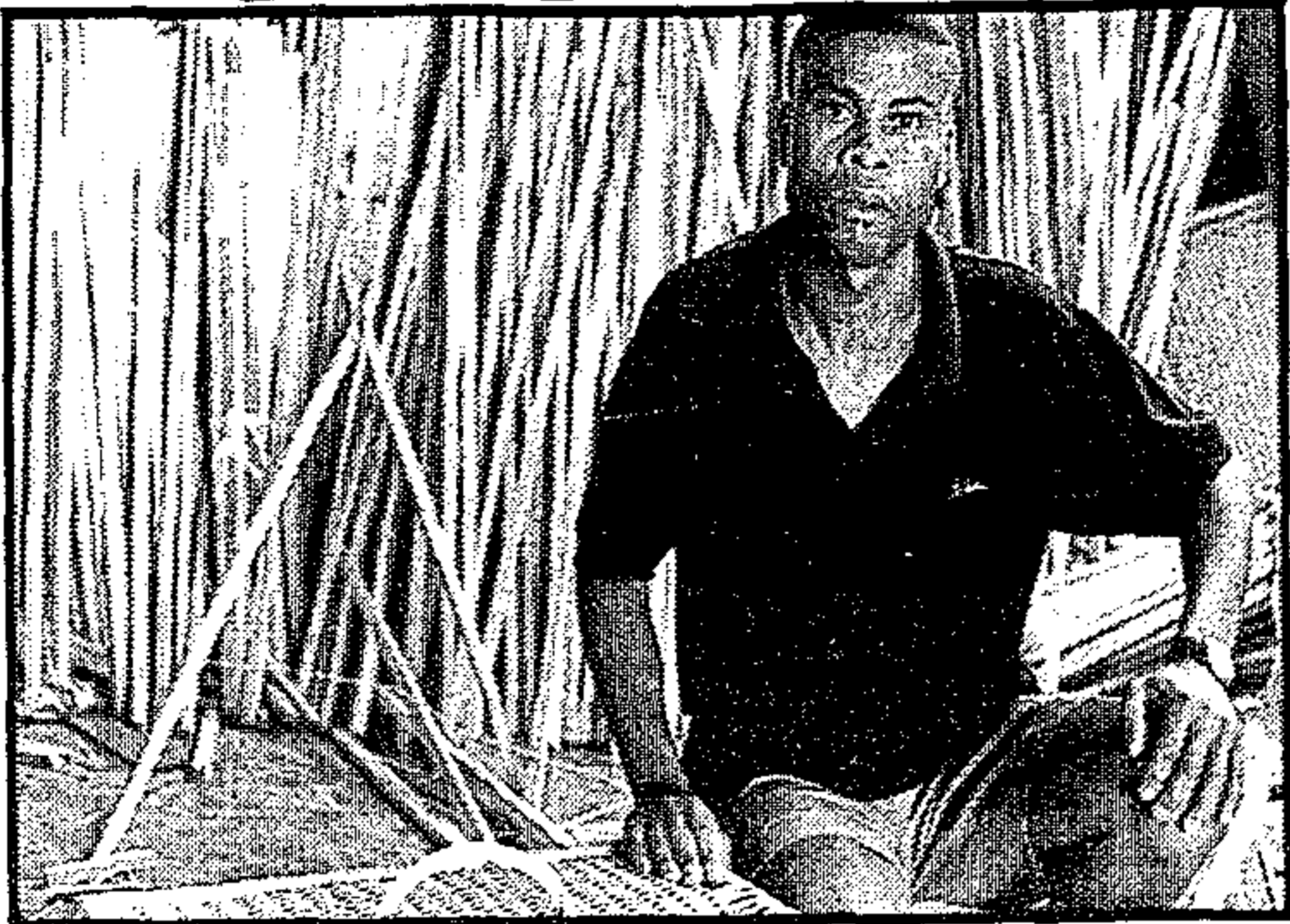
"I want Glittex to be recognised as something of quality and value for money," says Mr Mokonyana.

The City Hive is one of 47 hives employing 15 000 people which the SBDC operates countrywide to facilitate job creation. Rentals are

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Hive of productivity

SI Times [Buss] 12/12/93



Pictures: JOHN HOGG

et related but a full range of
ort services are offered to the
preneur.

ace (mostly between 10m² and
20m²) is tailored to meet client
requirements, many increasing
from a small space to a consider-
ably larger area.

rentals are kept to the minimum.
There are no long leases with penal-
ties for failed businesses.
Further, entrepreneurs hire space
on a month's notice with no depen-
dence on surety.

The SBDC's Terry McLaughlin
says the entrepreneurs supply emo-
tional support for one another.
"It can be lonely in business by
yourself."

He says many of the entrepre-

neers also sub-contract among one
another, the separate businesses find-
ing unexpected synergy.

Support services include training
in proper costing, assistance with
legal requirements and how to
draw up a business plan.

One business supplies secretar-
ial, photocopying, bookkeeping, tax
and registration services. Another
runs the canteen.

Costs such as the 24-hour security
are shared by all tenants.

Expensive machinery may be
hired by the hour and the SBDC has
assisted some clients to purchase
the machinery once the business is
sufficiently established.

The SBDC hive is intended to
show a small profit, to fit in with

the institution's aim that its pro-
grammes be self-sustaining.

The City Hive, after three years
of existence, is nearing break-even.
About 85% of the available space
has been taken up.

A feature is the mentor assist-
ance programme where successful
retired executives, who receive
token payments to cover expenses,
assist small-scale businesses with
advice.

The race of the entrepreneurs
varies depending of the location of
the hive but averages about 33%
whites, 33% blacks and 33%
coloureds and Indians.

Mr McLaughlin says it is impor-
tant that the rentals be market
related: "We don't want artificial

pockets of support. Operations
must be able to work."

Mr Lubbe says tenants make
Unemployment Insurance Fund
and workmen's compensation
contributions. Wages are negotiat-
ed between entrepreneurs and their
staff, one clothing manufacturer
saying he has to pay above union
rates to attract good labour.

Asked why he had set up in the
hive, one entrepreneur said the
industrial council inspectors had so
harassed him at earlier premises
that he had moved to the hive:
"They go out of their way to close
you down."

The SBDC staff don't refer to the
hive occupants as clients or tenants.
They call them "our entrepre-
neurs".

The hive is vibrant, the growth
and development tangible. I was
reminded of a recent visit to
Taiwan, where deregulation rules,
the costs of business entry are low
and where people power has been
unleashed so that prosperity can
follow.

The challenge for South Africa is
to take the artificial pockets which
the hives now are and transform
the entire economy into one large
hive.

When Juice Fountain's Pamela
Nkwenyane, one of many success
stories, started her R300 business
two years ago all she had was a
small food mixer and a household
iron to seal juice bottles.

Why did she go into business?
"I couldn't find work," she says.

Array of services for black business

CI Press 19/12/88

(17B)

TWENTY-NINE years of representing the interests of black business in South Africa has seen Nafcoc offer its members and affiliate organisations an array of services.

Nafcoc has also acted to involve its members in major business initiatives.

Among the most unique has been the establishment of the first black-owned and operated bank in SA, the African Bank. Founded in GaRankuwa in 1975, it has branches throughout the country today.

Other enterprises have included the African Development and Construction Company, African Business Publications (Pty) Ltd, Nafcoc National Trust, Nafcoc Permanent Life (Pty) Ltd,

Blackchain Ltd, Nafcoc Industrial Development Corporation Ltd, and Nafcoc Via Travel Agency.

The organisation has also commissioned the construction of a large shopping complex in Soshanguve, a large township near Pretoria, to encourage commercial development within black communities and to make shopping more convenient for local residents.

Nafcoc also established the Masekela-Mavimbela Scholarship Fund to encourage the education and training of deserving black students in commercial, technical and industrial fields. Since 1976, 500 students have benefited from sponsorship at local universities and technikons.

But not all was rosy. The shopping centre in Soshanguve, Nafcoc's first major development venture, turned into a white elephant due to its proximity to then GST-free Bophuthatswana.

Situated less than 2,5km from the homeland's border and near Nafcoc's headquarters west of Pretoria, the centre failed to attract shoppers and tenants after completion in 1988.

Nafcoc then attempted – unsuccessfully – to persuade government to exempt either the centre or the area from GST.

Since opening, occupancies averaged a meagre 25 percent, but things looked up again when VAT was applied to both SA and the homelands

to both SA and the homelands.

The small Nafcoc-owned supermarket operation Black Chain has since moved into the centre, boosting occupation of the 10 000 square metre centre to 60 percent.

According to Nafcoc secretary general Michael Leaf, plans are now at an advanced stage to buy the centre from Grinaker projects, which spent close to R11-million on building it.

Nafcoc projects manager Cyril Zwane, who is also in charge of running the centre, said Grinaker had shown its confidence in developing black business by sticking with the centre and Nafcoc. He said other companies would have simply liquidated them.

No more Mr Nice Guy!

C/Press 19/12/93

Nafcoc emerging to take position in the market place.

THE humble beginnings of Nafcoc can be traced way back to the early 1940s when informal black traders in and around Johannesburg began to organise.

Among these was the pioneering Orlando Traders' Association. In 1955 it spearheaded the formation of the Johannesburg Chamber of Commerce which consolidated various existing associations.

During the next 10 years black trader organisations began to spring up around the country. This movement led to the formation of the National African Chamber of Commerce (called Nacoc then) in 1964 at a conference held in Orlando.

Five years later, Nacoc was reorganised into regions under the umbrella of a National Federated Chamber of Commerce – and Nafcoc was born.

In 1969, Nafcoc was established despite a government injunction not to form one united, multi-ethnic chamber of commerce in South Africa. At that time, the apartheid state was at the height of its drive to segment the African population and to isolate each ethnic group in their own so-called "homeland".

At the same time, the government had passed innumerable laws and regulations aimed at constricting if not stifling black enterprise.

The government began to say who could operate a business, what form it could take, where it could be located, what it could be engaged in, and with whom the entrepreneur could associate.

In those early years Nafcoc was formed with three objectives:

- To negotiate with the government for the removal of discriminatory laws and policies;
- To ensure the establishment of independent companies and institutions for the purpose of fostering black economic advancement; and
- To create general public awareness for the need to extend the free enterprise system to the black community.

During the 1970s Nafcoc continued its strong advocacy for increased economic space

for black businesses. In 1977 regulations regarding trade, business and professions managed by blacks were amended twice.

The first amendment extended the list of trades, businesses or professions which could be managed by blacks. The second amendment withdrew all limitations on the type of business, trade or profession blacks could engage in.

On February 8 1979, the government approved the development of Central Business Districts in black residential areas.

The 1980s saw Nafcoc continuing to struggle for economic space and opportunities for black entrepreneurs – in the face of persistent government opposition and prohibitions.

But Nafcoc persevered, built up its membership and organisation and initiated several business enterprises and projects – including the construction of the Nafcoc centre in Soshanguve, outside Pre-

toria.

Since February 2 1990, the political scenario has changed drastically. Nafcoc's focus is now no longer directed at removing legal restrictions and political constraints. It is now focused on seizing the opportunities and challenges of a new era.

Nafcoc's members are concentrating on the merchandising, building, transport, agriculture, service and informal sectors of the economy.

However, its professional, manufacturing and industrial sectors have been expanding steadily. Today, Nafcoc's membership stands at about 152 000 business people throughout SA.

The chamber is affiliated to the International Chamber of Commerce and a member of Nafcoc serves on its council. Nafcoc has observer status in meetings of the Business Council of Southern African Development and Community (SADC) and Federation of Chambers of Commerce and Industry of the Preferential Trade Area (PTA) which covers eastern and southern African states. Nafcoc has also established working relations with black business support organisations in neighbouring countries.

City plans affirmative action

CT 2/12/93 (176)

Staff Reporter

THE Cape Town City Council is formulating an affirmative action policy with the help of the South African Association of Municipal Employees and the South African Municipal Workers' Union.

The council has agreed to adopt a policy of "equal employment opportunity... by means of a merit-based system; to prohibit

discrimination based on race, colour, gender, language or creed and promote the full realisation of equal employment opportunity".

"The council is also committed to address the imbalances of the past through the application for such a limited period as may be necessary of an affirmative action programme".

A joint policy document is to be drafted by a working group comprising two representatives of the executive committee, the human resources department, the South African Municipal Workers' Union and the South African Association of Municipal Employees.

The working group will make its first comprehensive report at the end of January 1994.



Focus on Business



Plan to acquire cash without the hassles

Sowetan 11/21/93

By Joshua Raboroko

MANY forums are being created by the private sector and the corporate world to empower black business by promoting a fully integrated economy through meaningful black-white participation.

The latest is the Business Challenge attempt to form a self financing scheme likely to give blacks a greater chance of becoming and being trained as entrepreneurs by acquiring finance without hassles.

The deal, which is estimated to cost R10 million and is being negotiated by the Development Bank of Southern Africa; the Independent Development Trust, has been seen as an important milestone toward black advancement.

BC chief executive Mr Phil Khumalo

said the deal would be completed soon and was designed to help thousands of the unemployed and disadvantaged.

He said talks were at an advanced stage toward the formation of the scheme.

DBSA executive Mr P Smith confirmed that they were working toward such a project but said it was premature to speculate about it at this stage.

"We have to tie the certain knots before the project gets off the ground," he said.

The project will include giving loans ranging from R20 000 to R200 000 — without collateral — to people wishing to start business.

"We are financing those people who have been disadvantaged as a result of apartheid."

They would be helped with equipment, material and cash flow and will be taught

how to start a business plan and develop their skills.

Sub-contracting and opportunities such as franchising would not be ruled out. He added that, in fact, "we will try to help them" with any business they wished to undertake.

He said Potchefstroom University and the South African Business Advisory Bureau would provide services such as tuition and counselling.

He added that in the target market of this project, there existed the potential that individual entrepreneurs could afford to pay for services rendered.

After the launch of the scheme Khumalo will resign his position and become chairman. It is understood that the completion will take place on December 12.



Phil Khumalo

Black flagships under a cloud

SITINGO CRUSS

28 1111 93

By CHERILYN IRETON

BLACK South Africa's corporate showpiece, National Sorghum Breweries, and its chairman, Mohale Mahanyele, are the target of allegations threatening to damage the move towards black empowerment.

Allegations of corruption, mismanagement and nepotism rocked SA's first black-owned public company this week, with questions being raised over Mr Mahanyele's competence, track record and academic qualifications.

A key issue to emerge from the row is the relationship between Mr Mahanyele, NSB and a UK-based academic institution, the International Management Centres (IMC).

Mr Mahanyele received a professorship from the IMC in August 1992 shortly after obtaining a Master of Business Administration degree and a doctorate from the same institution.

He is currently chairman of IMC's council, an annually elected post, says IMC principal Dr Gordon Willis.

NSB pumps millions into IMC via the NSB's Education Trust, which was started with a R30-million Government injection with profits from the share sale.

More than 130 NSB staffers have since been enrolled in its MBA programme, eight for doctorates, and 160 for junior management degrees.

A former NSB employee who quit the MBA programme after two months says IMC and the course are a joke.

"It does not matter whether you have a degree, a matric pass or Standard Five. The course is disorganised, during our lecture sessions out near Vereeniging, most of the 40-odd students just sat around drinking sorghum beer," says the former employee, who asked not to be identified.

NSB insists the Education Trust money is spent responsibly. Twenty students whose studies were funded by NSB received Bachelor degrees in management at a graduation ceremony in Australia on November 7.

The professorship is a faculty grade within the IMC. In that Mr Mahanyele is responsible for "tutorial, re-



QUESTIONS RAISED

Mohale Mahanyele, National Sorghum Breweries chairman and the target of allegations of mismanagement and nepotism

search and development in the field of strategic management", says Dr Willis. He says the IMC's work is formally evaluated by the Human Sciences Research Council in Pretoria and the British Accreditation Council.

HSRC spokesman Francois Burger says degrees such as those issued by the IMC were "causing us a lot of problems, as they are willing to enrol students without an undergraduate degree". When it evaluates such qualifications, the HSRC first looks at undergraduate study and will only give credits for years studied thereafter.

The allegations about Mr Mahanyele and NSB appeared in Tribune magazine after a two-month investigation into the company. NSB and Mr Mahanyele responded

at length on Friday to what they termed a "brazen and insidious attempt to vilify NSB and Mr Mahanyele".

NSB management acknowledged its accountability to shareholders, employees, customers and the public, but left several key questions relating to financial issues unanswered.

The rumours appear to have been fuelled by the change in date of the group's annual general meeting, an apparent delay in the publication of the audited financial statements, and a delay in its entry into the clear beer market, first scheduled for November and now unlikely to take place before April.

The annual shareholders' meeting, originally publicised for Wednesday

QUESTIONS RAISED

Mohale Mahanyele, National Sorghum Breweries chairman and the target of allegations of mismanagement and nepotism

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The annual shareholders' meeting, originally publicised for Wednesday

one of the most capped black directors.

He was named businessman of the year last year by Edgen and New Nation, and Communicator of the Year by CCV. He sits on the boards of The Premier Group, SKP South Africa, Nissan South Africa, York Timber, Johnson and Johnson and SA Phillips. He is a strong advocate of black empowerment, and is on record as saying that were NSB to fail, it would impact badly on blacks as a whole.

NSB went public in 1991 after Mr Mahanyele persuaded Government to sell its sorghum beer interests to NSB staff, distributors and consumers. Staff, including Mr Mahanyele, own more than 56% of the shares. The Premier Group holds almost 8%.

Premier chairman Peter Wrighton has recently been appointed to the NSB board. Mr Wrighton, who is respected for his business ethics, is currently chairing the King Committee task group that will compile a guide to ethical practices for SA businesses.

Mr Wrighton said he could not comment on the allegations, as they were still only allegations. He had not yet had a chance to talk to Mr Mahanyele about them.

In a statement issued on Friday, NSB's directors said they would vigorously refute unfounded allegations made against them.

"We are in the course of investigating certain allegations. If mistakes have been made, or irregularities have taken place, we will act promptly to remedy them and to report to shareholders."

Allegations of nepotism were ill-founded and malicious.

A comment in the Dumcan Innes In-hour letter earlier this year best sums up feelings after this week's disclosure: "This really is a land of opportunity and rising stars. Twenty-three years ago, one Mohale Mahanyele (sic) appeared as a State witness in a Terrorism Act trial against Winnie Mandela and 21 others."

"The same man served on P W Botha's state economic council. Last year he was chosen businessman of the year by New Nation and Edgen. He was a pull-bearer at OR Tambo's funeral. He is MD of SA's biggest black-owned business, NSB. How about a toast to the New South Africa?"



SIBIYA ... Encouraged journalists to improve their skills.



MAHANYELE ... Media should not publish wild rumours.

NSB's Mahanyele hits at 'unfounded' reports

CIPress 28/11/93

By MOSES MAMAILA

ONE of the challenges facing black business was to rid the black community of elements who opposed black achievement, reckons National Sorghum Beer chief executive Professor Mahabane Mahanyele.

Speaking at the launch of the Media Development Trust outside Johannesburg this week, Mahanyele warned against press reports aimed at "destroying" the development of black business.

Mahanyele, who appeared to be responding to media reports on alleged corruption, nepotism and maladministration at the NSB, said the media should be factual and not publish "wild and unfounded rumours, because this will catch up with you" (176)

He told the cheering audience that a friend advised him to cool down, "but being Mohale (which means a fearless hero), I want things even hotter". (182)

He said this was the time when people should move away from petty things and deal with the real issues which faced the community - such as the high rate of unemployment.

Mahanyele said the NSB had set aside R200 000 in bursaries for black journalists to improve their skills, particularly in business journalism.

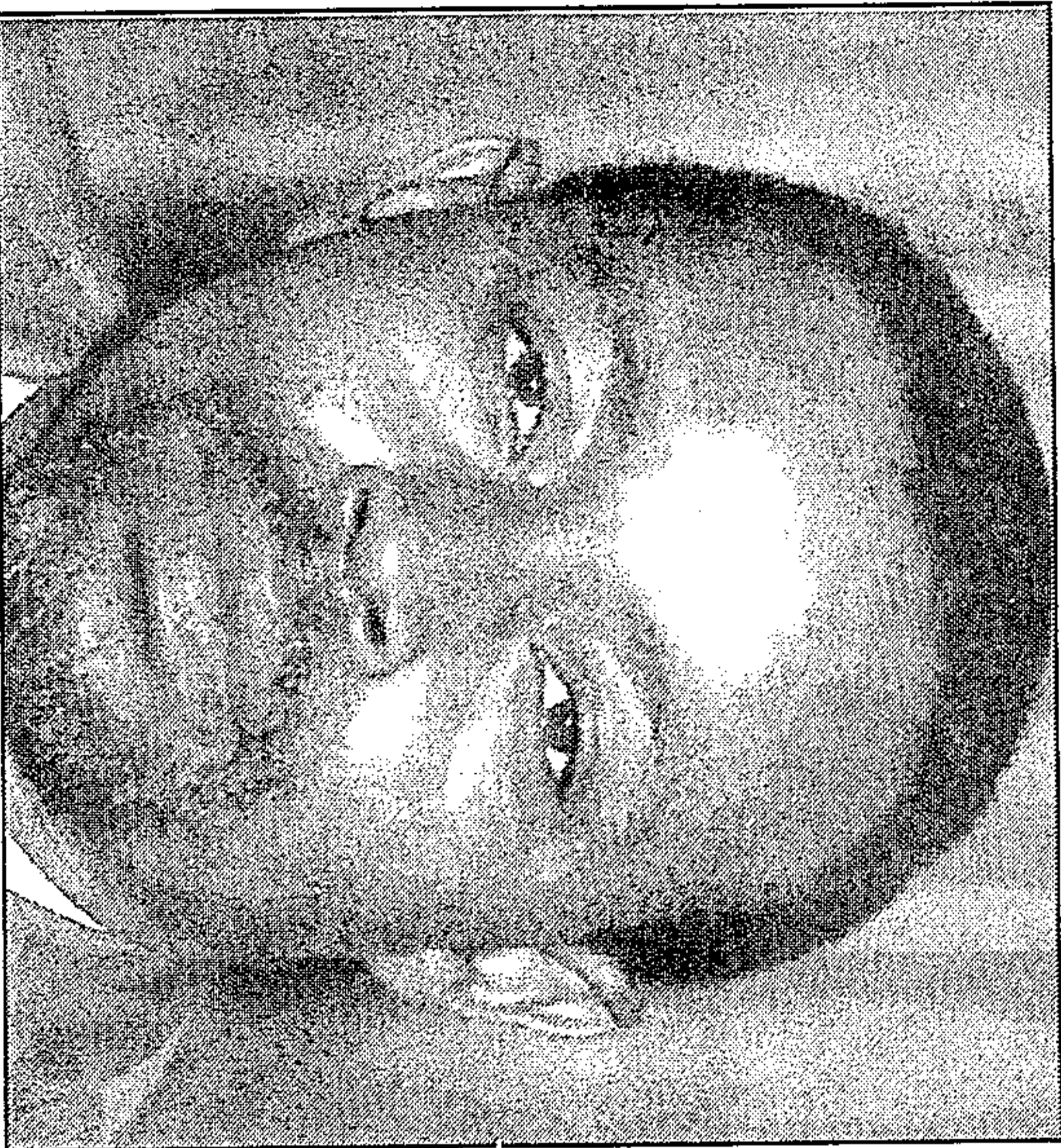
Speaking at the same function City Press editor Khulu Sibiyana said: "Until there is a truly black-owned press we may as well close shop."

Sibiyana said newspapers which catered for blacks often concentrated on crime, sex and sport, and not on the real black news because they did not want to offend the advertisers.

He said the Media Development Trust had been formed to look into the "unacceptable scenario" of the past.

Encouraging journalists to improve their skills, Sibiyana said: "An ignorant journalist will keep his society in perpetual darkness."

FOCUS ON BUSINESS Blueprint will provide basis for affirmative acti



Lot Ndlovu ... blueprint on affirmative action.

Plan to boost Sowetan 25/11/93 business equality

By Joshua Raboroko

THE Black Management Forum has released a blueprint which is expected to form the nucleus of affirmative-action legislation in the new South Africa.

The blueprint proposes an affirmative action that aims at unemployment targets subject to negotiation between the equal opportunities commission and companies in terms of broad parameters determined by the Government.

The BMF seeks a time limit on targets after which the programme should be retired, according to executive director Mr Lot Ndlovu.

Failure to meet targets would invoke non-negotiable quotas and a system of penalties, including public exposure of delinquent companies.

The proposal requires blacks to hold 50 percent of all board seats by the year 2000, 30 percent of senior management

posts, 80 percent of trainee positions and more than half of middle and junior management as well as supervisory jobs.

The blueprint has been produced to provide a basis for affirmative action by business. It seeks to facilitate the debate and thinking on black advancement leading to deliberate programmes of action to bring about equality and empowerment of the disadvantaged people in South Africa.

Companies, however, stand to benefit immeasurably by seriously engaging in this desirable process of change, says the report.

Affirmative action will produce organisations that are in harmony with the wider environment and which meet the legitimate requirements and expectations of their stakeholders.

This will result in motivated employees who zealously identify with their companies.

Affirmative action snags

B/Dew 15/11/93

KATHRYN STRACHAN

THERE was commitment to introducing affirmative action in the pharmaceutical industry, but it was difficult to create opportunities for black advancement in a depressed economy, labour expert Duncan Innes said at the weekend.

Innes told the National Association for Pharmaceutical Wholesalers' annual conference, the economy would have to grow to increase the demand for skills and for effective progress to be made.

He said an assessment of wholesalers indicated affirmative action should be part of business strategy rather than as philanthropic posturing, thus adjusting the direction of a company to operate successfully in a

restructured SA.

Despite the acute shortage of blacks with adequate training, wholesalers believed that paying abnormally high salaries to the few available would, in the end, be counterproductive.

Innes said selection of candidates for promotion should be made by consensus between management, trade unions and other worker groups — avoiding the old style management-only selection.

Blacks in senior positions could be targets for corruption by external criminal elements. This was true wherever extreme poverty lived cheek-by-jowl with wealth and affluence.

Investment should aim at black empowerment

Star 28/11/93

~~118~~

(176)

■ BY BRUCE CAMERON

Cape Town — Foreign investment should aim at empowering blacks, leading black businessmen told an international investment conference in Cape Town last week.

The conference, organised by the CEO Institute of New York, was intended primarily to give potential US investors a better insight into opportunities in SA.

It was attended by more than 250 potential investors from the US, Europe and Japan.

National Sorghum Breweries chairman Mohale Mahanyele and Kwacha Healthcare group chairman Nthato Motlana warned that if foreign investors entered into partnerships only with white South Africans and not blacks there could be negative consequences for the investors.

Motlana said he was disappointed by the multinationals so far.

Although 74 percent of the population was black,

they owned less than one percent of total issued shares on the JSE.

Both speakers assured delegates there was unlikely to be any vindictiveness against foreign companies that had ignored the sanctions call.

They could not say, however, whether a new government would favour those companies that did heed the call for sanctions and disinvestment.

The call for empowerment of blacks was backed by US Ambassador Princeton Lyman.

Highlight

He said the visit later this month of US Secretary of Trade Ron Brown with a delegation of businessmen would highlight the need to empower blacks.

The first day of the visit would concentrate on dialogue with black businessmen.

He expected there would be a significant commitment from African

Americans not only to invest, but also to influence institutional funds to put money into South Africa.

He said that investment could also include foreign fund managers channeling money into social projects, including housing and electrification, where good returns were guaranteed by the government.

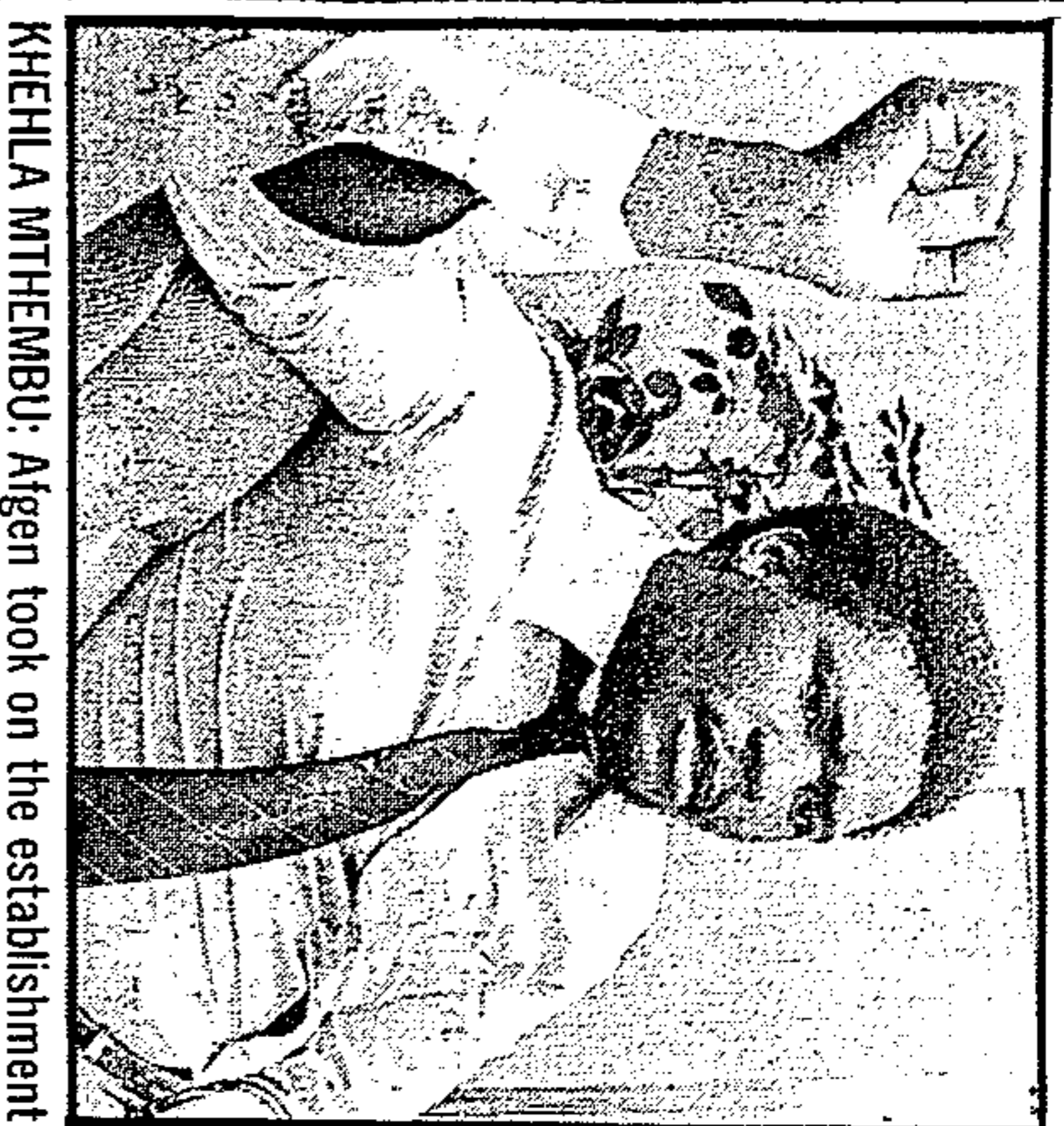
Lyman said there was an active campaign under way in the US to get rid of outstanding sanctions.

Gerhard Croeser, former director-general of finance and now roving ambassador dealing with financial matters in Europe, appealed for patience on trade barriers.

He said proposals had been made to the Gatt which had been agreed to by all the main political parties. But this package had recently been turned down.

It would be difficult to reach agreement on a new package with all the players, he said.

The main factor was the protection of jobs.



KHEHLA MTHEMBU: Afgen took on the establishment

SA Eagle and Aegis pull back

By ZILLA EFRAT

SA EAGLE and Aegis have acted to avert what could have been another disaster in South African short-term insurance.

They have given full support to African General Insurance (Afgen) while it is restructured and refocused. Afgen has retrenched some employees, several unprofitable departments have been closed and bad business has been dropped.

A drive is under way to carve a niche for the company in the emerging black market where it has special strengths.

Afgen is SA's first black-controlled insurance company. But after losses in the past year, its shareholding was changed temporarily.

Afgen's new chief executive Khehla Mthembu says that after the

company received an insurance licence in April last year, management took on the established insurers.

Afgen was the name given to an insurer bought by the present company.

Afgen's aim was market share at all costs and its premiums undercut the rest of the market.

The company grew too fast and its expenses were too high.

Afgen's claims exceeded gross premium income in the year to February 1993 when auditors Price Waterhouse Meyernel issued a qualified report.

Afgen also suffered underwriting losses in most classes of business.

Attributable losses, before statutory transfers to contingency reserves, wiped out the company's capital.

This necessitated a further capital injection from SA Eagle and Aegis of R2,5-million.

After the yearend, the two shareholders had to put in R1,1-million to make up the shortfall in net assets to meet Insurance Act requirements.

The capital injections resulted in a change of control. Fabcos and Future Bank together initially held 51% of Afgen. Now Aegis and SA Eagle have a combined 62%.

But both larger insurers say this position is temporary and new black capital will be brought in.

Aegis managing director Brian Seach says this will happen after the

company's affairs have been straightened out.

SA Eagle managing director Peter Martin says informal discussions have been held with potential black investors about their involvement in Afgen.

Afgen received the poorest rating in a recent Republic Ratings' analysis of the credit risk of short-term insurers.

Without taking shareholder support into account, Afgen was seen as having an "inadequate capacity to ensure timely payment of policyholder obligations".

When shareholder support was taken into account, its ranking improved slightly.

Since then Aegis and SA Eagle have come out strongly in support of Afgen.

Mr Seach says the two shareholders are committed to keeping Afgen go-

ing. They have guaranteed that all claims will be met and that no Afgen customer will experience a problem.

They have told brokers that if any Afgen customer has any doubts, Aegis or SA Eagle will take over the business.

Mr Seach says that being insured with Afgen is the same in effect as being covered by Aegis or SA Eagle.

Mr Mthembu joined the company last November.

After taking stock of Afgen, he closed several departments, including the one handling financial and performance guarantees. Unprofitable haulage business was also cancelled.

Aegis and SA Eagle made their own people available to support Afgen management.

Mr Mthembu says: "Our strategy

now is to stick to small commercial and personal lines which serve the emerging market.

"We decided that because this is a black company, it must be involved in sourcing its business in the black community.

"It should also be involved in the corporate markets that understand the importance of being linked to a company like Afgen in the changing SA."

Mr Mthembu says management is rectifying the mistakes of the past. He believes Aegis has gone through the worst and expects it to be profitable within 12 months.

Afgen plans several developments, but Mr Mthembu will not comment on them until the company has overcome the hurdle of a poor image.

insurer out of the red

SA Eagle and Aegis have acted to avert what could have been another disaster in South African short-term insurance.

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Since then Aegis and SA Eagle have come out strongly in support of Afgen.

Mr Seach says the two shareholders are committed to keeping Afgen going. They have guaranteed that all claims will be met and that no Afgen customer will experience a problem.

They have told brokers that if any Afgen customer has any doubts, Aegis or SA Eagle will take over the business.

Mr Seach says that being insured with Afgen is the same in effect as being covered by Aegis or SA Eagle.

Mr Mthembu joined the company last November.

After taking stock of Afgen, he closed several departments, including the one handling financial and performance guarantees. Unprofitable haulage business was also cancelled.

Aegis and SA Eagle made their own people available to support Afgen management.

Mr Mthembu says: "Our strategy now is to stick to small commercial and personal lines which serve the emerging market.

"We decided that because this is a black company, it must be involved in sourcing its business in the black community.

"It should also be involved in the corporate markets that understand the importance of being linked to a company like Afgen in the changing SA."

Mr Mthembu says management is rectifying the mistakes of the past. He believes Aegis has gone through the worst and expects it to be profitable within 12 months.

Afgen plans several developments, but Mr Mthembu will not comment on them until the company has overcome the hurdle of a poor image.

insurer out of the red

Black involvement is aim

BIDAY 19/11/93
LINDA ENSOR

CAPE TOWN — Sections of Barlow Rand's unlisted building materials division are to be hived off to promote black economic empowerment, group chairman Warren Clewlow said yesterday.

He told the CEO Institute conference the plan was to split the division into a number of entities and introduce black partners.

It was envisaged that Barlows might retain stakes in the division's operations or might sell off branches entirely. Each division and branch would be evaluated to determine how best to deal with them.

The main operations in the division are Federated-Blaikie, Federated Timbers, Thesens, Wardkiss HomeCare and a string of plumbing suppliers. The division has 77 outlets, employs about 5 000 people and has 35% of the total building materials market. It is the leading timber supplier in the country and one of the largest building materials merchants.

Clewlow said one of the key features of successful companies in future would be their ability to access new and emerging markets. (17b)

He urged a rethink of the type of partnership arrangements between SA and foreign firms, noting that Barlow Rand had paid a fortune over the years in royalties to foreign associated companies. He appealed to foreign partners to tear up these royalty agreements and replace them with investment agreements allowing these partners to become involved with SA firms.

Another new project was disclosed by tax advisory committee chairman and Edward Nathan & Friedland senior partner Michael Katz who said his firm was involved in the creation or use of a trust company to play a role in black economic empowerment. He said many major businesses wanted to hive off parts of their businesses

to facilitate black ownership but had problems finding people on a broad base to become shareholders.

Foreign capital would be sought to fund the acquisition of a company by a black group. A new company would be formed which would go into partnership with foreign or SA businesses, funded by a trust. The trust would buy shares in an existing business, provide finance to a core of management and then offer black people shares for subscription.

The trust would be a bridging fund and, as money came in by way of subscriptions, the fund would be repaid, providing money for other projects.



BLACKS IN ADVERTISING

FM 19/11/93

A communication problem?

(176)

Despite opinion polls suggesting a high degree of support for advertising in SA, the ad industry may have a lot of work to do to win over the black constituency. A lively debate on blacks in marketing, which took place at the *Sowetan's* annual Ad-Indaba last week, suggests there may be a fair amount of anger and hostility among black decision-makers towards advertising.

"There is a perception out there that to be an advertising professional you have to be very rich and to have connections in the right places," said Papie Moloto, the ANC's deputy director for human resources. "The role that advertising should play in society is not clear. Advertising is regarded as illegitimate and not fair."

The industry has only itself to blame, Moloto believes. "It has made itself a very rich and well-paid business, but it has not advertised itself to the black community. Very little is known about the structure and functions of the industry. The most pressing issue should be how it will position itself as a change instrument. It can continue to serve a white-dominated SA or make a bold move."

Further criticism came from the controversial Peter Vundla, head of Herdbuoys, the

only significant black-owned ad agency in SA. "There is a great deal of racism in advertising today," he said. "Within the industry white youngsters have mentors and are made to succeed. Blacks are made to fail."

Not so, responds Association of Advertising Agencies (AAA) president Hennie Klerck. "Both black and white youngsters have mentors. Blacks are not made to fail. We insist on giving our bursaries to people of colour in order to help the underprivileged."

Vundla complains that Eurocentrism dominates SA advertising. This means "creative concepts are mostly European and have little relevance to local lifestyles and values. White models are used. Where black models are used, their attractiveness is judged by Western standards of beauty."

Eurocentrism is thriving, he said, "because the majority of white people in advertising are the biggest cultural imperialists you will ever find. They forget that the culture that predominates in this country is a black culture."

Vundla claims the "lily-white" membership of industry bodies like the AAA "can't

think in African terms. There is a denial by whites that SA is an integral part of Africa," says Vundla. "We don't have a South African advertising culture."

According to Moloto, affirmative action "is what we have to do to catch up with the past. It will have to be driven consciously. Advertising has not yet become an instrument for change but an instrument for the status quo. The market is still steeped in the fixation that the market is white."

Klerck disputes this too. "The ad industry, more than most other sectors, has been instrumental in helping South Africans accept changes in lifestyle. Although there may not yet be enough black faces within the industry, we have played a leading role in securing equal rights for all," he says. "All our market information is completely colour blind and only deals with lifestyle, regardless of race."

Klerck agrees that advertising executives are well paid, but denies you have to be rich with connections to get on in advertising. "It is a small and compact industry with room only for the best of the best," he says.

Bob Rightford, chairman of Ogilvy & Mather Rightford, concedes that the ad industry has achieved only limited success in addressing non-racism and the importance of the black market, but attributes this to the environment in which business operated.

Affirmative action is necessary, he agrees. What is required, though, is not an SA advertising culture "but an understanding of our consumers and the way they react to advertising. Those who believe the industry to be too white need to start producing work of quality that will address the perceived shortcomings in the ability to communicate with the consumer." ■



Peter Vundla

'Affirmative action uplifted legal system'

PRETORIA — The introduction of affirmative action in the appointment of judges had greatly improved the credibility of Zimbabwe's legal system, says former Zimbabwean chief justice Enoch Dumbutshena.

Writing in the SA Bar journal *Consultus*, Dumbutshena said the appointments had introduced new attitudes to justice. "I can say with pride that from our humble and inexperienced backgrounds we lifted the belief of our people in justice."

The government had come in for much criticism for appointing relatively inexperienced black judges. "It is true some of the judges did not have much experience at the time of their appointment to the Bench. There never was any chance for them to acquire experience."

Of 11 high and appeal court judges, nine had left within four years of independence. Judges were also recruited from Ghana, Tanzania and the West Indies to fill the gaps.

While some of the Zimbabwean judges did not measure up to the stan-

ADRIAN HADLAND

dards set by the judiciary and the public, most had proved themselves to be excellent judges. *BIDA*

The best method to appoint judges was for a judicial commission to recommend nominations to the president. *18/11/93*

Central to the independence and credibility of both Namibia and Zimbabwe's legal system was the introduction of a justiciable bill of rights. "Bills of rights are the foundation of justice." *(176)*

SA had the opportunity and personnel to produce a judicial system that was second to none, Dumbutshena said. "You have great judges and great lawyers. It is up to you to produce the blend that works."



'Jobs galore at Absa'

Sowetan

18/11/93

THE Amalgamated Banks of South Africa are to embark on an affirmative action programme on the East Rand aimed at blacks who aspire to take up banking as a career. (176)

To achieve this objective Absa has commissioned a consultant company, Progress Careers, to help it realise its ambition. (176)

Mrs Maralyn Viviers, managing director of Progress Careers, said her company would hold a career fair on the East Rand next Tuesday.

The purpose of the fair would be to attract action-orientated candidates who are drawn to this new, dynamic and rapid recruitment proc-

ess.

"People will get the opportunity of being interviewed for jobs without having to first apply for them. This is unique in that it is a totally different approach to get a job," Viviers said.

Trained consultants will screen and interview candidates. Selected candidates will conduct final interviews with Absa line managers.

She said the aim of the fair, to be held at Fanie Coetzee Theatre, Germiston Civic Centre, would be to get as many people as possible.

Job opportunities are available at Trust Bank, United Bank, Volkskas Bank and Allied Bank.

'Gloves are off' for black business

Biday 16/11/93

THEO RAWANA

THE new SA presented black business with the toughest foreign competition around for its markets, and only products and services of the highest quality would save it from being swept off the scene, a quality management expert said yesterday.

SA Institute for Quality and Reliability Management CE Henry Sambani said the black man had always been "cocooned" by his image as the disadvantaged, sidelined child of SA economic life.

"You could blame government or the white corporate world for keeping you down — and get some leeway because of that.

"But now with the opening of trade gates both outward and inward, the gloves are off and the cutthroat competition presented by foreign companies is going to sink black business on its own turf — unless it adopts quality as a lifestyle," Sambani said.

Improving quality was also necessary for organisations, unions, hospitals and even municipalities.

"The exodus to white suburbs for better housing and the fixation with nursing homes in white areas has one message: the consumer demands service of a high standard," he said.

The Johannesburg-based institute runs

courses in quality management which include case studies and industrial visits.

Since 1988 it has produced 1 200 quality technicians (who monitored the production process), 1 800 quality engineers (designing quality systems for companies) and 800 certified quality inspectors.

Sambani added that his institute believed employees' active participation in quality enhancement programmes and an understanding of the impact of high quality on their jobs was essential for competitiveness in today's markets. (176)

The institute's objective was to promote quality management and productivity as a lifestyle, to commit business people to "strive for zero defect in services and products" and to share strategies of reducing waste, work repeated and lost manhours.

"Quality is not an accident, it should be designed and managed," he said.

Companies and business organisations within the Foundation for African Business and Consumer Services and the National African Federated Chamber of Commerce needed to be on a par with members of Sacob, which were listed with the SABS.

"Loans from finance houses and development agencies won't ensure your survival — quality will," Sambani said.

1. Application procedure

1.1 A staff member wishing to take leave of any kind (annual, sick, maternity, long, special) must apply to his/her head of department, using the standard leave application form.

1.2 The head of department will forward the application form to the Personnel Department for verification, authorisation, if required, and record purposes.

1.3 In the case of annual leave the decision to grant leave rests with the head of department provided that the staff member has leave due to him/her. It is at a head of department's discretion to postpone the granting of leave in order to ensure the efficient running of the department, and to refuse to grant leave during a staff member's notice period, prior to resignation.

2. Annual leave entitlement

2.1	A	B	C
Annual leave entitlement	22 working days	7 working days	28 working days
	Maximum annual accumulation	Maximum annual accumulation	Total maximum accumulation

2.2 The maximum leave that can be taken at any one time is 50 days (A + C).

2.3 The maximum annual accumulation means the maximum number of days of a year's leave entitlement that will be carried forward (accrued) if not taken during the year following the year in respect of which it is earned.

2.4 The monetary value of accumulated leave is paid to staff members terminating their services for any reason.

2.5 Staff entitled to long leave are not permitted to accrue annual leave.

3. Sick leave

3.1 A staff member's total of 1 year of membership is more than 60 days monthly

pay for a the first not more years' calendar tip.

Malawi life-presidency goes

Zomba — Malawi's ailing President Kamuzu Banda is no longer life-president following the scrapping of the long-cherished status by the country's deputies yesterday. The title of life-president was dropped from the constitution in an ongoing overhaul of the text so that it becomes compatible with multiparty democracy ahead of the general election in May. Dropped with the life-presidency was a special privilege which conferred powers on Banda to nominate members of parliament. — Sapa-AFP.

4.4/1

1.6.89

Khanyile: the Star 13/11/93 face of Thebe

THEBE Investment Corporation managing director Vusimuzi Philip Khanyile (43), with one-and-three-quarter degrees in accounting and finance and eight years in Anglo American's finance division, is well qualified to handle the nitty-gritty of a business. (176)

However, Thebe's political ties — its sole shareholder is the Batho-Batho Trust, which includes among its trustees Nelson Mandela and Walter Sisulu — could prove the chink in his armour.

Judge Thebe, Khanyile would ask, not on face value, but on track record.

Thebe, launched without fanfare late last year, hit the headlines when a proposed deal with publisher Macmillan Boleswa to create a joint-venture company supplying educational textbooks was made known.

A newspaper reported Thebe's founding proposal stated that although Thebe and its subsidiaries should be separate from the ANC's political activities, the ANC should maintain a majority shareholding in it.

In terms of the agreement with Macmillan Boleswa, Thebe would "provide a regular line of communication with the relevant government structures in the new South Africa and facilitate close working relations with the ANC mass media trust".

Khanyile — quiet, unassuming, but with the inner strength of a panther — always has a smile ready. He's charming. He comes across as believable. And he steadfastly denies impropriety in Thebe's business operations or links with the ANC. "Anyone who thinks that by doing business with Thebe they could influence the ANC would be displaying ignorance," he says.

He dismisses claims that to do business in the new South Africa, you will have to rope in Thebe.

Thebe's ANC label is not helped by the composition of its management team. This includes ANC PWV chairman Tokyo Sexwale and long-time ANC supporter Enos Mabuza, both of

whom are non-executive directors.

But Khanyile is a born fighter. If Thebe is to shake off its ANC mantle, he will be the one to make it happen.

Born in Mooi River in 1950, he attended school in Zululand. He spent three years working on a BComm degree at Turfloop university. His desire to serve his community — in this case as vice-president of the students' representative council — saw him expelled six weeks before his final exams.

"At that time it was clear to me that it was time for me to serve my community first. If study had to have a meaning, it had to assist me to lead a

fully integrated life in the community, not take me out of it," he says.

In so committing himself, Khanyile was detained six times, the last time for more than 18 months. In between being a student activist and working for Anglo American, he studied at Birmingham University, England, where he obtained a BComm honours in accounting and finance.

His involvement in the Soweto Civic Association (and the Soweto Parents' Crisis Committee) in the mid-1980s saw him develop an earnest interest in education. He was a founding member of the National Education Crisis Committee, serv-

ing as chairman from its establishment in 1985 until 1990. In October 1988 he, Mohammed Valli Moosa and Murphy Morobe became known as the "Kine three" after escaping from Johannesburg Hospital and spending 37 days holed up in the US consulate in Johannesburg's Kine Centre.

Then came two years at the University of Cape Town as special assistant to the vice-chancellor and deputy registrar. When the ANC was unbanned in February 1990 he returned to Johannesburg to work for the ANC as head of its finance department. Late last year he left the department to head Thebe.

He says Thebe is working towards getting other shareholders on board and hopes to go public once it has established a track record.



DOING business under the new order will not mean working through Thebe Investment Corporation, former ANC finance chief Vusi Khanyile tells
MANDY JEAN WOODS.

INDUSTRIAL Development Corporation senior GM Malcolm Macdonald says the IDC is one of the world's most successful industrial development agencies.

If that is not to prove an idle boast, the IDC will have live up to the ideals on which it was founded — often neglected in the darkest days of apartheid — and meet new challenges, most notably black economic empowerment.

Harold Fridhjon wrote in *Business Day* on the eve of the publication of the 1990 government review of the IDC's role that there was "a measure of subconscious idealism in the setting up of the corporation (in 1940): it would create the climate for accelerated industrialisation in the new era which would come with victory and peace. General Smuts believed SA would become the powerhouse of sub-Saharan Africa."

The IDC's 1940 act of incorporation stipulated it should foster new industries and make existing ones more efficient according to "sound business principles".

That was fine-tuned in February 1991 by the late Wim de Villiers and Kent Durr, Ministers respectively of Economic Co-ordination and Trade and Industry at the time, who ordered the corporation to "expand its role as financier of industrial enterprises and to mobilise its full financial resources to this end".

The IDC has worked hard to fulfill its brief in the past three years, playing a critical role in formulating industrial and trade policy. Its landmark 1990 report called for phased reduction of tariffs and offered strategies to improve export competitiveness.

Words have been followed by action and finance, whether in contributing to GATT negotiations or backing the three huge added-value export-orientated mineral projects: the Alusaf and Columbus joint ventures and Anglo's Namakwa Sands. IDC support for the R7,2bn Alusaf smelter project was committed in 1991 when the corporation could have chosen instead to take up a 20% stake in white elephant Mossgas.

In addition to the stand-alone export competitiveness, foreign exchange earnings and downstream industrial potential which the three

Renascent IDC is stumped by black empowerment

MATTHEW CURTIN

mega-projects promise, their approval in late 1991 amounted to a crucial vote of confidence by the industrial sector in SA at a time when the violence and political stalemate were cause for mounting domestic and overseas pessimism.

The IDC has got better at encouraging small industrial development. Its concessionary packages first launched two years ago failed to win many fans at first, but the roadshow which hawked schemes like job creation finance round the country in July has led to unprecedented interest from independent industrialists.

The corporation has turned cautiously but in a studied fashion to promoting labour-intensive agribusiness projects. It has carefully identified

local climate and market conditions which support the cultivation of new crops, in consultation with farming communities, whether they are Kwazulu smallholders or Free State wheat farmers.

Impressive as this record is, it does mask the errors of the past. Critics say the IDC lost sight of its industrial development purpose and became the NP's industrial agent, consumed by the importance of African economic empowerment and strategic projects like Sasol. It is a charge Macdonald says is unsubstantiated, because at no stage in its history has the IDC financed projects it thought were not viable, even if many depended on tariff protection.

The IDC may have given Mossgas the short shrift in 1991, but that was only after a R200m loan during the project's construction phase. The IDC's proud claim that it has been self-funding since the '90s, have to be squared with the considerable waste of SA's precious capital resources on the textile industry before it, and marginally, successful enterprises, like the Atlantic Diesel Engines.

The corporation has bailed out of many of the businesses in which it should never have been involved, with the steady sale of its industrial and commercial investments from the '80s culminating in this year's unbundling of investment companies National Selections and Industrial Selections.

The funds released from those assets leave the IDC soundly financed for the '90s. Total authorisations in 1992/3 stood at R8,4bn even, though many facilities were underused, and the corporation ended the year with assets of more than R7bn.

MD Carel van der Merwe says more than R30bn will be invested in manufacturing industry in the five years to June 1996, ahead of the target the IDC set itself in 1991. He says acting as a catalyst for industrial development is what the IDC is demonstrably good at doing, hence a sense of confidence that the corporation — now "hercely non-partisan" — has nothing to fear from new political masters next year.

But he is blunt about what has become the fourth leg of its five-year plan, black economic empowerment. "We don't really know how to do it."

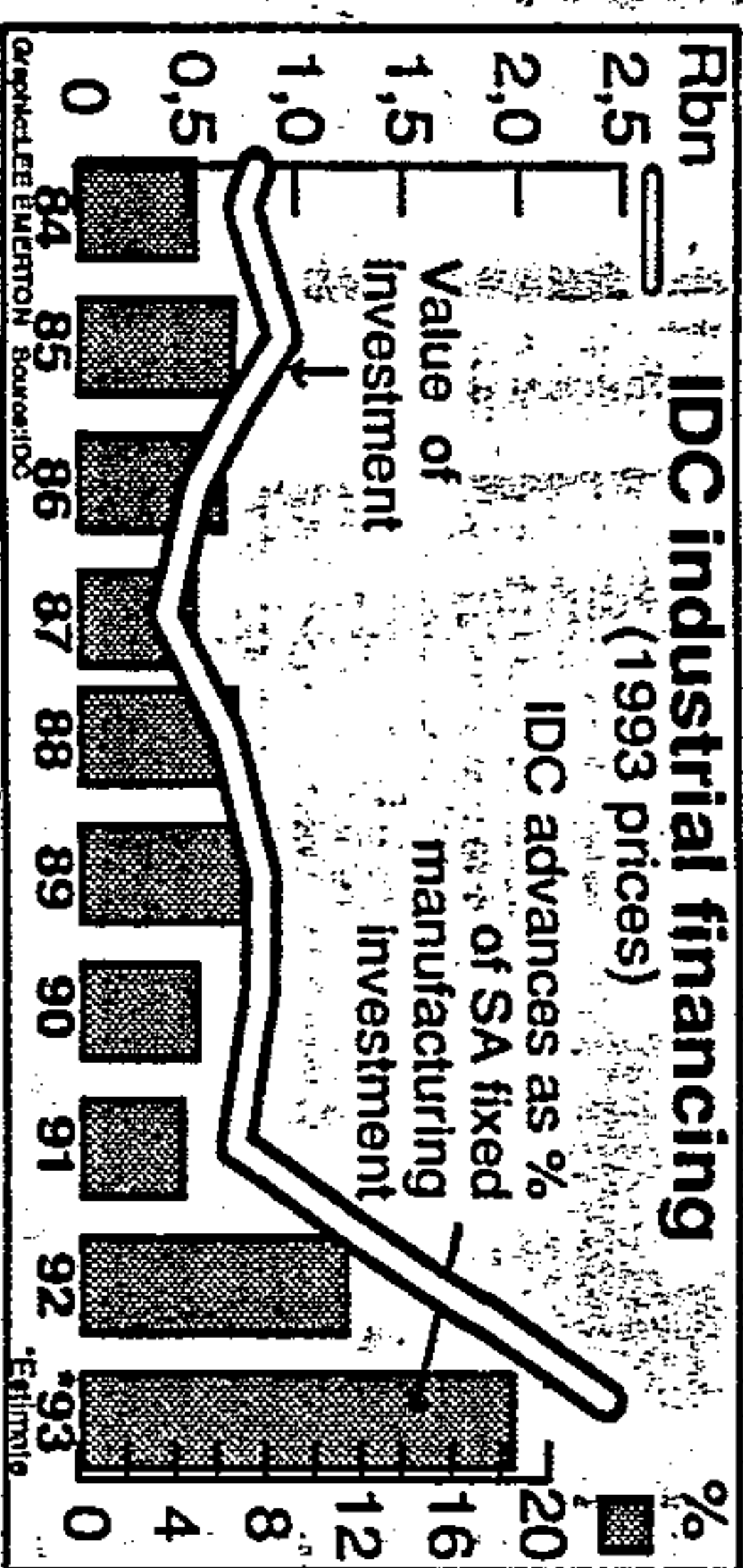
The IDC has three successes in this sphere under its belt: the sale of its stake in National Sorghum Breweries to black business in 1991; financing the R15m transfer of control to black entrepreneurs of eastern Cape bottling company Killmanjaro Bottling in 1991; and this year's financing of the consortium of black businessmen which took a controlling stake in Sanlam's insurance group Metropolitan Life.

Van der Merwe says it cannot afford to be sidetracked by funding replacement assets, cutting across the IDC's prime role in creating new assets. "We're in the business of developing industry for the benefit of the whole community, not black enrichment or social upliftment." The corporation insists on a real return on its investments.

He says that in any case, the IDC is only one player in the SA economy. At the most it could allocate R200m a year to black economic empowerment, but that would be "a proverbial drop in the ocean". Van der Merwe says "it will be a long process to spread a culture of share-owning" in SA, shown by the slow process it is making in placing shares from the Mehol deal.

New projects backed by black entrepreneurs will find favour at IDC headquarters but not if the corporation is expected to finance them fully, a problem which raises the issue of where the black community will find the capital resources to acquire a bigger stake in the economy. Macdonald says that is a non-question. "The black community has to take control of its contractual savings institutions." Mobilisation and sound management of the billions of rands in trade union pension funds alone would give black South Africans a fairer slice of the economic pie. He noted the IDC has approved participation in the proposed Community Bank.

Until that happens, Van der Merwe says the IDC can pursue nothing more concrete than its current "ad hoc approach" alongside the strategies of the private sector and institutions like the SBDC and the Development Bank.



Star 10/11/93

Black businessmen challenged

BY THABO LESHILO

South Africa's black businessmen have been challenged to build viable businesses, lead the battle to develop their communities and make the country a beacon of black economic empowerment.

This is the message from leading African-American businessman Claude Patmon.

"We and the world are looking forward to seeing black South Africans as captains of commerce and industry.

"You must not fail in controlling your own economic destiny along with controlling your own political destiny.

"Let SA be a beacon for black economic power

throughout this world. This is your dream. This our dream. This is the world's dream."

Patmon is president of Accent Hair Salons, a leading American franchise specialising in black hair.

He was delivering the keynote address at the Franchise Opportunities conference at the Sandton Sun Hotel yesterday. (176)

The two-day event, organised by the International Franchise Association in conjunction with the Black Integrated Commercial Support Network of South Africa, ends today.

Patmon said franchising, could go a long way towards addressing problems such as lack of experience, capital,

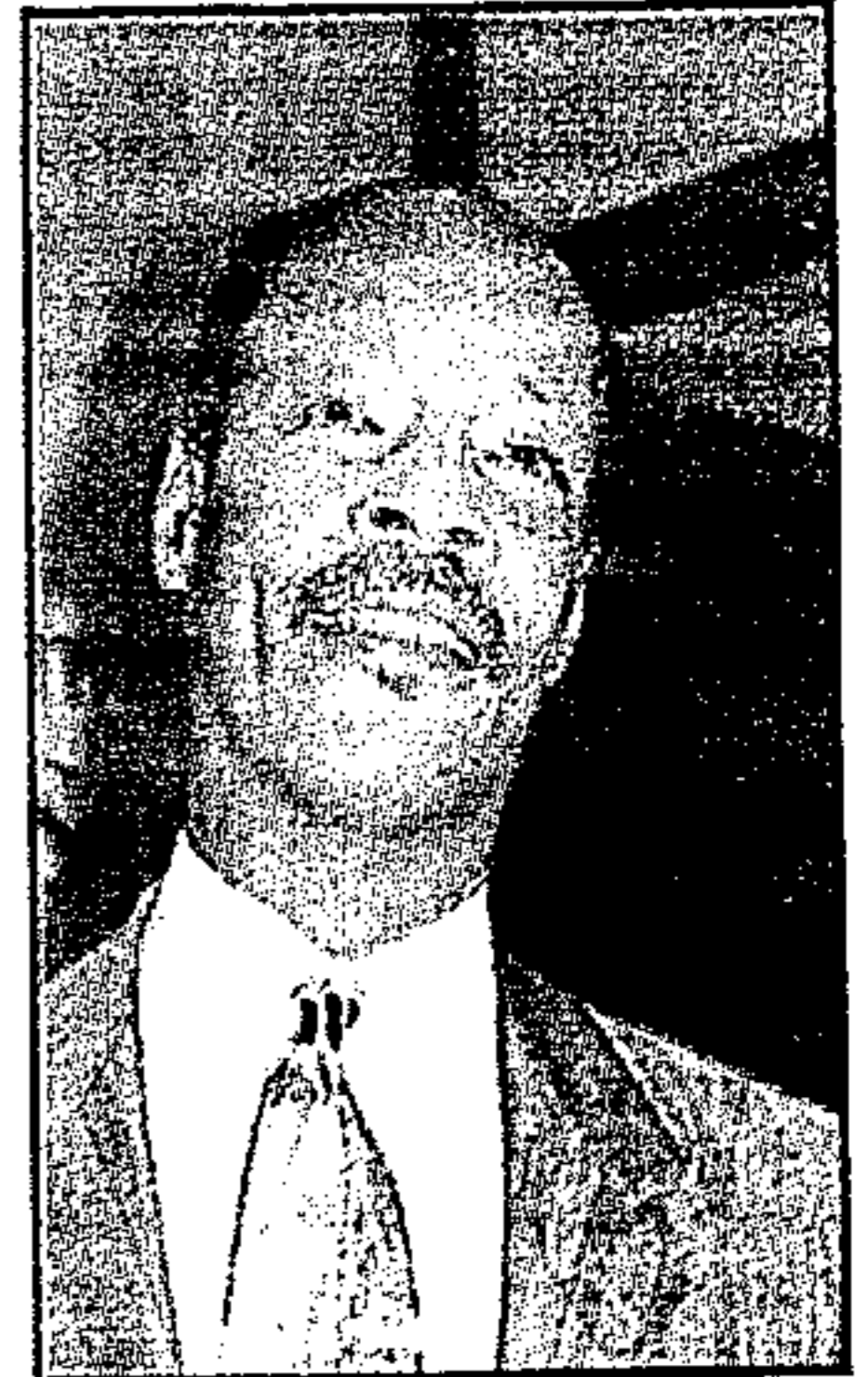
education, racism and other factors that had held back blacks in business.

"These are historical (facts) and certainly pose challenges but they do not necessarily mean lack of opportunity.

"Our challenge is to seize that opportunity, to harness it and to use it for our own accomplishments."

Blacks, he said, must make a total, relentless effort to gain economic empowerment by taking control of all vestiges of their lives.

Perhaps the biggest challenge was the pivotal requirement that "business objectives must transcend personal objectives".



Patmon... Seize every opportunity. PICTURE: ALF KUMAI

Assurance companies penetrate black market

BEATRIX PAYNE and CHARLOTTE MATHEWS

ASSURANCE companies are penetrating the black market with increasing success although most tend to deny making this their target, preferring to aim their products at income groups. (S) (176)

Sanlam estimated about 25% of its new business came from the black market. MD Desmond Smith said the life office had changed over the past five to 10 years, expanding from its traditional white-collar Afrikaans-speaking market to the upper income groups, English speakers and the black market.

Old Mutual's target market for individual life policies was those who could afford to pay its minimum premium of R60 a month, the company said. The proportion of policies issued to black people had increased significantly over the past 20 years as more people could afford the minimum premium. There were a growing number of black sales representatives who sold insurance to their own communities.

Southern Life said that, based on addresses, it had noticed a significant increase in the amount of business coming from black areas in the past few years. Its range of policies aimed at the first time buyer, the Provider series, had been extremely successful.

A and B income group members were the main target of Liberty Life's insurance policies, divisional manager, public affairs, Sven Forsman said. Within these sectors there were a large number of black policy holders but the company did not keep records of clients' race.

Metropolitan Life PR manager Nico Oosthuizen said about 90% of the firm's new business had come from the black sector, its traditional target market. Dave Lewis, assistant GM of Metropolitan Life's marketing services, said the assurer aimed at the solid middle class of teachers, nurses, policemen and professionals. It was moving increasingly towards a market that paid monthly premiums through a stop order or debit order, rather than in cash.

African Life MD Bill Jack said the company did not direct its policies at black people. African Life was a low premium assurer that would "provide cover where others wouldn't". Such cover included funeral insurance at R11 a month and policies that would pay money as often as possible.

As a smaller company, Norwich Life restricted its target market to the A and B income groups, PRO June Barclay said.

Travel plan for blacks to use stokvel concept

THEO RAWANA *Ed Day*

BLACK travel agency FabTravel aims to use the stokvel concept to harness the black leisure travel market, operations manager Stanley Maseko says.

He said yesterday that Fabtravel — a joint venture by the Foundation for African Business and Consumer Services (Fabcos) and SAA — expected 250 000 blacks to take part in leisure travel by next year.

Blacks had always seen travel as the preserve of the rich and out of reach of the ordinary person, but FabTravel hoped to have 10% of the black population travelling within the next 25 years, Maseko said.

"Because historically they have been denied access to leisure travel, blacks have tended to visit friends and relatives. Our aim is to broaden their horizons and create tour packages tailored to their needs."

Maseko said: "To make travel affordable, we are forming a travel club, based on the stokvel principle."

Financial resources would be pooled and through this stokvel concept, people would be able to travel either individually or in groups, easily accessing packages offered by FabTravel, Maseko said. *(176)*

Initially the bulk of the Johannesburg-based agency's business would consist of travel within Africa but FabTravel also wanted to help those who wanted to travel further. "We are linked to Galileo, the world's largest computerised reservation system. We can book for shows and special sports events like the soccer World Cup," Maseko said. *(236)*

Galileo southern Africa marketing manager Vernon Kirsten said FabTravel added a welcome dimension to SA's travel and tourism industry. "It has been proved that to provide excellent service a travel agency must understand the needs and dreams of the community it serves." *10/11/93*



focus on the suburbs

WHEN YOU ARE AN African achiever who wallows in the luxury and splendour of the northern suburbs, offered as part of the socio-political transformation in the new South Africa, you have learnt nothing from history.

The bitter truth for millions of ordinary Africans still locked in the concentrations camps of cheap labour called townships is that offering security to a handful of blacks who live in Bryanston and Sandton has achieved nothing.

For the majority of former township folks who now own houses with swimming pools, double garages and large gardens in the northern suburbs, there certainly is progress and a change of heart from the oppression and exploitation that Africans had to endure over centuries.

But the pictures of smiling blacks enjoying cocktails at glittering functions and throwing parties and braaivleises next to the pool is an example of a caste of schemers and profiteers whose grasping hands scrape left-overs from white luxury and splendour.

In this way, these former township blacks who enjoy cognac and the service of underpaid maids uphold a picture that fools the world about the poverty, hunger and starvation that millions of Africans are still subject to.

The glorification of the new black elite that has done nothing for the toiling masses is a device to pin the people down, immobilising them and terrorising them not to derail the "progress" made by the De Klerk-Mandela alliance.

The oppressed and exploited African majority has every right to summon Nelson Mandela and all other leaders who have taken to the suburbs to return to the strife-torn townships.

This will otherwise stunt the growth of a black middle class and poses a danger and threat to the fulfilment of the ideal that the wealth of the country will be shared among all the people of the land.

Any African who wallows in the luxury and splendour of the northern suburbs has placated his conscience by pointing out that there is nothing wrong with his geographical location because Mandela lives in Houghton.

Members of the black middle class found in the suburbs today justify their enjoyment of the unfair advantages from which the majority are barred by pointing out that Thabo Mbeki, Tokyo Sexwale and a host of other leaders live in the suburbs.

The claim that the political leadership has been able to enjoy peace and thus focus sharply on the problems that plague the townships and the country while wallowing in luxury misses the point altogether.

A dangerous and fallacious perception has

The current rush by blacks to move to white suburbs should be halted because it holds up the liberation of all the people and is far from being a theoretical question or the cry of those who are just envious or jealous, writes a Johannesburg journalist:

Sowetan 9/11/93

The glorification of the new black elite that has done nothing for the toiling masses is a device aimed at pinning the people down

(176)

sand or so blacks who live in the northern suburbs are a testimony that things are changing for the better for the African majority.

I offer the opinion that the black middle class can only justify its enjoyment of the luxury and splendour that this country has to offer when it has ensured that all the people have food, shelter, clothing and other basic necessities of life.

The only bourgeoisie that has the right to exist in this country should be similar to that which developed in the days of Steve Biko and the Black Consciousness movement which elaborated a healing philosophy, articulated the aspirations of the majority and strengthened the determination and hunger of the people for freedom and equality.

Such a black middle class — dynamic, aware and self-sacrificing for the sake of justice and freedom — contributed to the betterment of the lot of everybody.

It is wrong thinking to describe the so-called elite as making up the middle class for that matter.

The truth is that Africans who have scurried to the northern suburbs constitute a small greedy caste, eager and impatient to slice up the cake and put away large portions for themselves before the African majority arrive at the rendezvous of independence and freedom.

This kind of behaviour is indicative of a thug mentality, a people keen to divide up the loot before the rest of other gang members know how

This grab-biggest-mansion-first mentality shows itself incapable of either holding up the ethos that there shall be housing and security for all or that the best part of the country belongs to all who live in it.

Instead, it reminds the African majority in the townships and rural areas that there has always been that caste among the oppressed who have secretly aspired to luxury and splendour at the expense and the sacrifice by ordinary folks.

The urgency to summon back to the townships Nelson Mandela and all Africans who have rushed to the suburbs is far from being a theoretical question or the cry of those who are just envious and jealous.

The call is not concerned with condemning Africans for escaping from poverty, hunger, homelessness and discomfort to enjoy luxury and splendour.

The current rush to the suburbs must be halted because it not only threatens to slow down the total liberation of all the people, but because it is good for nothing.

The black middle class prostitutes the struggle for liberation by the African majority by allowing a handful of Africans to express their mediocrity by occupying houses which belonged to oppressors, driving posh cars, holidays on the beach front and weekends spent entertaining friends.

This caste of black people has not even extracted concessions from their white neighbours such as paying their maids and gardeners a living wage, let alone allowing blacks who walk around the suburbs to be treated with dignity instead of the attitude that condemns them as criminals.

The sad fact that Chris Hani was mercilessly gunned down in a white suburb emphasises the urgency why Mandela and others should pack their bags and return to the midst of the people.

When this happens, it will be easier to take the now stagnant struggle further.

All Africans who live in the suburbs must return so that everything must start from scratch again.

There is no right-thinking township resident who believes that freedom, justice, equality and other noble ideals will follow simply because a

A giant is brewing!

CIPress 7/11/93

By ALI MPHAKI

PROFESSOR Mohale Mahanyele is widely regarded as "the Mandela of black business".

When the National Sorghum Breweries chairman and chief executive recently took to the podium to announce the NSB's 1992/93 results at their Sandton offices this week, a hush fell

FIRM MUSCLE...
National Sorghum Breweries chairman Prof Mohale Mahanyele announces the corporation's successful progress for the year. He said the NSB aimed to challenge the SAB clear beer monopoly.
PHILANI SIRHOLE

over the crammed boardroom.

"Never before in the history of South Africa has a black-owned, controlled and managed company given so much hope, pride and self-respect through achievement unparalleled amid the worst economic slump and political turmoil this country has ever known."

Mahanyele added how, as promised, NSB had reached "a historic milestone" in its three years of existence.

He said the firm's annual turnover had exceeded the half-a-billion mark.

"Come to think of it, three years is a relatively short time, but it has left us much older. We are the foremost champions of affirmative action and we need to make it clear

NSB posts pleasing profits

176

that there is no alternative until affirmative action is placed firmly on the agenda of the nation."

He said NSB recruited the cream of black talent and pointed out that nine members of his board were African.

Of a staff of 5 000, eight members were studying for doctorates in business administration, 130 were completing their MBA's and 150 were engaged in business management studies.

Today 20 of his staff are to leave for Australia where they will graduate in business management. "We have proved that affirmative action does work and does produce results. There is abundant

talent and skill in the black community for our people to take up their role in the corporate world," Mahanyele said.

He said NSB turnover for the year ending in June had increased by 23 percent to R532,8m compared to R433,3m last year.

Operating profit increased by 22 percent from R26 514 to R32317 and operating income rose by 23 percent from R26m to R33m.

Nine percent of the turnover was generated by Jabula Foods, a division which was running at a loss within Premier Foods before it was acquired by the NSB last year in September.

A final dividend of 10 cents a share was declared, maintaining the annual dividend at 20 cents a share.

Earnings per share also increased by 21 percent to 58 cents.

"The present value of our dividend is far below the market value of our shares, but we expect our shares to increase three-fold in the next two years," Mahanyele added.

The next few months, however, are critical in the history of the NSB as it enters the hitherto SAB-dominated market of clear beer.

Mahanyele said this move was necessitated by their distributors as well

as shareholders, who urged them to join this market to meet their requirements.

"If we could transform the dying sorghum beer industry into a viable one, our shareholders and distributors feel we can also make it in the clear beer market. Information and trends hold the promise that our move will be a success," Mahanyele said.

He said NSB had the largest sorghum beer market in the country, supplying 7,2-billion litres a year, whereas beer consumption was 2,2-billion litres a year.

Asked about the failures of Anton Rupert and Louis Luyt in their quest to crack the beer market, Mahanyele said they failed because of their poor distribution networks.

Black business makes a claim on the new SA

SITING BUS

By ZILLA EFRAI

BLACK business flexed its muscles at an "Bosheraad" with the ANC last weekend in a bold attempt to chart its future growth.

The result, the Mopane agreement of understanding, was concluded on Sunday at a forum at the Kruger National Park attended by 60 ANC heavyweights led by secretary-general Cyril Ramaphosa and 200 black leaders from 75 business organisations.

Many areas of consensus were reached, but chief forum co-ordinator Willie Ramoshaba says one agreement may lead to a certain percentage of future parastatals and government tenders being "set aside" for black business.

He says parastatals alone generate R8-billion in contracts a year and black business involvement could range from contracting out services to supplying materials.

The details will be determined by a steering committee which was appointed at the forum and consists equally of black business leaders and ANC officials led by Tito Mboweni of the ANC's economic planning department. The forum also agreed that

an enabling fund should be established to help small to medium size enterprises (SMEs).

Mr Ramoshaba says the mechanics are still to be worked out but it is envisaged that both government and financial institutions would contribute to this fund, which would act as a pool for loans to black business.

The fund could also buy into "privatisation" or unbundling projects in bulk and sell shares to the black community.

Mr Ramoshaba says a significant outcome of the forum was that black business decided that its priority was to clean up its own house.

A first step will be a meeting in the next two weeks to deal with the ANC's relationship with Thebe Investments — an issue hotly debated at the forum even though it was not on the agenda.

Mr Ramoshaba says a major concern about Thebe Investments is that it is seen as unfair competition to black business. With its links to the ANC, it is often seen as the key representative of black business to foreign visitors.

In another development, the forum agreed that black business should create a caucus to represent such as Natcoco and Fabcos. This would allow black business to have a greater impact on SA's various forums, particularly the National Economic Forum.

Natcoco secretary-general Mike Leaf says a serious concern has been the divergence of opinion on SMEs within the NEF's business forum and there is a need to include black business's aspirations in agreements.

Mr Ramoshaba says the caucus will also enable local and foreign companies to deal directly with one party instead of the multitude of players they usually have to contact.

In addition, black business agreed to upgrade its own industrial relations practices in line with broader labour movements.

ANC spokesman Ronnie Mamoepa says the summit took place against the need to develop a reconstruction and development policy.

Once a democratic government is in place, a conscious decision will be made to implement some of the forum's agreements to ensure that the aspirations of black business are met.



WILLIE RAMOSHABA: Black business may get their cut of government tenders

Picture: CECIL SOLS

Flag — a feather in Herdbuoys' cap

By Mzimkulu Malunga

THE black-owned advertising agency, Herdbuoys, is making its presence felt in the industry.

The company is among the four leading advertising agencies who have been asked to design an interim national flag.

Each of the four agencies will make three submissions of creative material and the com-

Sowetan 4/11/93
mission on national symbols will choose three proposals which will be taken to the Negotiating Council for consideration. (176)

"To be considered for this important job is a compliment to us. We are the only truly South African advertising agency in the country," says managing director Mr Peter Vundla.

"We cannot be ignored, we are a major force," he continues.

Within three years of its inception, Herdbuoys has not only entrenched itself as the major black

advertising agency, but competes with the market leaders in the industry.

Ironically, many in the black community still doubt the capacity of companies like Herdbuoys.

A representative of the multiparty talks administration says the four companies were chosen on merit.

The other agencies are Ogilvy & Mather, Hunt Lascaris and Saatchi & Saatchi.

The deadline for the submissions from the four agencies was 5pm yesterday.

BUSINESS 'Unparalleled achievement amidst worst slump a

Sowetan 4/11/93

'An historic milestone'

By Mzwandile Jacks

■ CHAIRMAN'S STATEMENT Turnover

of half billion three years after inception.

182
176

NATIONAL Sorghum Breweries had "reached an historic milestone" with a turnover of well over half a billion rands only three years after its inception.

This was said by NSB chief executive Mr Mohale Mohanye in his opening remarks on the release of the company's annual report.

"Never before in the history of South Africa has a company owned, controlled and managed by blacks given so much hope, pride and self-respect through unparalleled achievement amid the worst economic slump and political turmoil," he noted.

According to Mohanye, unemployment,

lack of land, deficiency in the education system and the role of blacks in business should be addressed urgently.

He said over the years blacks had been crippled by criminals



Mohale Mohanye

who "greedily and mercilessly feasted on them".

Virtually all black businesses had been brought to their knees by the high levels of violence, he continued.

High interest rates and difficulty in getting bank loans had left most shebeeners and taverners living on the brink of a debt situation. "Despite the continuing economic depression and the unemployment in the communities in which we conduct our business, the results that we achieved are very satisfactory," explained Mohanye.

NSB increased its turnover and operating income by 23 percent and nine percent of this concerned the turnover generated by the newly acquired Jabula Foods.

Need for affirmative action agreed

Star 2/11/93

Black business and ANC hold bosberaad

■ BY KAIZER NYATSUMBA
POLITICAL CORRESPONDENT

South Africa's black business groups have begun to flex their collective muscle and to demand priority as the country moves towards a new political dispensation.

The business groups held a three-day indaba with the ANC at the Kruger National Park's Mopani Lodge at the weekend. They expressed concern at a press conference in Johannesburg yesterday about the fact that the ANC and other political players appeared to have given them the cold shoulder in favour of white big business.

The indaba also agreed that a new government would have

to introduce affirmative action legislation which would "set clear, negotiable targets to be achieved in both management and business equity, and in addition establish an effective monitoring process" (176)

ANC economic planning department deputy head Tito Mboweni said the proposal, accepted by a senior ANC delegation at the summit, will now be taken to his organisation's national executive committee.

A spokesman for the business delegation, Foundation for African Business and Consumer Services secretary-general Joas Mogale, said the black business community was also worried about the ANC's close relationship with the controversy-dog-

ged Thebe Investment Corporation.

This relationship, he said, gave Thebe Investment an unfair advantage in its competition with other black business organisations which did not receive similar backing or support from the ANC.

In a joint statement yesterday, the ANC and the business delegation identified the need for black business to organise itself. In what they called the Mopani Memorandum of Understanding, the two sides undertook to improve relations between them and recommended that a black business caucus should be established to enable black business to speak with one voice.

'Money will be no problem'

Star 11/11/93

BIG plans for black TV station

■ BY JACQUELINE MYBURGH

The Broadcast Interest Group (BIG), which has been lobbying support for the establishment of an independent television channel, is now changing gear and forming a business consortium with the aim of going on the air by July — if not earlier.

So says BIG chairman Matthews "MK" Malefane, in an address to an international broadcasting conference in Johannesburg last week.

Malefane said the channel would be a joint venture of international investors, black business and Toron Studios.

He said BIG had been promised as much money as it needed — estimated at R200 million — to start up the channel.

The short-term objectives of the channel would be to be independent of the State, political parties, the SABC and established power groups such as the press and white business. (176)

He said the channel would be regional to begin with and the demographic profile of the channel's viewers would move away from the A and B income groups.

Last week Zoli Gunene of the East Rand business Gunene Brothers,

Troy Msimango of National Sorghum Breweries, Andrew Lukehele of the National Stokvel Association, David Moshapalo of the National Taverners Association and Eastern Cape businessman Lee Samuels said they supported the venture. (250)

Malefane said the future independent broadcasting authority would only allow a foreign investment of 20 percent in a television channel and the rest would be contributed by Toron and other outside parties (probably 30 percent) and big and small black businesses about half.

Black empowerment makes slow progress in a sluggish economy

S1 Times (Buss) 3/10/93

By KEVIN DAVIE

AN analysis of the top 100 JSE companies in 1992 showed that of 550 directors, only about 40 were black.

An SA Institute of Race Relations (SAIRR) study of black economic empowerment says there were only 11 black executive directors in 1992.

In 1989, 9% of all managers were black compared with 5% in 1979.

"There is no one way to black economic empowerment," says SAIRR research officer Elizabeth Sidisopoulos. (176) (18)

"There is also no feasible long-term 'quick fix'. Ultimately, projects and undertakings will have to focus on the benefits to the masses and not on politically acceptable programmes which may benefit only a select few.

"Paternalistic efforts will not unleash the entrepreneurial spirit and initiative which are essential to this process."

The study quotes a Central Statistical Service estimate that the informal sector contributed 7,9% to gross domestic product in 1990. The average net monthly wage in the informal sector was R603 in 1990.

It says several businesses have set up initiatives to provide opportunities for black small businesses.

Anglo and De Beers began the Small Business Initiative (SBI) in 1989. By the end of December 1991, SBI had contracts of R27-million spread among 106 small businesses, 65% of which were black.

These contracts saved R4,4-million in one year on mining timber purchases. Reconditioning of mining

equipment saved more than R5-million.

JCI has also launched a small-business initiative, stressing that procurement criteria are strictly commercial. The group also helps retrenched individuals to set up businesses.

The study notes several initiatives to promote small and black business.

The KwaZulu Finance and Investment Corporation (KFC) has three industrial estates housing 300 industries which created about 40 000 jobs.

KFC made loans to 2 216 small businesses totalling R18-million in 1992.

The Development Bank of Southern Africa made loans available to 18 000 entrepreneurs through several institutions in 1990-91.

In the 1992-93 Budget R3,8-million was allocated to the Small Business Development Corporation. The amount rose to R112,6-million this year.

Estimated unemployment was 5-million last year.

The study says: "At the same time these circumstances have exacerbated the difficulties associated with bringing blacks into the mainstream economy even though the legislative barriers have been removed.

"The long economic recession, sanctions and political violence have undermined efforts especially aimed at job creation."

Blacks snap up Methold shares

Sowetan 28/10/93

By Mzimkulu Malunga

ABOUT five million shares offered by Metlife Investment Holdings were sold during the past three months, sources close to the company say.

The shares were selling at R1 each and were sold in batches of 100.

It is believed that the second offer of shares will be made next month.

Though the number of shares which have been sold accounts for only four percent of the 141 million that have to be sold over a period of three years, Methold officials are confident that all the shares will be sold even before the deadline. (176)

"Compared to other offers we are on the right track," said Methold chairman Nthato Motlana.

Methold has a 10 percent shareholding in Metropolitan Life and the stake translates into 6,8 million shares.

Selling campaign

Though excited about the progress made, company officials believe more shares could have been sold if the selling campaign was a little more aggressive.

Apart from the publicity that accompanied the launch, there has not been a concerted effort to publicise the offer.

Most of the board members were overseas together with politicians who went on a



Motlana ... confident.

mission to market the country to investors abroad.

Most of the shares offered were bought by ordinary people while black intellectuals dragged their feet.

Methold was born out of a deal between the investment arm of insurance giant Sanlam and a group of black business people.

Methold is expected to release a formal statement on the new offer this weekend.

Black business wants cellular phone stake

THE African Telecommunications Forum (ATF) has called for a third cellular telephone licence to be issued in addition to those granted to Vodacom and Mobile Telephone Network (MTN) through an agreement between government and the ANC. 27 11 09 B

The call came yesterday after the forum criticised last week's agreement as it excluded black business except in the provision of service contracts. (176)

The forum, which represents black businesses with interests in telecommunications, includes among its members corporates such as Afritel, Suntel, Thebe Investments, Media Investment Trust and National Information Technologies.

ATF convener Mark Headbush said the agreement provided for only token participation by blacks.

"The ATF must now call for the issuing of a third

THEO RAWANA

licence to provide for a balanced ownership of this strategically important industry. This would mean two-thirds of the industry would be owned by majority non-blacks and one-third owned by majority blacks," Headbush said.

He said major community-based organisations and prominent industry figures supported the ATF's call.

Headbush said the expected changes in black participation in the political environment should be matched by a comparable participation in the economic arena. (222)

"With virtually all of the black community not being served adequately with telephone services throughout the country, it is time for blacks to take greater responsibility and ownership to ensure that they begin to bridge the gap."

Big business lambasted

Sowetan 27/10/93

By Joe Mdhlela

JUST FANTASY Business as guilty

SOCIAL responsibility is not about giving presents or sponsorships, it is about empowering black people so that they can contribute meaningfully to all facets of business life, executive chairman of National Sorghum Breweries Mr Mohale Mahanyele said in an interview. However, pointed out Mahanyele, business needs first to purge itself of its

past sins, such as excluding blacks from directorships and managerial functions of companies (176) (SPP). He said business was just as guilty as the Government where the application of the oppressive laws affected blacks. "Without even questioning, business im-

as Government over oppressive laws:

plemented apartheid laws like job reservation to the detriment of blacks." Often, argued Mahanyele, businessmen believed by placing a few blacks faces in key positions they had salvaged their consciences and had done a commendable thing that needed the "singing of praises". "Nothing is further from the truth."

He said sponsorships and presents were but a small part of social responsibility.

"Social responsibility extends beyond that. The companies need to be involved in education, housing and health activities to ensure that the community is well prepared to face the challenges of the day."

Part of social responsibility is to engage in politics, said Mahanyele. It was a myth that belonged to archaic times to divorce politics from business.

"Business people are as much part of politics as politicians are part of the business world. There is actually a very fine dividing line between politics and business."

"Therefore, it would be naive for businessmen to believe they are not affected by politics. Of course they are," he said.

The fantasy that any business organisation can come into existence



Mr Mohale Mahanyele.

without society being involved should be discounted.

"Business is an institution founded on society. Therefore, business should focus itself on the wellbeing of society."

"In that context, it is easy to understand why social responsibility is not only necessary, but is in fact the life-blood of all business. Not the hand-outs, but the real empowerment stuff that I often preach about."

As an organ of society, business is duty bound to serve the needs of society. Mahanyele said the internal constituents of business were made of the employer, the shareholder and the employee.

Business people are as much part of politics as politicians are part of the business world. There is actually a very fine dividing line between politics and business.

He also argued that these internal forces owed their allegiance to the consumers, "an external constituent that dare not be undermined".

The 54-year-old Mahanyele said business exists for society. It was imperative that companies should not engage in window-dressing aimed at pleasing politicians.

"Social responsibility should be aimed at giving the recipients maximum power and responsibility."

He said the oppressive laws of this country had largely contributed to blacks being marginalised in the business sector. With that in mind, he said the whole business fraternity had a responsibility to make good the injustices of the apartheid era by investing in people.

To this end, he said, his company had already contributed R30 million to education with the aim of training blacks for key positions in industry and commerce.

Call to uplift the victims of apartheid era

Sowetan 27/10/93

176

By Joe Mdhlela

COMPANIES should involve themselves in social responsibility to promote development, the managing director of the Black Management Forum, Mr Lot Ndlovu, said.

Often companies engaged in social investment programmes because they wished to make money, Ndlovu said.

"As far as I am concerned, I think it is better to develop and uplift the communities through the developmental approach as opposed to the marketing approach," he said.

The development approach was critical to bringing blacks to the level where they could effectively function in a business environment.

"Black people have suffered serious disadvantages. Because these defects are of such a serious nature, only the developmental approach can address these deficiencies."

Ndlovu said it was no exaggeration that apartheid had caused devastation in the lives of ordinary people.

"Only concerted efforts through these programmes can bring betterment in their lives."

The marketing approach primarily looked at financial returns, whereas the



Lot Ndlovu

Only concerted efforts through these programmes can bring betterment in their lives

developmental approach focused on creating a stable environment that would ensure that real development took place.

The BMF identified with progressive companies engaged in social investment and scorned attempts that failed to do something to uplift blacks.

The new discrimination

HENRY LEVER says affirmative action can only work if its limitations are recognised

SI Times 24/10/93

176

NO matter how the votes are distributed in next year's general election, affirmative action is destined to become a prominent feature of the new South Africa.

Apartheid was a policy designed to award benefits to whites at the expense of those who were not white. Affirmative action is designed to rectify the inequalities brought about by apartheid.

The reason underlying affirmative action is a noble one. The problem arises in recognising the limits beyond which it should not be allowed to go.

Professor Nathan Glazer of Harvard University preferred to use the term "affirmative discrimination" rather than "affirmative action". His term serves to describe the true character of the policy. "Affirmative action" is a type of discrimination.

It is understandable, but lacking in morality unless implemented with sensitivity and understanding. As an interim or temporary measure it can be justified. As a long-term measure it cannot.

There is great merit in using the considerable resources of the state to uplift a section of the community. After all this was done in South Africa in the earlier part of this century in solving the "poor white problem".

History shows us that blacks can be absorbed into employment in the government service and parastatals, promotions can rapidly be ef-

fecte~~d~~ and preferences in awarding contracts can take place and the country can still survive.

But, consider the position of a dedicated worker who is consistently overlooked for promotion while less qualified people are promoted over his head simply because they are black. Whether they are white and the dedicated worker was black does not make the process any less objectionable.

The general public has come to learn of the hurts caused to blacks by discrimination. Novels, articles, television, plays and the cinema have contributed to this awareness. What is less well recognised is the harmful effects of discrimination caused to the oppressor rather than to the oppressed.

From the early days in the United States, when the issue of equality in education was being tested in the courts, there was a growing awareness on the part of social scientists of the psychological harm caused to members of the dominant group by discrimination.

Among these harmful effects was the deadening of initiative. After all why should one exert oneself to become better qualified if you deserve every advancement simply because you are white (or black)?

Professor Glazer has pointed out there are universities in the US who, once they had selected blacks to their medi-

cal schools, were too frightened to fail them. The cry of "pass one, pass all" was not an accident of nature nor a mere slip of the tongue. It is a portent of the times to come.

This writer's own personal experience of lecturing at Columbia University in New York after affirmative action had been introduced is that there were a number of black students who expended a minimum of effort but expected a maximum of marks.

The underlying idea is that if you are black, the world owes you a living. Small wonder that a black judge like Clarence Thomas of the United States Supreme Court could proclaim that affirmative action has done more harm than good to blacks.

In South Africa affirmative action has found expression in two other forms. The first is the idea that wealth must be taken away from the whites (whether by taxes or nationalisation or the like) and distributed to the disadvantaged.

This formulation encourages blacks to believe they do not have to work for wealth. The second formulation is that the composition of every organisation or body has got to be re-organised so that it is "representative" of the population.

Strictly speaking it is only elected bodies such as Parliament and secondary and tertiary legislative bodies that should be "representative". Furthermore, these bodies

should only be representative of interest groups and political beliefs and not of population groups.

The quest for "representativeness" at the expense of more compelling reasons for appointments, is one of the reasons "democracy is rapidly becoming a dirty word in South Africa".

"Representativeness" means quotas, no matter how one looks at it. Affirmative action in this sense of the term is a certain recipe for mediocrity, indolence and a decline in standards as well as morality.

Affirmative action can only work if:

● There is an independent body to ensure the application of the policy does not exceed the bounds of reasonableness; and

● If it is not permitted to over-ride the other provisions of the bill of rights permanently. After some 10 to 15 years its capacity to over-ride other basic rights in the constitution should be abolished and the policy phased out gradually thereafter.

If these steps are not taken we shall need another policy of "affirmative action" to redress the disadvantages induced by "affirmative action".

□ HENRY LEVER is the author of a large number of scientific publications and of a number of books including *South African Society and The South African Voter*.

n ● Cape headmaster accuses DET

Traders slate black groups

Sowetan 22/10/93

■ **BEST PROPOSAL** Group says it

had to opt for top advertising agency:

By Mzimkulu Malunga

BLACK business is accusing the liberation movement and non-governmental organisations of not showing commitment to black economic empowerment.

This follows a controversy clouding the awarding of a contract on voter education by a coalition of organisations led by Matla Trust to an American advertising agency.

Matla and its associates have been accused of ignoring Herdbuoys, which had been working with Matla on the project for a year. It was thought that as a black company, Herdbuoys were naturally suited to handle the campaign.

Sources close to the company suggest that an agreement was struck with Matla to work together on the raising of funds for the voter education project.

In the process Herdbuoys invested close to R250 000 in the form of material and research.

However, once Matla secured a R20 million funding from the European Community, the organisation allegedly backtracked and told Herdbuoys to make a bid for the contract with other companies.

Communications manager Barry Gilder says: "We went out of our way to give Herdbuoys a chance, but because of the importance of the task of voter education, we had to choose the best proposal."

'This is victimisation'

Sowetan 22/10/93

Sowetan Correspondent

SOUTH African Democratic Teachers' Union national president Mr Shepherd Mdladlana has slammed as "victimisation" an attempt by the Department of Education and Training to re-evaluate him as acting principal of a New Crossroads school.

The evaluation, according to a DET letter sent to Mdladlana, was necessary if he wanted to be appointed permanently as principal of Andile Primary School.

Mdladlana said he was first appointed principal 12 years ago during a period when the DET had serious problems in New Crossroads.

But in 1989 the DET informed him he had been appointed head of department on probation. Later the department confirmed this

status but made him acting principal of one of the biggest schools in the Western Cape.

"I refuse to be re-evaluated because

it's the department's policy that no principal should act for more than three years without being appointed permanently."

"This is victimisation. I'm the only member of my branch who has been informed the principle of no work, no pay would be applied against me for taking part in a teachers' strike."



Shepherd Mdladlana

td
ure

Star 21/10/93

Slow progress for blacks

176

■ BY THABO LESHILO

Although most blacks had still to benefit from economic empowerment, some have been able to take advantage of new opportunities through individual effort and against legislative odds, says the Institute of Race Relations.

Research officer Elizabeth Sidiropoulos says the contracting formal sector has forced people to take up informal-sector activities which have exploded since the 1980s.

"While this has been described as a manifestation of entrepreneurial spirit, it has not provided anything more than a survival income for many households."

She says the minibus taxi

industry has been a success story.

Shebeens and small-scale farming have also contributed to the process of empowerment.

Informal finance schemes, such as stokvels, with a membership of one million, are being geared to access capital for blacks through innovative schemes such as group accounts and unit trusts.

"However, for the process to succeed, it is necessary that small-scale operators move beyond a subsistence income, which will enable them to expand, obtain easier access to finance and generate new wealth."

She says that although legal barriers to black empowerment have been re-

moved, low education standards, lack of business training and management skills, lack of self-confidence and lack of access to capital remain problems.

Some key points of her report are:

■ Blacks hold only two percent of the directorships in the top 100 companies listed on the JSE.

■ Blacks dominate the informal sector and "unconventional business procedures", sometimes based on traditional African practices.

■ A study in kwaZulu found that 60 percent of those involved in the informal sector were women, who were confined, however, to the lowest income-generating activities.

Affirmative action 'has little effect on promotion'

WILSON ZWANE
PUBLIC companies still place emphasis on merit and a "best person for the job" policy despite having introduced affirmative action programmes, research by law firm Webber Wentzel has found. 2010/13

Webber Jose Verster said the research by the firm's industrial relations department found that although most public companies had introduced affirmative action programmes, their promotion policies had not been fundamentally affected by these programmes.

"The research has indicated that promotion policies have consistently placed emphasis on merit and the best person for the job."

"Only in a minority of cases — generally — have white males been excluded from promotion and appointment," he said.

Verster said the programmes excluded introduced dealt exclusively with racial issues.

"Other groups, such as the disabled, are generally relegated to places of lesser importance."

A number of corporations saw no direct role for trade unions in the monitoring of affirmative action programmes.

This would have to be changed soon. Verster said the research also found that most companies were not in favour of introducing quotas. There was, however, a feeling among some corporations that the introduction of quotas could be inevitable if "sufficient progress" was not made in the short term.

On claims that affirmative action was reverse discrimination, Verster said some companies had said employers would have to pay "careful attention to the purpose and implementation" of affirmative action programmes.

He said the research found that corporations preferred an independent administrative body, such as an Equal Opportunities Commission, to deal with affirmative action disputes rather than an ordinary court.

There was a feeling that arbitration or mediation would have valuable roles in the resolution of affirmative action disputes.



SA ambassador to Washington Harry Schwarz and Nafcoc president Archie Nkonyeni were among guests entertained at the opening of the Business Opportunity Centre in Braamfontein, Johannesburg yesterday. Picture: ROBERT BOTHA

Centre to aid black business

THE National Economic Initiative yesterday launched a venture aimed at strengthening and accelerating black business development.

Executive director Monde Tabata said the Business Opportunity Centre, officially opened in Braamfontein yesterday, would provide varied support services to small and medium business people.

Tabata said priority would be given to black entrepreneurs, particularly those sponsored by the Small Business Development Corporation (SBDC).

"This forms part of affirmative action programmes. We want to bring entrepreneurs into the mainstream of the economy. The venture is intended to strengthen and accelerate their development," he said.

Since big businesses were streamlining their operations and contracting out services that were not their core business, small and medium black business people would be able to tender for such services.

He said the centre would enable big businesses to interact more with small and

WILSON ZWANE

medium businesses.

The centre was a brainchild of the National Economic Initiative, which was launched in Durban three years ago. The initiative's aim was to promote "meaningful" interaction between white and black businesses.

Nafcoc president Archie Nkonyeni said his organisation viewed the centre as a "significant" contribution towards the empowerment of black business people.

He hoped ventures of this nature would not "start and end in Johannesburg or metropolitan areas".

"They should be extended to rural areas," he said, adding that there was a need for small-scale agro-industries.

Tabata said priority would be given to staffing the centre with properly qualified people.

The CSIR, Future Bank and the SBDC would be among the organisations rendering services at the centre.

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By Washied Mischach

THE STATE has to intervene to assist black small business growth, said Mr Tito Mboweni, Deputy Head of the ANC's Department of Economic Planning.

"The state must remove all regulations and legal impediments to the existence of SMEs (small and medium enterprises) and by so doing free this bottled-in entrepreneurial energy of our people," Mboweni said at a Small Business Problem Solving Workshop recently.

He said SMEs played an important role in the economies of First World countries during periods of recession and could do the same for South Africa provided the correct environment was created for them.

In the seventies in the United States small business created well over 13 million jobs while the top 500 companies only created five million jobs.

He said the state should make it easier for SMEs to have access to loans from financial institutions.

"Such measures would include, for example, introducing a set of rules governing financial institutions which will remove all racial and prejudicial requirements before a loan is granted."

Criteria like being "in full employment" and having a "credit record" or operating in an "area suitable for business", discourage small businesspeople from seeking

'The State must help, South 15 Nov - 19/10/93 black small business', (176)



TITO MBOWENI

loans, said Mboweni. "We are not suggesting at all that loans should be carelessly and indiscriminately dished out. However,

financial institutions should not demand the impossible from black businesspeople." He suggested that a democratic

state introduce a loan guarantee instrument to get around the collateral demands of financial institutions.

"Without these loans many potential businesses would not see the light of day."

The state should also, in collaboration with business organisations, provide SME training centres.

"These centres should be within easy reach and be funded by both the state and private sector."

He said the state would assist by providing subcontracts to SMEs.

This could range from state printing requirements, computer installation and servicing, canteen facilities and, in certain instances, state and parastatal bulk transportation.

This would be done with affirmative action as a guiding principle, he said.

With sanctions being lifted, it would be expected that the World Bank's financing facilities for SMEs would become available.

The state would assist in getting funding from the International Finance Corporation (a branch of the World Bank) and the African Finance Development Trust.

CPA lays out new jobs plan

Municipal Reporter

THE Cape Provincial Administration has become the first government department to tackle affirmative action head-on with a policy of preference — "all factors being equal" — for black and coloured male candidates and for women.

This is according to CPA director-general Mr Herbert Beukes, who said yesterday that nobody need lose his or her job now that an affirmative action policy had been adopted.

According to statistics quoted in the CPA's staff journal, the racial breakdown of the CPA's 58 432 employees is 44% coloured, 33,2% white, 22,5% black and 0,1% Asian.

The racial breakdown of the Cape's six million residents is 45,6% coloured, 22% white, 31,6% black and 0,74% Asian.

Apart from making the racial composition of its staff reflect that of society, the CPA had to look at "the rung of the ladder" where staff members found themselves, Mr Beukes said.

It was also important to address the managerial echelon to avoid criticism about "not making people part of its decision-making process".

According to the CPA policy, blacks will be more readily appointed, but "no prohibition or restriction is intended on appointing coloureds" even if the number of coloured staff is considered adequate.

The CPA director said the most sensitive area was likely to be in promotions, and that the experience of white employees might have to be weighed "adroitly" against other considerations.

Upbeat Mandela woos UK investors

CT 13/10/93 (745) (177)

Own Correspondent

LONDON. — "South Africa is open for business" was the message brought to British investors yesterday by ANC president Mr Nelson Mandela, SA Finance and Industry Minister Mr Derek Keys and UK Trade Minister Mr Richard Needham.

Speaking to hundreds of businessmen here at a Confederation of British Industry conference, Mr Mandela made an unequivocal statement on security guarantees for investors and Mr Keys said the main parties were poised to achieve consensus on economic objectives and policy.

Mr Mandela played up the commitment to make it easier for new companies to enter the market through proposed anti-trust laws and corporate unbundling and trade reform.

And he underlined the message on the eventual need to abolish exchange controls, remove South Africa from the list of debt-rescheduling countries and encourage investors.

"All companies, whether domestic or foreign, will be subject to the same policy environment," he said.



SHAKE ON IT... British prime minister Mr John Major and ANC president Mr Nelson Mandela shake hands at 10 Downing Street yesterday. Report — Page 2

Picture: AP

"We will guarantee the security of all investment against expropriation and ensure that companies are free to repatriate after-tax profits and proceeds accruing as a result of the sale of their business activities in SA."

14:30: Telech... Maths (8): Business... 16:05: Sean van Jonquieres... 16:00: Die... election to run... attacks were connected... to anti-... the PAC... a broad consensus of approval from the people of South Africa, ANC chief negotiator Mr Cyril Rama-

C

Thebe committed to retaining ANC ties

5/10/93

PATRICK BULGER

THEBE Investment Corporation did not intend moving further away from the ANC which provided its startup funds even though hostile reaction to its ANC links had retarded Thebe's progress, Thebe MD Vusi Khanyile said yesterday.

Khanyile said just as the ANC was engaged in a political struggle, Thebe was engaged in an economic struggle. He was reacting to criticism of Thebe's ANC links. He described the links as "spiritual".

Thebe recently moved into educational book publishing by signing a

partnership deal with Macmillan and has interests in travel, property, catering and ANC memorabilia.

"We are autonomous from the ANC. There is no ANC forum that decides who should sit on our board — that's Thebe's prerogative."

"We expect the enemies of the ANC to have a hostile attitude towards us and demand that we move further from the ANC. Frankly, we are not going to do that. But the controversy did retard our progress."

Thebe would be looking for other shareholders as "phenomenal" growth had strained capital and human resources.

"We need to raise additional capital but there is no need to rush. Within the next five years we must be a public company. We envisage a private placing of shares but we want to retain control within the community and within black institutions."

Plans included playing a role in the ANC's planned daily newspaper and a possible venture into the cellular telephone market.

Sharp reaction to ANC idea

THE ANC's proposal of a levy on companies that do not implement affirmative action has met with sharp reaction.

The DP's Mr Tony Leon said yesterday it showed the dangers to the economy an ANC government could pose.

The NP's Mr Marthinus van Schalkwyk said the ANC wanted to adopt some of the more radical affirmative action programmes as applied in the US.

The Mineworkers' Union's Mr Flip Buys said the ANC idea "amounts to coercion".

17 OCT 10 1993

Call for practical support for black entrepreneurs

Property Editor

THE construction industry needs to identify and train black entrepreneurs who in turn would provide the impetus for employing construction workers, says Douglas Setuke, general secretary of the National Black Contractors and Allied Trades' Forum (Nabcat).

Nabcat was formed recently from 17 associations representing black builders and small contractors nationally. Setuke said until such time as

the status quo in the construction industry was challenged through the development of black entrepreneurs, there could be no redressing of imbalances.

Responding to a recent agreement reached by organised labour and the National Committee for Labour Intensive Construction (Ncllic) which resulted in the Framework Agreement for Public Works Projects using labour intensive construction systems, he said the focus of the agreement revolved around the reintroduction

of a higher labour component into a well-established industry which had increasingly mechanised its operations.

"There is certainly a place for labour intensive construction as long as the design favours it as opposed to a highly mechanised building method. If this is not seen to, the end result will carry additional expenditure which, in turn, will be rejected by customers."

"As it stands, the agreement fails to address the issue of re-

structuring the industry to accommodate the small entrepreneur from the disadvantaged sector of the community, especially in respect of finance.

"If a small contractor wins a contract for R1.2m the first thing he has to provide is 10% surety. Presuming he can raise this, he next has to find working capital. However, he comes from a background in which access to such facilities is not available.

"What is needed is support from professionals in the industry who

can assist black contractors to develop a professional approach.

"We do not want to perpetuate the smallness of an informal sector operator. Through support and working on contracts, small contractors will gain creditworthiness and enter the main stream.

"The emerging entrepreneur must compete on an equal basis with existing companies," says Setuke.

He added that Nabtat was working on a national directory of black contractors.

CT 5/10/93
 (76)

'It won't pay to be racist'

CTS/10/93

(176)

JOHANNESBURG. —

The ANC would levy charges on companies that did not implement legislated affirmative action, ANC human resources programmes co-ordinator Mr Papie Moloto told a Euromoney conference on affirmative action here yesterday.

"Companies will find that it does not pay to be racist. Their profits will tell them not to discriminate," he declared.

However, the ANC would not impose quotas

on companies, as it was "easy to hide behind numbers".

The ANC proposed an ombudsman to oversee the implementation of affirmative action and an inspectorate to examine progress from year to year.

Every town and city should also have a state-financed watchdog body to monitor and evaluate problems and report to the ombudsman, Mr Moloto said.

Mr Moloto said that while there was an agreement in principle not to fire civil servants, "all structures in the public service

Portuguese reassured

LISBON. — ANC leader Mr Nelson Mandela arrived in Portugal yesterday for a three-day visit intended to allay fears of black rule in the South African Portuguese community.

"There are strong ties between ourselves and the Portuguese community," Mr Mandela told reporters on arrival.

"They can play an important role in assisting the transition, and we expect them to play that role."

Diplomats said Mr Mandela's presence in Portugal was aimed partly at

reassuring Portuguese immigrants in South Africa that they and their property would be safe under ANC rule.

Mr Mandela said he would seek Portugal's support for the transition to black majority rule in South Africa and would discuss Angola and Mozambique with government leaders.

"Both Mozambique and Angola are a matter of great concern to us," he said.

The ANC would be prepared to help mediate in Angola if invited by both sides to do so. — Sapa-Reuter

must be representative".

"Affirmative action should be seen as the survival mechanism the new South Africa is looking for," he said.

Consultative Business Movement executive director Mr Colin Coleman said affirmative action should be viewed as one of South African business' essential tools for managing change, empowering black society and revitalising the economy.

"Affirmative action is not an optional strategy for South African business, but part and parcel

of South Africa's attempt to be globally competitive, productive and innovative," he said.

While there was no overall consensus on what affirmative action policies should be followed, it was self-evident that South African corporations had to adapt to keep in step with broader political, economic and social changes.

"Without maximum commitment to interdependence by all participants, any initiative is doomed to difficulties," Mr Coleman said. — Sapa

Star 5/10/93
**ANC levy threat
for companies
who are 'racist'**

The ANC would levy charges against companies that did not implement legislated affirmative action, ANC human resources programmes co-ordinator Papie Moloto told a Euromoney conference on affirmative action in Johannesburg yesterday (176)

"Companies will find that it does not pay to be racist. Their profits will tell them not to discriminate." However, the ANC would not impose quotas on companies. Moloto said while there was an agreement in principle not to fire civil servants, "all structures in the public service must be representative".

"Affirmative action should be seen as the survival mechanism the new SA is looking for. It is not an optional business strategy, but part and parcel of SA's attempt to be globally competitive, productive and innovative."

While affirmative action policies would focus on entry to firms, there should also be appropriate and sustained development beyond that point. — Sapa

NEWS New publisher has links with ANC • State bent on reducing unemployment

Blacks in control

Sowetan 30/9/93

By Mzimkulu Malunga

A NEW BLACK-CONTROLLED publishing company was launched this week. Nalwazi Educational Publishers is a joint venture between Thebe Investment Corporation, Skotaville Publishers and the Swaziland division of British-based publishing giant Macmillan.

"It has taken a lot of hard work to arrive at this point," said Thebe managing director Mr Vusi Khanyile. Between the two of them, Thebe and Skotaville control 52,5 percent of the

■ JOINT VENTURE Company to even

imbalances in SA's publishing industry:

new company, while Macmillan holds the remaining 47,5 percent.

Thebe alone has a shareholding of 42,5 percent in Nalwazi, while Skotaville has 10 percent.

The new company, to be based in Johannesburg, is expected to become fully operational by January next year.

According to Macmillan director Christopher Paterson one of the main

objectives of Nalwazi is to address the imbalances which exist in South Africa's publishing industry.

The initial funding for Nalwazi is R2 million. "We want to move from being an alternative publishing house and enter the mainstream," said Skotaville MD Mthobi Muloase.

Thebe has links with the African National Congress.

Plan to create jobs

Sowetan 30/9/93

By Ike Motsapi

THE government has set aside R304 million for job creation programmes, according to the *South African Labour News*.

The bulletin says in its latest edition that about R229 million will also be distributed through structures set up by the National Economic Forum for the same purpose.

It says: "Three days after the NEF revealed details of its R49 million job creation fund on August 2, the Government announced that an extra R255 million was being allocated to boost

employment.

"Of this amount, which has to be raised through the sale of strategic oil supplies, R180 million was to be administered by the NEF structures, while the remaining R75 million would be allocated to other projects.

Grant applications

"Applications for grants from the NEF Fund opened on August 2.

"Although Government, labour and business representatives from the forum were unsure how big an impact the initial fund would have, all hailed it as an important step in dealing with the unemployment crisis," the bulletin says.

Affirmative action is 'growth strategy'

THEO RAWANA

AFFIRMATIVE action was a strategy for growth, not just a substitution of black faces for white, Black Management Forum executive director Lot Ndlovu told company executives meeting in Johannesburg yesterday.

Addressing a conference on affirmative action, Ndlovu said such action was not based on "vindictiveness, malice and vengeance", as was the case with apartheid. **B. B. B. B.** "Affirmative action is about bringing about normality, where whites have to be advanced too, but with the view that a large proportion of the population had been excluded for a long time," Ndlovu said.

He said affirmative action in companies should be a strategic decision taken at the top and pursued with the support of everyone in the organisation. **(17b)** "Make the system legitimate by seeking their views. Let it be a mission statement built from the bottom up," Ndlovu said.

Affirmative action had to be an integral part of business with targets to be met — not an add-on. "There has to be an affirmative action committee with representatives from

the affected people. A company must have an affirmative action manager — preferably black — with clout and answerable to the chief executive."

Ndlovu said the manager should be black because he would need to have an intimate knowledge of the culture of the disadvantaged people. **20/9/93** Wendy Luhabe, MD of international human resource consultants Bridging the Gap, said the time had come for South Africans to express a corporate culture of both "the economics of business and the humanity of business."

"What ultimately determines the success of any business is its interaction with humankind and whether the interaction is based on the assumption that employees represent a vast potential waiting to explode."

SA could no longer afford the adversarial context of "us and them", she said. "We should be creating a community with shared values and vision. Paternalism is collapsing and something new, creative and unprecedented is emerging."



Black/Management Forum executive director Lot Ndlovu with human resources consultant Wendy Luhabe at the affirmative action conference in Sandton yesterday.

Picture: ROBERT BOTHA

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Thebe steps into textbook world

Star 29/9/93

BY MICHAEL CHESTER

The ANC-aligned Thebe Investment Corporation yesterday revealed plans to expand its growing empire into the multimillion-rand publishing business.

Managing director Vusi Khanyile confirmed that Thebe had reached agreement with Macmillan Publishers of Britain and black-owned Skotaville Publishers of Johannesburg to launch a joint venture "to meet the critical educational needs of South Africa."

Between them they had formed a new company, Nolwazi Educational Publishers, which would start operations on January 1.

The aim is to provide a new platform for black

ANC-ALIGNED corporation will compete in the lucrative publishing market

authors and compete for contracts in the R500 million-a-year school textbook market.

Khanyile repeated denials that Thebe — funded by a trust formed by ANC president Nelson Mandela and deputy president Walter Sisulu — would exploit any ANC links to secure State contracts.

The partners intended "to redress the imbalances in educational publishing" and would co-operate in the development

of new school textbooks.

"Nolwazi reflects the mission and business goals of Thebe, especially as it will give black people access to the means to shape their own educational future," said Khanyile.

"It will be more than just a publishing house," added Skotaville managing director Mthobisi Muloatse. "We plan to act as a catalyst for authors, teachers and the community to help develop the educational curricula of tomorrow."

The deal marks the return to South Africa of yet another overseas multinational company since the withdrawal of the sanctions blockade. Macmillan closed its operations in Johannesburg in 1976.

176 175

Nacssa to go it alone in new area

C Press 26/9/93

(224) (176)

By ALI MPHAKI

AFTER their R1.5-million deal with Kupane Funerals collapsed, the National Association of Co-operative Societies of South Africa (Nacssa) has decided to go it alone and build a funeral parlour in Soweto at a cost of R6.4-million.

The parlour, said to be the first of its kind in South Africa, will be built in two stages.

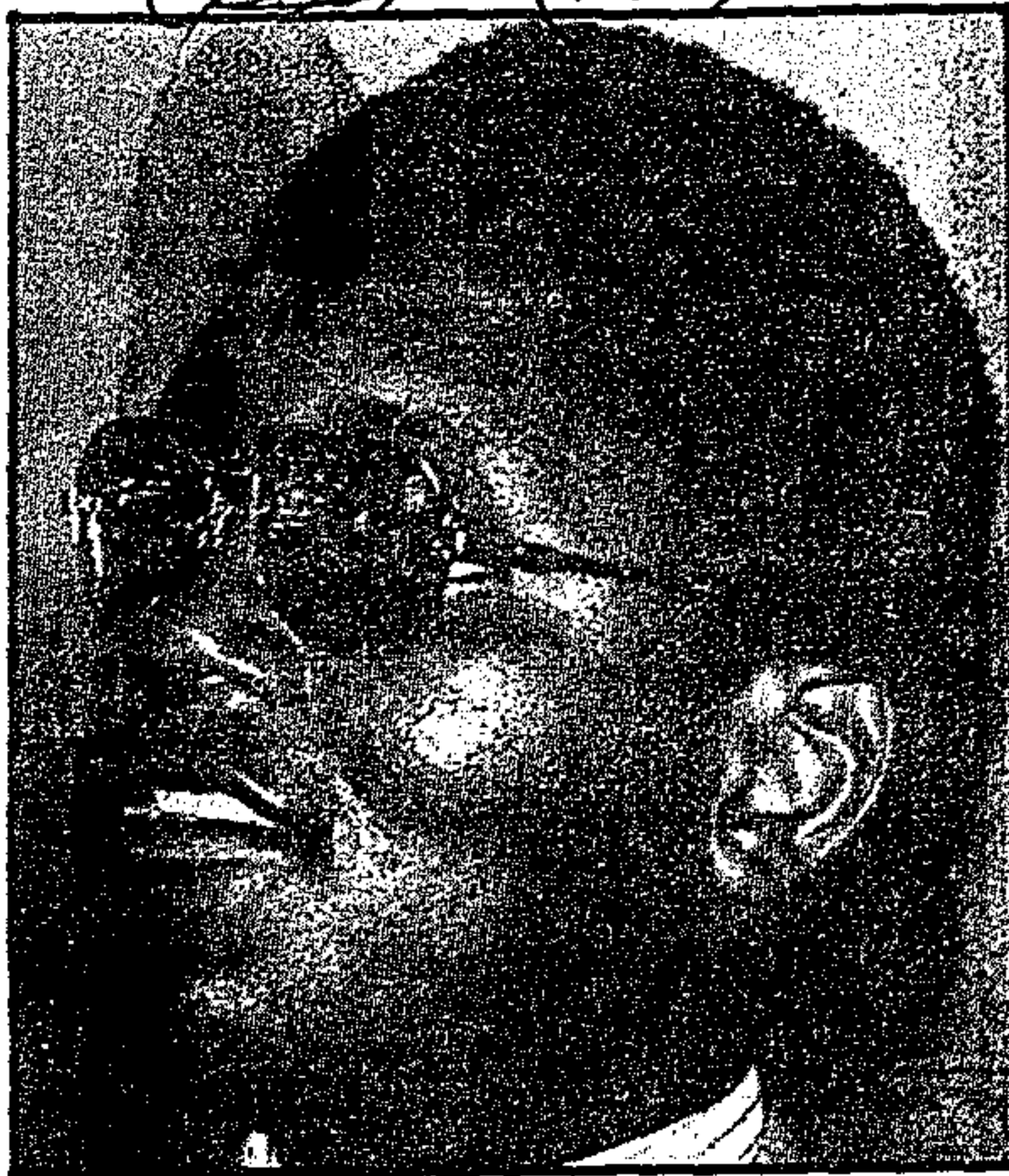
According to Nacssa chief executive Sam Mofhe, the parlour will consist of a mortuary, two dining-halls and a chapel.

The reason behind the dining-halls is to assist Nacssa members who live in white suburbs or flats in town where they are not allowed to slaughter for burial.

"Unlike presently where mourners have to drive back to the suburbs after burial in the township, they will instead use the dining-halls for their meals," Mofhe said.

He added that the dining-halls would be able to accommodate about 600 people and there would be ample parking space for cars and buses.

Mofhe said the chapel would be used to assist



BIG JOB . . . Nacssa CE Sam Mofhe is to build a huge funeral parlour in Soweto.

members who did not belong to church organisations or those like Zion Church members who did not have church facilities for funeral services.

Provision has also been made for a crematorium, although this type of burial was not in vogue among black communities.

At completion, it is hoped that the parlour will create jobs for about 50 people. According to

Mofhe, construction begins in days.

"We are just waiting for the council to give us a site," he said.

Nacssa made headlines when it opened a black coffin manufacturing plant at Ekangala in KwaNdebele last October.

Their deal with Kupane turned sour as a result of what Mofhe described as "differences in corporate culture".

ANC man warns builders on quality, affirmative action

176

ARG 25/9/93

THE shoddy quality of much of the housing built commercially has earned private enterprise a poor name in black residential areas, says Horst Kleinschmidt, chairman of the central Pretoria branch of the African National Congress and deputy-director of the Kagiso Trust.

"Thousands of sub-standard houses have been built, accompanied by equally unacceptable business practices," he claimed, adding that buyers would have to be protected by a future government against such practices.

Companies showing a lack of commitment to change, and inferior quality and exploitation rife in the housing sector, would be unacceptable in any future ANC housing policy.

Discussing the housing policy, he said it would promote job creation and training, with preference going to

black builders and artisans where possible.

Construction companies that could demonstrate their commitment to affirmative action would be given preference, said Mr Kleinschmidt.

"Many companies have acted positively in anticipation of new policies. Others have stood still and done nothing as yet. The ANC would definitely not want to provide new business and profits for those who made money out of creating apartheid."

He said the ANC's housing policy did not mean an extension of the present government's "site and service" policy. The challenge was to devise ways to provide housing that ensured racial, economic and social integration.

The ANC would pay urgent attention to the release of all unused, under-used or available state land and to the de-

velopment of retail finance in a way that brought affordability within reach of far greater numbers of people.

"The ANC will engage all relevant financial institutions to find ways to gear the financing of affordable housing.

"We must get away from the current trend where financial institutions build factories and prestige buildings even at the risk of them standing empty for prolonged periods."

He conceded that in spite of the vast resources the ANC intended to mobilise for housing, demand would continue to be greater than supply.

"This may have a negative effect on quality, standards and skills levels. We are committed not to compromise on such issues even if this requires the formulation of new legislation."

Sacob reservations on affirmative action

SI Times (Buss)

By TERRY BETTY

AFFIRMATIVE action has been given the thumbs up by organised SA business — provided it is applied in the proper manner. 1817193

SA Chamber of Commerce (Sacob) stated its policy on affirmative action this week, stressing that any type of quota system undesirable. Action should be taken by improving resources available to disadvantaged groups.

It says that even small businesses can help by providing on-the-job training. (176) (180)

Sacob defines affirmative action as corrective intervention to overcome either the effects of, or compensate for, past factors that disadvantaged blacks and women.

Mere removal of discrimination is insufficient.

Sacob gives several measures that can be used. The policy should suit a company and its resources.

Affirmative action can be implemented through employers ensuring all discrimination, whether intentional or inadvertent, is eliminated.

The disadvantaged should be provided with special training, bridging programmes and mentoring to allow them to compete on equal terms with others.

Measures should be taken to recruit, train or prepare members of the target group in preference to others. This approach assumes that after the preferential recruitment, further promotion of people should be impartial.

Continued preferential treatment, regardless of performance, and setting of rigid timetables for the appointment of a fixed quota of people are harmful and counter-productive.

Sacob stresses that prescriptive intervention will do more harm than good because it will lower investor confidence. It will encourage companies to employ devious strategies to give the impression of affirmative action without getting to the root of the problem.

Aiding training of blacks

Sowetan 5/8/93

THE Association for the Advancement of Black Accountants of South Africa is an organisation that facilitates and encourages institutions and firms to train black accountants. (176) ~~(176)~~

It is, however, not involved in certifying or training accountants. Once a member of a particular professional body is qualified with certification as a CA, CIS, B Com or ACCA he or she is able to apply for membership of

Abasa as long as the person is black.

The ACCA complements the objectives Abasa has established. When Abasa was started, representatives went to the UK to seek opportunities for those unable to get into the profession and it was on the basis of their report that the ACCA was invited to participate in South Africa. Black South Africans were unable to train as accountants until 1976. ~~(176)~~

Black accountants vital to SA's future

Star 6/8/93

Need to be flexible about qualifications

THE force behind the Chartered Association of Certified Accountants (ACCA) in SA is Mashudu Ramano, a power-packed man full of determination.

Having studied accountancy, he knows of the difficulties experienced by black accountants. As a founder and executive director of the Association of Black Accountants of SA (Abasa), he was a natural starter of the ACCA in SA. He is convinced the ACCA will change the face of accounting in this country.

"The elitist approach of the past has of necessity to go. The profession faces an urgent problem of increasing the number of blacks employed in the profession in the years to come.

"There are only 62 black accountants in SA, of whom 20 qualified in the past two years. (176)

"In 1991, for the first time, black accountants were appointed to the executive committee of the SA Institute of Chartered Accounts."

He believes SA needs to adopt a more flexible approach to educating and training accountants and the recognition of other accounting qualifications.

It has been suggested that by the year 2000, this country will need 20 000 qualified accountants, while at present there are only 13 000 of which 1 000 are outside the country.

Existing structures are not sufficiently organised to produce adequate numbers of black accountants and whites will be unable to meet the needs.

Through a study conducted by Abasa, Mashudu says administrative, educational and financial structures remained segmented and elitist, limiting opportunity for black people.



Signed and sealed . . . Juta & Co Ltd and the UK-based Chartered Association of Certified Accountants (ACCA) signed the final agreement for their new joint venture into further accountancy education this week. Present at the occasion were: Mashudu Ramano (representative of the ACCA in SA); Ian McLachlan, the UK-based education projects adviser of the ACCA; and Gavin Stamford, a publishing director of Juta & Co Ltd Legal Academic Publishers.

See 16/7/93

176

SA Business given it straight

BLACK advancement in the business world was given a powerful boost yesterday when the SA Chamber of Business (Sacob) urged its 50 000 member companies to increase the tempo of affirmative action programmes, and weed out all remnants of discrimination in recruitment and promotion.

There was also good news for women employees — a set of business guidelines emphasising that employment policies should be placed on a non-gender as well as non-racial basis.

"Discrimination in any form has no place in the modern world of business," said Sacob in a policy document widely regarded as a blueprint for a new employment code for the private sector. "Historical patterns of disadvantage must be firmly and actively addressed."

"The potential for economic growth and business development in South Africa will not be realised in a climate in which

(socio-political instability is) endemic and in which business — partly because of its composition — is seen as an appropriate target for protest in the form of stayaways and boycotts.

"A shift in the composition at senior level of visible and rewarding positions in business is necessary in order to demonstrate that business represents the South African population at large."

Research showed that both economic growth and productivity threatened to be constrained in the future by shortages in the supply of management, professional and technical skills.

"Affirmative action which broadens the base of such skills beyond the white male component of our society is an imperative for business."

Sacob was aware of fears that affirmative action threatened white males with displacement or replacement by blacks or women. However, a growing economy would make

the shortage of white male management skills even more critical.

"Scope for advancement and career development will be created by natural means," said the policy document. "There will be room for everyone."

However, Sacob advised caution to ensure new policies did not undermine either productivity and efficiency or the morale and confidence of existing management and professional staffs.

Though the principles of non-discrimination and equality of opportunity should be the cornerstones of employment policies, recruitment and promotion should be based solely on merit and potential merit.

"Every year, South Africa's economy experiences substantial losses of highly qualified manpower and womanpower through emigration as a result of political and economic uncertainty," Sacob noted.

"Affirmative action policies

The SA Chamber of Business has spelt out guidelines on how companies should tackle affirmative action programmes. It promises to give thrust to black advancement, without State intervention or quota systems, writes MICHAEL CHESTER.

which are not sensitive to this danger will obviously not benefit the private sector and hence not even benefit the beneficiaries of policies of affirmative action."

Sacob was equally adamant that affirmative action programmes should not be based on fixed timetables and quota systems. Considerable international experience had proved that such approaches were harmful and counter-productive.

Where qualifications and experience were in short supply at higher management levels, such systems could even widen inequalities within disadvantaged

advantaged groups to achieve success on merit or potential merit."

Sacob favoured consultation with trade unions about advancement schemes but did not believe that organised labour should be called upon to define or veto strategies.

"Just as unions would justifiably resent management interference in the appointment of union secretaries or the election of shop stewards," it said, "so management is entitled to take responsibility for its own composition as part of its prerogatives."

"Programmes must be well planned, thorough and implemented with company-wide commitment," it added. "The negative reactions of black personnel to many existing programmes must serve as a warning against half-measures, tokenism and inconsistency."

Among the guidelines spelt out by Sacob are that:

- Employee recruitment and

development aimed at improving the mix of higher level personnel should be integrated into company business plans monitored by the chief executive.

- Obvious and covert discrimination should be eliminated without delay.

- Discussion forums should be created, bringing in senior line managers to give full explanations of the strategic reasons for affirmative action.

- Recruitment planning must be undertaken with specific jobs in mind — with reassurances to existing employees that their positions were not in jeopardy.

- Employers should avoid poaching from other companies to find suitable candidates, but instead implement recruiting and training policies to create their own pipelines of black and female staff for promotion into senior posts.

- Human resources managers should discuss with new staffers the planning of career paths as a boost to positive motivation.

- Companies that tackled affirmative action should be prepared to spend more on in-house and extra-mural training

- Experienced employees and managers should act as mentors to coach candidates en route to promotion.

Businesses that launched a firmative action programme with enthusiasm and commitment were bound to be able to adjust to future challenges with ease, said Sacob.

"It is of cardinal importance that future policy makers recognise that all strategies to reduce inequality yield the best possible results. If they are based on broad economic policies which will stimulate market-related growth and competitiveness in the economy."

"Most especially, it is necessary for future development policy in South Africa to recognise that the enhancement of the quality of basic education for all South Africans is vital to the sustained development of the economy." □

Sacob rejects job quotas and state interference

Bibay 16/7/93

THEO RAWANA

SACOB has rejected quota-based affirmative action and the setting of rigid timetables for the appointment of certain groups of people as harmful and counter-productive.

The business organisation's policy guidelines on affirmative action, launched in Johannesburg yesterday, also stated that any prescriptive intervention by any new state institution would do more harm than good. (176)

Sacob says any employee advancement or affirmative action programme should not be aimed at achieving fixed proportions or quantities of different kinds of higher level employees, but at rapidly improving the resources of disadvantaged groups to achieve success on merit or potential merit.

The quota system and setting of timetables were likely to involve either reverse discrimination or the lowering or erosion of performance standards in a company or organisation.

Arguments that employment quotas are necessary as a temporary measure to address racial, ethnic or gender inequality are "persuasive but have often proved to be wrong whenever quotas have been adopted", the document says.

"When social categories with above-average qualifications and talent are discriminated against, many of their members are forced into a condition of super

motivation to exploit alternative economic opportunities."

Quota-based affirmative action is usually intended to be temporary, "but experience throughout the world indicates that vested economic and political interests are established which are fiercely defended. Such policies tend to become permanent."

Sacob says prescriptive intervention on the part of government will lower investor confidence and encourage devious strategies to create the impression of progress without the fundamental factor of employee development being adequately addressed.

It would also raise expectations beyond realistic limits, which would eventually result in problems for business and for government itself.

Sacob says it accepts a future government's interest in the socio-economic advancement of less-advantaged South Africans and would welcome the establishment of an appropriate institution to facilitate positive trends.

"Such facilitation, however, should be limited to establishing the resource needs of less-advantaged employees, and of businesses, and attempting to expand such resources in non-inflationary ways. It should promote rather than police the actions of business to redress inequality."



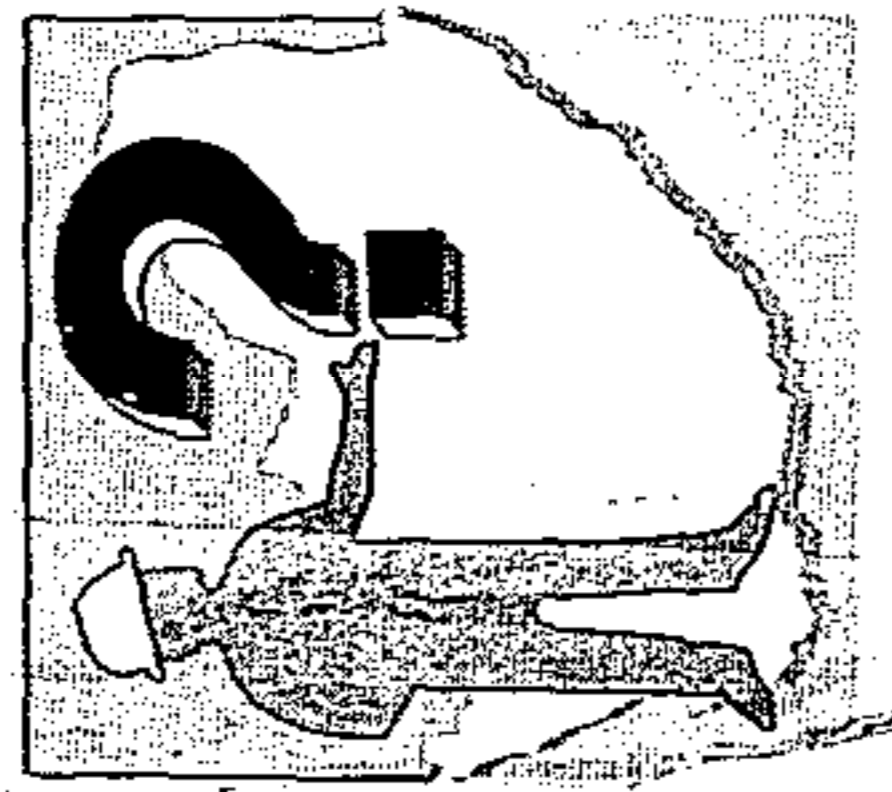
Marshall's Limited

(Reg. No. 05/06398/06)

INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 1993

The unaudited results in respect of the six months ended 30 June 1993 for Marshall's Limited and its subsidiaries are as follows:

INCOME STATEMENT	SIX MONTHS ENDED		YEAR ENDED
	30.06.93	30.06.92	31.12.92
	R	R	R
Sales and commission	9706000	7529000	15831678
Rental income	5846000	5613000	11297221
Turnover	15552000	13142000	27128899
Group profit	3413000	3783000	7965681
Interest paid	778000	805000	1504474
Pre-tax profits	2635000	2978000	6461207
Taxation	1200000	1499000	3235499
Outside shareholders' interest	1435000	1479000	3225708
	30000	-	37178
Ordinary shareholders' earnings	1405000	1479000	3188530
Ordinary shareholders' dividends	1020000	1020000	2040000
Retained income	385000	459000	777101
Earnings per ordinary share (cents)	17.2	17.4	37.5
Dividends per ordinary share (cents)	12.0	12.0	24.0
Dividend cover (times)	1.4	1.5	1.6
Ordinary shares in issue	8500000	8500000	8500000
Net asset value per ordinary share (cents)	909	840	904
ABRIDGED BALANCE SHEET			
Properties	76012000	66732000	76012000
Other fixed assets	1128000	1496000	933921
Current assets	15312000	14329000	13151864
Deposits on call	-	1114000	2629457
	92452000	83671000	92727242



There are three powerful reasons for affirmative action that we ignore at our peril, writes Bert Klitgaard

So why affirmative action?

(17b)

Star 7/9/93

We know the basics about affirmative action, even if we don't like to admit them. It necessarily costs us something in terms of efficiency to give preferential treatment to less qualified individuals. As principles, affirmative action and equal opportunity tend to clash.

On the other hand, past injustices demand a remedy. For efficiency as well as equity, we must find quick ways to overcome discrimination in labour markets.

Political factors are real, too. We know from other countries that political considerations tend to distort affirmative action policies, that the immediate benefits go disproportionately to the best-off members of disadvantaged groups. We also know, however, that affirmative action can provide political benefits, in terms of fostering social stability.

How we compute and trade-off these and other costs and benefits depends in part on our values, but it also depends on the facts of the local situation. South Africa's realities lend weight to three additional arguments in favour of affirmative action — arguments that are perhaps less

emphasised here than they should be. They do not clinch the argument, but they should be heard.

First: It immediately brings more blacks into the "white" private sector. From new vantage points inside the system, they will see how modern businesses really work, learnings about capitalism's true shortcomings and strengths while unlearning many pernicious myths and superstitions.

Second: By working alongside whites and Indians, blacks will learn more about their own skills relative to these other groups. They will find out they can do some things better than they have been told they could, and some worse. They will also find out that those who succeed are really good, not just really privileged.

Third: Even those who do not benefit directly will perceive that the system has changed, that exclusion is over, that there is not a silent conspiracy against them. Affirmative action provides credible transparency in a suspect system.

Some people argue that skills are the problem, that is, that we should focus on the supply side not the demand side of the labour market.

"Don't ask companies to hire anything less than the best," they say. "The solution is more education and

human capital formation." How? Well, how about more public schooling and more investment in things like nutrition and housing?

Skills training is clearly one crucial dimension. Ask yourself this: which is more likely, the public sector or the private sector, to provide the training needed for successful job ades of experience in the United States is clear. On-the-job training carried out by the private sector is much more successful than government-run programmes.

That the private sector should do the training does not, of course, mean that the government shouldn't provide subsidies and tax breaks.

My point is that government-mandated affirmative action can also help. Requiring the hiring of more disadvantaged workers simultaneously induces private firms to provide the training their new recruits need to be successful.

Exactly what kind of training is needed will depend on the particular recruits, the industry, and the company. Better, then, to have private firms do it instead of the government. And notice that if all companies are required to undertake affirmative action, no single company is likely to be

penalised vis-a-vis its competitors.

Experience around the globe with segmented labour markets shows that they are informationally incomplete and inefficient. Employers have trouble finding good workers from non-traditional sources, and workers often don't know how to look for the right jobs. Firms have problems getting good information that would help them pick winners and avoid losers. Around the world we have learned that one source of racial and gender discrimination is informational. We tend to stick with what we can readily find and assess, which turns out to be people from our own backgrounds and localities.

The answer, say some, is a government programme to improve labour markets — for example, computer job banks, job testing, and public employment offices. These initiatives do have a role to play. But again: who would you bet on to develop new ways to discover and select good workers, the government or the private sector? I'd bet on business — but only if they have incentives to find good workers from disadvantaged groups.

The incentives can be positive and negative. Affirmative action is one mechanism to induce the private sec-

tor to create labour markets across racial groups and sub-regions, which apartheid and other factors have discouraged. This will cost the private sector something, but the net costs will be less than if government tries to work alone.

Finally, and without being sensationalist, the political alternative to affirmative action in the private sector may come to be nationalisation. If not now then in a few years, influential leaders may suggest that the system is still the same, that the way to ensure justice is for the State to take over more and more private businesses.

This argument will be harder to make and to sell if affirmative action puts more blacks at all levels of the private sector.

Learning about efficient organisation, meritocracy, and entrepreneurship is essential, and South Africa cannot wait for a generation or two for its disadvantaged members to grasp the message and the culture of business achievement. A crash course is needed. Strong affirmative action is one of the ways.

The author, formerly a professor at Harvard and Yale, recently became a professor of economics at the University of Natal, Durban.

American legal academics AL and RUTH BLUMROSEN have just completed an eight-month study of the prospects for affirmative action by large institutions in South Africa.

WHEN we arrived in January, we sensed that the debates here about affirmative action were highly abstract and contained numerous misunderstandings concerning the way in which such programmes work in the United States.

Working at the Stellenbosch Business School with Dr Linda Human, we set about drafting a fairly detailed statute dealing with the subject. Our hope was to reduce the debate to practical levels, and perhaps contribute some specific ideas based on the American experience which might be helpful if adapted to South African circumstances.

In the southern part of the United States in the 1960s, Americans faced problems of scrapping a racist-based society which had some features in common with the apartheid structures of South Africa. Our experience, which has been partially successful, may be of some use here, once the heat of the affirmative action debate has been replaced with some understanding.

The first misunderstanding concerning the American experience is that the American programme of goals and timetables simply meant that a percentage figure for blacks and women was laid down, and the employer community was required to meet that figure, regardless of the abilities of the individuals involved. As a result, "standards" fell and productivity declined.

Industrial realities

This is a false perception — fuelled by the history of South Africa and some political rhetoric from the United States — by those who are opposed to the concept.

The United States programme of goals and timetables for hiring and promoting minorities and women is more attuned to industrial realities than South African employers understand. Goals are based on the available labour force and employer vacancies; the employer contributes to the development of these goals which are then negotiated with the government.

The requirement under the goals programme is not that goals be met, but that "good faith efforts" be used to achieve them. This programme is far more sensitive to the employer's needs for qualified personnel than is popularly believed in South Africa. At the same time, US law does not give employers carte blanche to establish unnecessary standards that restrict black or female opportunity. It requires that "qualifications" be job-related, and that blacks and women not be disadvantaged into the future by qualification standards which are not necessary for performance.

Low productivity

This challenge to qualification standards does not dilute reasonable qualification standards. Many South African employers require levels of education and experience without knowing whether those requirements contribute to successful job performance.

Furthermore, it is generally stated that productivity in South Africa is low, a matter which must be attributed to management's failure to utilise realistic standards. Enlarging the pool of qualified persons should lead to improvement in productivity as white male employees have to compete with blacks and women, whereas, under apartheid they held a monopoly.

Finally, it is generally held that American productivity has risen in recent years. During these years, affirmative action programmes have continued to increase the penetration of blacks and women into previously white male jobs. Thus productivity and affirmative action are compatible.

Affirmative action programmes do require large employers to take specific steps to improve opportunities for blacks and women.

These steps include adopting the principle of promotion from within rather than reaching out for white male employees in disregard of available, experienced blacks and women who may be qualified or can be prepared for those jobs.

It also requires that white male managers perform important human development activities to assure that blacks and women are equipped to succeed.

Another major misunderstanding of the American experience deals with its results.

Affirmative action in SA: False perceptions

(176)
CT 20/9/93

Some employers have said the programme has not worked, and the result is lowered productivity but no real improvement in opportunities for blacks and women. Some black organisations have expressed a similar idea: "Why examine the American experience if black Americans are not better off today than when we began these programs in the 1960s?"

In fact, black and female employees are far better off today than they were in the 1960s in America.

In the 1960s, blacks were basically labour and service workers, doing the lowest paid jobs. Women were confined to those jobs which were deemed suitable for them by men. The story today is different. Employed blacks and women are scattered through the labour force in a manner which is becoming more similar to the pattern of white men.

In blue-collar work, employed blacks are working in similar proportions to employed whites. In white-collar, professional, managerial, and technical work, the progress has not been as dramatic, but the relative proportions of blacks and women have doubled since the 1960s.

The relative unemployment rates and wage levels have remained as disparate as they were in the '60s for blacks; many blacks living in the oppressive conditions of our central cities have not had the benefits of the improved conditions. But the macro-economic change in the position of black workers is enormous. In the year 1988 alone, black workers in the US earned the equivalent of R72-billion more than they would have earned if they had been confined to the lower-paying jobs which they held in the 1960s.

The result is that a significant proportion of blacks are integrated into the mainstream of the American economic system, while another significant proportion live in appalling conditions, mainly in our central cities.

This is not a story of complete success at improving opportunities, but neither is it a story of failure. Improvement in occupational position of blacks and women continued during the Reagan-Bush administrations, even though both presidents opposed the concept of affirmative action. This demonstrates that the concept is now deeply imbedded in American industrial relations.

Draft statute

The American programme of affirmative action has produced far more than token results, and deserves to be taken seriously, although not copied without change. Our work with Dr Human has been an effort to integrate the American experience to the South African context.

One critical feature of the American programme is that it is required by law. The US spent 25 years, from the end of World War II until the mid 1960s, trying to improve opportunities by "voluntary" actions of employers. That approach did not work in the United States and is unlikely to work in South Africa.

Apartheid represented the use of law to repress the majority of South Africans. The American experience demonstrates that the law can serve the cause of equality as well.

Our draft statute, available from Linda Human at the Stellenbosch Business School, is based on the belief that, through law, employment and contracting opportunities so long denied blacks and women can be created and expanded.

□ Al Blumrosen is Thomas A Cowan Professor of Law, Rutgers, New Jersey. Ruth Blumrosen is Adjunct Professor of Law, Rutgers, and former associate professor, Graduate School of Management, Rutgers University. Both have had extensive experience in administering, litigating, teaching and writing about equal opportunity and affirmative action programmes in the United States.

COMPANIES

Big business faces up to the real world

Sowetan 29/7/93

176 180

By Mzimkulu Malunga

■ **NEW REALITY** Sacob spells out its understanding of affirmative action:

ONCE AN UNPOPULAR PHRASE in big business circles, affirmative action is speedily becoming a reality.

A few years ago organisations such as the South Africa Chamber of Business would refrain from using the phrase.

But two weeks ago Sacob came with a detailed document many regard as a suggested guideline for companies addressing the issue.

Protagonists of affirmative action like Black Management Forum's Mr Lot Ndlovu give assurances that merit should not be divorced from any human resources development programme.

"We are not pushing for people to be put into positions they are not qualified for. Affirmative action and merit are intertwined," says Ndlovu.

Economic destruction

However, custodians of big business say affirmative action is "economically destructive".

But it looks as if voices of resistance are diminishing by the day as the chorus in favour grows louder.

The first sentence of the foreword in the document containing Sacob's policy on affirmative action tells an onlooker which way the wind is blowing in corporate circles.

"From research commissioned by Sacob it was concluded that affirmative action in the business sector is necessary and desirable," goes the message.

As of now, black managers comprise less than three percent of the senior management community in this country.

Estimates suggest that less than one percent of companies listed on the Johannesburg Stock Exchange are black-owned while the bulk of black business is concentrated in the informal sector, once the darling of big business.

Another factor which necessitates the need for ruthless black management advancement programmes in the business world is the drastic shortage of managers in this country.

It is estimated that on average, there is only one manager for every 50 workers.

Implementation of affirmative action programmes remains a major problem. Even enterprises that have attempted to address this matter before the notion caught fire are still having problems.

Companies who pioneered this route discovered that while it is relatively easy to train people to become



Black Management Forum's Mr Lot Ndlovu.

junior managers, it takes a skilful employer and an element of political will to have blacks occupying senior and middle management positions.

Black managers believe political will is the component most lacking in corporate circles. "Their attitude is: Will he conform? Is he one of us?" argues Ndlovu.

White fears

Another factor that puts companies in a dilemma are the fears of white middle managers who entrenched themselves at this level during the old days when a call for affirmative action could be labelled "communist".

On the forefront of the affirmative action campaign are organisations like BMF whose members have over the years been exposed to the frustrations of the corporate world.

So far nobody is advocating a quota system to redress the imbalances of the past, but BMF has warned that should companies fail to adopt affirmative action programmes, the organisation could lobby for legislation to force them to do so.

Perhaps, as the business world crawls towards a consensus on the issue, people like National African Federated Chamber of Commerce and Industry former president Mr Sam Motsuenyane are heaving a sigh of relief as this is the song they have been singing for a very long time.

Motsuenyane said by the turn of the century companies listed in the JSE should have 30 percent of their board members drawn from the black community, while 40 percent of their shareholders would be black.

focus on accountants

Sowetan 24/9/93

THE annual conferences of the World Bank and the International Monetary Fund are starting on Monday in Washington DC and South Africans will be flocking the United States capital in large numbers.

Unfortunately, the majority of those who will be representing us there and mortgaging the future of our country will not reflect the demographic realities of South Africa.

A greater percentage of Africans will be representing us as politicians and almost all economists, accountants and other experts negotiating on our behalf will be whites.

This is unfortunately a stark reality of the South African situation.

Only 60 of the more than 13 000 chartered accountants are Africans. Within the corridors of power, be it in government, the international community, aid agencies including our own liberation movements, the contribution of black professionals is not taken seriously.

Even when black professionals are available, the African National Congress will, for example, find it appropriate to send white professionals to conferences, be it the world telecommunications conference or a global economic convention.

When one of the liberation organisations came into the country, it sought assistance of a group of black chartered accountants to put its financial books right.

These accountants were told they could not be paid for the services rendered as they were contributing to the struggle.

Against this background

However, later when the same organisation decided to have its books audited, as required by the constitution, they decided to acquire the services of "an internationally renowned firm of accountants" that is white-owned and does not even have one black partner. And the organisation in question paid.

It is against this background that the Association of Black Accountants of Southern Africa (Abasa) is holding its annual general meeting in Pretoria.

Abasa was formed in response to racism and discrimination in the accounting profession.

The organisation then began a programme aimed at promoting adult education, vocational training and technical education in the accounting profession and established a special fund to canvass for donations which would assist black students in pursuance of their studies within the accounting profession.

When Abasa was founded there were only nine African chartered accountants.

In response, the white accounting establishment countered with their own "Eden Trust" which was to assist blacks and whites from poor

The Association of Black Accountants of Southern Africa (Abasa) was formed in response to racism and discrimination in the accounting profession. **Sello Rasethaba** says the time has come for new strategies:



Sello Rasethaba

backgrounds, as if their problems were similar.

Since Abasa's formation, the number of white accountants increased by 4 000 and that of blacks by only 50 — an unacceptable situation.

The organisation fought unsuccessful battles for the accreditation of accounting departments of "bush" universities.

Internationally, Abasa has fought endless battles with groups like the Institute of Chartered Accountants in England and Wales which chose to ignore Abasa and instead work with the South African Institute of Chartered Accountants.

On the other hand, the European Community and the Commonwealth Secretariat made promises which were never fulfilled.

To make matters worse, the EC chose to ignore Abasa and responded to initiatives by organisations such as the Oxford based Southern African Advanced Education Project (SAAEP).

SAAEP is one of those foreign organisations that do not have any regard or respect for Abasa but think they can prescribe solutions by remote control.

This type of organisation has connections in the corridors of power in donor agencies and access to funds, but they should not be allowed to prescribe the type of training we need for the future and the manner in which we should shape our human resources needs.

As with all black organisations in this country, Abasa vigorously seeks to identify and work for the removal of conditions that are detrimen-

176
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I regard the battles that Abasa has fought as the first phase of its development. Now there is a need to change strategy.

Play a leading role

The organisation should play a leading role in encouraging black accountants to come up with solutions that will benefit the profession.

At the same time I am not arguing against other methods and strategies aimed at increasing the number of black accountants. They should be encouraged to continue with their efforts but be warned to respect initiatives taken by Abasa.

Abasa must adopt a strategy that will enable it to:

- Increase the number of accountants substantially in the shortest possible time.
- Do away with elitism and divisiveness.
- Contribute positively to the development of the profession.

There should also be a programme that will result in the restructuring of Abasa which will comprise:

- A lean and less bureaucratic structure.
- An elected national executive committee.
- A secretariat which will be responsible for the day-to-day management of the organisation.

I believe this pattern shift will enable Abasa to create awareness and nurture the accounting profession in the black community.

Umkhonto man gets top Armcor post

STEPHANE BOTHMA

ANC member and former Umkhonto we Sizwe fighter Yacoob Abba Omar was yesterday appointed Armcor chief public relations manager. **BIDA**

Abba Omar, 32, who has been a manager in Technikon RSA's corporate communications division since April, will join Armcor on October 1. He replaces Johan Adler who recently left the company to head Telkom's communications department.

Abba Omar is part of the Military Research Group — an independent organisation working on guidelines for the transformation of SA's security services.

He became well known in SA shortly after the unbanning of the ANC as one of the first spokesmen in the information and publicity department. **(17b) (25)**

Last night Abba Omar said he planned a more open approach to communicating Armcor activities — a move in line with Armcor executive GM Tielman de Waal's stated intention that the parastatal should be more transparent and accountable.

Abba Omar accepted the position as "his own man", not as an ANC representative, although he was a member of that organisation. He said many people were moving into positions of responsibility in "institutions and companies belonging to the people of SA". **24/9/93**

He fully believed in the future of Armcor as an important foreign currency earner and was particularly interested in the parastatal's commitment to commercialise some of its technology.

"An important part of my job will be to assist in the process of transition and to look after the interest of SA contractors in the defence industry," he said.

With prospects of peace in the world and in SA increasing and no more ideological battles to be fought domestically, Armcor's role in regional issues could now be explored.

After years in isolation Armcor had developed a high-technology industry and carved a few niche markets which should also be developed.

However his personal favourite in weapons was a catapult which he bought in the Hogsback on his honeymoon recently.

focus on accountants

Sowetan 24/9/93

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New US boost for black businessmen

The Argus Correspondent

(176) ARG 23/9/93

JOHANNESBURG. — A more rapid advance by black businessmen into the economic mainstream is the top priority of a new initiative launched here with the support of the United States government.

The United States Agency for International Development (USAID) unveiled plans to act as matchmaker to bring about closer links between the bigger industrial corporations and budding black companies — a handshake between the extremes of big and small business.

USAID director Leslie Dean said the main aim would be to encourage corporate giants to hand out more sub-contract work to small black businesses to supply services and parts.

He was heading a powerful mission of American executives planning a series of meetings with their South African counterparts to exchange views on how to tackle programmes aimed at black economic empowerment and job creation.

First contacts were made at a business conference that announced the creation of what USAID called the Black Integrated Commercial Support Network.

Mr Dean said several South African corporations had already discovered the advantages of closer ties with black mini-business.

They learnt that a special small business unit created by the Anglo American/De Beers group had already awarded sub-contracts worth no less than R150 million to small black suppliers since it was formed in 1989.

Anglo American alternate director Philip Baum estimated that the annual rate of sub-contracts to as many as 130 small sub-contractors was now running as high as R78 million — and overall operating costs had been trimmed by “millions of rands”.

Johannesburg Consolidated Investments also disclosed details of the first round of successes with partnerships forged with black suppliers. JCI group purchasing services manager Ralph Morris said sub-contracts were now running at about R15 million a year.

USAID has already approved a budget of R280 million for operations in South African in 1993.

BUSINESS Nafcoc chief's plea to Ge

Black architects form association

Sowetan 23/9/93

By Mzwandile Jacks

IMBALANCES created by apartheid led to the formation of Association of Black Architects this week.

"We need to make this industry a better place for all of us, we must try and redress the inequities created by apartheid," argues ABA's president, Peter Malefane.

Though blacks are in the majority, there are fewer than 40 black architects in South Africa and this is an indication of serious racial bias prevalent in the allocation of basic needs to South Africans.

During the launch, a heated debate broke out as to who should be a member of the newly formed ABA.

Responding to this concern, Mohammed Mayet said black people were the only ones "qualified to know where they come from and where they were going".

The Institute of South African Architects, whose membership is closed to blacks, came under heavy attack and was described as "an apartheid organisation which has suppressed black talent".

However, the president of the Union of International Architects, Femi Majekodunmi, urged ABA to work together with the ISAA with the changing situation in the country.

His statement sparked heated debates among the gathering as some delegates argued ISAA had no understanding of black aspirations.

'No whites' rule is wrong — ANC

(176)
CT 23/9/93

THE ANC backs affirmative action in favour of the disadvantaged majority of South Africans, but says it needs to be implemented in a balanced way and "companies should not just say they are no longer hiring whites".

ANC spokesman Mr Willie Hofmeyr said this in reaction to yesterday's announcement by Transnet that they would no longer hire whites except with special approval by their management board.

Cosatu and the Cape Town Chamber of Commerce (CTCC) were also in favour of affirmative action but believed adequate training must be given to avoid a decline in business standards.

Mr Hofmeyr said the ANC's intention was to "correct the wrongs of racial segregation and apartheid". He added that he understood that Transnet "have had to take drastic measures".

Cosatu regional secretary Mr Jonathan Arendse said Cosatu felt staff complements needed to reflect population ratios.

Mr Charl Adams, Human Resources manager at the CTCC, said it had compiled a list of practical guidelines for employers wanting to implement affirmative action.

Blacks only

Transnet rules out jobs for whites

By ANDRE KOOPMAN

TRANSNET will no longer hire whites in a bid to redress imbalances caused by apartheid within the organisation.

The move has been strongly condemned by Salstaff, a mainly white union, as "discriminatory" and "tokenism".

Transnet spokesman Mr Jacques Pienaar confirmed last night that in terms of the "Turn Strategy", no new white employees would be hired and if it was necessary to hire whites this would have to be approved by the management board of Transnet.

Transnet currently has one black employee for every eight whites.

Mr Hennie Lourens, senior human resources manager, said Transnet has embarked on a countrywide affirmative action programme.

Dr Willie Coetzee, group manager of human resources, said that Transnet would focus on intense training, specially of blacks — and this included coloureds and Indians — so that they could compete more effectively. Whites and blacks were previously separated in the workplace.

The strategy was much more than an affirmative-action programme. It sought to change the "strong western culture" of the organisation into a South African culture. This was much more difficult to achieve than merely setting racial quotas which Transnet would not do, Dr Coetzee said.

The new criterion for promotion and hiring would be merit and "usable potential" and not merely years of service and background.

The 20 000-strong Salstaff accused Transnet of discriminating against white employees and applying tokenism in a rush to put in as many blacks as possible at various levels of the company.

Salstaff president Mr John Benwell said: "Our union has strongly opposed this decision because it is discriminatory. We support equal opportunity at work which allows the best person to get the job, irrespective of his or her race or sex."

"We accept that there were imbalances created in the past, but we do not support any actions implemented that would be detrimental to the company and its present employees."



FED UP Bus driver Mrs Jappie de Vries shows her frustration in the middle of yesterday's protest in which bus drivers blockaded the city centre, causing chaos at lunchtime. Bus drivers threatened a stayaway unless their safety can be guaranteed in the wake of the killing of a Golden Arrow driver in Khayelitsha on Monday.

Picture: BENNY GOOL

'No' to cheap fuel: chainstore warned

By ANTHONY JOHNSON

Political Correspondent
THE government last night turned off the taps on petrol discounting — and moved to end specu-



forums to which he hoped all roleplayers would contribute.

On criticism of public subsidies to Mossgas and Sasol of about R100 million a month, Mr Bartlett said these saved about

ANC-linked Thebe in group calling for rethink on cellular phones

A CONSORTIUM which includes the ANC-linked Thebe Investment Corporation has been lobbying the ANC to use its influence to stall a final government decision on cellular telephone tender awards.

The African Telecommunications Forum is a consortium consisting of black-owned companies active in the computer and telecommunications field.

Forum convenor Mark Headbush said yesterday it had told the ANC it was being excluded from the cellular market because sanctions prohibited its US negotiating partners from bidding for SA business.

It had been talking to Bell, AT & T and Motorola.

Forum members included Thebe GM Litha Nykonyha, Ntatho Motlana, Natcoc deputy president Gabriel Mokgogo and other black businessmen. Member companies were Thebe, Afritel, Suntel, Media Investment Trust and National Information Technologies.

The involvement of Thebe, whose MD is former ANC treasurer Vusi Khanyile and which was established with R8m from ANC president Nelson Mandela, will fuel charges that it is the investment arm of the

PATRICK BULGER

ANC and is using ANC muscle to secure agreements with foreign companies keen to invest in a post-sanctions SA.

"We have been talking to the liberation movements to see if they can delay the process so that sanctions can be lifted and Africans represented in the industry,"

Headbush said. Thebe was just one company interested in the industry.

The consortium originally approached Telkom to secure involvement. However, it was told the consortium bidding for the

C2 licence was already full. Posts and Telecommunications Minister Piet Welgemoed was then approached but their meeting had not been satisfactory. The ANC was then approached.

Headbush said the ANC-government fallout over cellular telephony had since taken on a political dimension.

He said the forum had a problem with the first licence and was questioning Rembrandt's participation. A third licence to accommodate the forum was a fall-back position and it was unsure whether the market could accommodate it. However, it

believed compromise was possible.

Government has said a C1 licence is available, but will be awarded only if there is insufficient competition between licence holders. The second licence is due to be awarded on September 30.

The forum said it opposed unilateral restructuring and wanted a fresh debate on cellular telephony. "The way government has parcelled out the telecommunications industry to existing players will reduce the future role of black business in this most important sector to a minimum and thus create a major credibility gap."

majority shareholders and by Registrar of Insurance Plet Badenhorst.

In a report annexed to the papers, Badenhorst said if Crullife were put under liquidation, "the interests of the policyholders, which it is submitted are paramount, will be adversely affected in that they will become current creditors of Crusader. If, however, Crusader continues under curatorship, there appears to be a reasonable prospect that claims by policyholders who continue to pay premiums will be met in full."

Van der Merwe said in the respondents' affidavit that the curators were managing Crullife's business. They had closed 13 branch offices, substantially cut staff numbers and were negotiating to reduce its running expenses.

Agreement on ERPM 7-day week

ERICA JANKOWITZ
RANDGOLD's troubled ERPM gold mine started a new shift cycle this week after the NUM and mine management signed an agreement to work on Sundays, NUM economist Martin Nicol said yesterday.

The agreement stated the mine would operate seven days a week to increase its gold output, with workers working 12 days followed by three days off or 15 shifts. **22/9/93**

The hours a shift would be the same but miners would work marginally more hours a year. In return, a 4% a month shift allowance would be paid and a production team bonus would come into effect.
Two other agreements were signed.
One granted an additional 2% or

It is anticipated that the curators and the liquidator would be filling substantially the same functions, Van der Merwe said. This would create an ungovernable situation and would duplicate functions and costs.

Since it was impossible to assess Crullife's financial position with any accuracy at this stage, this alone made liquidation proceedings inappropriate, he said.

The uncertainty of the company's position was aggravated by the fact that since the announcement of the curatorship, policies were being re-deemed and/or lapsing at a significant rate. These redemptions and lapses had a direct bearing on Crullife's contingent liabilities, and this aspect alone could materially affect its solvency.

'Transnet stops hiring whites'

Own Correspondent

DURBAN — Transnet would no longer hire white employees, its staff association Salstaff said yesterday.

It said Transnet had taken a national policy decision not to employ whites in a bid to redress past imbalances. **22/9/93**

Senior human resources manager Henkle Lourens confirmed yesterday that Transnet had embarked on a countrywide affirmative action programme. "We are changing from a white male-dominated company into one in which diversity is valued."

The 20 000-strong Salstaff association has accused Transnet of discriminating against white employees and applying tokenism in a rush to include black faces.

Salstaff president John Benwell said: "They are not employing whites unless special permission is granted by the GM's office in Johannesburg."

"Our union strongly opposes this decision because it is discriminatory. We support equal opportunity at work, in which the best person gets the job, irrespective of race or sex."

"We believe that is the principle that should be adopted. We have already informed President F W de Klerk and Transnet management of our views on this matter. **(7/6)**

"We accept that there were imbalances created in the past, but we do not support any actions that would be detrimental to the company and its present employees. We are opposed to tokenism," Benwell said.

Confidence dented by rising violence

CAPE TOWN — While the political negotiation process is progressing at Kempton Park, an increase in violence since April has seriously dented consumer confidence, says the Bureau for Economic Research.

The Stellenbosch University-based bureau disclosed in a commercial sector survey yesterday the violence had caused consumer confidence to remain at low levels in the third quarter, "particularly with respect to how consumers view the short-term economic situation in the country".

"Consumers remain concerned about their financial situation and remain hesitant to incur spending." This was reflected in sales reports by retail respondents. Retailers had pessimistic expectations about sales during the third quarter.
"Their expectations for the fourth quarter are, however, more optimistic," the bureau said.

Inflation expectations had fallen sharply and retailers anticipated higher sales in the fourth quarter. It said 64% of retailers expected prices to increase at a slower rate in the fourth quarter.

Most respondents expressed dissatisfaction with business conditions in the third quarter but were more optimistic about the fourth quarter. While business confidence declined in the retail sector it increased mar-

ginally among wholesalers and increased sharply in the motor trade. "Uncertainty up until the election at the end of April 1994 will probably rule out any substantial recovery of consumer confidence," it said.
"From the second quarter of 1994, an increase in personal disposable income, as a result of lower inflation, with a more positive outlook for consumer spending, is possible."

While retail sales were sluggish, motor sales were booming, the bureau said.
Sales by motor dealers had outstripped expectations with both new and used car dealers reporting increased sales.

"The improvement in car sales must be ascribed to replacement buying and the number of new models introduced earlier this year," the bureau said.

Expectations for the fourth quarter were generally optimistic in all three sectors — new and used vehicles and spare parts.
The bureau said 24% of motor dealers reported more orders in the third quarter compared with a year ago and 13% planned to place more orders in this quarter.

It said 10% of spare parts dealers reported more orders placed and 22% expected more orders to be placed in the fourth quarter. — Sapa.

NEWS

Call for affirmative action to be phased in

'Impossible to replace the public service'

Star 21/9/93

BY NORMAN CHANDLER
PRETORIA BUREAU

Public servants — concerned about their future under a new government — yesterday called for a phasing-in period of affirmative action, which they are certain will be part of the political scene from April.

Their reservations about the future were echoed by Minister of Education and Training Sam de Beer when he addressed the Public Servants' Association annual meeting in Pretoria.

De Beer said the implications of constitutional reform were being carefully considered to ensure an orderly transition.

"Despite these preparations, many public servants have, quite understandably, certain reservations about the future.

"Their fears are fuelled by claims that the public service

MINISTER Sam de Beer assures public servants that the goal is an orderly transition after the election

was so involved with the policies and programmes of the past that it should be overhauled completely," he added.

De Beer said it would be "totally impossible to replace the public service". (176)

PSA president Johan van Wyk told delegates representing 750 000 civil servants: "Affirmative action after April 27 is on the cards"

He said PAC negotiator Benny Alexander had suggested that all public servants be fired by a new government,

while ANC president Nelson Mandela had been realistic. Van Wyk added that if Alexander believed "the accumulated human resources, skills, know-how, technologies and competence can be replaced overnight or even over months, we must warn him that he is living a nightmare".

Public servants had accepted the reality of change, and claims that they could not handle it were unfounded, he said.

"A future government which would prefer not to make use of the existing structures to evolve the public service into an effective and non-discriminatory machine will make the biggest mistake possible."

Urging public debate on the issue, Van Wyk said there were fears that preferential treatment or quotas would amount to discrimination in reverse, leading to lower standards.

Back the Car win

PSA urges debate on 'affirmative action'

(176) ARG 20/9/93
The Argus Correspondent

JOHANNESBURG. — Public servants today called for the phasing-in of affirmative action in a future civil service.

President of the Public Servants' Association Johan Van Wyk said at the organisation's annual meeting: "Affirmative action after April 27 is on the cards, although the manner of its application is not clear."

He urged public debate on the issue, saying there were fears that preferential treatment or quotas would amount to discrimination in reverse, and lower standards.

Mr Van Wyk said PSA members had to realise that affirmative action would be brought in by a new government, which was also likely to introduce legislation to enforce it. He urged a time schedule for the process and said the programme had to be monitored.

'Injustices will be corrected'

JOHANNESBURG. — Affirmative action was an important principle needed in South Africa's Bill of Rights as most of the country's people are seriously disadvantaged, ANC media liaison head Mr Carl Niehaus said at the weekend.

"We need to make use of the necessary legislative powers to make sure the injustices of the past are corrected," he said.

Mr Niehaus was speaking at a dinner organised between mem-

bers of the ANC's Department of Publicity and Information and the government's SA Communication Services (SACS).

South Africa's white minority had to understand just how deep apartheid had hurt, he said.

"There must be an unequivocal commitment to real fundamental and structural change to empower the oppressed people in South Africa." ~~27~~ (176)

This change also had to take

place in the area of communication where the SACS was still seen by the vast majority of South Africa's people as a mouthpiece of the National Party government.

Mr Niehaus said the SACS should be restructured by the time a new party took power as that party might not be able to resist the "temptation of using these structures for its own purposes". — Sapa

CT 20/9/93

DEVELOPMENT FINANCE
Trusts in funds

Huge donations by anti-apartheid organisations to liberation movements may have dried up since the 1990 political unbannings, but millions are being channelled by the EC and US firms and organisations to two development trusts — the ANC's Matla Trust and the independent Kagiso Trust.

Questions about sanctions-busting have also been raised about the ANC-linked Thebe Investment Corp's reported deals with a major US computer company, Digital, and Thebe's merger with British publisher Macmillan, aimed at winning a big chunk of the R500m/year schoolbook business.

Says Thebe MD Vusi Khanyile, who also heads the ANC's finance department: "Thebe believes that there has been widespread misunderstanding about ANC policy guidelines, which clearly state that there is nothing to prevent potential overseas investors from identifying partners, conducting market surveys and doing feasibility studies to prepare for the lifting of sanctions."

Thebe GM Litha Nyhonyha stresses that, as an independent company, it does not use its relationship with the ANC for commercial or political gain. "We abide by the ANC's stated policy on sanctions."

Nyhonyha will not elaborate on Digital's

CONT.

CURRENT AFFAIRS

comment that it has already started operations in SA. However, it appears that the ANC was informed of Digital's SA plans.

He says Thebe consulted the ANC on the Digital issue after inaccurate press reports. This was after ANC deputy international affairs chief Aziz Pahad had asked Thebe to explain how Digital had opened for business with sanctions still in place.

Nyhonyha says it is Thebe's intention to broaden shareholding. Until then, any profits made are at the disposal of the Batho-Batho Trust, which has top ANC leaders Nelson Mandela and Walter Sisulu as trustees.

Nyhonyha could not say what the value of the trust is. Initial funding from the trust to Thebe was "a modest sum." Now Thebe funds its operations through a mixture of equity and loan capital raised on the open market. "We are keen to team up with other SA investors."

Thebe is at a development stage and it would be "premature" to put a specific value on it. "We have set our goal to be a public company by 1998 with a share capital base of about R50m."

Nyhonyha denies that Thebe has ever indicated to overseas investors that, to enter the SA market, they should go through Thebe.

Kagiso Trust CE Eric Molobi is a former political prisoner and UDF executive committee member. He insists, however, that this does not influence his overseeing Kagiso's multimillion-rand development programmes. Molobi is reported to have clashed with the ANC over staff appointments made only on the basis of skills and not political affiliation.

Today, Kagiso is regarded as one of the most important development organisations, with a promised US\$500m donation by American companies and trusts on the way. During the past financial year, Kagiso received loans and donations totalling R340m. It has succeeded in assisting development in areas where government and parastatals lack credibility.

FW 17/19/93

Last year, it spent R65m on education & training (up from about R1m when Kagiso was founded in 1986) and just over R32m on development in rural areas, compared with about R3m in 1986. The remaining funds accounted for in 1992 were being spent on health care, small business and community projects. Kagiso's funding is derived 90% from the EC.

The loan application procedure makes it almost impossible for irregularities, claims Kagiso deputy director Horst Kleinschmidt. Applications are vetted in SA and at the EC's Pretoria office and sent to Brussels where EC foreign ministries scrutinise them before a senior official gives approval.

Kagiso also insists on a contract by which 60% of the money is initially released and 30% on receipt of a progress report. If a project lasts for more than a year, the application process has to be completed again.

Concerns have been raised that, under a new government, funds will be channelled directly to that government. Kleinschmidt says there will be some bilateral aid from the EC to the government and that may be at Kagiso's expense.

"However, we attract funds from a special EC budget. Bilateral aid will be derived from a different budget."

Despite the recession, Matla's financial affairs are healthy and growing. The brainchild of Mandela, who saw the need for a body that would attend to uplifting the masses, Matla was founded in 1991 as an educational and charitable trust. After consultations with a wide range of South Africans, the idea was to form a nonpartisan trust which could channel financial and project assistance to those in need. The first donation of \$3.5m came from public funds raised in the US.

The trust is run by executive director Billy



Vusi Khanyile

Modise, a former assistant director at the UN Institute for Namibia, and controlled by a board of high-profile South Africans. Among them are Mandela, lawyer Ismail Ayob, SA Council of Churches' deputy director-general and SABC board member Brigalia Bam, former KaNgwane Chief Minister Enos Mabuza (also a director of Thebe), businessman Richard Maponya, political facilitator Frederik Van Zyl Slabbert and educationist Franklin Sonn.

Matla communications officer Barry Gilder says internal funding is slow. "However, we have a close relationship with Nedcor, which has seconded experts to assist us. We receive small donations from Eskom. A mining company has funded a training office for the trust in Witbank."

Overseas funding has been steady, says Gilder. The trust receives strong support from the Canadian government and nongovernment organisations. Partnership Africa Canada, a consortium, has donated \$500 000. The Austrian government, through the North-South Institute, has donated R1m-R2m; and Norwegian churches make small donations.

As part of its objective to strive for the upliftment of the disadvantaged through educational, social welfare and informative programmes and to promote the development of a democratic society, Matla has undertaken several projects. They are the Community & Citizen Education Programme, Africa Institute for Technology, Veterans and Sewing projects, programmes for the education and training of returned exiles.

The Italian government has undertaken to finance a R10m reception and training centre at Vosloorus. Gilder says Matla differs from Kagiso in that it is an implementing organisation. "Kagiso is a funding organisation. We receive funds and pass them on."

BUSINESS A trip to Maputo convinced businessman that there was a market to serve

Mokonyama took the right decision

Sowetan 16/9/93

By Mzimkulu Malunga

■ GROWING CHALLENGES Demand

for products rose so he increased output:

A VISIT TO THE Mozambican capital, Maputo, fortified Albert Mokonyama's beliefs that leaving his stable job to venture into the business world was not a miscalculation.

"In Maputo I saw young people doing a lot of interesting things, then I told myself that nothing could stop me from doing the same," he says.

Mokonyama's company, Glitex, manufactures fabric softener and supplies over 50 stores and supermarkets in the Witwatersrand area.

"We started from almost nothing. Our production capacity was 250 litres a day, but after buying new machinery our output capabilities increased to 1 000 litres an hour," says Mokonyama.

As the business showed signs of picking up, Mokonyama, like all ambitious small manufacturers, launched a number of new products.

Hand and body lotion, petroleum jelly and general-purpose cleaner were all added to the production list.

But as the demand grew, Glitex battled to match the new challenges due to its size.

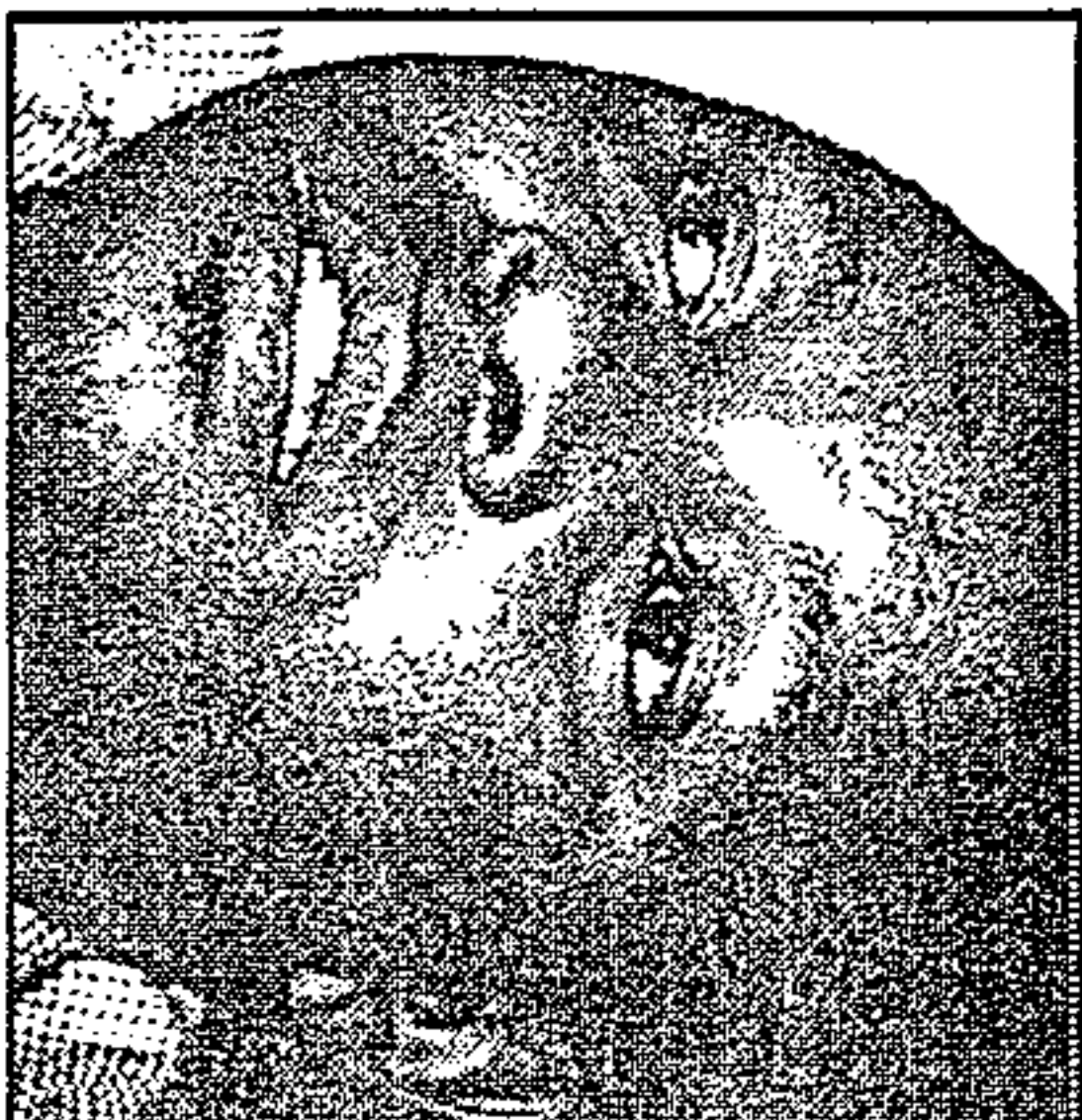
"Then after conducting a market study, we decided to concentrate in areas where we are able to produce large quantities faster and we identified fabric softener," he says.

"Our problem was that while we were busy with an order we would get another and that complicated things for us mainly because of our limited capacity," says Mokonyama.

Though the concentration is currently on fabric softener, the plan is to produce the other products in the future.

Asked why he supplies only stores and supermarkets, Mokonyama says the advantage of smaller stores is that they pay cash while he has to wait for three months for payment from big chain stores.

The next move for Glitex now is to supply unpackaged fabric softener to



Mokonyama ... Hawkers are his future market.

the street vendors.

Albert Mokonyama automatically qualifies for the *Sowetan*/Sanlam Entrepreneur of the Month competition and will be judged along with other weekly nominees on September 30.



Business Report

Affirmative action urged on business

By ARI JACOBSON

SA business must take "a quantum leap" in adopting affirmative action strategies said Absa bank's head of Corporate Communications Humphrey Khoza.

Speaking at the SA Chamber of Business (Sacob) regional conference held in Parow Khoza said that business should "not use a quota system but rather seek out aspiring blacks with potential and train them".

Khoza added that a monitoring system should be put in place to encourage this trend and possibly punish those that do not co-operate in this regard.

"A racial quota is negative because this policy would simply lead to businesses playing numbers games," he said.

Incomes

Khoza added that affirmative action is a perfect way to redistribute wealth while allowing for growth.

"Redistributing opportunities leads to greater incomes among the previously disadvantaged."

He said that affirmative action was a major issue because the disadvantaged needed to "catch up on experience to be able to operate at strategic level".

He warned that "business must be comfortable with the new reality".

"We should not cling to people who want to hang on to the current reality."



Brian Connellan has been appointed as a director to the board of ICS Holdings.



Lilian Boyle has been appointed to the presidents' council of the Institute of Marketing Management.



David Lamb has been appointed general manager, investments, at Sage Life.

Tough line on black promotion

(176) ARG 11/9/93

ALIDE DASNOIS
Business staff

BUSINESSES which do not take urgent steps to promote blacks and women will be forced to do so by a future government, Absa bank communications director Humphrey Khoza said this week.

Speaking at the SACOB regional conference in Parow, he said a "leapfrog strategy" was needed.

"If you put a frog in cold water and gradually increase the temperature, the frog adjusts to the higher temperatures until it finally boils to death. But if you throw a frog into hot water, it jumps out at once.

"If we limit ourselves to incremental adjustments, our companies will boil to death," said Mr Khoza.

He said the temperature of the corporate environment was rising "whether we like it or not" and South African business needed to make a big leap forwards.

However, although businessmen often said they were committed to black advancement, little progress had been made. Only 3 percent of senior managers were black.

"Affirmative action is not a social concern but a business imperative. There is a quiet revolution taking place in many organisations, with the growing realisation that management policies based on tight control have run their course."

Employee empowerment was the only way to increase productivity and enable South African businesses to compete on world markets, Mr Khoza said.

He rejected arguments that affirmative action would have to wait for economic growth. "The 1990s will be full of surprises and companies which have implemented affirmative action will have a competitive advantage."

Companies should be identifying top management jobs and recruiting people with the potential to fill them. At the same time, reward systems should be reviewed so that managers who successfully trained new recruits did not feel threatened by the people they had trained.

■ Next Sunday's Weekend Argus MONEY takes an in-depth look at affirmative action in South African business and how it works in some big Cape companies.

The best way to affirmative action

The benefits to blacks of affirmative action in the US has been seriously questioned. UCT academic **Kenneth Hughes** looks at lessons for South Africa

WHILE some aspects of the US experience of affirmative action would apply also to a future South Africa, there are important differences.

One is numerical. The sheer size of the black population suggests the pool of talent is large, and there should be less need for desperate measures to locate it.

Another is the legacy of apartheid. Preferential racial treatment is not an individual right to be appointed (or considered) but a group right to have some of its members considered or appointed. In general, the prin-

pal mass political movements in South Africa have rejected group rights as reminiscent of apartheid. The African National Congress has specifically rejected quotas.

Third, some blacks see affirmative action as a means of perpetuating white rule. As Vincent Maphahle forcefully put it: "If you wanted to keep whites on top, wouldn't the obvious thing be to go and appoint the stupidest blacks you could find?"

To move from the concept of reverse discrimination to non-racial affirmative action, two principles should be accepted:

● No policy is acceptable if it involves dishonesty. One must not abandon standards and tell lies about it.

● No policy is acceptable if it involves racial condescension.

Among the options then available are:

● Using racial criteria but only as tie-breakers when merit criteria give out. This ensures that black appointees can be con-

sidered as good as the best available white candidate.

● Supplementing best-man-for-the-job with best-job-for-the-man appointments

● The best alternative seems to be the policy known as non-racial affirmative action, namely offering places and appointments to individuals on the basis of individual achievement and individual potential only.

This will take account of past discrimination without invoking the invidious concept of race: a student with a C aggregate who comes through a township school from a broken home may be deemed to display comparable promise to an A student educated at a private school.

■ This is an edited extract from Kenneth Hughes' chapter "False Antithesis", in *State & Market in Post-Apartheid South Africa*, edited by Merle Lipton and Charles Simkins (Witwatersrand University Press).

(116) WMM 10-16/9/93

City offers many advantages

Black business *Star 9/9/93* 'drawn to Jo'burg'

■ METRO STAFF

Johannesburg remains the most concentrated market in Africa and many black entrepreneurs and professionals are moving into the CBD to take advantage of this, says Wally Hart, national marketing manager of Old Mutual Properties.

"Old Mutual Properties is witnessing a growing band of black professionals and entrepreneurs who are establishing themselves on our properties. The city offers them many advantages, such as convenience, a massive market and a comparatively safe environment."

In the past few months, said Hart, the company had let more than 19 000 sq m in 75 deals.

"Roughly half those deals were with black entrepreneurs

and professionals. For many the CBD represents a much safer environment, free from random violence or political turmoil."


He pointed out that more than 450 000 commuters passed through central Johannesburg each day and that the city remained the nation's banking and financial centre.

Despite the northward flight of many retail and commercial enterprises, Johannesburg continued to draw businessmen "who wish to profit from its myriad opportunities".

The company believed that Johannesburg would go the way of many other cities, with workers rather than managers choosing the location of work places.

Neil Fraser, director of the Central Johannesburg Partnership (CJP), believes that policies

to promote the CBD as a place where people can live will be central to its overall revival.

"It is in the city's interest that people live close to where they work and I believe that the city council will certainly strive to help provide affordable quality accommodation in a stimulating, attractive and secure environment." (176) 

The CJP — which is a tripartite organisation, embracing business, the council and the inner community — was looking at the council's role in keeping CBD home rentals at economic levels, with strategies like "tax holidays" and that used in the southern US city Atlanta, where property tax was phased in over 10 years to assist developers and non-profit utility companies.

AFRICAN COUNCIL OF HAWKERS AND INFORMAL BUSINESS

A SOWETAN FEATURE

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'Selling' informal business

Sowetan 7/19/93

STRATEGIC PLAN Ensuring that

resources are directed to this sector: (17b)

By Abbey Makoe

PLACING THE INFORMAL business sector on the national economic agenda will ensure that attention and resources are directed towards an area in which many thousands of people engaged in a daily struggle for economic survival.

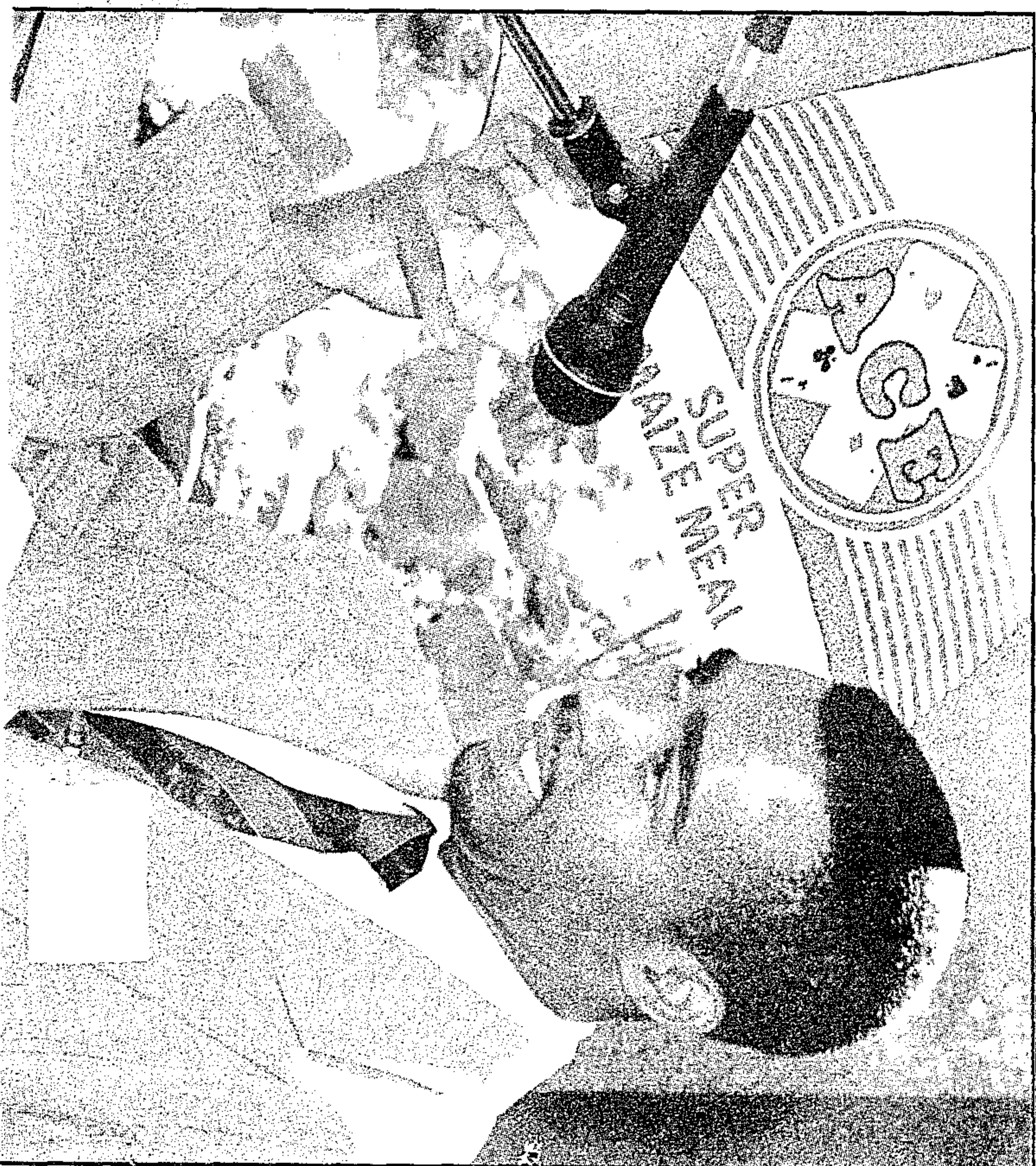
This is part of Tiger Oats deputy group public affairs manager Mr Bobby Makweta's message to the African

awareness of business skills.

"Organisations such as Achib could make representations to the educational authorities to ensure that our youth have knowledge of entrepreneurship," Makweta says.

Another possible avenue for encouraging business skills is for Achib to spearhead the establishment of a bursary fund.

Makweta also envisages a situation where the children of informal business owners would be assisted through courses to acquire basic business knowledge as part of the home-studying and



Business (Achib) annual conference to be held in Bramfontein this week.

Specific policy

Makwela said Achib needs to establish a specific policy for the informal sector at the national economic level to underscore the essential contribution of small businesses.

Makwela says the Achib conference will touch "at the very foundation of any national reconstruction programme".

There is need to nurture and develop individual flair among communities.

Makwela also warns that informal and small business should not be seen as an end in itself.

"Instead, it should be viewed as part of a process whereby some of the most successful business people will be encouraged to come up through the ranks to form the large companies of tomorrow."

He makes a plea for youth to be exposed to the workings of the informal business sector and have a greater

extensive support of black business, Tiger Oats and its trading companies have given considerable assistance to Achib both in financial support and expertise."

Recent support initiatives include sponsorship of Achib's national and regional conferences, providing trading infrastructure to Achib members and assisting the organisation with its broader operational and strategic issues.

Economic agenda

"By placing the informal business sector on the national economic agenda, Achib will ensure that attention and resources are directed towards an area in which many thousands of ordinary people are engaged in a daily struggle for economic survival," Makwela says

The high rate of unemployment, estimated at 46 percent, makes it imperative for all concerned to give assistance to informal business development as part of a broader plan to uplift communities.

Achib is set to boost small business

South African 1993

By Abbey Makeo

THE African Council of Hawkers and Informal Businesses will hold its eighth annual general meeting from Thursday to Saturday at the Bramfontein Recreation Centre.

Achib's president, Mr Lawrence Mavundla, says the theme of the conference will be the "Black Economic Agenda".

"The issues to be addressed are finance, training, infrastructure, subcontracting and the use of black services," Mavundla said.

Mavundla lashes out at the Government's social welfare policies, saying it still has the laws that restricts blacks from taking part in the mainstream of

the economy.

"As a result, South Africa has more than seven million unemployed people and yet the Government has allocated only R12 million to develop small businesses."

He says Achib is now "worried" that in the whole of Africa it is clear that the development of small businesses is restricted.

Achib is on the brink of drawing up a plan regarding boosting small businesses, after which his organisation will visit all political parties "and tell them what we will expect of them if they came to power".

"Political freedom will not be enough without economic freedom. Politicians do not think for us. We must tell them what we want."



Lawrence Mavundla... driving force behind Achib.



Some of the actions Achib members have had to contend with while trying to make a living.

Black business gets R88m boost

Biday

11/9/93

THEO RAWANA

THE Small Business Development Corporation (SBDC) was pumping R88m into black business development, MD Ben Vosloo announced in Johannesburg yesterday.

He told a media briefing at the corporation's AGM the financial injection consisted of R60m allocated to the SBDC in the 1992/93 Budget for micro enterprises and R28m from its own operating income.

The development project, which would be channelled through the SBDC's Pioneer Project Fund, enjoyed the support of the National Economic Forum and would be implemented in co-operation with other non-government and community-based organisations involved in small business development.

Vosloo said R62m would be used for micro loans to fledgling businesses and to facilitate joint-venture contracting and subcontracting.

The remaining R26m would be for ventures such as the establishment of 60 business clinics serving 152 disadvantaged communities and the setting up of community-based "industrial hives" and marketing support programmes for flea markets, hawkers' trolleys and market stalls.

Other schemes which would benefit would be micro enterprise after-care and mentorship support, and arts and crafts initiatives.

Various projects had already begun, he said.

ROBYN CHALMERS reports the SBDC will restructure after recent calls by trade unions for greater representation on its board.

Vosloo said the SBDC was willing to discuss the demand by trade unions that they acquire a one third representation on the board. "The action committee of the SBDC board's

executive committee recently decided to participate in the establishment of a representative exploratory forum to investigate and consider the future of small business development needs of SA." (176)

The SBDC had also embarked on an affirmative action programme to ensure staff levels were more representative of the SA population.

National African Federated Chambers of Commerce (Nafcoc) president Archie Nkonyeni recently called for an overhaul of the SBDC.

The two organisations met to iron out their differences, including black involvement in the SBDC's equity, black representation on the regional boards, an Africanisation of top positions of the SBDC and the body's effectiveness in the development of black business.

The upshot was that Nafcoc and other relevant business-related stakeholders would band together to look at practical steps to incorporate the broader spectrum of business leaders in the SBDC's planning and policy making process.

Vosloo said the SBDC was faced with a lack of funding from government and other sources. In spite of this, net income after taxation and provisions had increased from R15,4m to R18,1m for the year ended March 1993.

Net income before taxation declined from R49m to R39,7m because of a higher net bad debt write-off, but a reduction in taxation from R33m to R22m and a marginal increase in attributable income from associated companies to R509 000 (R476 000) helped boost net income.

During the year, 4 667 loans amounting to R278,7m were granted.

focus on attitude

Secretan

1/9/93

(176)



Miss South Africa, Jacqui Palesa Mofokeng, needs all the support she can get from every black person in the country and the anti-racist white minority, writes **Gomolemo Mokae**, Azapo's publicity secretary:

A FEW YEARS AGO, a well-known TV personality, in what he thought was an off-air moment, opined on an elderly black lady whose plight had just been shown on television: "I won't be surprised to learn that she has more than nine children. And each by a different father."

Or words to that effect.

It can only be in racist South Africa that the said gentleman still works on national television.

Sometime thereafter, the myth of black people's supposed extraordinary procreative powers was disinterred. A recently crowned white Miss South Africa went on record as saying that, in general, black girls would have had at least one baby by the time they reach 20 and this was the explanation for their glaring under-representation in the Miss South Africa pageant.

One would have thought that, now that this supposedly endangered species among black girls had been found, and actually even won the Miss South Africa title, everyone would be happy.

Alas! One would have been wrong to think so.

Detractors of any black advancement clutched at straws in an attempt to deprive Miss Jacqui Palesa Mofokeng, the new Miss SA, of her title.

She was allegedly not beautiful enough; had won a beauty contest because of her personality rather than beauty; was endowed with a large bottom and ugly teeth and, lo and behold, she had hidden the fact that she had a baby.

That a large part of all this racist clap-trap was aired on the station which supposedly opens people's minds, with the tacit encouragement of the station's DJs, makes all the talk of a so-called nonracial new South Africa sound ridiculous.

That a large part of the white community still finds black people not to be deserving paragons of virtue is even more ridiculous.

This racist component of the white community cannot live with the sight of black people as successful business people, brilliant scientists, articulate political leaders, a beautiful girl representing the country is its queen, etc.

The Azanian People's Organisation does not, in principle, support the Miss SA contest. This is because of, inter alia, its structuring. Traditionally, it has been pivoted on the premise that white is virtue, black is vice.

Black girls' chances in the contest increased only when their looks approximated those of whites; lighter skin, thinner lips, straighter hair, less African accents, etc.

It was to the chagrin of a significant number of whites that a black girl beat her white counterparts on these self-same.

But when Miss Mofokeng's life is being



Beautiful controversy ... Jacqui Palesa Mofokeng.

made miserable by white bigots because of her blackness, it behoves an organisation which espouses Black Consciousness to rise to her defence.

Azapo finds Radio 702 and the so-called liberal white media's abetting of utterances of white bigots highly hypocritical, if not downright racist.

We are certainly not for wanton censorship but, surely, if it was the name — and reputation — of a white girl that was being dragged through the mud by white racists with bonsai intellects, these sections of the media would not have let the white girl's detractors get away with their racism.

It would appear that, secretly, there were far too many so-called white liberals who enjoyed the heaping of calumny on Miss Mofokeng.

It would appear far too many so-called open-

‘The racist component of the white community cannot live with the sight of black people as successful businessmen, brilliant scientists, articulate politicians, etc’

minded white people chortled with delight when the braver (and less overt) of their kith perpetuated the myth that, to black people, procreation is recreation.

This is the same media which, not a long time ago, found the son of Black Consciousness activist and noted writer Don Mattera guilty before he could even be brought before a judge.

This is the same media which often gloats on the failure of black enterprises like "Shareworld" and "Black Chain", and says nothing about black success stories like National Sorghum Breweries and Black Like Me.

In a word, this is the media which prefers the worst for black people and is happier with the image of black people as nit-wits whose calling in life is to serve and amuse white people.

It is in times like these that black people have to realise that "if you forget that you're black, a white person will remind you".

Miss Mofokeng needs all the support that she can get from every single black person in this land — as well as the anti-racist minority from white South Africa.

Particularly when one learns that, on her crowning, she was informed by someone who should know better that "if you should ever fail to wear this crown gracefully, your first princess will take it".

The meaning of this could not have been lost on her. Even in victory, for black people, whiteness hangs above them like the sword of Damocles.

OK on 4-year Sowetan trail

11/9/93

By Joe Mdhlela

OK Stores will over the next four years embark on a programme to increase the number of black employees in senior management positions in keeping with its objective to change its image.

During the same period, black personnel at supervisory level will be increased to over 1 000, public relation executive, Mrs Rene Brummage said. (S)

To achieve this, a black advancement programme has been established to train workers who show leadership potential. (176)

The scheme, to be called the "equity programme", is aimed at empowering workers who will assume management positions at the end of their training.

To achieve this, the company will be spending million of rands.

The company has appointed Mr Chris Kwazi as equity executive to spearhead the programme.

Mr Perfect Malamela, an independent consultant, will be running workshops to introduce this programme, Brummage disclosed.

The company's personnel operations director, Mr Bill Rice, is heading the overall project.

Brummage said candidates for the programme need to have a minimum Standard 8 education.

"A sense of loyalty to the company and a desire to create a career with the company would also be an important factor in selecting candidates," she said.

Separate equity managers at each region have been appointed. They are Mr Lennox Lehlongoane (Western Transvaal), Mr Isaac Barole (East Rand), Mr Alfred Ncube (Pretoria), Mr Walter Kototsi (North Western territories), Ms Pauline Holdsworth (Johannesburg), Mr Firdous Jacobs (Western Cape), Mr Barry Possiwe (Eastern Transvaal), Mr Alpheus Mseleku (Natal), Mr Petrus Racateng (OFS) and Mr Voyo Ncqobongwana (E Cape).

New small ventures to grow by thousands

Star 1/9/93

Boost for black businesses

BY MICHAEL CHESTER

Thousands of new black-owned small businesses will be launched in the next 12 months under a special multimillion-rand programme that was announced in Johannesburg yesterday.

The initiative, designed to speed the flow of budding black businessmen into the economic mainstream and start turning the tide on the unemployment crisis, was revealed at the annual general meeting of the Small Business Development Corporation.

SBDC managing director Dr Ben Vosloo, anxious to make the '90s the "Decade of the Entre-

preneur", estimated the number of new black-owned micro business ventures in the pipeline, at no fewer than 12 500 — over and above normal targets.

The new jobs that would be created when recruitment started, he said, should mark the first phase in a bid to prove that black enterprise was a key factor in finding solutions to the worst recession on record.

More than R88 million in new investments had been specifically earmarked for a Pioneer Project Fund that would concentrate on grassroots initiatives by black entrepreneurs seeking a chance to start mini-

A NEW venture will give black-owned businesses a boost of

R88 million (176)

companies of their own.

All R60 million allocated to the SBDC by Finance Minister Derek Keys in the 1993 Budget would be ploughed into the exercise — plus R28 million from the corporation's own funds.

Vosloo confirmed that the project — an additional layer to the normal SBDC programme of action — had the full support of the National Economic Forum and

community-based non-Government organisations engaged in socio-economic reform and job creation.

He said R62 million would be devoted to mini-loans to give newcomers a kick-start and encourage more partnerships with bigger companies as subcontract suppliers of components and services.

Another R26 million would be ploughed into support services for fledgling mini-ventures trying to find a foothold in the business world.

It was envisaged that a whole new nationwide network of "industrial hives" would be created at community level to

provide low-rental workshops and back-up services.

At least 152 disadvantaged communities would benefit from 60 "business clinics" that would be set up to diagnose hiccups at the start of business operations.

Also, thousands of school-leavers unable to find jobs in the formal sector would be formed into a volunteer corps that would be offered the chance of on-the-job skills and basic management training inside new mini-businesses.

Vosloo said the programme promised to double the number of new jobs created by the SBDC every year.

SBDC, chambers link up to assist black businesses

THE SBDC has linked up with Nafcoc affiliate the Southern Transvaal Association of Chambers of Commerce to cater for black business in the southern Transvaal, the SBDC said at the weekend. *Bina*

The corporation has been under fire from Nafcoc and the association in recent months because of alleged failure in its mission to address the needs of disadvantaged people.

Nafcoc president Archie Nkonyeni last month suggested a "complete overhaul of the ownership, control and administration arrangements of the SBDC to reflect the realities of the new SA". *2018/93*

The SBDC said last week it and the association would set up a joint liaison committee which would meet once a month to: *(S)*

Identify larger business develop-

THEO RAWANA

ment opportunities in the black community; and

Discuss any specific problems arising from loan applications to the SBDC, credit control difficulties and address possible problems arising from loan applications.

The committee would expand old, and create new, marketing assistance initiatives as well as those aimed at improving the viability of business. *(176)*

The SBDC's Jo Schwenke said the initiative would enhance the corporation's effectiveness in the development of black business.

"It will also address the issue of matching what the SBDC can do with people's expectations, and therefore prevent unnecessary disappointment," said Schwenke.

The power of electricity

By ELIAS MALULEKE

CIPress

29/8/93

ESKOM has brightened the life of a business tycoon operating in a small bundu village near Marble Hall.

O B "Otrah" Maepa, 45, a millionaire living in Arabie Dam, Lebowa, said his business has showed tremendous gains since switching to electricity in 1989. He now employs more than 20 people.

Before Eskom brought light into his life, Maepa, who was born a twin and third of 13 children, depended mostly on candles, paraffin and a small generator to run his welding workshop, a beerhall, restaurant, bar, discotheque and mortuary.

The father of five children, Maepa is a "Jack of all trades" and a self-taught welder, carpenter and bricklayer.

Apart from his other businesses, he is a land developer and runs a construction company which specialises in building schools.

He started out in 1968, at the age of 23, as a welder after he was forced to drop out of school in Std 9 due to financial problems.

Unable to find a job, he hung around a welding workshop in Groblersdal.

"I fell in love with welding and persuaded my father to buy a small welding machine. I started with bur-

glar bars then gates and steel chairs."

He sold his welded work throughout the northern and eastern Transvaal and with the profits he made, Maepa opened a small general dealer shop in Dennilton in 1977 and married his wife, Sellina. (176)

He said that while he continued with welding, Sellina looked after the business which grew and made it possible to add a tavern and a mortuary.

However, he did not have electricity in Dennilton and suffered great losses due to perishables going to waste.

He then heard that electricity was being installed in Arabie Dam in 1988 and shifted home.

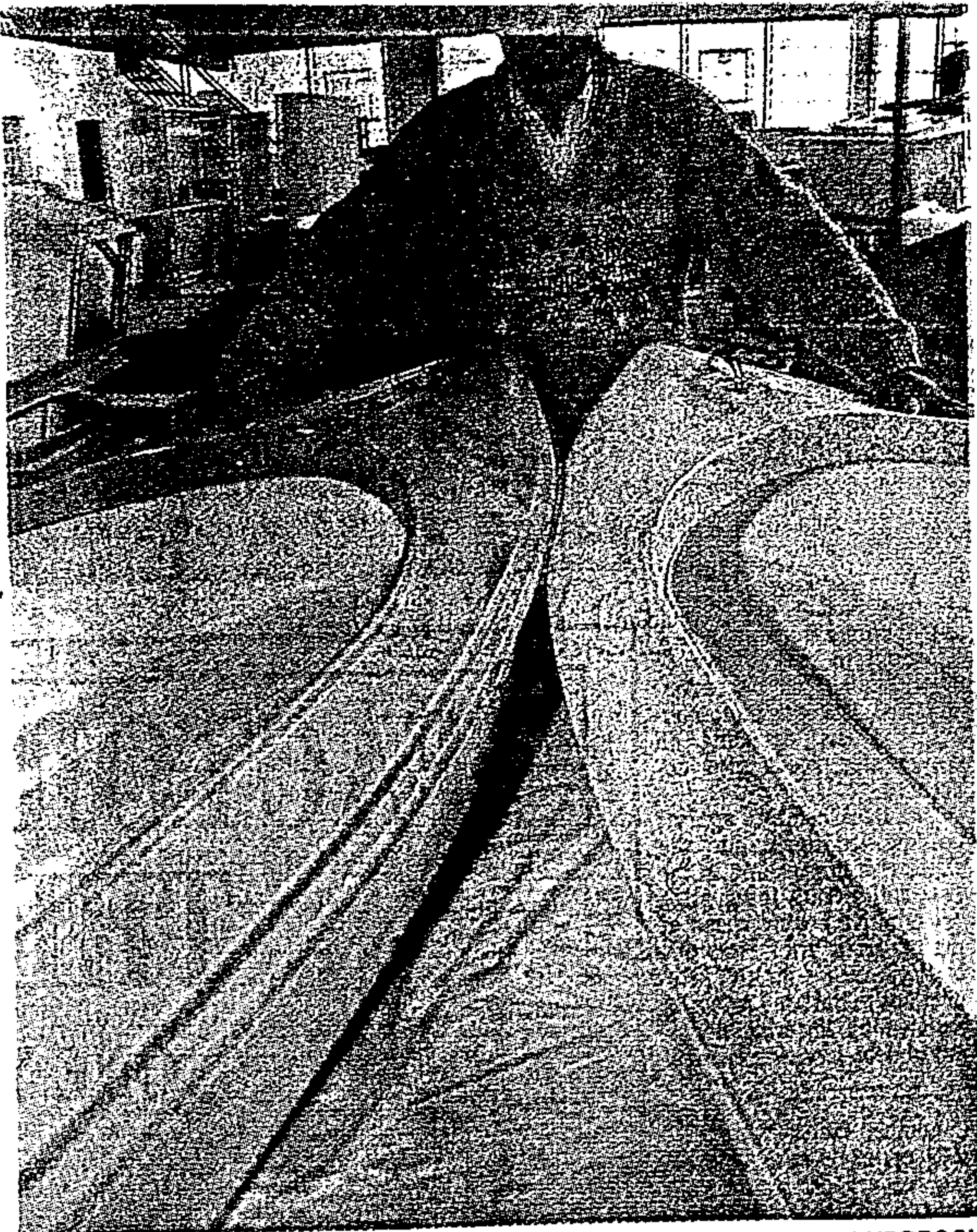
There used his skills to personally build his huge and towering Arabie Dam business complex. He also fitted the steel roof, then designed, manufactured and fitted furniture and trims in the bar, discotheque, restaurant and office.

Maepa also built his own house with a thatched roof with his own hands.

"Electricity has made big differences in our businesses. In the past we could not run disco lights, music and keep the fridges and lights running at the same time. Now we can," he said.

Maepa is busy planning to build a motel.

Pricing policy



SHADRACK KHOPUTSE: from fascination to business Picture: KIM LUDBROOK

S/Times (Buss)
Shadrack provides Soweto
29/8/93
with a mould for success

SHADRACK Khopotse, 58, has come a long way from his early days as a "boss boy" in fibreglass plants.

He now owns the largest fibreglass pool filter-box factory in South Africa. His four sons are in his company, SP Khopotse & Sons, which employs 15 people.

Among his many products, all made of fibreglass, are canoes, satellite dish covers, portable toilets, industrial housing, sandpit covers and water tanks.

Expected orders include commentary boxes for a TV company and kiosks for Viva Games. Negotiations are also under way, through an agent, to export some products to mines in the United States.

The reason for his success, he says, is "not giving up in the bad times".

In 1961, fresh from school, he began work as a carpenter. But he was fascinated by the company's fibreglass works and managed to get himself transferred there a week later.

The next 23 years were spent in supervisory positions at various fibreglass factories.

In 1984, he walked past a

By ZILLA EFRAT

statue-making company called Florence Art and was surprised to find it used cement moulds.

He bet its owner, Valerie Nightingale, that he could reduce the number of people employed to make a statue from six to one.

Mr Khopotse says: "She didn't believe me, a black man, but she gave me an order."

He succeeded, using rubber and fibreglass moulds, and it was not long before he was working for her.

Mrs Nightingale's business, however, ran into hard times. With her support, Mr Khopotse began making fibreglass pool filter boxes for his customers on her premises.

His workload grew. He took on an employee, opened a bank account and bought his first car.

Because he was taking up too much space on her property, Mrs Nightingale asked him to apply for a business licence so that he could trade on his own. He was turned down by the Sandton municipality.

In 1985, an impressed customer phoned the Get Ahead Foundation and Mr Kho-

potse's business started to move.

Get Ahead gave him premises free of rent for six months and a loan of R10 000 which enabled him to buy tools and a delivery bakkie.

Mr Khopotse says: "After that I did not have to stop at every bridge to check if I could get past with all the goods tied on top of the roof of my car."

He repaid the loan in 18 months and in 1988 had to move to new premises because he again needed more space.

Running the business has not been without hiccoughs. The recession bit hard this year and Mr Khopotse had to lay off 10 employees.

But he can now sleep at night because trading conditions have picked up and orders are rolling in again. Summer, his best season, is almost here.

Mr Khopotse designs and develops all his products and is a master of glass reinforced plastic (GRP) products.

He is by no means keeping his success to himself. He helped a businessman in Bophuthatstwana to start a successful fibreglass toilet factory.

He is about to start teaching a Soweto man how to work with fibreglass. The pupil will then open his own business.

Steps to expanding black business control

BIDay 26/8/93

SUCCESS in expanding black control of the private sector through the disposal of Anglo American assets will depend on finding capital to finance a suitable investment, says executive director Bobby Godsell.

"Black South Africans will have to mobilise real money, take over the real running of the businesses and take on the risks associated with them if empowerment is going to succeed," Godsell said.

However, he declined yesterday to give details on Anglo's plans for ceding control of a portion of its assets to black business interests.

There has been some pressure on Anglo to act in this regard after Sanlam sold off a stake in Metropolitan Life to black investors.

The importance of "spending time to get the exercise right" and the lack of substantive progress so far made it impossible to give precise information about the project, he said.

Anglo has been silent on the issue of black empowerment since comments by Julian Ogilvie Thompson in his chairman's yearly statement in July. He said then: "There are bound to be circumstances in which we would again think it sensible to dispose of certain assets, particularly in pursuit of the goal of black economic empowerment..."

A market source said there was no clear indication of what route Anglo was planning to take, but the exercise posed significant problems because even if Anglo identified a suitable

MATTHEW CURTIN

black business group to be empowered, it was likely to be "happy only with a big slice of the Anglo pie".

Godsell yesterday reiterated initiatives being implemented by Anglo, aimed at expanding black participation in the economy. (176)

They ranged from employment equity policies within Anglo to a restructuring of its employee share ownership scheme and small business development schemes worth more than R50m this year.

Anglo had supported deregulation of the previously restricted small business sector with Anglo American Property Services pioneering schemes to help pavement hawkers.

The group supported business agencies such as the Urban Foundation, the National African Federated Chamber of Commerce (Nafcoc), and the Foundation for African Business and Consumer Services.

And it was, too, a founding subscriber to the Small Business Development Corporation.

Group employees held shares, issued through share ownership schemes, to the value of R215m in June, compared with a total market value of more than R30bn.

Earlier this year Argus Newspapers, in which Anglo has an interest, created a new trust company to own the Sowetan newspaper, jointly held by staff and the Argus.

Eskom's Mokhobo

(176)

voted tops for SA

CT26/8/93

Business Editor

ESKOM'S senior GM (human resources), Dawn Mokhobo, received the Executive Women's Club of SA Businesswoman of the Year award at a banquet at the Carlton Hotel, Johannesburg, last night.

She was selected by a panel of five top business people including the executive president of the JSE, Roy Andersen, from a record number of candidates.

In addition to her job at Eskom, Mokhobo is on the boards of Metropolitan Life and Random House Publications, and an executive committee member of the Institute of Personnel Management and the ANC's department of art and culture. She is also a director of the Independent Development Trust Finance Corporation.

Her career began in 1975 as a social worker and probation officer in the Department of Co-operation and Development in Bloemfontein.

Jobs since then have included public relations manager and later group manager, community development, with Agricor (the Agricultural Development Corporation of Bophutatswana); MD of her own public relations and development consultancy, Development Promotions; senior divisional health education manager, Anglo American Corporation of SA.

She has served on the Consumer Council of Bophutatswana, as a member of the appeal board of the Bophu-



Dawn Mokhobo

tatswana Board of Censors and as a freelance reader for Bophutatswana TV.

She is married, with two children.

Mokhobo is the 14th Businesswoman of the Year. Last year the award was received by a Cape Town woman, Margerett Macfarlane, executive director of Zitton SA (Pty).

Wendy Vorster, President of the Executive Women's Club, said there was an apprecia-

ble increase in the number of women being promoted to executive positions, as well as those founding and managing successful operations.

"But," she continued, "the very top echelon of management is still a predominantly male preserve."

However, Vorster continued, "women's progress and development in the business world is reflected by the calibre of nominations for the award, and the growing number we receive each year."

One of the purposes of the award was to provide exposure for a successful businesswoman who would be a role model.

The Executive Women's Club would continue to make the award "until such time as the abilities of women executives are openly recognised to the extent that they can compete as true equals."

This would be apparent when the percentage of executive positions occupied by women was "proportionate to the working population ratio of men to women."

Affirmative action may be destroying white aspirations

Star 24/8/93

The high price of addressing inequality

(176)

BY CLAIRE GEBHARDT

After three centuries of racial segregation corporate South Africa has grasped the nettle of affirmative action for fear that a new government may impose racial quotas — but some business experts say they appear to have gone overboard.

Most employers are scrambling to get the necessary number of blacks in management, "no matter what their skills" — others are applying their own reverse discrimination by reserving whole levels of employment for blacks only.

The net result is that whites are increasingly being relegated to contract or temporary employment.

Management consultant Johann Reddinghuys says: "We're going into social engineering in the market place just as we had social engineering in the past and the results will be disastrous — not only for individuals but for business."

SOME employees are scrambling to increase their 'black quotas' while young whites tramp the streets in search of work.

"You can't run a business without the skills which, at this stage, reside only in the white population."

Dr Linda Human, an expert on black advancement at the Stellenbosch University Business School, says the spirit of affirmative action is to create a situation where race and gender become irrelevant, "instead business is trampling on white aspirations and destroying black sensitivities."

The South African Chamber of Business has meanwhile expressed concern about the capacity of the economy to support

radical affirmative action. Addressing inequality is very much easier in a situation of high growth, they say.

In a country wallowing in a trough after 4½ years of "the mother of all recessions", it's well nigh impossible.

Job prospects for South Africa's graduates this year are the worst in living memory — only three out of every 100 will find work in the formal sector.

Almost 600 000 young people — just out of university and high school and some of them highly qualified — are pounding the streets looking for work.

Already it is commonplace for graduates to obtain work as secretaries, parking attendants and general dog's bodies.

A spokesman for Hay Management Consultants says business is expecting legislation dealing with affirmative action to come in in the next year or so.

"In preparation, business is saying that if a new government demands that 30 percent of man-



Linda Human ... destroying black sensibilities.

agement be black, they want to get the right people in now.

"We're doing a lot of testing for suitability based on something called 'competencies' which looks at soft skills like achievement, motivation, initiative or tenacity."

"The theory is that provided the drive is there, the rest of the skills can be acquired."

Duncan Innes of the Innes Labour Brief says the biggest threat is to the white up-and-

coming young executive with the potential to reach senior management. "Companies will put in competent black people above them and this will not only be demoralising, it could lead to an exodus of skills."

Martin Westcott, MD of P E Corporate Services, is more optimistic. He says despite the country's inability to provide jobs to more than 10 percent of new entrants to the labour market, the shortage of trained skilled manpower remains acute.

"Given a projected shortage of 1 million skilled workers within the next 10 years, there will be exciting opportunities for all the white and black graduates that our universities and technikons can produce."

Most experts agree that no black-led government can be expected to accept the status quo — to date, blacks constitute only one percent of top executive level.

Though the ANC has said that it is not keen to impose quotas, it



Duncan Innes ... white executives are under threat.

is being pushed by a number of black organisations to do just that.

The National African Federated Chamber of Commerce has demanded that blacks hold 30 percent of seats on the boards of all listed companies by the year 2000.

It also wants blacks to hold 40 percent of equity and 60 percent of posts at all management levels.

But there is no denying that

the small number of blacks in business reflects not only racial prejudice but also a severe shortage of qualified black candidates after years of sub-standard "apartheid education."

How to balance the demands of shareholders with the needs of society?

US consultant Dr Price Cobbs, on a whistle stop tour of South Africa last week to conduct affirmative action workshops for major SA corporations, says business faces a volatile interface between black rage and white fear.

"The major difference between your country and mine is that when we implemented affirmative action we were looking at a small minority while you're looking at a vast majority and that's an enormous psychological difference."

"Understandably you fear quotas and a lowering of standards but the more difficult part is empowerment in an organisation."

BUSINESS Retrenchment contingency became a new career for budding engineer

Man with an electrifying future

Sowetan 26/8/93

By **Mzimkulu Malunga**

■ **HARD WORK** Jeremiah

WIDE-SCALE RETRENCHMENTS which rocked South African industry during the last half of the eighties and early nineties prompted Jeremiah Mankge into action.

"I started working for an engineering factory in 1987 but as time went by the company started retrenching a lot of people.

"Though I was not retrenched I got concerned that one day it would be my turn, so I started making preparations," he says.

Mankge then opened a small engineering workshop where, for two years, he spent most of his nights and weekends. His sweat was not in vain. He began manufacturing numerous metal and electrical products.

These ranged from bedside lamps, garden lights to hard metal portions of three-plate electric stoves.

What was supposed to be a retrenchment-contingency plan then turned into a promising business. It grew until Mankge could no longer alternate between his employment and his factory. He eventually left of his own accord and Elegant Metal Products was born.

Among his clients are electrical appliance companies Unilight and Gem Lamp and Shades.

The company has also secured an order from an electrical appliance enterprise to manufacture electrical switches. The next stop for Mankge now is the manufacturing of exhaust tailpipes.

"I am just waiting for another machine. Once it arrives I will start making exhaust tailpipes," he says.

Elegant Metal Products employs five people and

Mankge, Entrepreneur:

Mankge is convinced that in the next two years there will have been a big improvement in the company.

Jeremiah Mankge qualifies for the *Sowetan*-Sanlam Entrepreneur of the Month competition. He will compete with other weekly winners at the end of the month.



Jeremiah Mankge ... spent sleepless nights to realise his dream.

Star 24/8/93

Black jobs and white fears . . .

(176)

■ BY CLAIRE GEBHARDT

The scene: the graduation ceremony at almost any university in South Africa. There is a comforting racial mix of graduands — but 1993 is a different kind of year. Many white graduates will probably not find appropriate jobs, many of the blacks probably will — but some won't be satisfied either.

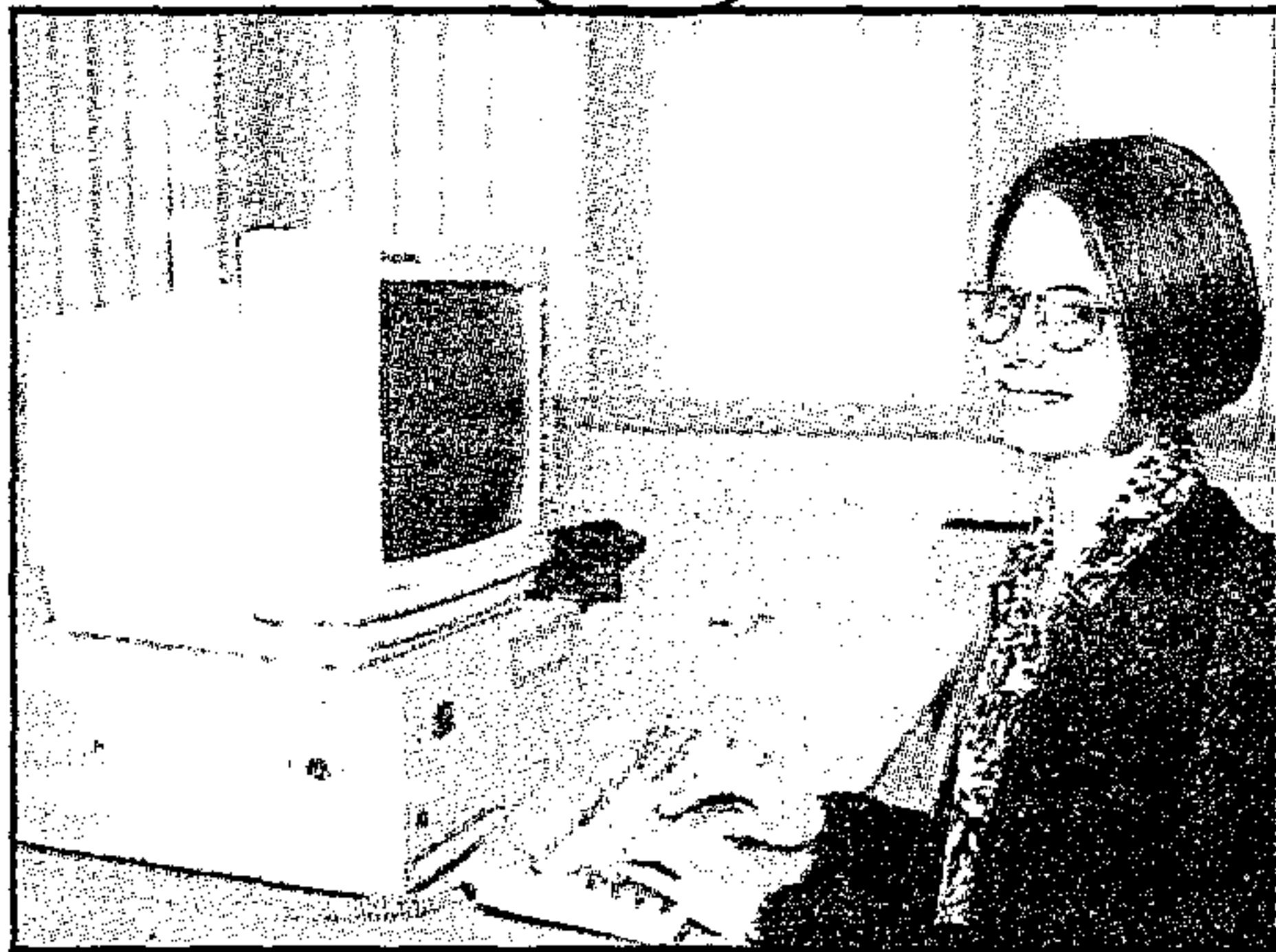
The reason: recession and affirmative action are changing the face of the country.

Last week The Star interviewed a number of young people about their prospects and the result shattered a political stereotype.

While many whites fear, in the words of one, "that my gardener today will be my banker tomorrow", many blacks are equally fearful.

Far from rejoicing at leapfrogging whites in the employment stakes, blacks say affirmative action is stripping them of dignity and self-respect.

Commenting on the black view, Dr Linda Human, an ex-



No jobs . . . law graduate Susan Webster acquiring "emigration skills".

PICTURE: PETER MOGAKI

pert on black advancement at the Stellenbosch University Business School, acknowledged that the spirit of affirmative action was being destroyed by companies' "wholesale fishing for black faces".

A typical white perspective from Susan Webster (22) is that whites have given up try-

ing: "I always wanted to be a lawyer but when only eight out of an LLB class of 100 got articles last year, I gave up trying."

Together with most of her graduate friends, Susan is acquiring "emigration skills" through computer and secretarial courses.

"I suppose it ties in with the whole future of the country — it's just not worthwhile trying to start from the bottom and build your way up."

But the black view, from people who did not want to be named for fear that they might end up with no job at all, is equally disillusioned.

Says Siphon M: "I don't smile like a white. And I sometimes feel that my colleagues make fun of me because I don't walk like a white."

Vukubi S: "I get a cheque at the end of every month but it's window dressing. I know I'm there just because I'm black."

Dlamini X: "I want a real job, not just their soft option. I don't fit into the firm's culture. My only education is Bantu education so I haven't been to the right schools. I haven't got roots and it shows. How can I face my children every night when I know I'm not doing an honest day's work? I want to contribute but I need someone to show me how."

► **High price of addressing inequality — Page 8**

B/DAY 23/8/93

Foodcorp to support black farmers

FOODCORP has joined forces with the Free State University in a long-term programme aimed at providing appropriate education, guidance and planning support to small-scale black farmers.

Foodcorp will initially contribute more than R500 000 to the programme. A portion of the sponsorship will be used to establish a bursary fund to help educate black agriculturalists in the field of agricultural development processes.

The programme, which will be steered by a committee consisting of representatives from the university, Foodcorp and the agricultural community, will contribute to job creation in rural areas related to food

Business Day Reporter

production, education for farming entrepreneurs, environmental protection and research and system development around the realities of SA's soil and climate.

Foodcorp CE Dirk Jacobs said: "Protection of the soil for continued and improved food production is a national priority and of special importance to the Foodcorp group."

In a statement he expressed his confidence in the diverse yields for Foodcorp's stakeholders from this investment. He believed empowering the black farmer would save SA from "the fate of famine and unemployed masses in urban ghettos".

● 'Promoting local business will bring growth'

Loner on the move

■ **GOLDEN OPPORTUNITY** He took the gap and never looked back:

Sowetan 19/8/93

By Mzimkulu Malunga

SIX YEARS AGO ALDRIDGE Mathebula turned his back on the black corporate world and mobilised his meagre resources to start a distribution and warehouse company.

Though aware of the potential, the company had, he was surprised by the growth of Vuku'zenzele distributions.

"With the violence in many townships, white distribution companies were scared to distribute there and I saw the opportunity," says Mathebula.

This beely young man, now runs a fleet of 10 trucks and operates an 800sq m warehouse in the East Rand town of Alberton.

The company's clients include major food companies like Premier Milling, Kellogs and Lever Brothers. He employs 40 people.

Mathebula is now looking at joint ventures with established companies on a number of projects.

"My desire is to see black people acquiring a major stake in the transport industry in sectors like shipping, air transport as well train goods services," he said.

Vuku'zenzele was one of the first black distributors to respond to National Sorghum Breweries' call on black companies to sub-contract their

distribution services to it.

The company now transports millions of litres of sorghum beer from the Pelindaba Brewery in Pretoria and Mathebula wants to increase the fleet of trucks within the next two months.

The business has reached the stage where Mathebula thinks he cannot afford to be a loner any more.

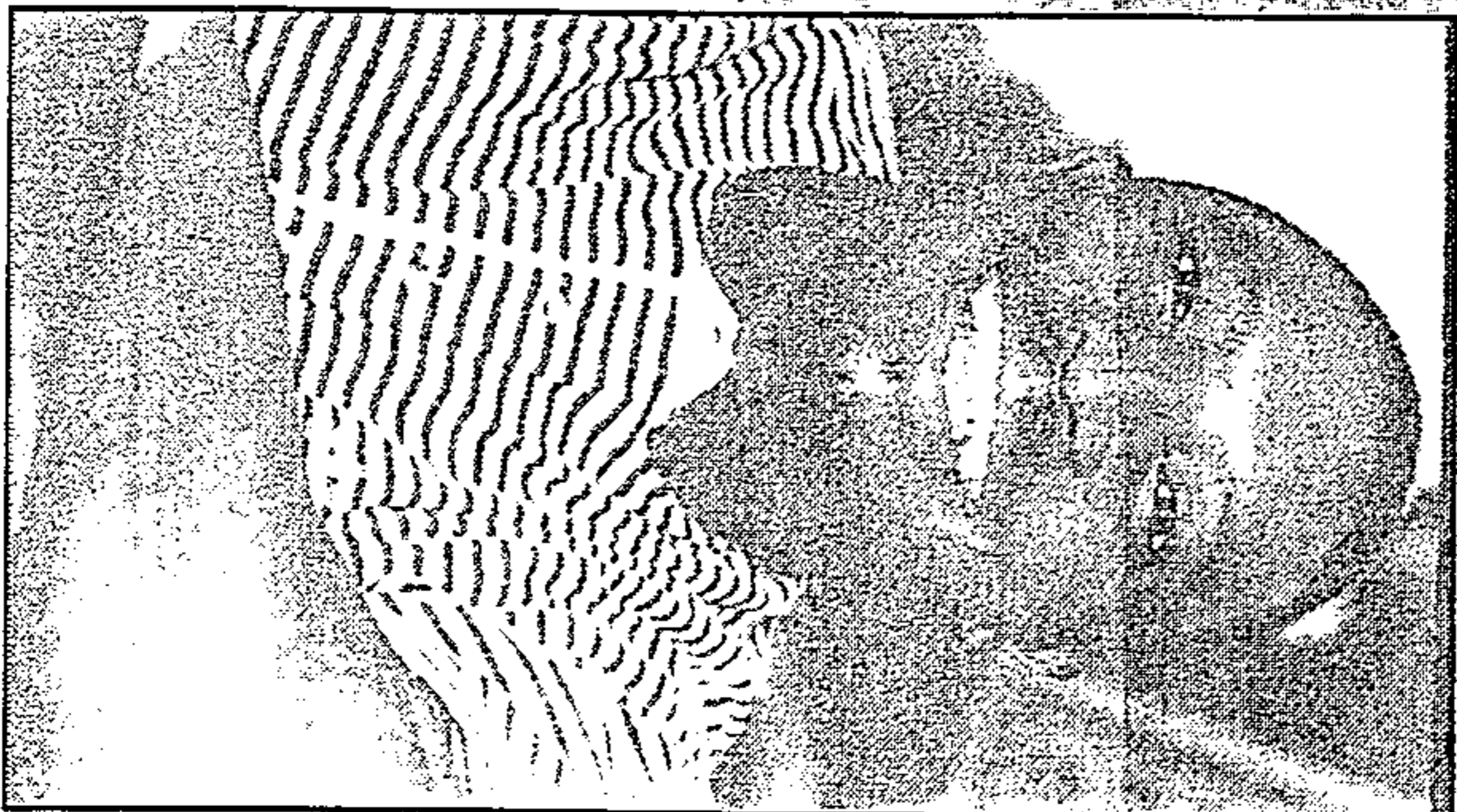
"I am now looking at servicing Africa and I cannot do that as a loner. You need people with additional finance and technology by your side to be able to do that," says Mathebula.

However, Vuku'zenzele is not alone in the township distribution industry. Competition is stiff with the likes of Black Moses around.

"But competition keeps me on my toes which is healthy," he says.

Though he stopped being an official of the various black business organisations over half a decade ago, he still actively takes part in organisations like the Foundation for African Business and Consumer Services and the National African Federated Transport Organisation.

Aldridge Mathebula qualifies for the Sanlam-Sowetan Entrepreneur of the Month competition. He will compete with other weekly nominees at the end of the month.



Aldridge Mathebula ... moving into Africa.

'Affirmative action is for all disadvantaged'

Political Correspondent

(176)

THE ANC in the Western Cape said its call for companies to end reverse discrimination against the coloured community did not mean that Africans should be excluded from the benefits of affirmative action.

CT 19/8/93
ANC assistant secretary in the Western Cape Mr Willie Hofmeyer said his organisation's affirmative action policy applied to all those who had been disadvantaged as a result of apartheid.

"The African community — particularly in the Western Cape — have been discriminated against and should accordingly qualify for affirmative action. But so has the coloured community and they should not be excluded from affirmative action programmes by companies," he said.

Mr Hofmeyer said this also applies to women.

'Stop employing blacks first'

By ANTHONY JOHNSON
Political Correspondent

THE ANC in the Western Cape yesterday called on all companies using affirmative action to employ blacks ahead of coloureds to stop this practice.

ANC assistant secretary in the Western Cape, Mr Willie Hofmeyer, said the practice of employing Xhosa-speakers ahead

of coloureds — the reverse of the government's former coloured labour preference policy — was causing "great unhappiness".

"The fact that some of these companies claim that this is an ANC policy demonstrates their total misunderstanding of the purposes and reasons for affirmative action," he said.

Mr Hofmeyer said there was

no doubt that blacks had been particularly disadvantaged by apartheid. "However, affirmative action has never meant... that jobs should be given to Africans only."

ANC Western Cape chairman Dr Allan Boesak said earlier that the ANC was drawing up a list of companies using so-called ANC policy as a reason for turning coloured job-seekers away.

(176)

CT 18/8/93

Boesak on affirmative action

Sowetan

action

18/8/93

THE African National Congress has denounced affirmative action as a reason for employing Xhosa-speakers ahead of coloureds in the Western Cape.

Regional ANC chairman the Reverend Allan Boesak said yesterday: "All disadvantaged groups must benefit from affirmative action. Using affirmative action as an excuse not to employ coloureds is not ANC policy," said Boesak.

He said some companies in the Western Cape were deliberately employing blacks to prove they were ready for the new South Africa. — Sapa.

MILICA/93

Boesak raises

ANC's concept of affirmative action includes

DENNIS CRUYWAGEN, Political Staff

AFFIRMATIVE action as a reason for employing Xhosa-speakers ahead of coloureds in the Western Cape has been denounced by the ANC.

Regional ANC chairman Allan Boesak said he had been inundated with complaints about this practice.

It had been raised at every public meeting he had held.

"I've had a letter from a person who says: 'I urge you to give boards of directors, once and for all, a clear-cut definition of blacks in order to eradicate any confusion that may exist.'"

When ANC leaders spoke about disadvantaged people they meant blacks, women and the physically disabled.

"All disadvantaged groups must benefit from affirmative action. Using affirmative action as an excuse not to employ coloureds is not ANC policy," said Dr Boesak.

He said some companies in the Western Cape were deliberately employing blacks just to prove they were ready for the new South Africa.

"In their hearts, though, they are serving the interests of white political parties."

Telling coloureds that they were being discriminated against in terms of ANC policy was not only untrue, but an attempt to drive people into the arms of the National Party and the Democratic Party.

"I have asked our people for a list of these companies using so-called ANC policy as a reason for turning coloureds away because they are not Xhosa-speakers. I can't allow the ANC to be blamed for racism and will name offending companies," said Dr Boesak.

Implementing voluntary affirmative action, making business aware that legislation in a post-apartheid South Africa would be used to make them do the right thing, and showing confused companies the difference between social responsibility and affirmative action was difficult enough.

"We don't need these companies playing silly games with the lives and careers of young people."

Of the elections, Dr Boesak said it was clear that the NP and DP had identified the Western Cape as a region which they wanted to win.

NP claims of growing support among coloureds were turning out to be mere speculation.

"The DP is trying everything in its power to build a name for itself on the back of the ANC. I seriously believe both parties are hoping in vain to win the majority of votes in the Western Cape."

Dr Boesak ruled out forming an election alliance with the Labour Party, particularly in the Western Cape.

The ANC's general council had on several occasions made it clear that it did not want to form a pact with the LP, he said.

One reason was that such a pact would evoke negative emotions among voters "to such an extent that we shall lose votes instead of gaining".

Opinion polls also showed the LP was losing support.

"I believe it would be much better for Labour to tell our people they made a mistake by going into the tricameral system and to ask them for their forgiveness. Then they should disband and join the ANC," Dr Boesak said.

Though the ANC had not discussed possible candidates for the national assembly, senate and regional government, the movement was determined to grab the biggest slice of votes cast on April 27 "so that we will have the biggest representation in parliament".

WOMEN
CT 17/18/93 (16)

racism

Doing the Thebe side-step

THEBE Investment Corporation, the ANC-linked business group, has hardly been out of the news in recent weeks as just about everything it touches turns to controversy. **SI Times**

First there was the proposed deal between publisher Macmillan and Thebe — it has Nelson Mandela and Walter Sisulu as trustees — aimed at winning a chunk of the R500-million-a-year schoolbook business.

Thebe's finances have also been subject to much speculation, but suggestions that it was on the rocks have been countered by Thebe, which says its businesses are either profitable or soon will be.

Now questions are being asked about the Digital-Thebe deal whereby computer giant Digital Electronics has been able to begin operations in SA while the ANC still supports sanctions.

Thebe's controversial reputation stretches beyond SA's borders. One plugged-in investment adviser in the US says there is a general opinion there that to enter the SA

The toyi-toyi used to be the only dance in town. But what is this Thebe side-step?
COMMENT by KEVIN DAVIE.

market "you first have to deal with Thebe".

"The ANC appears to have an interest in maintaining sanctions. The only way you can get into the market is if you deal through Thebe," this adviser says. **(Buss)**

Companies which have had stalled discussions with Thebe include some of the best-known brand names in the world. **16/8/93**

One is said to be a famous-name computer company. It chose not to deal with Thebe and is still waiting to enter the SA market while a competitor (Digital) has set up shop.

ANC officials have said that Digital is not really in SA, but has only established an office on a look-see basis, sort of getting ready for the real thing.

But Digital spokesman Vikkee Love told Associated

Press that full operations, including sales, began on July 1. Ms Love did not return **Business Times'** calls.

Other ANC officials are not buying the look-see line. ANC international affairs spokesman Aziz Pahad has asked Thebe to explain how Digital has opened for business while sanctions are still in place.

Mr Pahad is not the first to question Thebe. ANC education department officials Cheryl Carolus and Lindelwe Mabandla voiced strong concern about the proposed deal with Macmillan.

The robust criticism from the ranks of the ANC is a welcome departure from the track record of the National Party, where ranks have closed while brazening out public criticism.

How does Thebe respond to its critics? Managing director Vusi Khanyile, an anti-

apartheid veteran, insists Thebe does not represent the ANC.

Digital SA has appointed two resellers in SA. Thebe has a equity stake in one of these resellers, Bhekisizwe. Digital does not have an equity position in Bhekisizwe, nor is there any exclusivity in the relationship, says Thebe.

It says Thebe is one of four equity partners in Bhekisizwe, the others being Per-setech, a trust representing future staff, and Vela International, a private company representing black investors.

Mr Khanyile says Thebe is fostering black empowerment. Critics, he says, are jealous of the deals Thebe has struck.

But the critics are unconvinced. With sanctions still in place, the Thebe side-step appears to be the new dance in town.

Investors are trying to find out what the steps are. Is this a dance which can only take place with the say-so of a political party?

If it is there'll be many who won't come to the party.

Investors to share in City Press growth

BLACK investors will in the near future be invited to build on the successes of City Press.

Ton Vosloo, executive chairman of Nasionale Pers, City Press' parent company, said this on Friday in his report to the firm's AGM in Cape Town.

Vosloo said black investors would be invited to share in City Press' phenomenal growth as soon as the newspaper turned a good profit. (176)

He said that shareholders satisfied with the successful trade year of the company's magazines sector, should have even more reason to be satisfied with the progress made by City Press. (213)

He said City Press had experienced remarkable circulation growth and at times sold more than 300 000 copies a week, up from about 130 000 a year ago.

A new market strategy, linked to lively editorial initiatives, had turned the newspaper into a viable proposition. Its potential remains very high, considering the extent of the market it serves.

"It remains the intention of the Board of Directors to invite our black fellow countrymen to participate in building up City Press.

"We don't want to extend the invitation before the newspaper has been well and profitably established. That day is approaching fast," Vosloo said.

Commenting on *New Nation's* move into the Sunday market (now called *Sunday Nation*) Vosloo said: "Our team welcomes competition."

Political comment and newsbills by K Sibiya, headlines and sub-editing by B Keswa, both of 2 Herb Street, New Doornfontein, Johannesburg.

■ BUSINESS FOCUS

He can't write, but he's . . .

BAKING FOR THE NATION

By ELIAS MALULEKE

BAKER Isaac Madisa cannot read or write, but he is not ashamed of himself and proudly declared: "I feel like a well-educated man because I give jobs to people and feed nations".

"You can say I have a BA Degree in Human Care and Nutrition," said the owner of MI Bakery in Arabic Dam, near Marble Hall in Lebowa.

The 44-year-old father of two young sons grew up working on a farm in Dennilton and missed schooling throughout his youth.

But he now employs a white manager and more than 25 black workers in his flourishing bakery which produces more than 7 500 loaves a day.

Although he started from nothing in 1989 save for a small building and a loan from the Small Business Development Corporation, he now has assets of R750 000, including four huge delivery

trucks.

Madisa is not your average "MD" who shouts instructions from behind a huge mahogany desk. He is a hands-on supervisor who believes in leading the operation from the shop floor.

"I have been a baker all my life and I love the smell of fresh bread coming from the oven," he said.

Odd jobs

Madisa escaped possible death when a mysterious illness wiped out his family. Five of his brothers, three sisters and their father died from the illness. Madisa escaped with a semi-paralysed leg.

He believes an evil spell was cast on the family.

Madisa left the farm and found work at a bakery in Pretoria where he did odd jobs.

He earned R5 for a six-day week and claims that his white boss assaulted him

sometimes.

He changed work on numerous occasions and by the time he decided to start his own bakery, he had worked for more than 30 bakeries in Pretoria and Johannesburg.

"I was ill-treated wherever I worked because I could not read or write. I could not even speak Afrikaans and English.

"My bosses and colleagues belittled me because of this. But I was learning the job and did not worry much about the bad treatment.

"I changed jobs to gain experience. I wanted to be versatile, to be able to bake anything and succeed," he said.

He saved enough from his meagre income and started to build his bakery while he was still employed. He completed the building over a four-year period.

When the building was completed in 1989 he approached a development cor-

poration for a loan to buy a dough mixer, a cutter and a small oven.

"I worked with my wife and children when we first opened because we could not afford to pay salaries. We delivered to local shops in a small car.

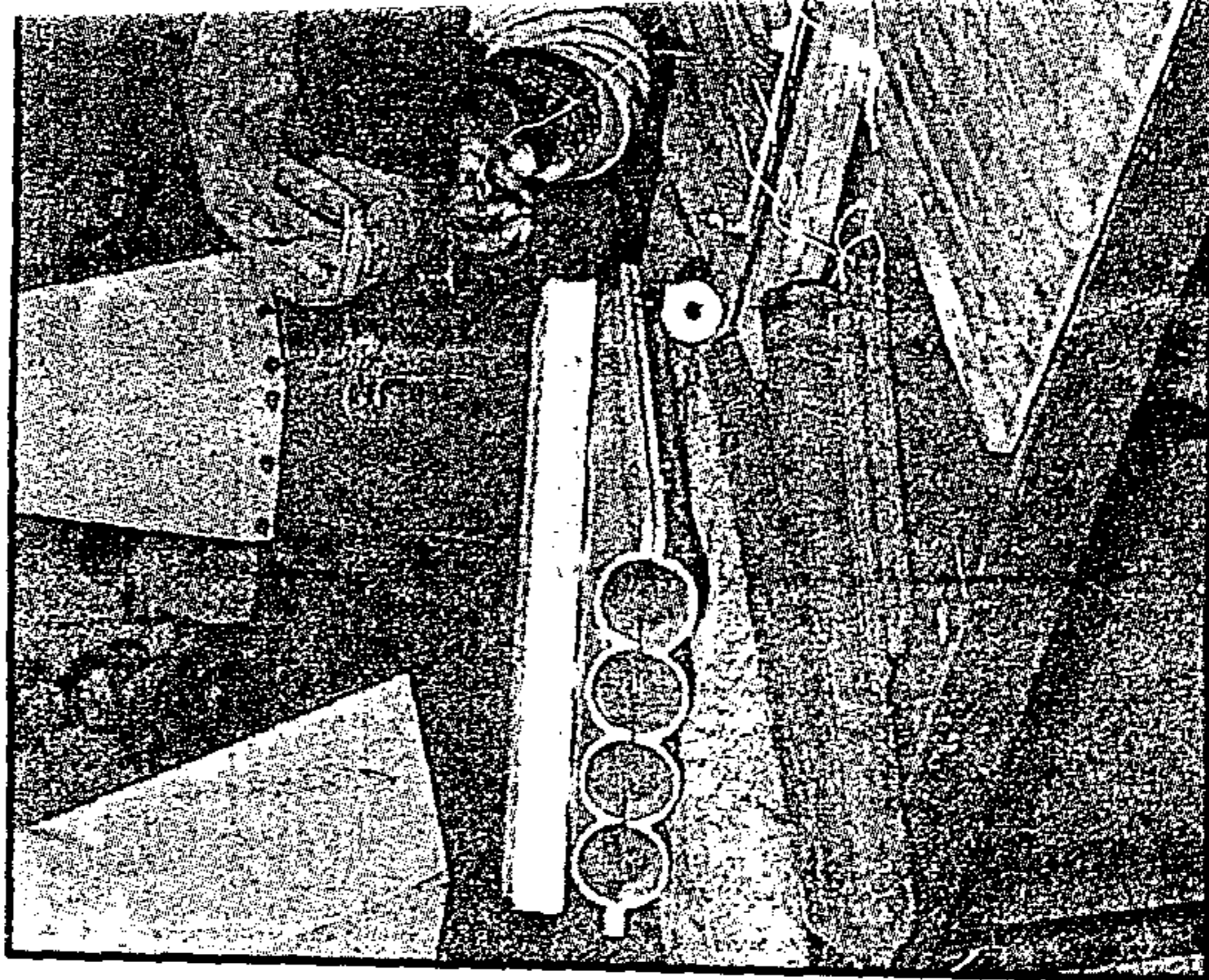
"The business picked up and we bought a small van and hired a driver. But I had a problem with my books and hired a black man to do the job."

He claimed he stopped using black bookkeepers in his business because some went around the village and spoke about how much money he was making.

"I felt betrayed because it was a dangerous practice. My books are my secret, and I decided to work with whites," he said.

Madisa said the business had grown tremendously and was still expanding.

He has installed new and bigger ovens and now intends to extend the building and challenge the industry's big guns.



WEALTH FROM WITHIN . . . Thami Majozi heads up a wealth in poverty stricken Orange Farm.

A Moses who leads where others fled

By DON ROBERTSON

BLACK Moses is doing great business parting troubled township waters.

With the motto "I go where eagles dare" Bafana Mgcina's company, Black Moses, is a fast-moving transport business with a strong hold on distribution in townships and homelands. *STimes*

He started with bakkies, but he now has five rigs with seven trailers of up to 26 tons each and 13 trucks of up to eight tons.

Mr Mgcina has appointed three white partners and two professors who offer engineering advice. Computer systems have been introduced and the staff expanded to 50. Five offices are leased in Orlando Industrial Park. *(BUS)*

"I now want to buy this double-storey 5 000m² block," says Mr Mgcina.

He is also negotiating to buy a warehouse from Robertsons Spices in Alrode and hopes to hire space in it to other firms. *5/8/93*

Many of Mr Mgcina's customers, including Tiger Oats, supermarket chains and Robertson's Spices, seek a bigger share of the black market; but they do not have warehouse or marketing facilities. *(176)*

He plans to provide them. Transport is in Mr Mgcina's blood. He began work as a traffic officer in Johannesburg in 1972. *(176)*

He became a captain "in charge of virtually all of Johannesburg" by 1983.

He then started a distribution company, Send-a-Part, which he contracted to the then Rank Xerox. This involved the delivery of computers, paper, spares and other items throughout SA.

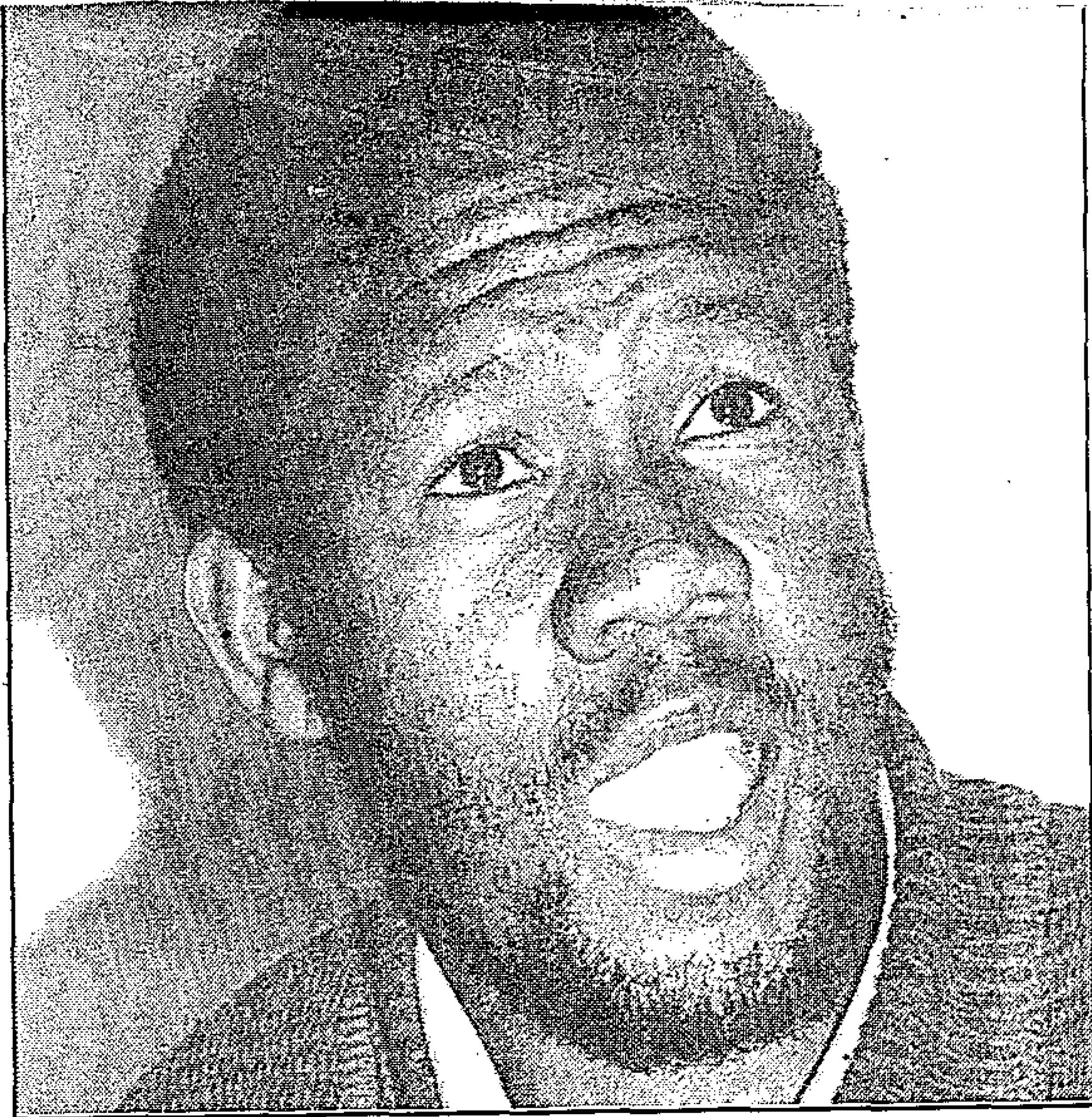
But when Xeratech took over Rank Xerox "there was no room left for me".

Mr Mgcina was awarded the Emergent Entrepreneur of the Year award by the Institute of Marketing Management in 1987.

He decided to market himself and the "turning point came in 1988 when I had a truck stolen from me. It had Team Xerox and Send-a-Part on the panels. It was thought to be a white company and became a target".


His second name is Moses, so he changed the name of his company to Black Moses, which gave the message to potential thieves.

His trucks gained secure access to black townships, something white-owned companies could not do and demand for his distribution services soared.



Ezekiel Rankoro ... adventurous businessman.

A lark led to *Sowetan 12/8/93* huge success

■ **JOB SEARCH** Friendly hint resulted in
the birth of a competitive business: 

By Mzimkulu Malunga

ADVENTURE has been the key word in Ezekiel Rankoro's business life.

When he joined a signwriting company in 1988, little did he know he was taking the first step to starting his own business.

"Then I did not know anything about signwriting. I went there because a friend told me there was a vacancy," he says.

Two years later, Rankoro found himself in a partnership with his former boss in a signwriting firm, a move which facilitated the birth of his wholly owned company Lebo Signs.

It is now three years since the company came into being and the client list is getting longer. Big companies that give business to

Lebo Signs range from food giant Premier Milling to Mig and HB Bentley in the construction industry. 176

Rankoro employs five people and puts emphasis on top class service in this highly competitive business.

However, Rankoro is convinced that his company will survive. "There is a demand for this type of service and also the quality of our products markets itself. Advertising plays a supplementary role."

Ezekiel Rankoro qualifies for the *Sowetan*-Sanlam Entrepreneur of the Month competition. The August winner will compete with other monthly winners at the end of the year. Four entrepreneurs of the month have already been chosen.

Affirmative action under spotlight

BiDay 11/18/93

PRETORIA — The implementation of affirmative action programmes could have substantial benefits for SA companies, says US consultant Price Cobbs.

Improving access to new markets, tapping staff creativity, enhancing productivity, making better use of human resources and increasing profitability and competitiveness were all positive factors which could be derived from a more diverse workforce, he said yesterday.

Brought to SA by Telkom and the US Information Service, Cobbs will give affirmative action workshops at a number of major SA corporations and institutions including Caltex, Telkom, Johannesburg City Council, Cosatu, the ANC and the Black Management Forum.

Cobbs is president of Pacific Management Systems, which specialises in helping organisations manage the racial, gender and cultural differences of their employees, Sapa reports.

The introduction of mandatory affirmative action in the US 20 years ago, coupled with myriad cultural assumptions, myths and stereotypes, had produced many controversies and the odd backlash, Cobbs said.

However, not one corporate chief had denied the move had produced major advantages over the years.

"My country has clearly profited from 20 years of affirmative action," he told Telkom and Post Office man-

ADRIAN HADLAND

agement as well as union representatives yesterday.

Aside from the morality of correcting social imbalances and the need for racial reconciliation, affirmative action simply made good business sense, Cobbs said.

This was because:

- It put companies in a stronger position when competing in a global market;
- Successful programmes and determinedly non-racial organisations would attract the "best and brightest" recruits; (17b)
- The workforce would be broadened; and
- Archaic policies and actions could be changed while higher returns and improved profitability were the rule rather than the exception.

Concerns about tokenism could be countered by the natural mechanisms of private enterprise: bad managers would fail, good managers would succeed.

Stating that he was learning as much as he was teaching, Cobbs said ideally SA should legislate affirmative action.

"To merely stop discrimination does not change attitudes or behaviour," Cobbs said.

The acceptance of diversity as a core corporate value was essential to SA companies' ability to adapt and thrive in a changing environment, he added.

Insurers need to get on right side of blacks

Star 11/8/93

BY THABO LESHILO

A lot of educational work needs to be done to change the negative perceptions blacks have of the insurance industry, says XB Holdings executive chairman Moss Nxumalo.

Nxumalo said yesterday there was a deep-seated mistrust of the industry because of past experience with unscrupulous brokers and companies.

Another indictment against the traditionally white industry, he said, was its failure to understand the special needs of ordinary township residents and the tendency to charge them exorbitant premiums.

This, he said, accounted for the reluctance of blacks to buy insurance.

"This is what gears me up," he said.

His company, he said, did not take readily designed products such as endowment policies to sell them from one house to another.

"We develop special products that are tailored to cover the special needs of our people."



Moss Nxumalo says blacks do not trust insurers.

Picture: Johnny Onverwacht

The insurance needs of someone living in a four-roomed house in Soweto are not the same as those of the more affluent residents of Parktown, said Nxumalo.

He said burglary was rarer in the townships than it was in town.

Traditional insurance companies, however, remained blind to the fact and continued to charge township residents higher premiums.

XB, Nxumalo said, charged the same rate for home insurance, irrespective of whether

the client was in the volatile township of Tokoza or in the relatively safer white areas.

He talked with pride about the company's funeral scheme, which caters for the unique needs of black people.

Called the XB People's Societies National Funeral Scheme, the scheme caters for extended families — even polygamous marriages.

Up to 49 family members, including children of relatives, as well as parents-in-law, are covered under the scheme.

Unionists appointed to NSB board

NATIONAL Sorghum Breweries has appointed trade union officials to its board of directors in a drive to fortify its commitment to black economic empowerment.

And NSB has also set aside R5 million which will be used to fund employees

who want to improve their academic qualifications.

This announcement was made at a meeting attended by directors of the NSB and 22 officials of the Food and Allied Workers Union and Food Beverage Workers Union held at Langlaagte

in Johannesburg last week.

Mr Mohale Mahanyele, chief executive officer of NSB, announced that officials of Fawu and the FBWU, who represent workers at the company's 22 plants, had agreed to be appointed to the board of directors.

Stockbroker raises R50m to help black businesses

FRANKEL Pollak Vinderine has raised R50 million to help medium-sized black businesses.

The fund, backed by foreign investors and SA business, will finance and train black businessmen, says the stockbroking firm's chief executive, Sidney Frankel.

The money comes from the Frankel Pollak Vinderine, Sanlam, HSRC and Ernst & Young-sponsored Platform for Investment.

Mr Frankel hopes to lift the fund to R500-million and list it on the JSE.

The investment instrument will be speculative, offering some security.

Frankel corporate division director Simon Oliver says: "The money will be lent to and invested in businesses that employ 20 to 200 people and have a turnover of R5-million to R20-million a year.

"We are looking to finance more than the hawker sector. The money will be lent at market rates and dividends should be paid."

Mr Oliver says the scheme should be running before Frankel's annual conference in February. The firm hopes to present the outline and principles of the venture at foreign investment conferences in New York in September and October.

S/Times (Buss) 8/8/93
By TERRY BETTY

The fund will lend to about five businesses in the first year.

Mr Oliver says: "Many SA businesses have lost money in this type of venture and so are nervous to commit themselves."

But this one will be different because it will start small and be controlled.

"We will be careful about where the money goes. Lending decisions will be taken by a management committee that will oversee the project."

Mr Oliver says the Small Business Development Corporation, a merchant bank, accounting and legal firms, which have yet to be named, will provide expertise.

JSE president Roy Andersen supports the concept of a business development fund, which is being investigated by several stockbrokers.

ANC economic planning spokesman Neil Morrison says: "The fact that the Venture and Development capital boards of the JSE have been less than successful shows that a fresh and innovative approach to boosting small and medium businesses needs to be found."

Leaping into the affirmative

(76)
ARU 9/18/93

With the economic climate as it is, it's hard enough to find a job, without dragging politics into it. But these days, the colour of your skin may be more important than your abilities when it comes to making a living. GILLE WEINTROUB reports.

UNOFFICIAL, perhaps, yet its still widely perceived — by job seekers and employers alike, that the first qualification you need in order to find a job in South Africa today, is a "black" skin.

Take the experience of one job seeker in particular, who contacted an employment agency recently in response to an advert.

She'd barely given her name, only to be told the job was an "affirmative action" appointment, and she (being "white") didn't make the grade.

Ironically, it wasn't so long ago that "black" job applicants were the ones to bear the brunt of those experiences. But now it seems the pendulum is swinging in the opposite direction.

The manager of the Claremont branch of a nationwide employment agency confirmed the trend, but explained that agencies were often acting on the instructions of their clients.

"It is reverse discrimination, but we are dictated to by what our clients want." And her experience was that the majority of clients wanted exactly that.

"I'd say 60 percent of our clients are going 'affirmative' — that's in the southern suburbs. A lot of clients request 'affirmative', you supply them with what's available, and if they're not happy they will look at the broader market."

Employment agencies, however, do not necessarily support such selection methods.

My source said her agency encouraged employers to look across race and age groups.

But it would take a while for past imbalances to be corrected.

"Total equality in job placement will take a long time. Meanwhile, there's a lot of pressure in the corporate environment to go 'affirmative'."

Commenting from an academic perspective, affirmative action



consultant Dr Linda Human, stressed that the concept was a subtle one, often misunderstood and wrongly applied.

"In some organisations, they are going over the top. They are saying we will only employ blacks or women. I'm not sure that is a satisfactory process."

Dr Human warned employers to exercise caution when embarking on the process. "What one is attempting to do is to fill positions with qualified people, but at the same time develop some mechanism for balancing areas where certain genders and races are under-represented."

It was problematic where this happened in a framework without supporting legislation to provide checks and balances, and where companies were trying to reverse the past very quickly.

"One has to treat the subject sensitively and reasonably, otherwise there is a risk of backlash," said Dr Human.

Lack of accurate information about affirmative action processes contributed to the all or nothing

approach favoured by many South African organisations.

The process of affirmative action tended to be represented in absolute terms, as either good or bad, right or wrong. On the contrary, it was a subtle concept with a fine line drawn between fairness and discrimination.

Yet South Africans, whether jobseekers or employers, can not afford to ignore it.

Dr Human: "If we don't have affirmative action then nothing will change."

She said there was a tendency for organisations either to ignore affirmative action, or to go overboard.

Managements did not realise that had they been training employees for the last 20 years, none of this would be necessary.

A good framework in terms of good affirmative action and anti-discrimination legislation complete with checks and balances was necessary for the system to be successful. People who experienced discrimination needed to have recourse for the system to function.

RECOGNITION of ACCA by the SA accountancy profession seems close.

While talks are taking place to formalise recognition, individual acceptance is widespread.

Lynne Frost, MD of the Tower Group says: "Because of the critical shortage of qualified management today, it has become imperative to find innovative ways of encouraging people to obtain practical skills along with their recognised qualifications.

"Experience, especially in the area of affirmative action, has been that there is a dearth of

Acceptance already widespread

skilled and qualified black financial management. Tower holds open orders for qualified black management from most of its larger clients who are struggling to fill quotas.

While the ACCA is regarded by the Human Research Council as only equivalent to the CTA or B.Compt (Hons) qualification, and not the CA (SA), certain of Tower's

clients are recognising ACCAs as equivalent to the full CA (SA) in terms of their grading systems. Tower's consultants see this as a positive move towards bringing practically skilled people onto the job market.

Telgie Philip of Philip Personnel says there is growing demand for black financial personnel. "I have standing orders for black graduates of any discipline."

Says Shawn Jacobs, MD of Execusearch International: "The ACCA is a most significant qualification which will open many doors."

Star 6/8/93

ANC probes Thebe deal

~~176~~ (176)

Staff Reporter

The ANC is investigating claims that Thebe Investment Corporation contravened ANC policy on sanctions, international affairs deputy head Aziz Pahad confirmed yesterday.

Pahad said he was trying to discover whether the corporation had contravened policy guidelines.

Bhekisizwe Computer Systems, a subsidiary of Thebe,

is reported to have signed a deal with the US corporation Digital Equipment to sell its computers from the beginning of last month. ~~(520)~~

He said that while many corporations were discussing setting up local subsidiaries, it was important to ensure that no group used its political position to gain unfair advantage.

ANC policy is that sanctions cannot be lifted until a transitional executive council is in place.

● NEF is ready to fund viable projects

Making a meal of it

Sowetan 5/8/93

By Mzimkulu Malunga

WITH SUMMER KNOCKING at the door, many people will be throwing wild parties in the townships and one man who stands to benefit from this is Mr Siphso Sibeko of Soweto Catering.

"Summer is our busiest period because there are lots of functions in the form of weddings, get-togethers, even Christmas parties," he says.

Having a professional caterer at weddings and other parties has become a status symbol and Sibeko is one of those who have the last laugh.

"People are busy and they want somebody to handle their cooking," he says.

Later this month Soweto Catering will prepare meals for more than 2 000 people who are expected to attend the *Sowetan's* mass choir festival to be held at the Standard Bank Arena.

Apart from individuals in the townships, most of Soweto Catering's clients are white companies.

"Though they still have fears as to whether a black caterer can deliver on time due to the violence in the townships, once they are satisfied with your service they always come back," he says.

However, most black business organisations appear to have doubts about the company's capabilities.

In addition to *Sowetan*, Sibeko's company caters for electricity giant Eskom. The company also hires out kitchen

■ A LA CARTE Crack caterer craves

corporate customers:



Sanlam

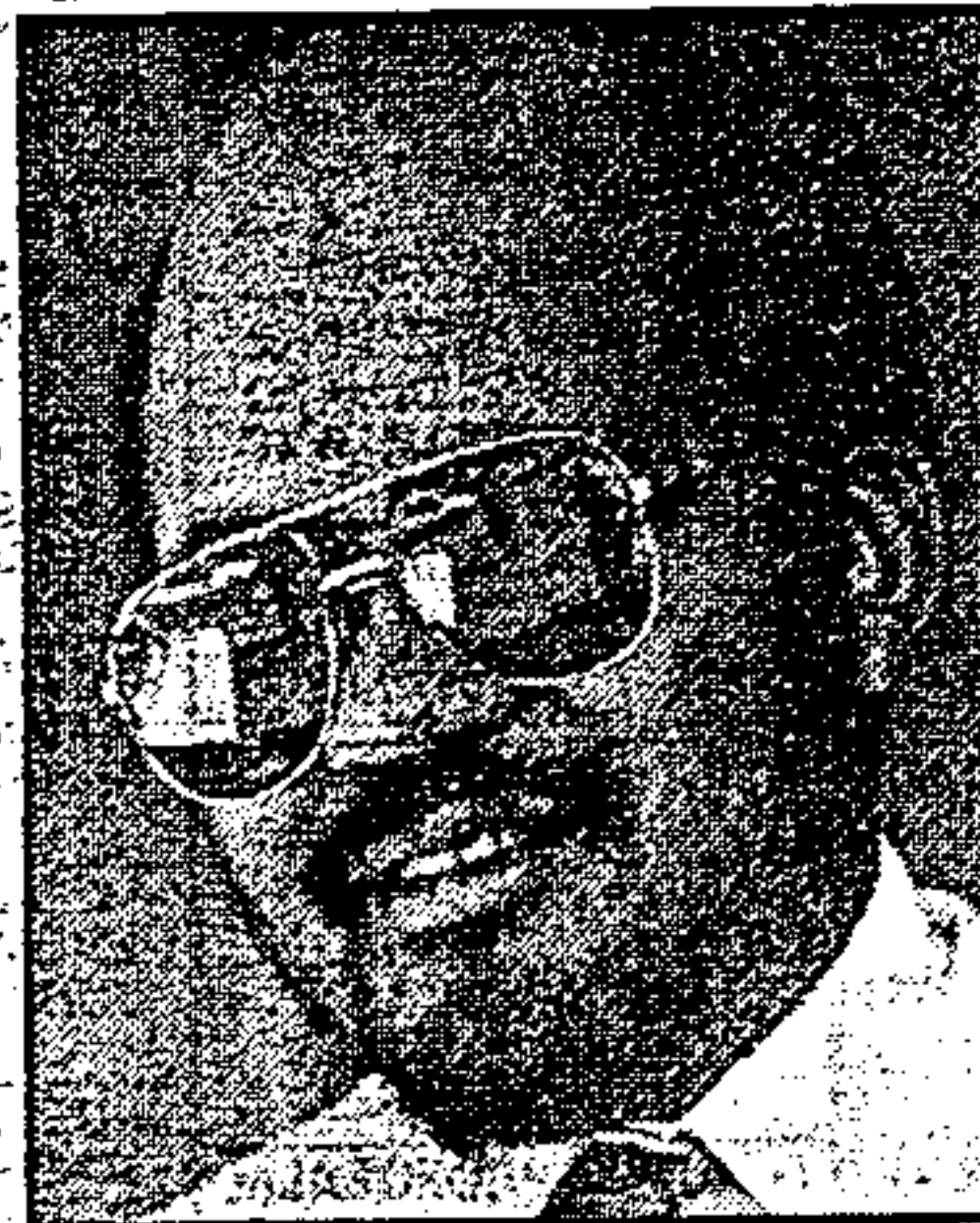
176

utensils and tents for parties, funerals and other functions.

Soweto Catering employs five people full time and has another five part-timers who are called on when the pressure mounts. There are qualified chefs in the company's employ.

Sibeko says he plans to approach companies to run their canteens just as companies like Fedics do.

Siphso Sibeko qualifies for the *Sowetan-Sanlam* Entrepreneur of the Month competition. At the end of the year monthly winners will compete against each other and the victor will become *Sowetan-Sanlam* candidate to the SBDC's entrepreneur of the year competition.



Siphso Sibeko plans to compete in the big league.

Recognition is very close

Sowetan 5/8/93

■ **GREAT SKILL** A qualification that will

open many doors for young people:

The recognition of the Association of Certified Chartered Accountants by the South African accountancy profession seems to be close.

While talks and negotiations are taking place to make recognition official, individual acceptance is widespread.

Lynne Frost, MD of the Tower Group, says: "Because of the critical shortage of qualified management in South Africa today, it has become imperative to find innovative ways of encouraging people to obtain practical skills along with their recognised qualifications." (176)

"Experience, especially in the area of affirmative action, has been that there is a dearth of skilled and qualified black financial management in the current market.

Tower holds open orders for qualified black management from most of its larger clients who are struggling to fill quotas."

Telgie Philip of Philip Personnel in Pretoria says there is growing demand for black financial personnel throughout commerce and industry. (S)

According to Shawn Jacobs, managing partner of Execusearch International, based in Rivonia, "The ACCA is a significant qualification which will open many doors. We are particularly enthusiastic about the career opportunities it will provide, not only locally but throughout Africa and internationally. The structured open learning approach will be of huge benefit not only to students but employers as well." (S)

focus on Nafcoc

Sowetan 4/8/93

THE NATIONAL AFRICAN Federated Chamber of Commerce and Industry's 29th annual conference highlighted a new sense of realism that is emerging among black business people.

"Time for pious irrelevancies is past, now is the time for action," says National Sorghum Breweries chief executive Mr Mohale Mahanyele.

In the past, gatherings like this used to be preoccupied with finger pointing and very little action — to the extent that some people dismissed Nafcoc conferences as "social occasions".

There was concern that black businessmen were falling into a trap that caught many leaders in post-colonial Africa, where every weakness in governments was blamed on the colonial masters.

Conference rooms overflowed with business rhetoric, with most of the time devoted to mourning and crying foul. Even political parties which many expected to break from the monotony when invited to speak at Nafcoc AGMs jumped on to the bandwagon.

This year, though some people still went to gamble while the conference was on, the majority were patient enough to listen to a variety of speakers who gave practical presentations to the audience.

The seriousness that was reflected at Sun City could probably be attributed to the leadership style of Mr Archie Nkonyeni.

In contrast to his predecessor, he does not seem to believe in diplomatic talk and therefore calls a spade a spade.

In his speech Nkonyeni attacked the Small Business Development Corporation for its ineffectiveness and unwillingness to break from the apartheid culture.

He called for a complete overhaul of the ownership and control of the institution.

Nkonyeni described the SBDC as a prisoner caught up in a web of bureaucracy that appeared totally insensitive to the changing economic climate of the country.

The Nafcoc president also echoed the major fear of black business people — marginalisation.

At the moment neither the liberation movement nor the Government have come up with a concrete policy to define the role of black business in the post-April 27 era.

It is only next month the National Economic Forum has promised to release a document proposing the part to be played by small businesses in the future South African economy.

While it is true that most small business enterprises in the country are black, addressing the interests of small business only will not be enough to address the fears of black business. The essence of Nkonyeni's speech was that while black business organisations have sup-

THE National African Federated Chamber of Commerce and Industry's 29th annual conference highlighted a new sense of realism that is emerging among black business people. Business Reporter **Mzimkulu Malunga** explains:



Mr Archie Nkonyeni ... good leadership style.

ported the liberation movement unashamedly in the past, there were signs that politicians within these movements were aligning themselves with white business and forgetting their long-time backers.

Many black business people are unhappy with the way in which a company, believed to be close to the liberation movement, has set itself on a competition path with black companies, while expectations had been that the company in question would facilitate black entry into the mainstream of the economy.

Nafcoc caused an uproar in the corporate world when it refused to oppose economic sanctions against South Africa in the mid-eighties.

The 1993 conference will be remembered by many in Nafcoc as the year in which businesswomen, who for a long time went to such

occasions only to accompany their husbands, made their presence felt.

The passing of a resolution unambiguously explaining women's rights within Nafcoc's ranks was a major breakthrough in the male-dominated business world.

Black businesswomen had brought Mrs Adelaide Tambo to hammer home the women's lib message.

Tambo said women comprised the most disempowered group in the country and they also formed the majority of the unemployed.

She was adamant: "Our situation cannot correct itself without our active intervention."

In her passionate call for women to be released from the bondage of economic exploitation, Tambo recalled the old Africa saying: "*Mangwana o tswara thipa ka bohaleng*," meaning that the mother will do all she can to help her family.

Accompanying the speeches, some of which nearly brought the delegates to their feet, were issues relating to unbundling and affirmative action.

The committee charged with the responsibility of investigating means through which black participation could be intensified in the corporate world, was given the additional task of devising strategies that could be explored to maximise black business benefits from the process of unbundling.

Commonly known as the "3456 Committee" in Nafcoc circles, the committee was appointed as a follow-up to a call made by former Nafcoc president Mr Sam Motsuenyane in 1991.

He had, among other things, suggested that 40 percent of the shareholders of companies quoted on the Johannesburg Stock Exchange should be black.

Our situation cannot correct itself without our active intervention

ANC accused of hypocrisy

Sawetan 4/8/93

By Tom Cohen
Sapa-AP

■ SURPRISING DEAL *Sanctions for*

some but not for others:

WHILE AFRICAN NATIONAL Congress leader Nelson Mandela was in the United States last month insisting that sanctions must remain, a United States computer company was setting up shop here with the ANC's blessing.

Digital Equipment Corp, the world's third largest computer firm, opened a South African subsidiary last month in a deal with a black investment company linked to the ANC.

The deal might seem surprising given the ANC's long-standing opposition to foreign investment in white-ruled South Africa.

The ANC has said the economic sanctions against South Africa should not be lifted until blacks join the Government.

That could happen soon, if black and white negotiators agree on forming a joint panel that will help govern the country in preparation for multiracial elections planned for April.

Educate blacks

But Digital has already arrived, with the ANC's support. One reason is Digital's commitment to helping employ and educate blacks. Another is the involvement of the Thebe Investment Corp.

Thebe was set up with money from ANC leaders Mandela and Walter Sisulu. Its 11-member executive management includes ANC regional chairman Tokyo Sexwale; Vusi Khanyile, the former ANC finance director; and Enos Mabuza, former head of the KaNgwane homeland who is aligned with the ANC.

Thebe formed Bhekisizwe Computer Systems, one of two South African companies with contracts to sell Digital products locally.

Sexwale said ANC policy allows foreign companies to open offices and "study the situation" until sanctions were lifted. He said Digital had yet to begin conducting business.

"It's not really a breaking of sanctions," he said.

But Vikkee Love, manager of marketing and business development for Digital's South African subsidiary, said full operations began on July 1.

‘You're not welcome in this country unless you come in through the ANC’

"We're very pleased from a business perspective," she said. "It has surpassed our expectations."

Some analysts see the Digital-Thebe deal as an example of ANC hypocrisy on the sanctions issue.

"You're not welcome in this country unless you come in through the ANC," said Eugene Nyati, an economist for the Centre for African Studies.

Nyati said Thebe was positioned to attract investors by promising influence with the ANC, which is expected to win the first elections including the black majority. That could result in an ANC-led government awarding contracts to businesses with close ANC ties, he said.

"This whole thing lends itself to corruption," Nyati said.

He noted that Thebe is exploring an arrangement with US publishing giant Macmillan Inc through its subsidiary in Swaziland, Macmillan Boleswa, to create a joint publishing company in South Africa.

With lucrative contracts for school textbooks to be awarded by a post-apartheid government, news reports have speculated the Macmillan-Thebe talks are aimed at creating a "favourite son" candidate.

Nonsense, exclaimed ANC and Thebe officials.

"Thebe is an independent organisation," said ANC spokesman Carl Niehaus.

He said Mandela and Sisulu helped set it up to "facilitate economic empowerment" of blacks denied equal

‘People want to criminalise black economic empowerment’

opportunity under apartheid.

Decades of apartheid have left whites in control of virtually the entire economy. Multiracial elections will bring little immediate change, although blacks have started to reach management positions and compete in some industries.

Sexwale said whites feared Thebe because it is involved in major projects in industries previously controlled by whites. "People want to criminalise black economic empowerment," he said. "It is because Thebe is going with Digital, with oil, with insurance, with banking that people now begin to have objections."

The Batho-Batho Trust, founded by Mandela, Sisulu and others, put up a reported R8 million to get Thebe going.

Thebe has several holdings, including a property management company, a travel agency, a car rental agency and a marketing company for ANC products, such as T-shirts.

Redressing imbalances

According to a Thebe marketing brochure, the corporation's aim is to "redress the economic imbalances that exist in South Africa" due to apartheid. Sexwale said the Batho-Batho Trust decides what to do with Thebe profits and is committed to putting the money into the black community.

Many African nations have corrupt governments in which an elite gets rich at the expense of the masses. Some whites point to such corruption in opposing black rule, even though the apartheid government has itself been guilty of corruption.

The minority government and business leaders wanted the ANC to call for the lifting of all remaining sanctions last month when negotiators set the date for elections.

Most sanctions are gone but a UN embargo on weapons technology and a ban on World Bank and International Monetary Fund loans remains.

In addition, 27 states, 89 cities and 25 districts in the United States continue to impose their own economic sanctions, according to the South African department of trade and industry. — Sapa-AP.

~~176~~
176

Aid blacks for past wrongs - Mandela

176

By Ismail Lagardien
Political Correspondent

■ AFFIRMATIVE ACTION 'Biggest

challenge is losing legacy of apartheid':

TAIPEI — A new government in South Africa will have to apply affirmative action to address the effects apartheid has had on black lives, ANC president Mr Nelson Mandela said yesterday.

Speaking at Soochong University in Taipei, where he received an honorary doctorate in law, Mandela said the greatest challenge which faces the legislature and executive of the next South Africa was the question of how to address the legacy of apartheid.

State and public authorities would have to adopt policies which would have to give priority to the rights of the victims and legatee of apartheid.

"It is in this context that we will have to give careful attention to the need for

action to undo the legacy of apartheid and sexism.

"Affirmative action is not a threat either to standards or to individuals. It is an internationally recognised method of redressing past wrongs.

"To reject this method is to accept the status quo and to ensure that the fruits of war, colonialism, racism and sexism and oppression continue to be nurtured in society," Mandela said.

Since his arrival on the island last Friday, Mandela was treated like a head of state and was constantly referred to as "Mr President".

He was accompanied to Taiwan by Dr Pallo Jordan, the ANC's head of information and publicity; Mr Trevor

Manuel, economics chief; and Mr Thomas Nkobi, the ANC's treasurer. Mandela yesterday described the excursion as successful. He spent the past three days meeting Taiwan's top business people and political and economic decision-makers to try and attract investment in a post-apartheid South Africa. "We are confident that by investing in a democratic South Africa, building and expanding trade links, effecting technology transfers and assisting with human resource development, you will make a significant contribution to that new agenda of building a vibrant economy in a stable, democratic and peaceful society," Mandela said yesterday at a luncheon hosted by the Taiwanese Ministry of Foreign Affairs.

PERSPECTIVES

The time of reckoning

(176)
ARG 1/8/93

WITH all this reality staring South Africa in the face, "Affirmative Action" (AA) is still approached in a dream world of idealistic phrases; inequalities must be addressed, opportunities must be created, income must be redistributed, etc. This sort of thinking leads to tokenism, quotas, and the other factors which stir up resistance, without tackling basic attitudes.

Let us consider what happens if (or *when*) a South African government takes a strong line on AA. Whites *will* lose their jobs (tens of thousands?). There *will* be no further promotion for those still left in post. Replacement without regard to productivity *will* send inflation soaring. The process is obvious.

In Zimbabwe, most dis-jobbed whites just left the country — British passports were the norm. In South Africa, many whites (half?) will not have the emigration option, and, apart from whites, there are the 'Coloured' and 'Asian' problems.

The classic answer to all this, of course, is that sanctions will end and the economy will boom. Has anyone done an analytical study as to firms starting up, or expanding, and how many jobs will result, in a post-sanctions world? To do such an exercise, with a nervous glance at other African states, is to suspect that not ten percent of work seekers will be any better off. Just refer to any of those analyses on how many jobs need creation, in the next ten years.

Machines *will* go on replacing workers, and unreality surfaces again with demands for labour-intensive alternatives. So it will be back to a rapidly-swollen civil service, fuelling the budget deficit and draining the economy.

As to the hoped-for international aid, how many times does one have to repeat the basics: there is no incentive now for the West to bribe Africa away from the East — and Eastern Europe and other areas are greedy for funds. Will South Africa be favoured in such competition?

And *are* the hard-headed international bankers likely to be soft about the mounting debt burden?

No, reality paints the future as grim, and the total labour force *will* be far smaller than optimists would prefer. So who gets the scarce jobs?

When asked about "Affirmative Action", few firms are able to respond clearly. Reality to most of them is a weakening rand, redundancies, retrenchments, failing businesses and escalating debts. So now what? Writer **JOHN HANDFORD** considers the realities.

First, it must be realised that the number of low-level "non-thinker", jobs depends on the virility of the thinker job-holders — really top-tuned middle and top management strata will create more low-level jobs. So, let us concentrate on the upper reaches.

It is here that a totally new approach, based on a hoary old principle is possible. Advancement, and appointment, must be on merit, with "merit" determined by an utterly revised concept of education. If the best men win the races, then, at least, a tight, resourceful economy offers hope for the nation as a whole.

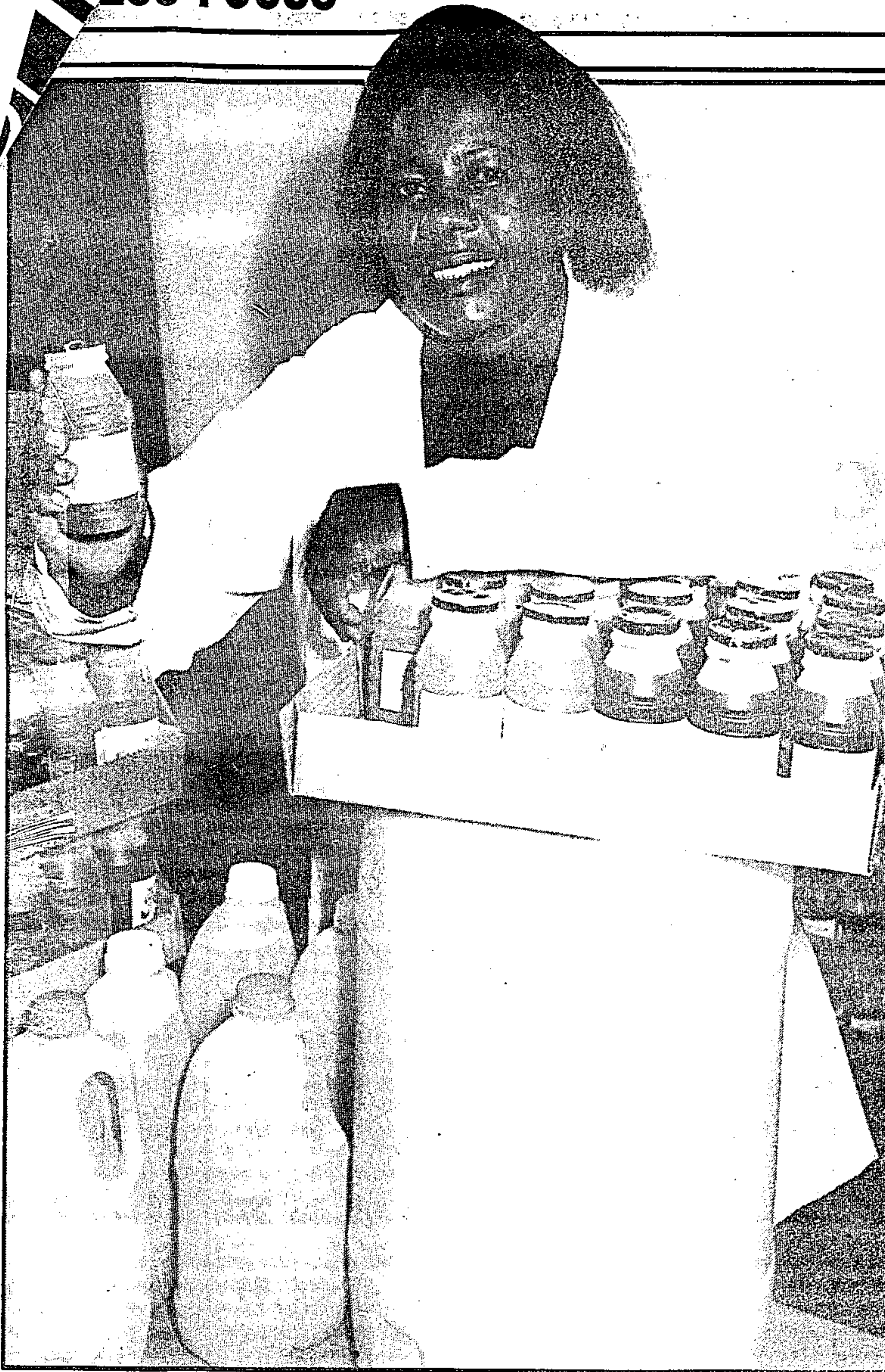
The trouble with "education", touted as a panacea for decades — is that it has degenerated into mere parrot-like repetition of phrases — the grabbing, and waving, of meaningless certificates (in ever-greater profusion). When one has seen PhDs awarded with not one ounce of original thought, what is one to conclude?

Education in the New South Africa *will* be totally non-racial from top to bottom, starting now. Far more individuals must be weeded out, in both the academic and technological streams, than at present. There *will* be much gnashing of teeth, which *can* be accepted by all, if the weeding process is seen as fair and above-board using the merit determinants.

Then the whole issue, in public and private sectors, of Affirmative Action, problems of racism and sexism, fall away. There will be other problems, of course, but the main thing is to realise that a weak, inefficient economy, caused by the appointment and promotion of incompetents, of whatever colour, benefits nobody. This is the recipe for a future of grass growing in the streets, of sinking back into, not a third-world, but some tenth-rate, status of universal hewing of wood and drawing of water.

Let us avoid it, by *positive* action, now.

BUSINESS FOCUS



Juice the right stuff to make her the boss

CIPress 118/93

By BERENG MTIMKULU

SHE had become yet another unemployment statistic, but hard-working Pamela Nkwenyane's aspiration to be her own boss could not be thwarted.

She persevered and endured the emotional torment after the company at which she worked as a receptionist suddenly closed down. But after opening her own business mixing and selling fruit juices in 1991, she now has reason to celebrate.

Nkwenyane is the holder of this year's July 1993 Sanlam/SBDC Emergent Entrepreneur of the Month award.

Based at the Small Business Development Corporation (SBDC) in Johannesburg, she worked as a part-time supervisor for a Johannesburg juice company. To her this was action training and learning-on-the-job as her enthusiasm drove her to gather information on mixing and selling juices. 176

Before long, 40-year-old Nkwenyane opened her own Juice Fountain stall!

With financial help from the SBDC, Nkwenyane bought machinery and stock and since then, has never looked back.

A mentor from the SBDC, who visits her stall weekly, advises her on budgeting, banking and profit-making.

Nkwenyane has watched her business grow considerably, making substantial profit to maintain a warm and stable home for her family, as she now sells over 10 flavours of juice to hawkers.

White schools, shops in Bophuthatswana and Potgietersrus and the phenomenal Soweto "kitchen parties" are just some of the many enthusiastic clients that depend on her for the supply of juice.

The mother-of-three said running a business does not stifle her caring role at home. She has the full support of her husband, Sam.

"Business is a bit slow in winter. At the moment I'm working on skeleton orders, but there is obviously a lot more demand for drinks in summer," said the soft-spoken Nkwenyane.

SUCCESS STORY ... Pamela Nkwenyane won the Sanlam/SBDC Emergent Entrepreneur of the Month Award after opening her own juice supply business.

Black advancement now a business buzzword

Sowetan 30/7/93

176 176

By Joshua Raboroko

THE advancement of blacks in the corporate world is fast becoming the buzzword and the biggest deal in the new South Africa.

The question being asked is: Where is the black talent going to come from?

As many companies, fearful of legislation, scramble to get black faces around the boardroom table, highly qualified blacks are having a heyday job-hopping.

One human resource manager aptly complained: "We are paying our black managers much more than our white managers but they just keep on getting poached."

Experts and the corporate world say that next year will see the uhuru vote and after that the ANC will have to be seen to be delivering to its followers.

The business world has given a powerful boost to affirmative action by urging companies to increase black advancement and to weed out all forms of racial discrimination in recruitment and promotion.

Business has good news for women employees by setting guidelines emphasising that employment policies should be placed on nongender and nonracial basis.

The South African Chamber of Business, the Black Management Forum, the ANC and labour consultants confirm that black managers can virtually write out their own cheques at the end of each month.

Sacob firmly believes that discrimination in any form has no place in the modern world of business and that historical patterns of disadvantage must be firmly and actively addressed.

"A critical policy issue is that of affirmative action in regard to black people and women in the working environment," Sacob says in a policy document widely regarded as a blueprint for a new employment code for the private sector.

It adds: "The potential for economic growth and business development in South Africa will not be realised in a climate in which socio-political instability is endemic and in which business — partly because of its composition — is seen as an appropriate target for protest in the form of stayaways and boycotts.

"A shift in the composition at senior level of visible and rewarding positions

in business is necessary in order to demonstrate that business represents the South African population at large."

Research has shown that both economic growth and productivity threatened to be constrained in the future by shortages in the supply of professional and technical skills.

David Lowry of international executive research consultancy TASA says: "Practically every company is prepared to pay a hefty premium to buy an effective black manager."

Lowry says South African blacks at the top have impressive qualifications which can range from MBAs to Bachelor of Commerce with Honours, Bachelor of Arts graduates with majors in Physics and a good sprinkle of Bachelor of Science graduates.

TASA has joined forces with the BMF to set up an executive placement agency.



Tito Mboweni

On TASA's books are more than 200 black men and women who can walk into a company at the top and manage it effectively. The BMF connection through executive director Mr Lot Ndlovu, will expand that base.

The ANC's deputy head of economics, Mr Tito Mboweni, says the organisation has not made up its mind about whether or not to impose a quota to boost affirmative action.

He says: "Although Nafcoc has urged us to follow this way, our official view is to encourage corporations to engage in black advancement programmes to reflect the demographics of South Af-

rica.

"If we are talking about a pool of highly qualified black people that means they must be managing top companies. There is always talk about a shortage of skills, but every year there are hundreds of blacks who graduate.

"Where are these people going to, are they all teaboy? There must be a pool of these people who are being under-utilised."

Perhaps the answer to this question can be found in the black-owned National Sorghum Breweries which has an avalanche of graduates in its employment.

NSB's chief executive Mr Mohale Mahanyele writing in *Enterprise* magazine (July edition) says black economic empowerment is the key to a democratic post-apartheid South Africa.

He contends that affirmative action comes in different ways. It comes in the form of the provision of special grants, education, bursaries for those who come from the disadvantage communities.

In its guidelines, Sacob says it is aware of fears that affirmative action threatens white males with displacement or replacement by blacks or women. However, a growing economy will make the shortage of white male managements skills even more critical.

Sacob argues that any prescriptive intervention by the State will also do more harm than good. It will lower investor confidence and encourage strategies to create the impression of progress while real advancement is at a standstill.

Among the guidelines spelt out by Sacob are that:

- Employee recruitment and development aimed at improving the mixture of higher level personnel should be integrated into company business plans monitored by the chief executive;
- Obvious and covert discrimination should be eliminated without delay;
- Discussion forums should be created, bringing in senior line managers to give full explanations of the strategic reasons for affirmative action;
- Recruitment planning must be undertaken with specific jobs in mind with reassurances to existing employees that their positions are not in jeopardy; and
- Employees should avoid poaching from other companies to find suitable candidates, but instead implement recruiting and training policies to create their own pipelines of black and female staff for promotion into senior posts.

SOWETAN/ESKOM WOMAN OF THE MONTH

Providing skills

Sowetan 30/7/93

■ JOB CREATION

 Former cook teaches dressmaking to students from as far afield as Namibia and the Transkei:

By Sizakele Kooma

TEN YEARS ago Anna Kholumo worked as a cook at Western Holdings gold mine. Today the Welkom mother of four owns a school that has provided skills for more than 800 men and women country-wide. The story of Tswelopele Dressmaking and Tailoring School goes back to 1983 when Kholumo, tired of the routine of a mine kitchen, left her job to undergo 18 months' training in dressmaking in Pretoria.

Two years after she came back she rented a room at an industrial site outside Thabong, Welkom, and started the school with eight students and five sewing machines.

The school has grown to three lecture rooms, 180 students and two dormitories that house 54 students from as far afield as Namibia, Transkei and the PWV area.

"While still working from home I noticed an enthusiasm among some of my clients about what I was doing. I thought if I started a school I would bring out a lot of talent and provide people with the means of making a living," said Kholumo.

Of the hundreds of students who have completed the course, which takes a year and costs R700, some have established their own businesses at their homes and in towns. One has even set up a school in Bloemfontein. The two tutors who assist Kholumo were also students of Tswelopele. "There are very few jobs going and almost all of them need skills. We have to teach one another the little bit we know."

"It is not possible for everyone who has completed the course to start her own business. But those who cannot afford to go it alone stand a better chance of being employed at a clothing factory than an unskilled person," she explains.

There are three other dressmaking schools in the Thabong area offering a similar service but Kholumo, whose school was established first, says her students have not become fewer.

She does not know why but one of her students, Ntombente Somtyele, of Bizana in Transkei, summed



ESKOM



it up: "I went to one school and it closed down a month after we had started. Others have programmes that last three to six months. There is not much you can learn in so short a period if you have no background in dressmaking. "Tswelopele starts us at the very beginning, with draughting. If you are involved in drawing and cutting a pattern, it is easy to follow the other steps and assess yourself through the process. At some schools you buy a ready-made pattern and start sewing from there."

Anna Kholumo is the August finalist of the *Sowetan*-ESKOM Woman of the Year award in the category of job creation.



Anna Kholumo

He never said die after firm folded

Sowetan 30-7-93

BURNING DESIRE Even before he was retrenched

he had decided to create a job for himself:

By Mzimkulu Malunga

176

WHEN Elijah Mjwana was thrown into the streets in 1991 after the company he was working for went bust, he never said die. "It was tough. But because I had this burning desire to start my own business even before I was retrenched, I decided not to go and look for a job but create one myself," says Mjwana.

The Tembisa based manufacturer then started a company called Home Care Products that produces carpet shampoo, bath foam and hair care chemicals.

He sources his raw materials from chemical companies on the East Rand and making the products is very basic. The manufacturing process is manual from start to finish.

Home Care Products employs three people. The Eastern Transvaal town of Witbank provides the bulk of the clients in addition to an east Rand based wholesaler who specialises in amenities.

School clients

Schools in the semi-rural areas of the Eastern Transvaal are also Mjwana's clients though they do not buy regularly.

"At some stage I wanted to start marketing myself in areas around Tembisa and the East Rand. After placing an advert in the local paper and receiving very little response, I decided to change my strategy and target outside areas," he says.

However, packaging remains his main problem. As of now Mjwana is battling with labels and was forced years ago to call his products.

"I never knew that just placing a label on a five litre container of bath foam was so expensive. I was sure that people tend to be attracted by the packaging rather than what is in the container itself," said Mjwana.

Elijah Mjwana qualifies for the Sowetan-Sanlam Entrepreneur of the Month competition.

Monthly victors will compete with each other until the end of the year when an overall winner will be chosen.



Elijah Mjwana

Entrepreneur of the month

EACH week the Sowetan features an entrepreneur who automatically qualifies for the Sowetan-Sanlam Entrepreneur of the Month competition.

Monthly winners go through to the final contest of the competition and the overall winner receives R15 000 while the runner-up gets R5 000.

This year more emphasis will be placed on entrepreneurs in the manufacturing industry but other business categories — except retail enterprises — are also eligible.

If you want to enter for the competition or nominate someone else, contact Mzimkulu Malunga at (011) 474-0128.

6 I decided not to go and look for a job but create one myself?

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- Get that dream job?
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Black business rising

Sowetan 29/7/93

By Mzimkulu Malunga

AFTER massive campaigns during the last half of the eighties, black business appears to be finally flexing its muscles.

"The time for talking is over, this is the era of action. We are late already," says Don Mkhwanazi, one of the six black businessmen who bought ten percent of Metropolitan Life.

Though ten percent is a small piece of the cake, the deal involved millions of rands and millions of shares which are going to be issued to the blacks.

More importantly, Metropolitan Investment Holdings, the new company which was born out of the deal, has got into a voting pool with a majority shareholder which means that no major decisions can be made without the company's approval.

Development

Another interesting development was when a black-owned cosmetics manufacturing company, Black Like Me, sponsored one of the biggest boxing showdowns in South Africa's history in which a local lad, Dinga Thobela, dethroned American Tony Lopez.

When an American company, Digital Equipment Corp, came to invest in South Africa, an enterprise in which blacks own a majority share was one of the two local companies awarded rights to process and sell DEC's products in this country.

Black companies involved in this deal were Thebe Investment Corporation and Vela International who hold 45 percent



NSB chief executive Mohale Mahanyele.



and 20 percent respectively in a computer company, Bhekisizwe Computer Systems.

Accompanying the likes of National Sorghum Breweries, Black Like Me, Methold, Letsema Investment Corporation, the Maponya Group, Future Bank and African Bank as well as Alex Hair, a number of black companies of a much smaller size are emerging at a very fast pace.

Black entrepreneurs are quietly invading the services and manufacturing industries.

There is also talk doing the rounds that insurance giant Southern Life wants to sell African Life to black business people. Informed sources suggest plans

are at an advanced stage to facilitate this deal.

Unbundling

With unbundling becoming yet another feature in the changing business world, many in black business believe the sector could ride the wave into the mainstream of the economy.

"We need many more NSB's for the realisation of black economic empowerment in this country," says ANC head of economic affairs Trevor Manuel.

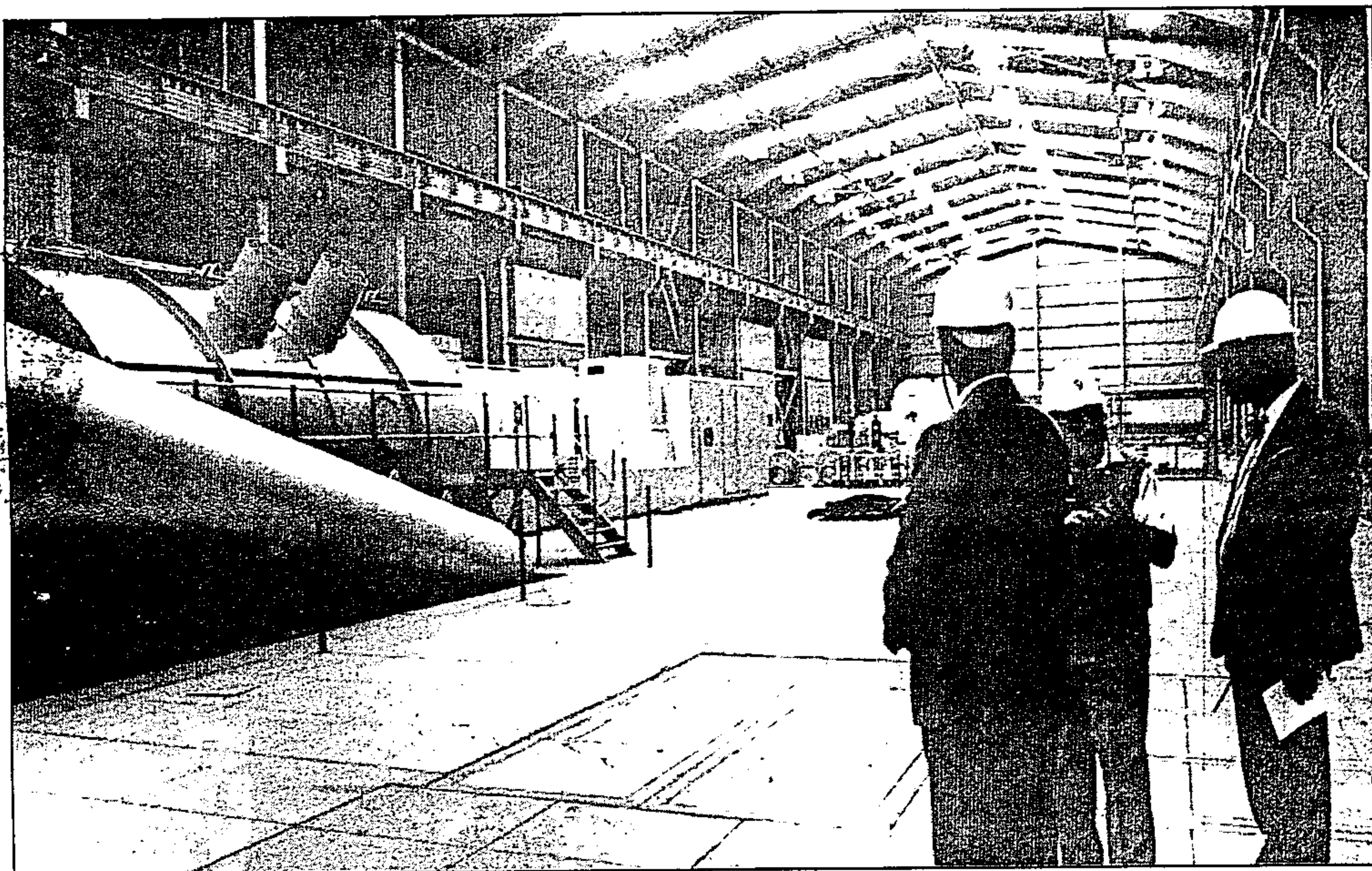
Many in the black community are keeping their fingers crossed that the major black companies, in which they have so much confidence, will sustain their current growth level.

People like NSB chief executive Mohale Mahanyele believe it is within their grasp. "When we took this company over, many said we would last only a month. A month later they said six months and when six months had elapsed they said a year — and three years on we are getting stronger," he says.

As far as Mahanyele is concerned, the whole issue of black business failure is a myth.

However, many in the black community are worried about whether technocrats in companies like NSB can successfully manage the pace at which the company is growing lest the engine overheats.

Nobody would want to imagine what an engine overheat in a multimillion entity like NSB would do to the ego of black business people.



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Premier Food Industries

Electricity in harmony

Sowetuni 29/7/93

MOVES RECOGNISED Eskom receives

Black Management forum award:

By Mzimkulu Malunga

WHILE OTHER companies are chasing after numbers to meet their affirmative action programmes, Eskom highlights its staff social harmonisation programmes as the key to transforming its corporate culture.

How a company moved from a very conservative background and pushed its way through to receive attention from organisations such as the Black Management Forum, remains a mystery to many people.

In 1991 Eskom won a BMF award for its black advancement programmes and received a mention for its ongoing affirmative action approach last year.

Ranked among the top-five companies with its social harmonisation programmes, officials of the company highlight three factors that form part of their advancement strategy. In addition to programmes aimed at managing diversity, Eskom has adopted an anti-racism policy and gender equity technique.

A nonracial corporate culture in an institution that was once held up as an "apartheid structure" will not be easy. It will require a lot of commitment and pain.

The management of the company is convinced the interest of various populations groups who comprise the "Eskom family" can be used as the cardinal point for the birth of a nonracial culture in the company.

It all started in 1986 when it was then fashionable for companies to call themselves "equal opportunity companies".

Eskom also jumped on to the bandwagon.

But it soon became clear to those at the top that being an EOC did not make an enterprise dynamic enough to respond to external changes. Hence, the company began fishing for talent that would propel Eskom into the future.

It was not until the last five years that Eskom's advancement programmes started rolling. The engine picked up speed in the last two years when even the corporate image changed.

Eskom is beginning to reap the fruits of this strategy as more civic organisations in townships on the Reef demand that the company take over the electricity supply from discredited local authorities.

"People were unhappy with the service being provided by their local authorities which were seen as illegitimate," says the chief executive and the man believed to be behind the transformation of Eskom, Mr Ian McRae. Last year the company hit the headlines when it started to consult with major trade unions on the whole question of participative management.

These efforts culminated in union, civic and consumer representatives being appointed to Eskom's electricity council.

Eskom has taken direct control of electricity in Soweto, Alexandra and Vosloorus.

Eskom has also initiated an electricity voucher system in the East Rand township of Ivory park.

Here the residents use a card system through which they purchase electricity from the local circuit. Once the amount of power in the card has been used up, a consumer has to buy more.

CP in bid to stop film being shown

Sowetan 29/7/93

Sowetan Correspondent

THE Conservative Party Youth Organisation has called on the *Weekly Mail* Film Festival to reconsider its plans to show the film *De Voortrekker*.

Claiming that the film attacked Afrikaner culture and denigrated Christianity, the CP youth said it would do all it could to stop the film from being shown.

The film is scheduled to be viewed at the weekend as part of the *Weekly Mail*'s "Limits of Liberty" Film Festival.

The organisers said, however, that the show would go on as planned.

Censorship

The festival, which aims to spotlight issues of censorship in South Africa, has become a lightning rod for controversy.

Last week, protesters against the anti-Semitic film *Jew Suss*, were successful in forcing its withdrawal from the festival.

The film is a notorious Nazi propaganda piece and groups objected to its insensitive attack on German Jews.

Like the planned showing of *De Voortrekker*, the presentation of the anti-Semitic film was meant to be educational and a panel presentation was scheduled to follow the screening.

Sowetan 29/7/93

R11,9-m gift for Nafcoc branches

NATIONAL Sorghum Breweries is to donate R11,9 million to the National African Federated Chambers of Commerce and Industries.

The money will come in the form of 1 000 bursaries to all of Nafcoc's 15 regions and prize money for the businessman and businesswoman of the year competitions.

"Despite the fact that we are the only company in the corporate world that has met Nafcoc's proposed advancement plan, there are still some doubting Thomases about the capabilities of NSB," NSB executive director Mr Ephraim Skosana said at Nafcoc's annual conference at Sun City yesterday.

Success

NSB chief executive Mr Mohale Mahanyele thrilled the audience on Tuesday when he spoke of his company's success. "Time for irrelevant talk has passed, now it is time for action," Mahanyele said.

He said NSB had an annual turnover of over R500 million. "Despite these achievements we are still not recognised.

"Companies smaller than us on the Johannesburg Stock Exchange get bigger recognition than us because they are white.

"Some of these companies which come to conferences like these to give you small change do not have black directors on their boards," he said.

→ FOUNDATION COMPANIES Transition →

White business discovers black faces

By Mzimkulu Malunga

"All of a sudden companies have discovered black faces," comments one manager on being told of yet another appointment of a black person to the board of a leading conglomerate.

With changes taking place in the country at the moment, a lot of companies have resorted to recruiting black executives.

While many claim to be doing it for simple economic reasons, some observers say companies fear that if they do not appear to be "nonracialising" their boards, someone else will.

A few weeks ago, the *Sowetan's* business desk got a call from a Pretoria white businessman who wanted to appoint

two blacks to the board of his company.

He was asking for suggestions. The man was referred to the Black Management Forum. But what was interesting was that he already had former Soweto mayor Mr Ephraim Tshabalala in mind.

"I don't want young people, you see. They tend to become too political," he said.

Such businessmen sound as though they want to appoint people just for the sake of doing so, and it appears some are destined to fall into this trap.

"I have a problem with a company that appoints a black person to its board for window dressing purposes," says Mike Ntlatleng, communications manager at the Foundation for African Business and Consumer Services. The popular view in black management circles is that

companies should develop their own managers to become board material and not make political appointments.

People with a history of political activism behind them, like Mr Enos Mabuza and Dr Nthato Motlana, serve on over a dozen boards.

"We should guard against people overreaching themselves," says Don Mkhwanazi, who also serves on the boards of blue chip companies. The militant ones, like current Black Management Forum executive director Lot Ndlovu, advocate "rocking the boat". "We should go into those companies and change them," he says.

This view is echoed by the deputy president of the National African Chamber of Commerce and Industry, KJ Hongwane who encourages people not to turn down offers to serve on boards.



Mr. Enos Mabuza

Tutu in call for affirmative action

Staff Reporter

176

ARCHBISHOP Desmond Tutu and outspoken ANC constitutional expert Professor Kader Asmal yesterday addressed Stellenbosch University students about the need for affirmative action and forgiveness to redress the past.

Prof Asmal said the Afrikaans translation of affirmative action "regstellende aksie", with its literal

translation "corrective action", captured the purpose of affirmative action, implying some wrong had to be put right. *CT 28/7/93*

"Equality of opportunity is narrow and unfair. In this way we take people simply as they are and judge them without asking why one performs better than the other."

To some, affirmative action was "no more than a code

phrase for quotas", he said. This was "a very narrow and limited perception of affirmative action".

He said quotas could either be implemented voluntarily or be made law.

Archbishop Tutu said affirmative action was part of the process of healing.

"Our country needs healing, reconciliation, peace, security and prosperity. Reconciliation

depends on forgiveness, forgiveness depends on confession. To forgive is to open an opportunity to someone to make a new beginning.

"The sincerity, the authenticity, the truthfulness of the confession is going to be determined by what the wrong-doer does now. Affirmative action is part of that process of saying we are making reparation, making good what was distorted."

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Workforce skills need to be rapidly improved

Star 27/1/93
176

By Stephen Cranston

as labour and other sectors of the business community.

No country can expect to make rapid economic progress if 60 percent of its economically active population is functionally illiterate, as in South Africa says Isaac Sam, World Bank infrastructure division chief for Southern Africa.

He emphasised the need for black entrepreneurs to step forward and lead the way in attracting both foreign and domestic investment, in initiating technological progress and in encouraging increased worker productivity and higher skills levels.

"Ill-defined and fluctuating trade policies are a sure-fire way to discourage the exchange of goods and services in the global marketplace."

Speaking at the Nafcoc annual congress in Sun City yesterday, Sam said the most urgent task facing a new government would be to improve the skills levels of the workforce.

Sam said that in every dynamic economy entrepreneurs were the link between innovation and production. To play this role they needed access to the latest technologies and this required a "permissive rather than prohibitive environment."

He said the country's domestic markets were artificially protected and resulted in higher local prices for a broad range of products.

The Nafcoc Management and Leadership Development Centre was a very important step that would help equip future generations of black South Africans with the skills necessary to compete internationally in the next century.

"An open and enabling environment demands a government that is committed to the free flow of goods, capital, people and knowledge.

"Import substitution has run its course, and the policy framework needs to be changed to remove the internal bias."

A new trade regime, with a simpler, more stable and transparent set of tariffs would have to be set up, but would have to be carefully thought out to avoid shocking the economy and leading to further hardships.

However, the centre was but one step towards the creation of a more skilled workforce. To achieve that objective, it was up to the black business community to put forward new initiatives and to be willing to work with government as well

South Africa's overly-protective trade regime had created substantial problems. "For one there is very little predictability in the tariff structure which makes it very difficult for exporters to plan and budget properly.

"An abrupt liberalisation of trade could be disruptive and could increase the already unacceptable rates of unemployment.

"But as an initial step exporters can use various options such as free trade zones, bonded warehouses or duty drawback schemes to achieve duty-free access to inputs."

Star 21/7/93

Small business sector needs a voice

By Stephen Cranston

The National Economic Forum is a classical conspiracy of crony capitalists, says Ian Hetherington, MD of Job Creation.

Hetherington says that the small business sector including the informal sector represents 30 to 40 percent of the total economy but has been allocated a mere 0,1 percent of the budget.

"It appears that the allocation of these moneys has been given to the NEF which doesn't have the appropriate expertise to do this."

He argues that government retain decision-making powers and takes advice from all quarters — including taxpayers, consumers,

the unemployed and small business sector — none of whom are in any way adequately represented on the NEF."

Hetherington has just returned from the US and UK where he investigated small business support groups. He says he has no problem with big labour and big business advising the minister, providing the minister also listens to other advisers. "The NEF appears to be agreeing that centralised bargaining continue through the industrial council system. The state then gives statutory support to these agreements between big labour and big business and imposes them on non-participants.

He says the small business sec-

tor needs to be separately represented as interests differ from those of the corporate sector.

"Ideally we should follow the British and American examples and appoint a small firms minister and a small business commissioner to look after the interests of the most efficient job generating sector of the economy."

He also urges the state to set aside a portion of state purchasing for small firms.

In the US any state purchase of less than \$25 000 is reserved for competitive bids from small firms. This means that 34 percent of federal purchasing is from the small business sector.

Ashton goes diamond hunting

Star Foreign Service

MELBOURNE — Canada's potential diamond riches are proving an irresistible attraction for Australia's biggest diamond miner, Ashton, which has signed up for its fourth major project in the country.

Ashton has just joined in a venture with the Canadian group, KWG Resources, to explore a large area in Ontario and Western Quebec at a cost of \$1 million.

Ashton is already involved in three similar deals in Canada as well as a large scale project in Russia.



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Help for black agents

Business Staff Star 21/7/93

The Institute of Estate Agents (Ieasa) is to launch a set of courses specifically to help black homeowners and agents protect themselves against some of the pitfalls possible in buying and selling property.

The programme has the backing of First National Bank, which has donated R15 000 towards it.

Ieasa president Colin Sidelsky says the courses were compiled after lengthy discussions with community organisations.

The programme will be run from the institute's head office in Johannesburg.

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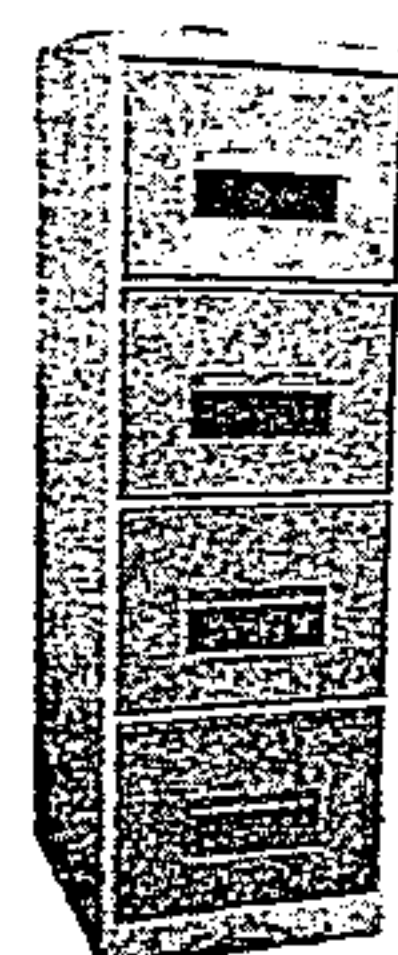
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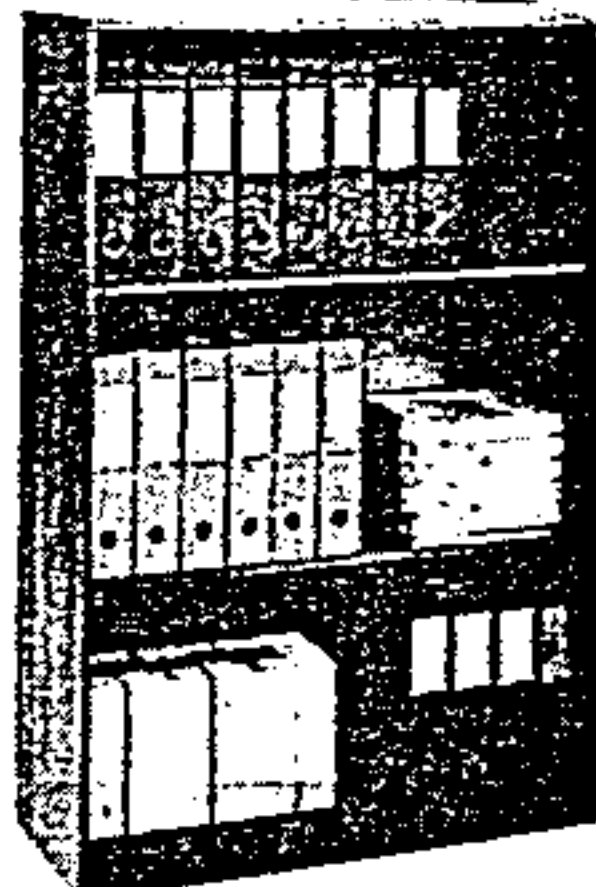
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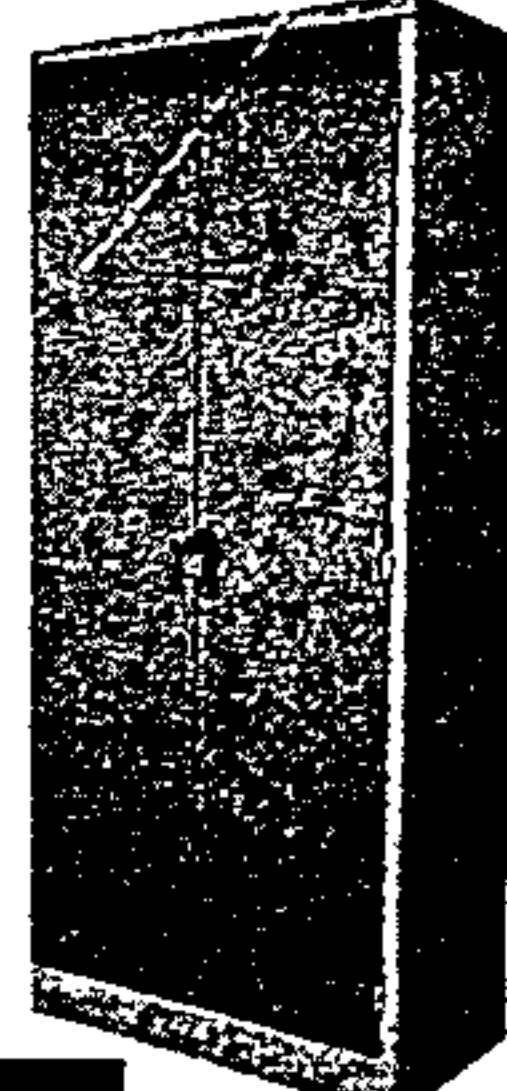
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Fw 23/7/93

176
176

NTHATO MOTLANA

Dispensing health

From the outside, it looks like any other matchbox house in Soweto. But inside the modest surgery, Dr Nthato Motlana (68), one of SA's most active community organisers and corporate board members, tends to his patients six days a week, six hours a day.

Some have known Motlana since 1957, when he was one of only two black general practitioners in the township. The former ANC Youth League leader continues to serve as personal physician to the Mandelas and the Tutus. But many of his poorer patients are treated free.

Recently appointed chairman of the Population Development Council, Motlana has become one of the first blacks to serve in the Nationalist government. His responsibilities will include limiting population growth.

His zeal for the job comes from the knowledge that his own success is due to the fact that he was an only child. His mother, a widowed domestic worker, would otherwise not have been able to send him to school. Vehemently pro-choice, Motlana wants family planning clinics readily available in the rural areas and the townships. He says the State should provide immunisation facilities and health care for mothers and children. He has six children.

Only one person has criticised him for accepting the appointment — Winnie Mandela, an old friend whom he has known since the Fifties. At a recent event, she shook her finger at him and said: "Don't talk to me. You've become a government servant."

Motlana laughs off the encounter. He says most people, including Nelson Mandela, believe blacks should now accept appointments to senior government positions.

Being the first black to pioneer a new project is not new for Motlana. He founded Kwacha Holdings, which opened the first black-owned private clinic in SA — Soweto's Lesedi Clinic. Kwacha then started Sizwe Medical Aid, the only black-owned scheme.



**Nthato Motlana ... heading
Metropolitan Life**

His newest challenge will be heading the board of the new Metropolitan Life — a company with R5bn in assets and 2,5m policyholders, most of whom are black. For three years he and others negotiated for a group of black businessmen to buy the insurance company — a subsidiary of insurance giant Sankorp. Shares will be sold to the black community.

Says Motlana: "It took an Afrikaner company, Sankorp, to make this move. I've always said that when a conservative Afrikaner mindset changes, they leapfrog over the liberals and land to the extreme left."

The deal was based on sound economic principles. "Decisions based on any other criteria have always failed," says Motlana, who worries about company social responsibility programmes that lead to welfarism.

Motlana's desire to help others stems from an obligation he feels to a community that provided him with bursaries to Fort Hare University and Wits Medical School.

He spends his mornings in board meetings for companies like Adcock-Ingram and Putco, as well as community groups such as the Get-Ahead Foundation and the Soweto Civic Association — which he founded. Motlana sits on three corporate and seven community boards. He chairs 12 projects.

Asked why he doesn't close his surgery and work only on development projects, he says: "None of the other things pays my rent. And I believe it's important to stay in touch with the heart and soul of my people." ■

ccess in building ● WRIGHTON urges beneficiaries of old order to sacrifice ● Function tonight



David Nkutha

Soccer gave him a key

Sowetan 22-7-93

By Mzimkulu Malunga

■ CIRCLE OF MIGRATION Hoping for a return

to the boom days of 250 plans a month:



DURING David Nkutha's days as a soccerite, the word "Inch" spontaneously flowed from fans' mouths and it made business sense to call his enterprise by that name when he ventured into business.

"The name was so popular that I noticed that people would get to know more quickly about my business and it was a marketing strategy for my business," says the owner of Inch Building Plans.

The company has been around since 1978 and between then and now, it migrated from township to Johannesburg's central business district and back to the township. Despite recessionary conditions which have



Sanlam 75

hit the construction industry hard below the belt, Inch Building Plans still produces 100 plans a month — strictly to order.

Like many who do business in the depressed construction industry Nkutha is keeping his fingers crossed that talks on a major national housing programme are converted into action.

so that the good old days of 250 plans each month can return.

Inch says he has deliberately shied away from entering into business transactions with big companies as the tend to dictate terms to smaller ones.

Inch employs three people, one of them a qualified draughtsman.

David Nkutha automatically qualifies for the Sowetan-Sanlam Entrepreneur of the Month competition. Winners of the monthly contests will compete among themselves at the end of the year.

176

Africa Bank must get 'closer to the people'

By Thabo Leshilo

The African Bank, widely regarded as a shining symbol of black economic achievement, was criticised at the annual meeting yesterday for insufficient presence in the black community. (176)

Shareholders said extensive marketing had to be done to bring the bank closer to ordinary people in the townships.

Chairman Dr Sam Motsuenyane told shareholders more branches were to be established. African Bank currently has 27 around the country.

The bank, he said, was going well and had increased its assets by 51 percent to R431,2 mil-

lion in the past 18 months despite the harsh socio-economic conditions.

A total ordinary dividend of 10c (7,5c in 1991) was declared for the 18 months ended March 1993.

"It's about time we invested more money in the Bank. After 18 years, it must be clear that the bank has a future," said Dr Motsuenyane.

Dr Motsuenyane, Tee-pile Taunyane and P.S. Monca, who all retired by rotation at the annual meeting, were re-elected to the board. Professor William Tladi, of the University of the North and L.S. Smith, who were previously appointed to fill casual positions, were also elected to the board.

'Racism will not succeed'

By Joshua Raboroko

NATIONAL Sorghum Brewery chief executive Mr Mahale Mahanyele says black economic empowerment against whites will not succeed, just as discrimination against blacks has failed.

Writing in the July edition of *Enterprise* magazine, Mahanyele says the country's economy will never improve if whites are discriminated against in a new South Africa. If the problems created by apartheid were not solved during the transitional period, then the new government would not be able to deliver.

What was needed now, he contends, was a solution to all problems that resulted from apartheid, such as land, education, housing, job creation, health care and economic growth.

There would never be equal opportunities in the country if these problems were not urgently addressed, he said. The black-owned company (NSB) is a success story in black economic empowerment on a scale never before realised in the history of South Africa.

The company has been restructured in such a way that is now led by some of the country's top black executives — a new look, quite different from the image of selling only just sorghum beer but other products as well.

It has committed itself to playing a bigger role in those living in squalid conditions in squatter camps and rural areas. Mahanyele says economic empowerment is the key to a democratic post-apartheid South Africa and if blacks do not prepare themselves for change during the transitional period, then he is afraid "we are all doomed."

He has urged blacks to improve their skills such as commerce and engineering, education, and many careers paths that will enable them to fend for themselves in the new South Africa.

Powerful lobby in place to push for affirmative action

Start 1971/93

By Claire Gebhardt

Blacks constitute only one percent of top management, according to research conducted by the South African Chamber of Business (Sacob).

If figures for Asians and Coloureds are included, the percentage rises to between 3 percent and 9 percent.

But if South African companies have failed dismally in their advancement efforts, US multinational corporations have little to boast about either.

In member companies of the Signatory Association the proportion of Blacks, Asians and coloured people in managerial position has increased from 8 percent in 1987 to a mere 14 percent in 1992 despite significant pressure to produce results.

In a background document to affirmative action released last week, Sacob notes that there is a powerful line-up of lobby groups committed to categorical action to promote black advancement.

The Black Management Forum for instance has said it will lobby for legislation to force companies to adopt an affirmative action programme.

The National African Federated Chamber of Commerce and Industry (Nafcoc) has called for fixed targets.

These are that within 10 years all companies listed on the JSE must draw at least 30 percent of their board members from the black community, at least 40 percent of their total shareholdings must be controlled by the black community and at least 50 percent of the value of outside purchases must come from black-owned suppliers and contractors.

At least 60 percent of top managerial personnel must come from the black community.

Sacob says this resolution was fully endorsed by the Institute of Directors in Southern Africa.

Numsa has also called for a code of conduct which will make affirmative action binding on companies.

The ANC's Policy Guidelines, however, stop short of advocating quotas but criteria of advancement are expected to be established, says Sacob.

"If this fails to achieve results sufficiently quickly other measures which could include quotas might be sought."

Labour consultant, Andrew Levy, predicts the establishment of an Equal Opportunities Commission or Board, over and above the statutory prohibition of discrimination on the ground of race.

This Board could audit private sector performance, formulate codes of practice and act on complaints.

Nafcoc to chart a new course

City Press 18/7/93

By ZB MOLEFE

ORGANISED black business meets next Sunday to chart its future course at the National African Federated Chamber of Commerce's 29th annual conference.

The four-day conference at Bophuthatswana's Sun City is expected to attract more than 2 000 delegates, various business organisations from southern Africa, foreign government representatives and the major South African political parties and movements.

It will tackle finance, skills and technology as it affects black business now and in the post-apartheid era.

World Bank infrastructure operations divisions chief for Southern Africa, Isaac Sam, will deliver the keynote address.

Another keenly awaited item is Nafcoc president Archie Nkonyeni's inaugural presidential address.

Nkonyeni, a Nafcoc stalwart, became president last year when "father" of the chamber, Dr Sam Motsuenyane, stepped down after 28 years.

But Nkonyeni will attract attention for his leading role during the past two years in the chamber's crucial 3-4-5-6 programme for black economic empowerment.

The programme sets the turn of the 1990s as the target by which 30 percent of seats on boards of companies quoted on the Johannesburg Stock Exchange be occupied by blacks. In addition, 40 percent equity in these companies should be held by blacks and 50 percent of business should be sourced from black enterprises while 60 percent of managers should be black.

Another strong focus will be the role of women in the South African economy in general and in business specifically. Leading the debate will be Adelaide Tambo. Well-known businessman Enos Mabuza will officially open the conference.

■ In a story last week City Press said businessman Moss Nxumalo is a director of the ANC-linked Thebe Investment Company. It has been pointed out to this newspaper that Nxumalo no longer serves on the board of that company. City Press regrets the error.

Old school ANC's busi

OLD school ties always annoy those who do not have them, but when they are coloured green, black and gold, and the alumnus is the future government, the resentment is tinged with dismay. The Thebe Investment Corporation (TIC) wears such a tie.

A year-old firm based in central Johannesburg, it is aggressively committed to black economic empowerment. It runs its own black-owned companies and brokers deals involving black investors. It is training people to work in areas previously inaccessible to black entrepreneurs.

So far, so good — and about time in a country to be governed by its black majority where only two percent of private-sector assets are black-owned and fewer than 10 percent of top managers are black.

But the corporation's sole shareholder is a trust whose founder-members are the two most senior men in the African National Congress; a senior ANC official serves on the board; the MD is the former head of the ANC finance department.

The TIC runs two divisions, property and trading, and seven wholly owned or subsidiary companies operating in a number of fields from computers, catering and car hire to selling ANC badges.

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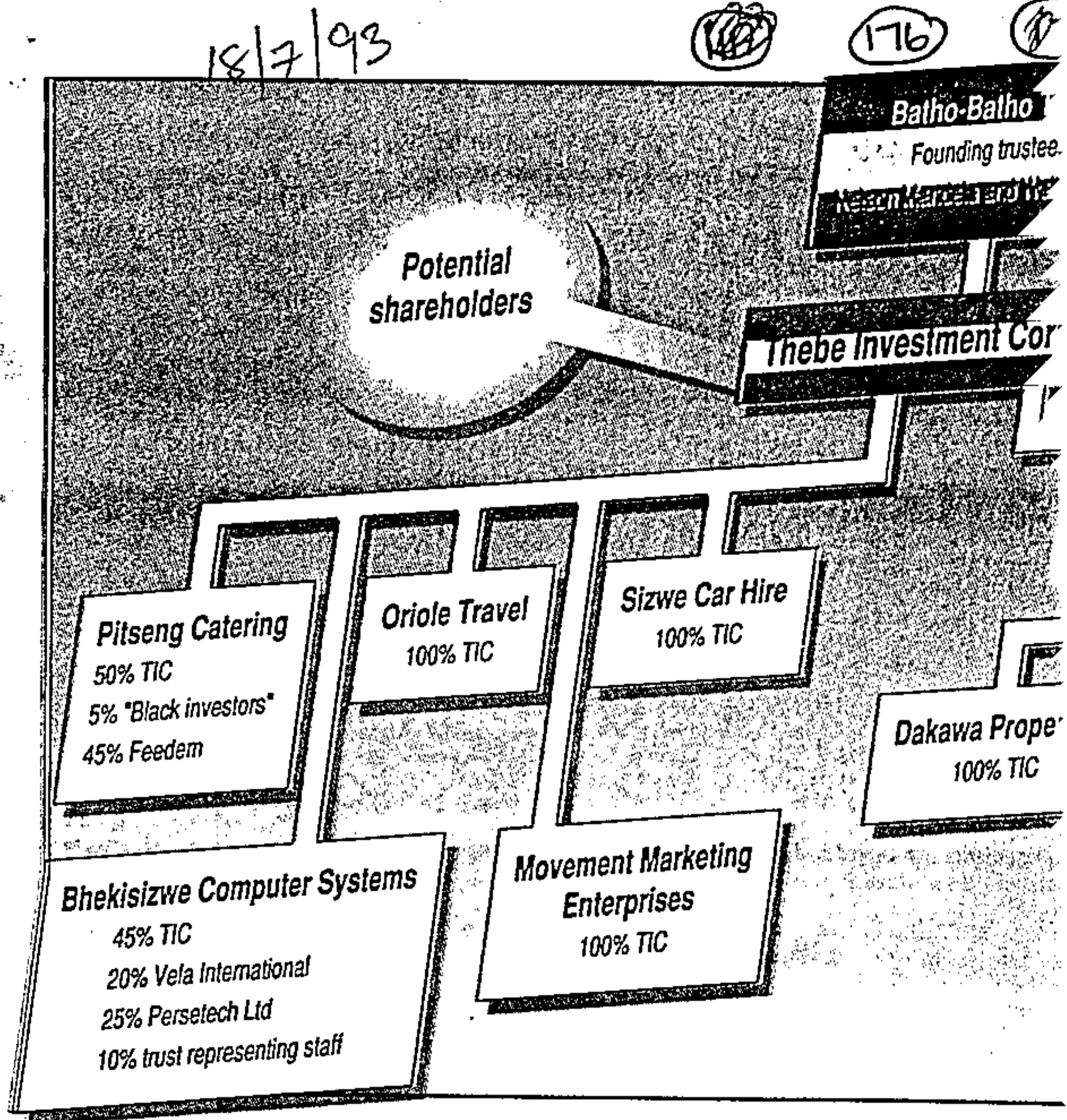
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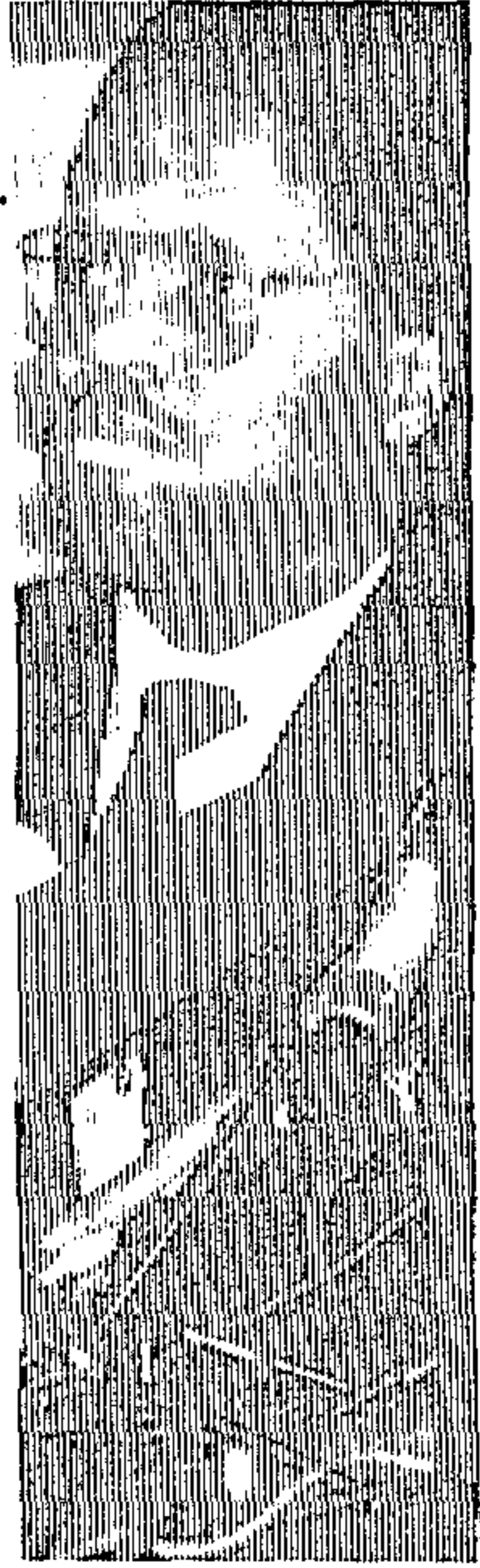
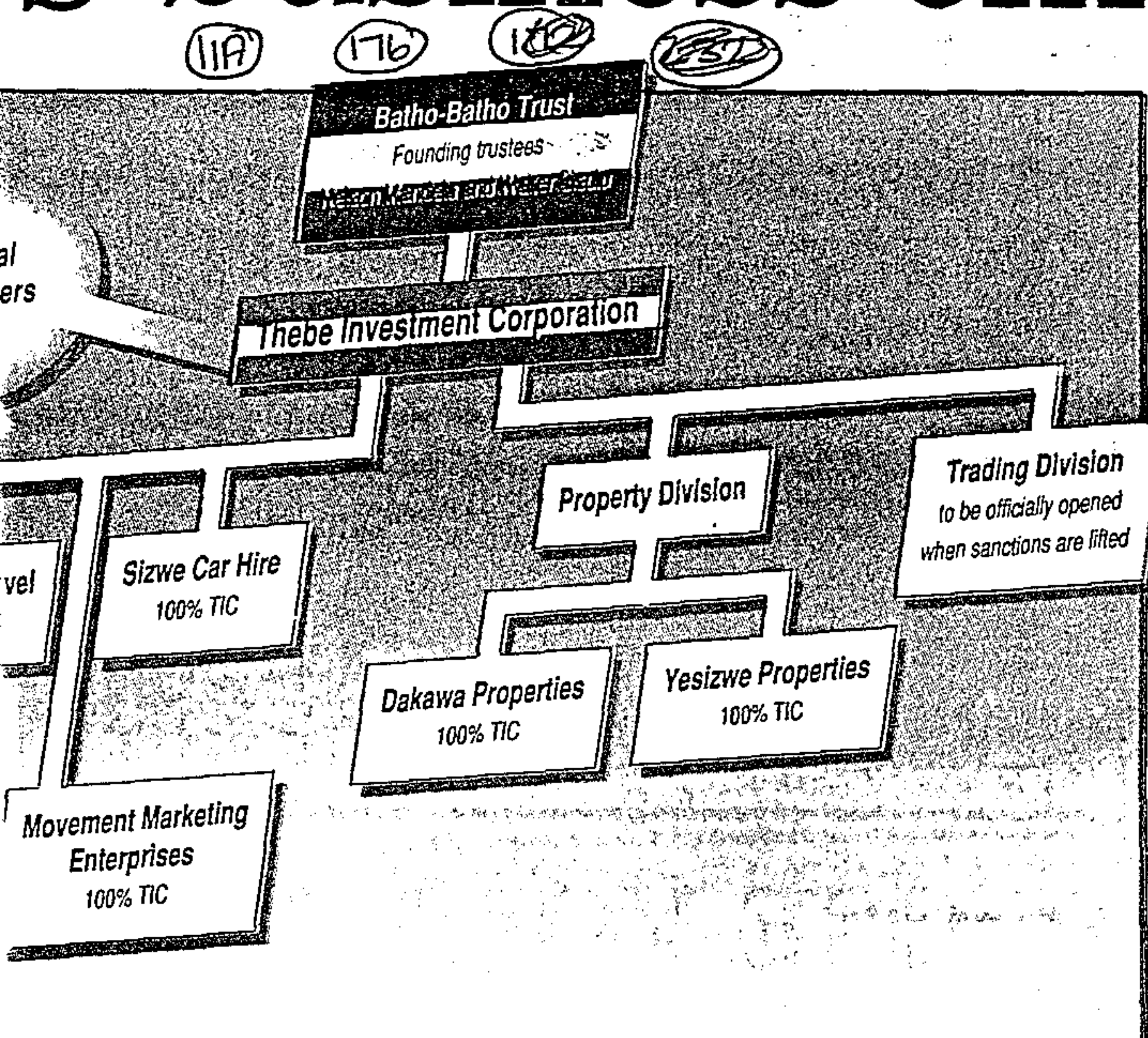
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OLD school ties always annoy those who do not have them, but when they are coloured green, black and gold, and the alumnus is the future government, the resentment is tinged with dismay. The Thebe Investment Corporation (TIC) wears such a tie.

A year-old firm based in central Johannesburg, it is aggressively committed to black economic empowerment. It runs its own black-owned companies and brokers deals involving black investors. It is training people to work in areas previously inaccessible to black entrepreneurs.

So far, so good — and about time in a country to be governed by its black majority where only two percent of private-sector assets are black-owned and fewer than 10 percent of top managers are black.

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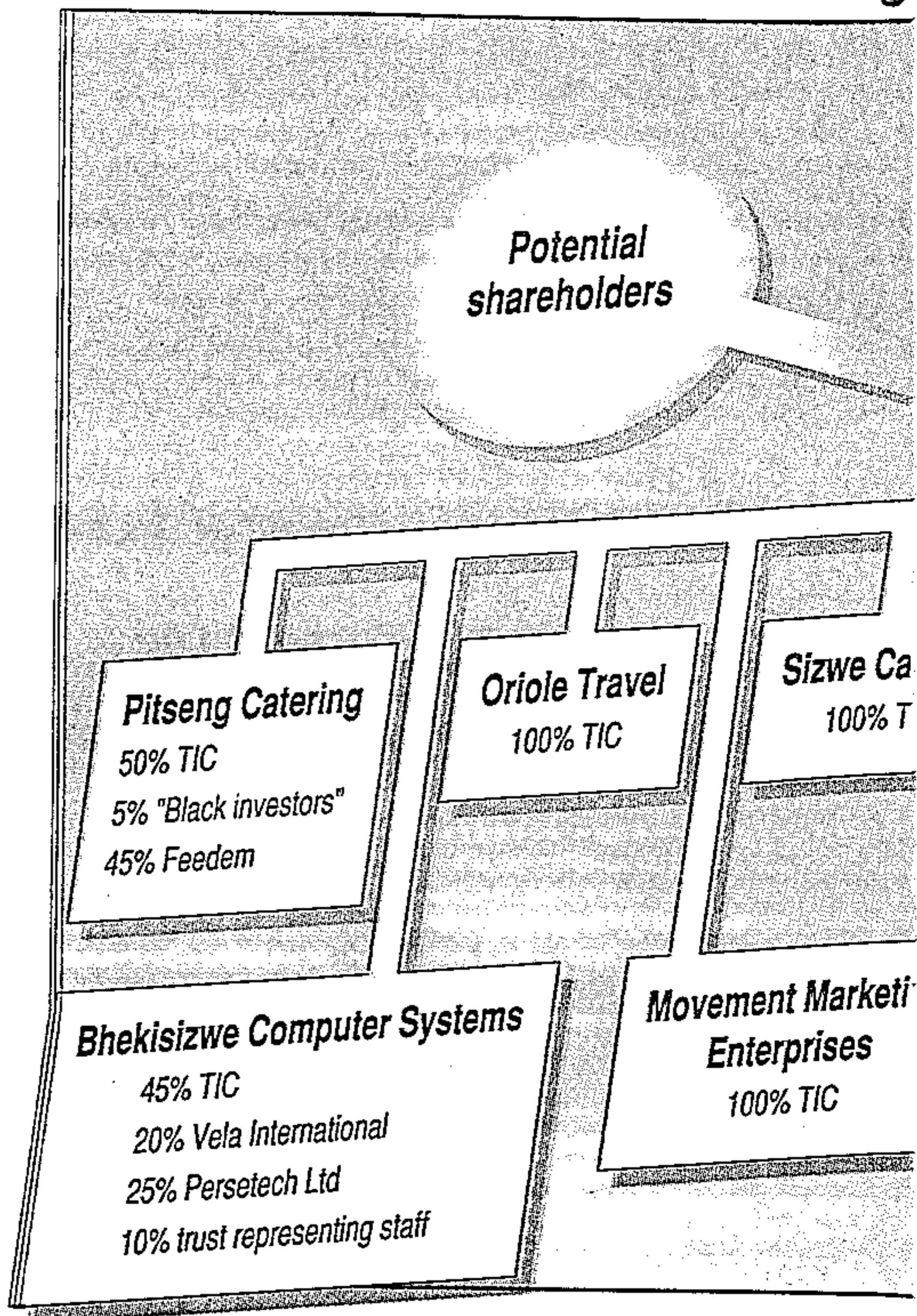
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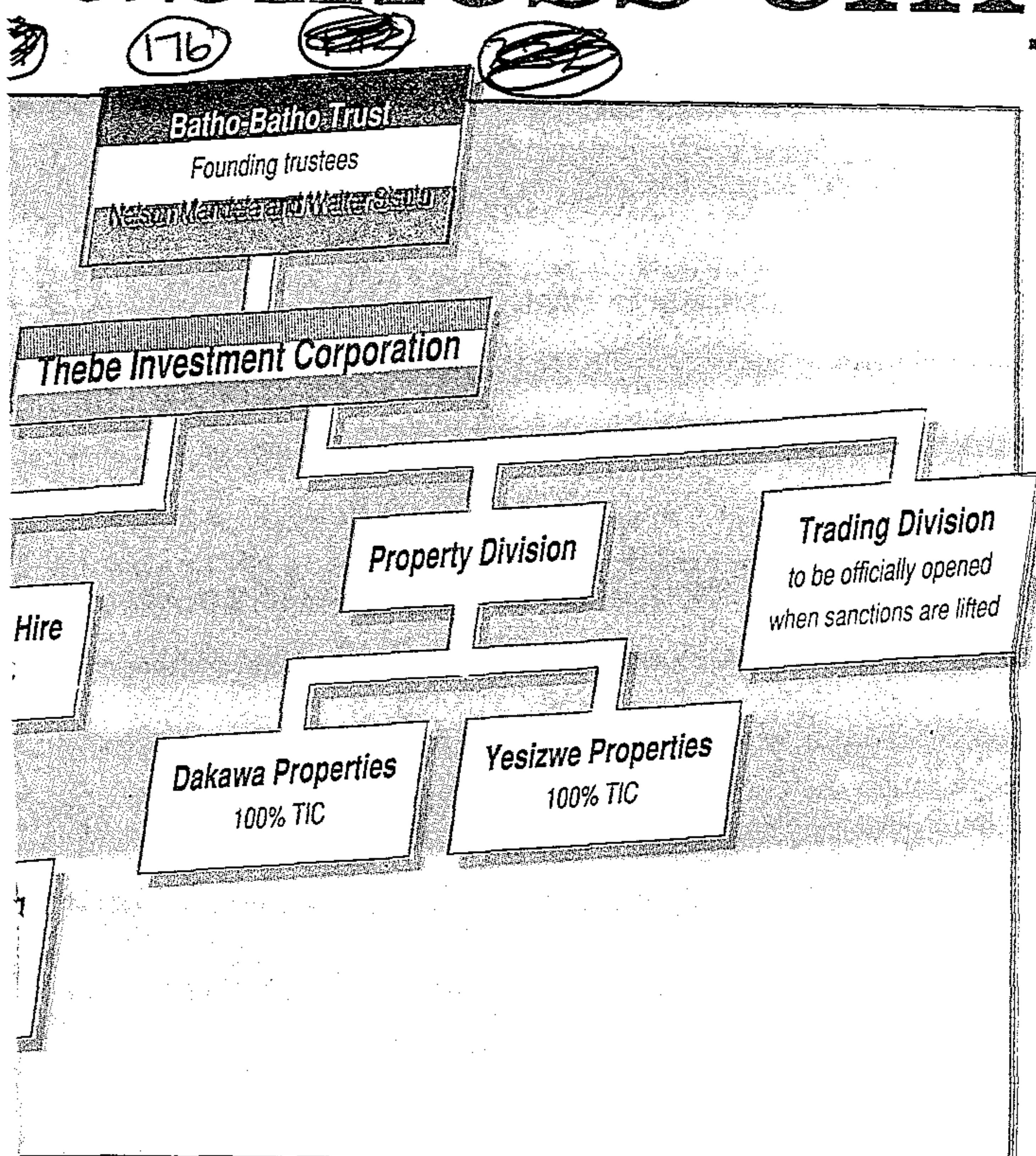
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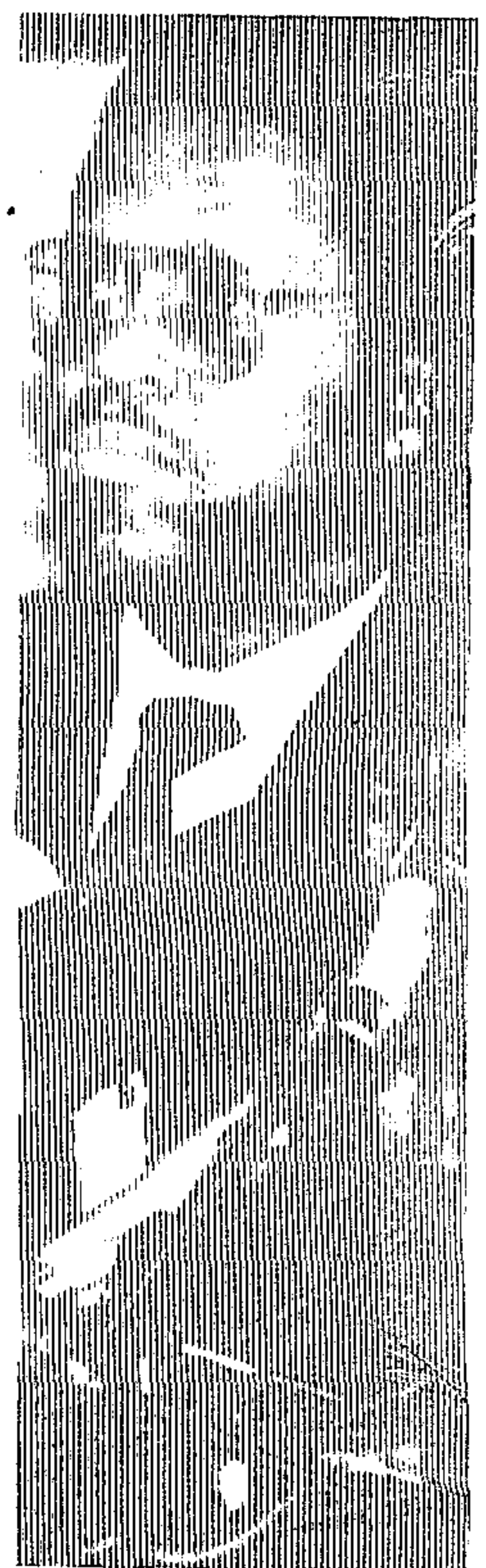
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14 Voter education

IN THE PAST three weeks we have been examining affirmative action — why it came into being and specific types of affirmative action that have been implemented in other parts of the world.

Affirmative action refers mainly to opening up opportunities for groups which have been discriminated against, in employment, schools, universities, and so on.

However, before people can take up these new opportunities, they need to be in a position to do so.

For example, if a family is so poor that all their children have to work without ever going to school, it does not help them at all that schools have been opened to them and school fees lowered for their benefit.

In South Africa, economic imbalances have created a tremendous divide between the living standards of the average white and black South African.

This question was addressed at a conference on 'Reconciliation and Democratisation' in Namibia last year. The conference was organised by the African European Institute which seeks to promote economic development, social justice, and peace in Southern Africa.

Among the speakers at the conference was Professor Bas De Gaay Fortman, a member of the Association of European Parliamentarians for (southern) Africa as well as a member of the World Council of Churches. He spoke about 'Economic Justice as a Component of Reconciliation'.

Fortman began his delivery with an old Dutch story about a beggar and a nobleman. While passing the nobleman's land the beggar asks him: "Whose land is it?"

"It is mine," is the answer.

"And how did you get it?" the beggar continues to ask.

"Well, I inherited it from my father".

"And how did he get it?"

"Well, he inherited it from my grandfather," is the answer.

"And he?"

"From my great-grandfather", is the answer.

"And he?"

They continue like this until they come to a great-great-great-grandfather who lived in the Middle Ages. Here the nobleman has to reply: "He fought for it."

"Ah", says the beggar, "Shall we fight for it again?"

Fortman comments that "as long as he does not enjoy a minimal



RETURN TO THE LAND: Land claims in a democratic South Africa will be based on entitlement — justice for people who have been deprived

Laws alone don't make justice

South 17/7 - 21/7/93

176

access to resources, the beggar is not prepared to accept the nobleman's claims to the land. As long as some people are so deprived that they are unable to reconcile themselves to the status quo, polarisation and violence may follow. Economic or social justice has to do with acceptance of the claims of the poor and promotion of socio-economic equality."

Fortman mentions two different concepts of justice. One is an old Roman Law, the concept of *Justicia*, which is based on negative freedom: freedom from. The other is the Old Testament concept of *Tsedaqa* based on positive freedom: freedom to.

He says that the concept of social justice goes much further than either of the above because it accepts necessity as a source of law. "In other words, needs create rights. This introduces the need for some kind of entitlement system. Entitlement is the possibility of making

legitimate claims — claims based on rights."

Fortman differentiates between three systems of entitlement.

- The first is institutional entitlement. This relates to entitlement through tribes, clans, villages, political parties, trade unions, employment firms.

- Direct resource-based entitlement flows out of ownership of something, for example, "my own labour, my own land, my own skills, my own knowledge, my own shop".

People engage in arrangements involving rights and obligations with others on the basis of this kind of entitlement.

- State-arranged entitlement is the third form. Access to health care, education, police protection, and so on, is mostly arranged by the state, which can also implement policies of redistribution.

"Poverty is a matter of inadequate sources of entitlement. An unequal distribution of power is, however,

rarely corrected from above. It can be rectified only through emancipation of the poor themselves, in other words, 'development from below', Fortnam said.

"Civil and political rights — the 'basic freedoms' — imply a restraint on state power, while economic and social rights require the state to take affirmative action."

Fortman says while legislative and judicial action is important for the realisation of human rights, the most crucial aspect of achieving them is conscientisation.

"The basis of human rights is in the heart of people. Human rights are, above all, a culture."

Fortnam says that civil and political rights are inseparable from economic, social and cultural rights.

"For people with an empty stomach freedom of expression is not very meaningful. But what is the significance of a right to food when starving people are not permitted to say that they are hungry?"

Black managers having a ⁽¹⁷⁶⁾ _{ARG 16/7/93} field day . . .

Argus Correspondent CLAIRE GEBHARDT reports from Johannesburg

AFFIRMATIVE action is going to be the biggest deal in the new South Africa.

But where is the black talent going to come from?

As companies, fearful of legislation, scramble to get black faces around the boardroom table, highly qualified blacks are having a heyday job-hopping.

As one despairing human resource manager complained: "We're paying our black managers much more than our white managers but they just keep on getting poached."

Experts said this week that the next year will see the Uhuru vote and after that the ANC would have to be seen to be delivering to its followers.

"The ANC has had to scale down its traditional policy of nationalisation in the face of IMF pressure, and there is little chance of higher taxes because of the limited tax base.

"Given that anti-trust will only reduce the concentration of economic power without distributing wealth, black empowerment and affirmative action have got to be high on their agenda.

Mr David Lowry of international executive search consultancy TASA confirms that black managers can virtually write out their own cheques at the end of each month.

"Practically every company is prepared to pay a hefty premium to buy an effective black manager.

"We're just going to have to hope that blacks come to realise that to build a career they've got to stay in one place for a while."

Mr Lowry says overseas investors are demanding that black managers be prominent on their short lists of companies for investment.

This week TASA joined forces with the Black Management Forum (BMF) to set up an executive placement agency.

On TASA's books are more than 200 black men and women who could walk into a company at the top and manage it effectively, says Mr Lowry.

"The BMF connection through executive director, Lot Ndlovu, will expand that base quite significantly."

Mr Lowry says South African blacks at the top have impressive qualifications which can range from MBAs to Bachelor of Commerce with Honours, Bachelor of Arts graduates with majors in Physics as well as a large sprinkling of Bachelor of Science graduates.

"The black managers we place

are all South African.

"We initially thought it would be a good idea to bring in role models from Kenya but the trade unions have resisted this."

The ANC's deputy head of Economics Tito Mboweni says the ANC has not made up its mind about whether or not to impose a quota system to boost affirmative action.

"Although NAFCOC has urged us to go this route, our official view is to encourage corporations to engage in affirmative action to reflect the demographics of South Africa.

"If we're talking about a pool of highly qualified black people, that means they ought to be managing top companies.

"We always hear about a skills shortage but every year we have a few hundred black B. Comms graduating from black and white universities.

"Where are these people, are they all teaboys?"

"There must be a substantial pool of blacks who are being under utilised and the answer is to find them in the way that National Sorghum Breweries has found them.

"In the last two years they have managed to build up their black management base considerably."

National Sorghum Breweries (NSB) chief Professor Mahanye, writing in this month's issue of Enterprise labels black economic empowerment the key to a democratic post-apartheid South Africa.

"Business on its own will not seriously address issues of affirmative action unless legislation forces them to provide opportunities to those who have been denied them.

"Otherwise we are going to hear about equal opportunity employers when in fact the companies are still stuck in the past."

Professor Mahanye says affirmative action comes in several ways.

"It comes in the form of the provision of special grants, education bursaries for those who come from the disadvantaged communities, it comes in the form of special classes to enable them to bridge the gap that has been deliberately created in educational facilities and it comes in the form of teaching personnel who have the necessary qualification."

Professor Mahanye says NSB is a success in black economic empowerment on a scale never before realised in the history of South Africa — "it demonstrates that it can be done successfully."

Big business spurs ambitious blacks

AR 16/7/93 (17b)

□ Sacob to encourage would-be entrepreneurs

The Argus Correspondent JOHANNESBURG. — Big business is to help budding black entrepreneurs to start small companies and join the economic mainstream.

The scheme was unveiled yesterday in an SA Chamber of Business policy document giving new guidelines to larger corporations on how to approach affirmative action programmes aimed at black advancement in a non-racial society.

Sacob director-general Mr Raymond Parsons told a news

conference in Johannesburg that the first moves would involve formulating new business strategies to develop latent talents among black employees, and promoting more black employees to management posts.

That should provide a training ground for potential entrepreneurs seeking to launch small businesses, he said.

Sacob planned to press the government for more funds for the extension of credit to cash-strapped informal and small to

medium-sized ventures.

It was also intended to encourage development strategies that offered easier loan finance and training schemes and "post-natal care" for new small businesses owned by black people.

Larger firms and corporations should also consider using a bigger share of social investment budgets to promote the development of small firms, said Mr Parsons. They could also offer support

by employing small firms as sub-contractors and by setting up joint ventures and partnerships with black entrepreneurs.

The policy document added: "Sacob's view is that South Africa's challenge is the positive integration of diversity and the fullest use of our country's variety of talents and aptitudes."

Professor Lawrence Schlemmer, vice-president of the Human Sciences Research Council, who conducted a survey on behalf of Sacob, said: "The small business sector is becoming

more and more important in its contribution to economic activity in South Africa."

Research indicated "the urgent need for accelerated reform and development strategies in the sphere of African business".

Mr Parsons said Sacob was willing to establish a small task force of consultants to guide smaller companies seeking advice on employee advancement strategies.

It also planned to discuss guidelines with the National Economic Forum and the National Education and Training Forum.

What comes after Uhuru

By Claire Gebhardt

Affirmative action is going to be the biggest deal in the new South Africa.

But where is the black talent going to come from?

As companies, fearful of legislation, scramble to get black faces around the boardroom table, highly qualified blacks are having a heyday job-hopping.

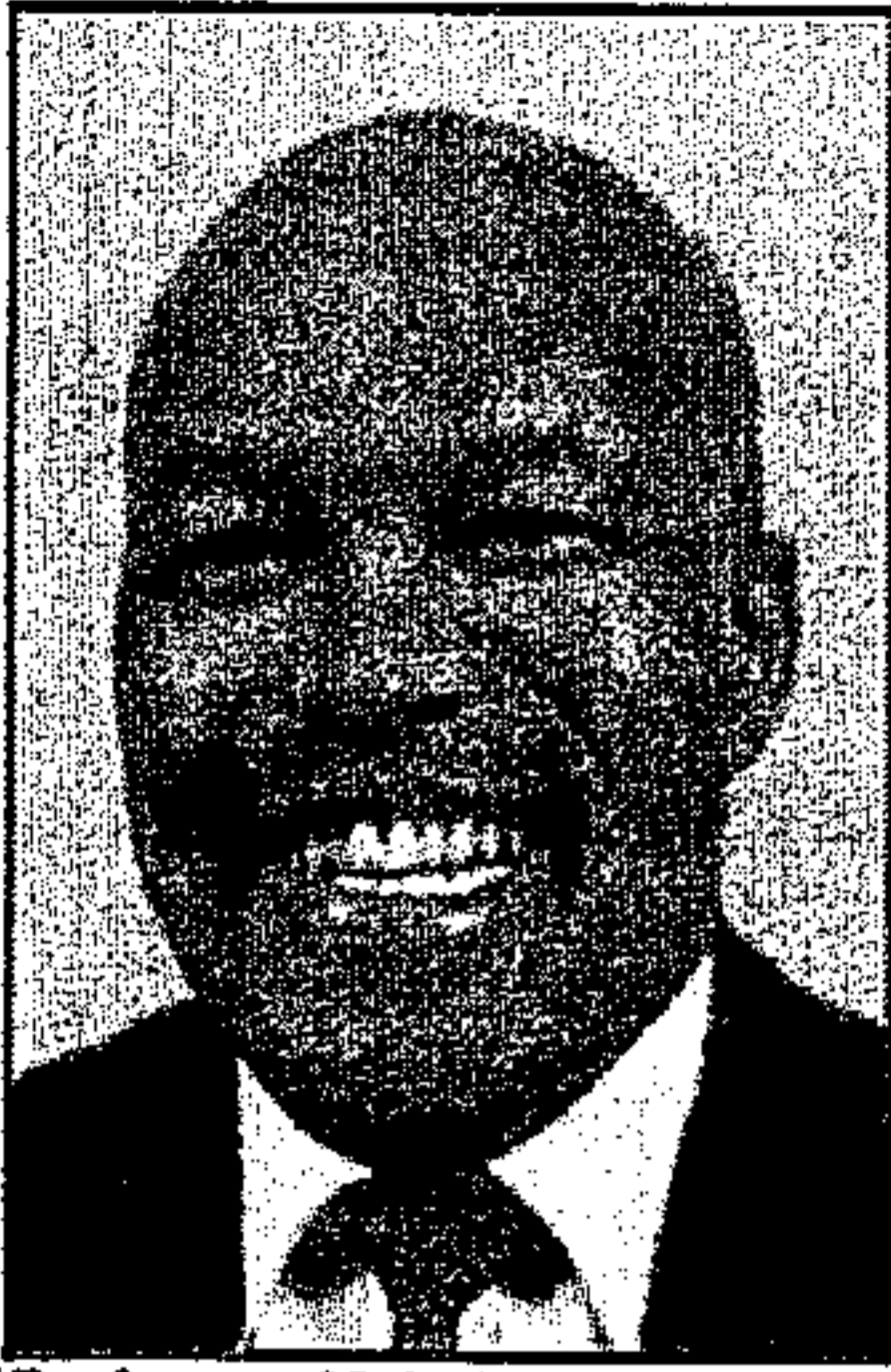
As one despairing human resource manager complained: "We're paying our black managers much more than our white managers but they just keep on getting poached."

Experts said this week that the next year would see the Uhuru vote and after that the ANC would have to be seen to be delivering to its followers.

"The ANC has had to scale down its traditional policy of nationalisation in the face of IMF pressure, and there is little chance of higher taxes because of the limited tax base.

"Given that anti-trust will only reduce the concentration of economic power without distributing wealth, black empowerment and affirmative action have got to be high on their agenda."

David Lowry of international



Professor Mohale Mahanyele . . . empowerment is the key.

executive search consultancy TASA confirms that black managers can virtually write out their own cheques at the end of each month.

"Practically every company is prepared to pay a hefty premium to buy an effective black manager.

"We're just going to have to hope that blacks come to realise that to build a career they've got to stay in one place for a while."

Lowry says overseas investors are demanding that black manag-

er be prominent on their short lists of companies for investment.

This week TASA joined forces with the Black Management Forum (BMF) to set up an executive placement agency.

On TASA's books are more than 200 black men and women who could walk into a company at the top and manage it effectively says Lowry.

"The BMF connection through executive director, Lot Ndlovu, will expand that base quite significantly."

Lowry says South African blacks at the top have impressive qualifications which can range from MBA's to Bachelor of Commerce with Honours, Bachelor of Arts graduates with majors in Physics as well as a large sprinkling of Bachelor of Science graduates.

"The black managers we place are all South African.

"We initially thought it would be a good idea to bring in role models from Kenya but the trade unions have resisted this."

The ANC's deputy head of Economics Tito Mboweni says the ANC has not made up its mind about whether or not to impose a quota system to boost affirmative action.

"Although NAFCCOC has urged us to go this route, our official view is to encourage corporations to engage in affirmative action to reflect the demographics of South Africa.

"If we're talking about a pool of highly qualified black people, that means they ought to be managing top companies.

"We always hear about a skills shortage but every year we have a few hundred black B.Comms graduating from black and white universities.

"Where are these people, are they all teaboys?"

NSB success

"There must be a substantial pool of blacks who are being under-utilised and the answer is to find them in the way that National Sorghum Breweries has found them.

"In the last two years they have managed to build up their black management base considerably."

National Sorghum Breweries (NSB) chief Professor Mohale Mahanyele, writing in the July issue of Enterprise labels black economic empowerment the key to a democratic post-apartheid South Africa.

"Business on its own will not seriously address issues of affirmative action unless legislation forces them to provide opportunities to those who have been denied them."

Mahanyele says affirmative action comes in several ways.

"It comes in the form of the provision of special grants, education bursaries for those who come from the disadvantaged communities, it comes in the form of special classes to enable them to bridge the gap that has been deliberately created in educational facilities and it comes in the form of teaching personnel who have the necessary qualification.

Mahanyele says NSB is a success in black economic empowerment on a scale never before realised in the history of South Africa — "It demonstrates that it can be done successfully."

By Christelle Terreblanche

A NEW agenda for TV1's current affairs coverage was set this week, with the appointment of a leading black journalist as assistant executive editor of "Agenda" — politically one of the most influential posts in broadcasting.

Ameen Akhalwaya (47), editor of "The Indicator" newspaper, is the first credible black person to be appointed by the South African Broadcasting Corporation (SABC) in its controversial restructuring process made urgent by the prospect of elections next year.

Akhalwaya will take over the reins from well-known Agenda presenter Freck Robinson, who aims to concentrate on his post as executive producer of Sunday "Agenda". "I will bring in a different per-

Independent media man gets top SABC job

spective," Akhalwaya says, "because I come from a different background and political perspective."

Akhalwaya was one of 14 people trained recently by the Campaign for Open Media to take over top jobs in the SABC in the run-up to a democratic dispensation. He has confirmed that he will take up his new post by mid-August.

Heading his own agenda will be women's issues. "While making sure women's issues gets more air-time, I will see that they are reflected by women," Akhalwaya told SOUTH. Another priority among the

SOUTH 10/7 14/7/93

"sweeping changes" he intends making, is sport. "The off-the-field issues affecting sport will also be treated with the seriousness they deserve," he stated. "Gone are the days we will be told that sport and politics have nothing to do with each other."

"I feel very strongly about the role and duties of a public broadcaster," he said. Akhalwaya indicated he will make space for political parties and organisations "across the spectrum" in the programme, especially during the run-up to the first "free and

fair" election.

Akhalwaya says he had been offered a post "some time ago", but that he would not agree until a new SABC board was instituted. "Even though the new board is still unsettled, I think it is time for changes," he says.

Akhalwaya has 22 years of media experience. He was the first black reporter ever to be appointed by a white newspaper in South Africa — the "Rand Daily Mail". He was also the first black chief sub-editor, at "The Sunday Express", while "The Indicator" was the first alternative



AMEEN AKHALWAYA

newspapers when Akhalwaya started it in 1980. He was a founder member of the Media Workers Association of South Africa (Mwasa) and holds the prestigious Nieman Fellowship.

All-Africa TV to launch this year

By Christelle Terreblanche

SOUTH AFRICANS might have an independent Africa-orientated television station before the end of the year. ~~(2/3)~~

Mr Matthews MK Malefane, chairperson of the Broadcast Interest Group (BIG) announced at a symposium for broadcasters in Kenya last week that his company expects to be awarded the soon-to-be-established Independent Telecommunications Authority's first new television licence.

"Pending progress in negotiations, we are most likely to announce our station by the end of October and to go on air before next year," Malefane told SOUTH.

And even more ambitious plans are in store: subscription cable television throughout Africa, and in America for Afro-Americans.

BIG is described as "a black business and community coalition extending black economic empowerment to radio and television ownership". (176) ~~(176)~~

Five years of behind-the-scenes lobbying have rewarded BIG with backing from the PAC and ANC as well as from business interest groups both black and white.

"We are putting up an independent and commercial station that will, in essence, compete with M-Net and the SABC," Malefane confirmed.

"But we will be committed to local African programming in the way that M-Net is supposed to be, but is not. At least 30 percent of our programme content will be local and African."

The language medium, however, would be English.

Malefane is convinced that the BIG charter conforms to the Codesa proposals for broadcasting deregulation, while at the same time being commercially viable.

Malefane (35), who lives in Soweto, trained in California in film and television, and in management.

BIG believes it is better placed than any other group to benefit from the new deregulation and licensing legislation to be passed by parliament in September.

"We will set up the television company with equity shareholders, structured by a consortium of black business and individual entrepreneurs. This is black empowerment through the electronic media."

Thebe denies insolvency reports

Biday 12/7/93
THEBE Investment Corporation, widely regarded as the ANC's investment arm, has denied reports that three of its companies are insolvent, claiming instead that some of its subsidiaries are profitable while others are about to break even.

Thebe issued the statement on Friday after a report in a weekly newspaper that the corporation had lost R1,45m in the 11 months to January this year through "gross mismanagement of resources".

The Weekly Mail said documents leaked to it showed three Thebe subsidiaries — Movement Marketing Enterprises (MME), which markets ANC memorabilia, Thebe Trading, an import/export company, and Dakawa Properties, owner of the building which houses ANC headquarters in Plein Street, Johannesburg — were insolvent.

The report said Thebe itself had had no revenue since its establishment last year, and its only source of income was R8m in

LLOYD COUTTS

capital investment from shareholders.

Thebe said the financial information given to the Weekly Mail was "both incorrect and misleading" (176) (172)

It said it had either an investment in — or was actively participating in — the management of six subsidiaries, all but two of which — MME and Oriole Travel — were in start-up phase.

The trading subsidiaries were Dakawa, Oriole, Yesive — which owns residential property — Thebe Trading, Sizwe, a car hire company; Pitseng, a catering company; Bhekisizwe, a computer company; and MME. "Some of these companies are already profitable, while others are at a pre-break-even phase. All are being managed according to agreed business plans and budgets."

To Page 2

Thebe

Biday 12/7/93
The Weekly Mail said ANC president Nelson Mandela's office had stepped in to sort out a "boiling controversy" in MME.

MME was being sued or faced litigation for non-payment for work done on behalf of the company, the report said.

Thebe said, however, that it had inherited MME as a going concern and was taking strong action to counter serious management problems in the company.

"Quite simply, management is aware of all the so-called 'demands' against MME referred to by the Weekly Mail, and any legitimate claims against the company will, of course, be paid.

"The ANC and other related structures do business with Thebe companies and Thebe has never had any problems with their commitments to Thebe."

The corporation said it had opened its doors in August last year and was dedicated to black economic empowerment through providing jobs and investment opportunities to black people.

Although its sole shareholder was the

From Page 1
Batho-Batho Trust, Thebe would eventually seek a wider shareholding in the black community.

Thebe admitted having "strong links" with the ANC, "but not the type of links imputed to it in many media reports".

The founding trustees of Batho-Batho Trust were Mandela and ANC deputy president Walter Sisulu. Any profits from Thebe were at the disposal of the trust, "which will use them in whatever manner it sees fit".

Some of Thebe's management and directors were or are ANC officials.

Members of the ANC leadership had pledged support to Thebe "as a means of black economic empowerment" and had done so in the past to other black initiatives with similar objectives.

"Thebe is a private company which is battling to empower black people in a hostile social and economic environment. Like any fledgling company, it has had its share of successes and failures," it said.

EDWARD Bulwer-Lytton was once moved to remark: "Revolutions are not made of rose water." Quite so; and nowhere is it more necessary to remember this than in a country which, for the largest part of the 20th century, stubbornly prided itself on a system of racist oppression which it sought to keep beyond the senses of the civilised world by manufacturing smoke-screen phrases like "apartheid" and "separate development".

Now that the rose water is in such short supply, we often need reminding who exactly first introduced the stench of death into the lower reaches of the garden.

But revolutionary situations, while midwives to more just social orders, are perfectly capable of producing their own distortions — shortening the historical memory and simplifying the complex — as the major contestants for power struggle to capture the past and seize the future.

This process, which is evident in many facets of the current social upheaval, is also apparent in the field of tertiary education. Thus, in the new-speak of "transitional politics", it is now fashionable to frame the debate around the restructuring of tertiary education in terms of the "historically black universities" (HBUs) and the "historically white universities" (HWUs).

Unhappy

Back in the bad old days, we were assured there were no black universities in South Africa — only an array of "bush colleges" and "tribal institutions" that formed part of the social engineering of the government of the day.

Said who? Well, people fighting the good fight, people striving for equity and social justice; black activists, white academics, visiting scholars and the spokesman for overseas funding agencies.

But this unhappy situation lasted only until the night of February 1 1990. The next day, a very important politician made a speech, and — Cinderella-like — pumpkins throughout the country turned into coaches.

Victims of the struggle to seize the future



South Africa needs practical planning for the reconstruction of tertiary education, writes CHARLES VAN ONSELEN

Every "tribal college" — regardless of its age, origin or commitment to academic freedom — suddenly became an "historically black university". Yesterday's Broederbond creations, the "bush colleges" and "ethnic enclaves", emerged from the shadows to claim positions besides older and more established black institutions — institutions which, in some cases, had proud records of resistance to government interference that predated the apartheid era.

Who termed them "historically black universities"? Well, people fighting the good fight, people striving for equity and social justice...

Back in the bad old days, so we used to be assured, it was important to understand the differences between the "open universities", the English-medium universities and, of course, the Afrikaans-medium universities. Why was it important? Because, despite the enormous pressures from the government of the day, the "open universities" tried as best they could to determine their own admission policies and to resist state interference in their affairs.

In the course of this often bitter contest with the government, significant numbers of their staff and students were banned, harassed, forced into exile and — in two

instances — murdered. These institutions, so it was argued, deserved support, despite their many inadequacies.

But that situation, too, changed one night back in February 1990. In the morning, the politician made his speech, and — hey presto! — all differences between the "open universities", the English-medium universities and the Afrikaans universities disappeared; they all became "historically white universities"

~~the~~ Magic

Gone were all distinctions based on age, origin and commitment to academic freedom. Henceforth, those institutions that supplied the ancient regime with its police, prison warders and hangmen were to be spoken of in the same breath as those universities whose staff and students had been banned, imprisoned or murdered.

Now, with the magic of new-speak firmly in place and the world of tertiary education reduced to only two categories — the HBUs and HWUs — it seems things become easier.

Affirmative action, reparation, and targeted funding are, we are told, the only way to ensure that there is a massive and sustained transfer of financial resources from "historically white universities" — now all equally bad

and undeserving — to "historically black universities", now all equally good and deserving.

The crass distinction currently being drawn between the HBUs and the HWUs not only does violence to the complex and uneven history of resistance to apartheid education in this country, but, if acted upon in its present form, runs the risk of placing all our institutions — "good" and "bad" — at risk by perpetuating the mindless allocation of scarce financial resources.

Liberty

Affirmative action there doubtless will be. The need for reparation, too, needs to be conceded.

It will not be a novel departure. In the 1970s, at least two Broederbond-created institutions, developed to offset the "liberal" influences of nearby English universities, were granted double subsidies for longer than they were entitled to, precisely because the government of the day wished to build up their capacities to the point where they could compete with more established institutions.

Why shouldn't several of our "black" universities be singled out for such reconstruction? Likewise, overseas agencies are at liberty to invest their funds where they see fit, including some or all of the HBUs.

But if their policies deliberately exclude the funding of former "open universities" merely on the grounds of their new-found status as HWUs, their neglect will contribute to the running down of some of the country's existing and proven capacity for tertiary education.

It seems hard to believe that is what they want. People fighting the good fight, people fighting for equity and social justice, need to provide us with second-generation concepts that go beyond HBUs and HWUs and which lend themselves to practical planning for the reconstruction of tertiary education in South Africa.

□ Charles van Onselen is director of the African Studies Institute at Wits University.

From 'tea boy' to ANC head of local government

By KURT SWART

SOUTH Africans, both black and white, will have to dig slightly deeper into their pockets to help finance the reform of local government.

This was the warning this week from ANC head of local government Thozamile Botha, 45, who is involved in negotiating a new and more democratic system for both rate and rent payers.

Mr Botha, stocky, with a pleasant face and disposition, lives in Rustdal, near Kullis River.

But his work in local government negotiating forums, keeps him based at a Hillbrow hotel for long periods away from his wife and two chil-

dren.

Born in New Brighton, Port Elizabeth on June 15, 1948, Mr Botha's life story is one of academic study, frequently interrupted in the early days by having to work to help support his family, and in later times by political upheaval.

In the turbulent days of the late '70s and early '80s Mr Botha was drawn inexorably into the forefront of the struggle against apartheid because of his intellect and leadership qualities. His high schooling was interrupted by the need to work as a "tea boy" before resuming his studies.

Frustrated

A slant at Fort Hare university studying for law degree ended when the Soweto uprising spread to the Eastern Cape and the university was closed indefinitely following class boycotts.

Mr Botha's first experience of local government was in 1978 when he moved to the new Zwifundze township, characterized by incomplete houses of poor quality and high rents. By then he was working for the Ford motor company as a workshop technician.

"In 1979 we formed the Port Elizabeth Black Civic Association (Pecco) of which murdered activist Matthew

Goniwe was a member."

Ford management began expressing unhappiness about the number of times one of their workshop technicians was appearing in the local press. "I was asked to choose between Ford and Pecco, so I walked out of the plant."

But so did 700 workers in protest and Botha was taken back by management. Emboldened, the Ford workers listed 14 demands including equal pay for equal work, the scrapping of job reservation and other discriminatory practices.

When their demands were not met workers were not met workers downed tools but refused to leave the plant. "Ford agreed to reinstate the workers after the American consul-general intervened, but I was arrested and was the only one not reinstated."

On his release Botha was slapped with a three-year banning order.

"I couldn't move from my house and could not meet more than one person at a time. Curtailed from pursuing any activity I decided to leave the country for Lesotho."

He studied public administration and political science at the University of Lesotho for two years, and then came the SADF raid on Maseru in 1982.



ON THE CUTTING EDGE: Thozamile Botha
PICTURE: CHRISTINE NESBITT

"Our lives were in danger and we were advised to leave Lesotho. In Lusaka I worked for three years with SA Congress of Trade Unions (Sactu) as their adminis-

trative secretary and in 1986 I went to study at the Glasgow College of Education in Scotland where I attained a diploma with distinction in public administration

and management."

Moving on to Strathclyde University in Glasgow he attained a Master of Philosophy (M Phil) degree in political science.

In 1990 he returned to SA. "The ANC asked me to organise a centre on local government to develop policy and strategy for local government negotiations. I registered for my PhD at UWC where I was appointed co-ordinator of the Local Government and Planning Policy Research project."

Transition

In 1991 he was elected onto the ANC National Executive and appointed head of the ANC Local and Regional Government and Housing department. Last year he was elected to serve on the executive of the SA National Civic Association (Sanco).

"The major challenge facing us is the transition of 40 years of apartheid local government to democratic, non-racial structures. The problems include how to integrate towns and cities that have been physically separated and unify the budgets to make them single cities and towns."

"The second major challenge is to change the attitude of those enjoying the benefits of

apartheid policies to one of sharing, and to transform a culture of non-payment in the black townships and teach people to pay the rent and to pay for services rendered."

"These require major public education for both the black and the white communities. The third challenge is how to allay the fear of the white community, especially the right wing, that whites will have to pay

for these reforms."

Property rates were bound to go up, and the rates, rents and services charges in the townships would have to go up as well.

"So reform of local government is going to cost both black and white and if we want to maintain the present level of service provision and the quality of life for all South Africans, we will have to pay a little more."

Foul weather

□ From page 1

In a decade ship-ping in Table Bay Harbour was severely hampered by foul weather and at least five ships were asked to move out to sea to ride out the storm.

At least four people have already been killed as a result of weather-related accidents.

The body of Mr Zennox Vehlha was discovered in a canal near the Epping market yesterday morning and the body of Mr J van Wyk, who had apparently drowned, was found close to the N1 near Gugulethu.

The local Regional Services Council (RSC) has warned people to stay out of the Faure area after families were evacuated yesterday

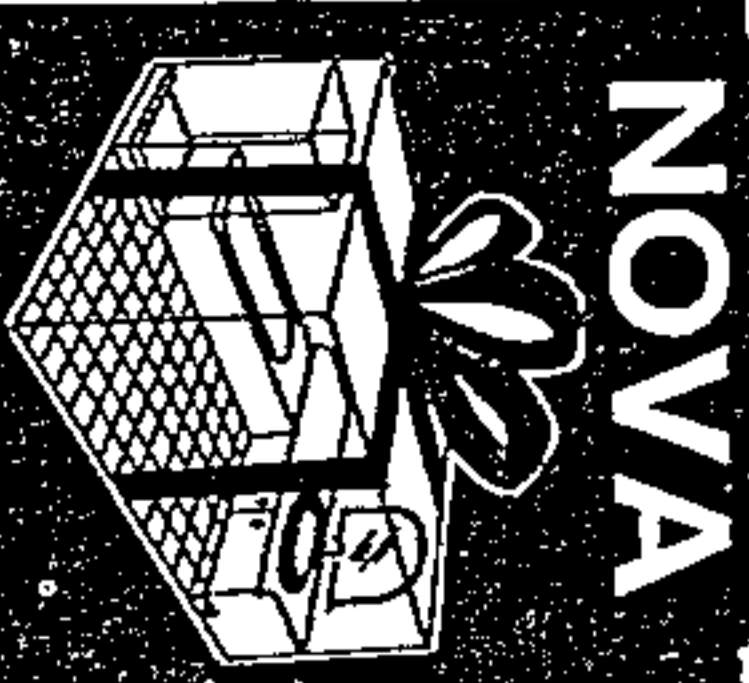
morning from houses waist-deep in water, a RSC spokesman said.

At Macassar low-lying areas were severely flooded, with some houses knee-deep in water forcing residents to abandon their homes. Police in the area rescued hundreds of cattle and sheep trapped by the rising floodwaters.

The ANC in Mitchell's Plain appealed to the public on Friday night to donate blankets, warm clothes and non-perishable foods for the destitute squatters.

Over 1 000 squatters were left homeless at the Marconi Beam site in Milnerton, Noordhoek and Crossroads.

In the Boland, the storm was described as the worst since 1984.



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Thebe Corp clears air

El Paso 11/17/93

By ZB MOLEFE

SOME of the companies in the ANC-linked Thebe Investment Corporation are already profitable while others are about to break even, the corporation said on Friday in response to reports that three of its companies face cash crises.

A prominent report carried by a weekly newspaper reported, among other things, that three Thebe companies were in fact insolvent. The newspaper also reported that

the ANC is said to be so embarrassed by these revelations that Nelson Mandela has personally stepped in to get to the problems facing the corporation sorted out. (HP)

Said the statement: "Thebe is a private company which is battling to empower black people in a hostile social and economic environment. Like any fledgling company, it has its share of successes and failures. (176)

"Thebe believes that certain organisations have

a vested interest in seeing it fail - witness the bugging incidents and the many unfounded accusations which have been levelled against it.

"Despite this, Thebe remains dedicated to pursuing its vision of black empowerment based on sound business principles." (233)

The corporation - which includes on its board of directors prominent personalities like Tokyo Sexwale, Vusi Khan-yile and businessman

Moss Nxumalo - admits that it has strong links with the ANC "but not the type of links reported in the media".

It points out that its current sole shareholder is the Batho-Batho Trust, whose founding trustees are Nelson Mandela and Walter Sisulu. Any profits it makes now or in the future, until shareholding is broadened, are at the disposal of this Trust.

Thebe also disputes the newspaper's report on its subsidiary companies' finances as "misleading".

SITimes [Buss] 11/7/93

Affirmative action on back burner

By TERRY BETTY

MANY companies are no longer serious about promoting blacks to management positions because they think an interim government will not have the teeth to enforce affirmative action.

Renwick Management Services consultant Mofasi Lekota says most companies think they have five years' grace. That is how long they think a government of national unity will rule.

Mr Lekota says: "Half of the top companies I deal with have in the past four months ditched their affirmative action programmes.

"Positions that were previously held exclusively for the empowerment of blacks or women have been closed or opened to everybody. "Some executives have

even said the government of national unity will be powerless to implement affirmative action because it is a controversial issue not accepted by all parties."

However, Mr Lekota says there are signs from extra-parliamentary groups, such as trade unions, that pressure will be placed on reluctant employers through boycotts and consumer action.

Companies that have suspended affirmative action programmes attribute their decision to three main reasons.

They complain they could not find the right people; they had to pay a premium to at-

tract black managers; and they could now relax because pressure had been removed.

But Mr Lekota says these companies have ditched affirmative action for the wrong reasons.

"They are obsessed by numbers. They fear a future government will pressure them through legislation.

Career

"They do not consider the quality of the black staff they hire, how suitable they are for the job. They do not look at the sense of job fulfillment and whether there is a career path for them.

"This sort of policy is shortsighted because the company will never be able

to keep black staff. Black employees will become frustrated and move."

Mr Lekota says some companies are genuinely involved in affirmative action because they see it as a means of black empowerment.

"They see it as a necessary strategy. Most management skills will have, because of sheer force of numbers, to come from the black community."

The staff composition of a company will have to reflect this.

Most of those still committed to affirmative action are financial institutions, fast-moving consumer goods companies and parastatals.

The parastatals are better at promoting blacks than the

private sector because they know they will be controlled by a different government."

"They are getting in as many blacks as possible to match their expectations."

The premium companies have to pay to attract black managers is usually about 10% to 15% of the package.

Mr Lekota says it depends on the industry and the availability of black skills.

"Companies employing a black as a token gesture have to pay a fairly high premium to attract a manager. This is to compensate for the lack of a career path for the job applicant.

"Chances are great that a black person will move on quickly if he gets no job satisfaction or is frustrated by the ceiling above him."

14 Voter education

REDRESSING the wrongs of apartheid will depend on new laws in a democratic South Africa, and the American experience could prove useful here.

In the United States, affirmative action needed to address the problems of a disadvantaged minority.

The US civil rights movement which began among black Americans successfully challenged discrimination in the US Supreme Court on a number of occasions, leading eventually to action from the US Senate and White House to end discrimination and segregation.

"The term 'affirmative action' first appeared in American law on the Civil Rights Act of 1964," said visiting professor Myron Weiner recently.

"It said that employers who had engaged in discriminatory practices had to take 'affirmative action' to compensate for their wrong practices."

One year later, in 1965, President Lyndon Johnson issued an Executive Order requiring 'affirmative action' in employment and promotion for all Federal contractors, even if they had never discriminated. In the early seventies the Equal Opportunity Employment Commission established quotas for the employment of certain minority groups.

Affirmative action meant different things to different people. Some saw it as an active effort to recruit and promote minorities and end discrimination. Others saw it as the achievement of mandatory results through quotas.

"This debate moved to the courts in the famous Bakke case, after the medical school of the University of California had reserved 16 seats for blacks," Weiner said.

"A white candidate, whose scores were higher than that of the 16 admitted blacks, filed suit that his civil rights had been violated."

The Supreme Court ruled that race could be taken into account in university admission practices, but also that the system of quotas established by the medical school was unacceptable because it made race the exclusive factor for a fixed number of admissions.

"The decision captured the American ambivalence towards affirmative action: that there should be equal opportunity for all based on merit but at the same time that there was a national need to take



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FIGHT RACISM: do the right thing

some positive steps to remedy historical injustices and continued barriers to equal opportunities for blacks.

"The debate over quotas has obscured many positive features of US affirmative action programmes," Weiner said.

There are two basic types of affirmative action policies in Weiner's view. He described the first as affirmative action for expanding opportunities. This includes policies to end discrimination, including the changing of policies that carry unin-

tended discriminatory effects.

This kind of affirmative action would also cover programmes intended to expand the pool of qualified individuals. These include training programmes to upgrade the skills of workers, special bridging programmes for students, financial assistance to students who are qualified for tertiary education but who could not otherwise attend, loans to businessmen in disadvantaged communities and subcontracts to minority businesses.

Weiner sees the second type of

affirmative action policy as emphasising fixed outcomes based on prescribed quotas.

"These are result-orientated policies which set out to ensure that the distribution of education, employment, income and wealth among individuals will be in proportion to the population of each ethnic group in the country," Weiner said.

The ideal of this second type would be that every group is proportionately represented in all educational, professional, private enterprise and governmental sectors.

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(176)

From affirmative action to discrimination

South 1617 -1447193

AFFIRMATIVE action used for political expediency by group in society, at the expense of other groups, can only lead to disaster.

This is according to Professor Myron Weiner, an American scholar invited by the Urban Foundation to lecture on affirmative action recently.

In his accounts of the Sri Lankan implementation of affirmative action, Weiner described the experience as "an example of an affirmative action programme which went as badly wrong as anyone could ever imagine..."

This is reminiscent of the type of affirmative action apartheid policies applied in South Africa for the advancement of Afrikaners at the expense of the black population.

Sri Lanka has a population of 17 million, three quarters of them Sin-

halese Buddhists and 18 percent a Tamil Hindu minority.

Tension between the two groups arose because the Buddhists resented Tamils for their higher levels of education, a disproportionate share of government posts, and being generally better off.

The reasons for these disparities were historical. Missionaries had built schools in the predominantly Tamil areas in the north and the east of the country during the nineteenth century.

In 1956 a Sinhalese Buddhist political party took power on the promise of elevating the status of Sinhalese to an official language.

Few Tamils spoke Sinhalese which resulted in proportion of the Tamils in the civil service dropping from 50 percent to 15 percent within ten years. Entrance examinations

to universities, medical and engineering schools were now in Sinhalese and Tamil which meant each community had its own examiners.

"When the education department saw that Tamils received higher marks than Sinhalese, a decision was made to standardise the marks so that the Sinhalese and Tamil pass rates would be in proportion to their population," Weiner said.

"The result was a marked drop in Tamil enrolments and a marked increase in Sinhalese enrolments."

Resentment among the Tamils had been growing and young Tamils turned to arms, calling for the creation of an independent Tamil state.

"Affirmative action became an instrument of the majority Sinhalese for using its political power to restrict opportunities for Tamils."

Affirmative action is usually embarked on for reasons of political necessity, in the interests of maintaining or correcting the political status quo.

A balance has to be kept ensuring that special benefits issuing from affirmative action do not compromise equal rights for all.

Any unilateral imposition of affirmative action policies to the detriment of the rights of other groups leads to polarisation between groups.

And perhaps most important for the South African context, "some opposition (to affirmative action) comes from people who are racist and who believe that one group is superior to another. Their criticisms are of really no concern to us from an intellectual point of view."

Southern business 19

SBDC package gets NMF support

The Small Business Development Corporation is launching a new "Pioneer Project" aimed at black businesspeople to address past inequalities. WOLFGANG THOMAS explains:

WITH unemployment assuming frightening proportions all over the country and formal sector job vacancies showing no signs of rapid increase, more attention has fallen on the ability of people to "create" their own jobs through self-employment.

The Small Business Development Corporation (SBDC) has in the past been criticised for neglecting black micro-enterprises — and allegedly channeling too big a share of its funds towards viable, white-controlled small and medium enterprises.

The corporation has now embarked on a major initiative aimed at black businesspeople.

The bulk of the funds allocated to the SBDC in this year's budget have been earmarked for a comprehensive support package destined to

reach thousands of micro-enterprises.

In fact, the new "Pioneer Project" has also received the nod of the National Economic Forum, where unions are particularly concerned about creating new jobs.

Experience overseas and in the country has helped shape the SBDC's new support strategy. Rather than just waiting for loan applicants to approach the SBDC — with applications which are often poorly thought out or barely viable in a business sense — two dimensions characterise the new initiative.

● Firstly, there is an emphasis on co-operation and interaction with other NGOs and community-based organisations already active in the sphere of self-employment, entrepreneurship stimulation and micro-enterprise support.

The SBDC does not want to "go it alone" or work in competition with other bodies in this field, since

the self-employment challenge is too vast to waste financial or managerial energy.

● Secondly, the provision of micro loans is just one element of a broad support package — in many cases it may not even be the critical factor; far more emphasis will in future fall on the training of people with entrepreneurial potential and business initiative, with the training often started long before financial support is considered.

In the past, the SBDC has been criticised for either turning down loan applications (because of poor prospects and lack of business expertise) or acting too strictly against loan defaulters.

In both cases, the lack of business education, appropriate training and other support networks were usually the real underlying problems which now have to be addressed on a broader basis.

The SBDC has the following new plans:

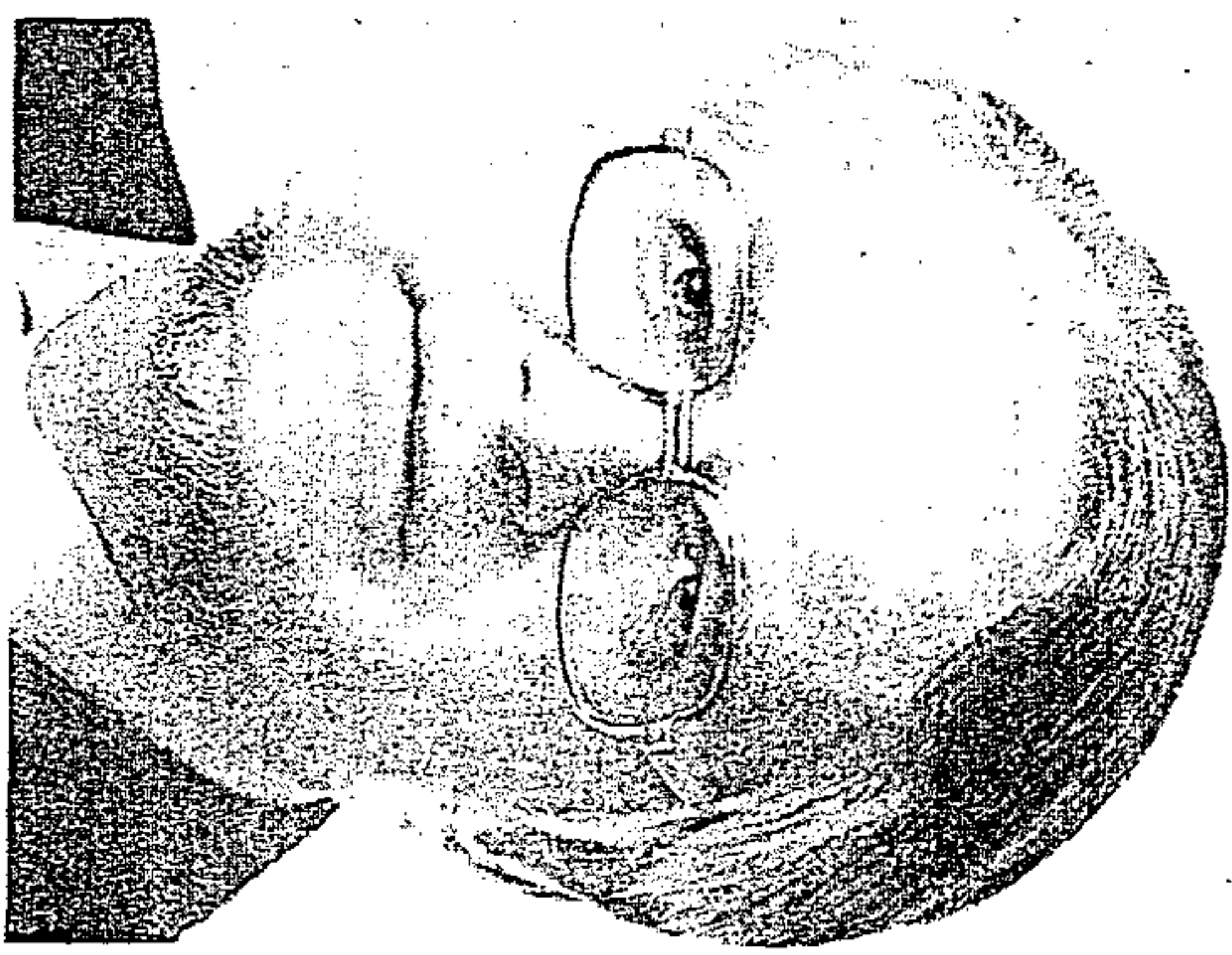
● Micro loans for viable enterprises, with amounts ranging from R200 to R5 000, and interest rates at 30 percent gross a year and 20

percent net, in the case of timely payment.

The latter scheme of a 10 percent interest discount has recently been introduced to encourage prompt payment of loans over six to 24 months, as initially arranged. If the loan is repaid promptly, the client receives the interest payment as a lump sum in cash.

● Comprehensive Assistance loans for the more experienced business person, with amounts ranging between R2 000 and R50 000 (or more) and interest levels between 12,5 and 17 percent.

Other assistance will be in the areas of marketing, providing advice in the form of mentors, and the formation of industrial hives located near high density townships. The SBDC hopes to trigger off a



WOLFGANG THOMAS

whole movement of grassroots business able to give micro enterprises in this country the vital big push it needs.

BUSINESS His client list reads like Who's Who of the consumer goods industry

Formula for success

By Mzimkulu Malunga



Mgcina ... the engine behind Black Moses.

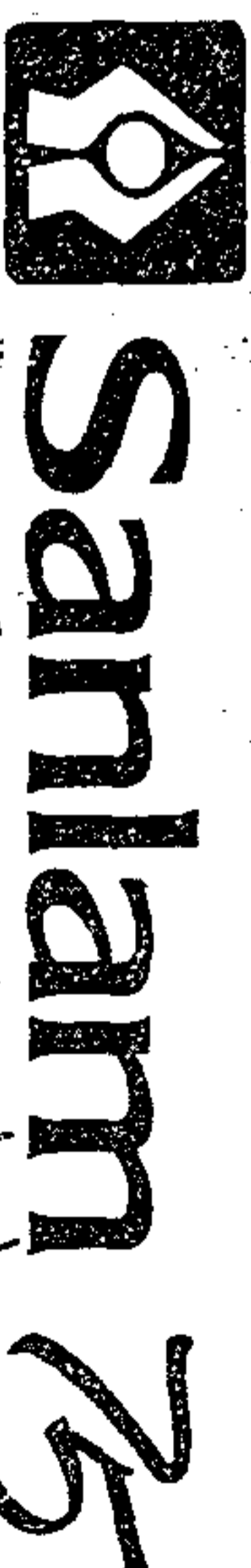
Strategic planning and identification of priorities are crucial to the survival of any business, says Mr Moses Mgcina of Black Moses Distributions.

When an opportunity to venture into business presented itself in 1985, Mgcina did not allow the excitement to take control of him.

Instead, planning and choosing the right form of business became the dominant factors of the moment.

"As one who has dealt with transport matters for 15 years and with an understanding of the laws of the industry, it made sense to venture into distribution," says Mgcina, called "Black Moses" by friends.

With 17 delivery trucks, including three



BUSINESS SURVIVAL Strategic planning and

identifying priorities is crucial, says Black Moses

horses and trailers, Black Moses' client list reads like a who's who of the consumer goods industry.

Among his clients are Robertsons, Tastic Rice, King Kong Foods, SA Oil and Morate Achar.

The company has acquired rights not only to distribute Monate Achar products but to sell them as well.

Next week Black Moses will be opening a big

warehouse in the Orlando West industrial park which will be packed with all sorts of consumer goods.

"What I need from black business people all over the country is to tell me what products they are looking for and I will go an extra mile to get it for them," says the man who believes black business underestimates its power.

"The future of black business in this country is unbelievably bright. All we have to do is pool our resources," said Mgcina.

When one of his delivery vehicles was burnt in one of the Reef townships in 1987, Mgcina, who was then operating under the name Send-A-Part, realised that he needed to alter his marketing strategy, which led to the company name being changed to Black Moses.

He never forgets to mention that his business success has its roots in the famous Sullivan Code, which encouraged American companies operating in South Africa to help prospective black business people in addition to eliminating discrimination at their work places.

Mgcina was given a sub-contract by computer company Rank Zerox to distribute its products and he has never looked back since then.

"The growth was so phenomenal that I had to add a new delivery van every month," he said.

With the slogan "reliability and peace of mind" Mgcina believes bigger times are still to come for Black Moses. Moses Mgcina qualifies for the Sowetan-Sanlam Entrepreneur of the Month competition.

The winner will compete with other monthly victors at the end of the year.

Report on affirmative action in SA

Biday 2/7/93

MZIWAKHE HLANGANI

THE development of black managers is essential to any SA company's survival, says national Black Management Forum chairman Lot Ndlovu in FSA-Contact's recent handbook on affirmative action policies and practice.

With blacks representing less than 3% of managers in SA, he said, advancement of black employees should form part of any company's strategic planning.

A survey of 100 companies by FSA-Contact found that 42% had not implemented affirmative action programmes of any sort, either formal or informal.

Three-quarters of these companies said they intended to implement affirmative action programmes in the near future.

Almost 62% of participants stated that they planned to implement affirmative action programmes because they wanted to overcome the inequalities stemming from past racial discrimination, the study disclosed.

Despite the possibility of a future black government imposing some sort of quota system, only 28% said they would be implementing affirmative action programmes because of this.

Consultant Harriet Webster said 10% gave the reason to put an affirmative action programme into practice as union/employee pressure.

Other reasons given were overcoming

the future scarcity of managers, using local resources, encouraging overseas investment, and improving productivity.

Webster said among the major problems experienced were those of resistance from white employees (55% of respondents), inflated expectations from black employees (52% of respondents), and a "non-committal" attitude from management (38% of respondents).

Other problems included management concern that standards could be jeopardised by the employment of people with inferior education. However, only 24% of the sample said they experienced a decline in standards or deterioration in the quality of work as a result of affirmative action programmes.

Labour and Economic Research Centre researcher Taffy Adler said there was little corporate evidence of blacks moving into positions with equal responsibility and equal pay.

This was the reality, even though many organisations in SA emphasised a commitment to equal opportunity in their annual reports.

Unisa School of Business Leadership's Karl Hofmeyer said one of the significant barriers to the advancement of blacks was company culture.

The culture determined how things were done in an organisation, and what was deemed acceptable.

He said the black manager found himself operating on the fringes as an outsider, and subtly rejected by informal networks within the company system.

Hofmeyer believed the nature of the training provided for blacks was a problem. Black managers felt insufficient attention was paid to their individual development needs, and some organisations offered programmes simply to provide public evidence that they were concerned about black advancement.

FSA-Contact said female staff were also being targeted by affirmative action programmes, although not to the same extent as black staff.

Webster said there was also more affirmative action now with regard to the disabled. Although this was not widespread, some companies were realising the value of this "untapped resource".

ANC constitutional committee member Albie Sachs said South Africans were failing to comprehend the scale of the problem of achieving black advancement.

He believed the foundation for the transformation of the country should be a Bill of equal rights and equal protection. Affirmative action should be an integral part of this Bill.

Biday 7/7/93

New training concept

MZIWAKHE HLANGANI

THE African Builders' Association, in conjunction with the National Federation for the Building Industry, has launched a new assistance programme for black builders. It will focus on turning craftsmen and labour-only subcontractors into productive contractors and developers.

A community-based construction concept, in which communities' approval was sought for new projects and building costs were held down, was a prerequisite for SA's construction sector, said property analysts.

Civil Engineering Consultant associate Dave Harrison said the new concept would develop contractors within communities. There would be training in all aspects of building, including technology and financial and entrepreneurial skills. This would help communities to build and maintain their infrastructures.

He said the dangers of violence in black townships had caused construction companies to place a price premium of 30% to 50% on contracts in these areas. Community-based construction could provide services at a reasonable cost where no conventional method would have succeeded.

The Development Bank of Southern Africa's Centre for Policy Analysis associate director Mike Muller said construction industry personnel had to become multi-

skilled to meet the challenges of a new SA. The construction industry had shown its willingness to meet the challenges after a tentative agreement between Cosatu and the civil engineering industry on labour-based construction.

Another promising venture was the development and application of products and processes, such as concrete block road technologies, which were more labour intensive than other methods.

National African Federation for the Building Industry executive chairman Conny Peterson said a joint education programme to assist small black building contractors had been set up with the African Builders' Association.

Existing training for building tradesmen did not meet the needs of the small black contractor. Hands-on assistance was needed, and access to finance, surety bonds and credit for building materials should be addressed, he said.

PAC senior analyst Mosebane Malatsi said the future government should provide on-the-job-training to unemployed youth in the same manner that the present government had when it built areas such as Soweto and Mamelodi 40 years ago.

Affirmative action for Durban council

DURBAN — The Durban City Council yesterday agreed to spend about R2m on an affirmative action programme after a heated debate and a walkout by 10 councillors. (Sapa)

A firm of outside consultants would implement the project. (Sapa)

Management committee chairman Peter Mansfield said the programme's aim was to bring about a change in attitudes within the organisation and to develop training and development programmes for the upliftment of blacks and women.

The councillors walked out of the council chamber after Local Affairs committee member Kamal Panday called them hypocrites. Panday said the supporters of affirmative action were those who had "brought in the rot" of the council and the country.

Councillor Lorna Emmanuel later defended the walkout, saying it was in protest against the disrespectful treatment of the chamber. — Sapa.



WHIZZKID ... share dealer Emmanuel Lediga Picture: DAVID SANDISON

SI Times 4/7/93

Emmanuel scores a first

EMMANUEL LEDIGA — the first black to be appointed a share dealer — is looking forward to taking the floor next month on the Johannesburg Stock Exchange.

Mr Lediga, 26, a former Star reporter, said his work as a dealer would involve the buying and selling of company shares.

Recruited by stockbrokers Senekal, Mouton and Kitshoff, Mr Lediga demonstrated a sound understanding of financial markets while a financial reporter.

He said: "I have met and dealt with different brokers, and those in financial markets in London, New York and Tokyo."

Born in Tembisa on the East Rand, Mr Lediga said he had been a bright pupil from his early teens. (176)

"I have held position one from sub A to

matric. When I was in Standard 8 I went to the Central Secondary School in Soshanguve and I did well," he said.

When he completed matric in 1987, he was voted top pupil in the country, beating more than 200 000 students.

Mr Lediga scored four As in mathematics, physics, biology and English, and top marks in biology.

"I went to Wits from 1988 to 1991 and a B Comm, majoring in finance, insurance and marketing.

"In 1991 I joined an insurance company as a trainee manager. But I was there for only six months and was bored.

"I joined the Star as a business reporter a year ago," he said. (SS)

Wrighton, Cohen top forum's list

SI Times (Bus) 4/7/93

By CIARAN RYAN

ESKOM, Nampak and Upjohn are South Africa's most progressive companies, says the Black Management Forum (BMF).

The most progressive chief executives are Peter Wrighton of Premier and Leon Cohen of PG Bison.

BMF executive director Lot Ndlovu says: "It shows something about the business community that there aren't more of them. We are trying to create role models for other companies. Not nearly enough is being done for black advancement."

BMF has instituted "the most progressive company of the year award" for those contributing most to black advancement in business.

Mr Ndlovu says: "The development and inclusion of black people in managerial positions in SA companies is a prerequisite for future corporate prosperity. But the number of black managers has hovered around the 3% mark for many years."

To be included in the short list for the award, a company must have more blacks in managerial positions than the national average. Anything below 5% will not do.

Equity-participation or

profit-sharing schemes must be open to blacks, who must be allowed to take part in decision-making structures such as pension-fund committees and development and training programmes.

A company must be involved in community upliftment.

Eskom's electrification programme for 3-million homes in the next few years is SA's largest community upliftment project.

(176) (172)
Single

More than half the divisional managers at Nampak are black, says Mr Ndlovu.

Affirmative action quotas and targets will "without doubt" be legislated by a new government.

A National Affirmative Action Alliance was formed this year, pulling like-minded groups into a single alliance to prepare for legislation.

"The only thing in doubt is what teeth the new legislation will have," says Mr Ndlovu. "If the economy is reasonably strong we can expect strong legislation."

"My feeling is that if

blacks occupy 30% of managerial positions within a given time frame, this is sufficient. Affirmative action is not a permanent solution and should be retired when it has achieved its objectives."

Companies will have to set affirmative action targets in much the same way as they budget for sales.

"But they should not be allowed to set themselves easy targets. This is where an outside body may have to get involved."

Mr Ndlovu says affirmative action is not incompatible with meritocracy.

"There is a certain cultural bias to merit. How you look, dress and behave are important criteria when it comes to employee selection."

BMF tied up with international head-hunting group TASA this week to set up an executive placement agency aimed at black advancement in business.

"The BMF as a black initiative is dedicated to a peaceful, non-racial workplace and is vigorously pursuing a policy of creating an awareness among blacks and corporations of the need to develop managerial leadership for a successful economy," says Mr Ndlovu.

People's banking in the pipeline

PEOPLE'S banking, aimed among other things at the credit needs of low-income members of the community, is set to take off in SA.

Already a trust headed by well-known community leader Ellen Khuzwayo has been formed to investigate all aspects of this community banking concept.

Other well-known personalities invited to join the trust include lawyer Lillian Baqwa, Sheila Sisulu, Eric Motobi, Moses Mayekiso, Eric Smangaliso Mkhathshwa, Father Mkhabela, Israel Skhosana and the Rev Beyers Naude.

The formation of the trust follows a detailed investigation led by former managing director of the Perm banking group Bob Tucker; Civic Associations of Johannesburg general secretary Cas Coovadia and an international authority on community banking, Hank Jackelen.

Findings

Their findings were recently submitted to the Council of South African Banks (Cosab), which agreed to support a detailed study into the feasibility of establishing a community bank in SA.

Absa banking group executive Archie Hurst was subsequently appointed by Cosab to head this investigation. Hurst will be supported by experts from a wide range of community organisations and the formal banking sector.

In another development Coovadia has begun an investigation into the manner in which a community bank can be "deeply rooted in individual communities" and how they can take "real ownership" of the delivery of banking services within the community.



DETAILED PROBE ... Ellen Khuzwayo heads the new trust.

BUSINESS FEATURE

Stokvels leap into the big-time finance world

C/Res 4/7/93

(SA) (17b) (17b)

TOWNSHIP economic power leaped into the big stakes of SA's finance this week when the National Stokvels Association of SA (Nasasa) gained a foothold into the country's formal financial services mass market.

First National Bank (FNB), the Development Bank of South Africa (DBSA) and the Board of Executors finance house (BOE) announced in Johannesburg that they had joined forces with Nasasa in an innovative scheme.

The package - "The People's Benefit Scheme" - offers Nasasa members four services which cover savings accounts, fixed deposits, unit-trusts and loan facilities. It will be

initially marketed to stokvels who, after a minimum saving period of six months, will be able to invest in either a unit-trust or a fixed deposit which is then "pledged" as security for a loan.

Said Nasasa president Andrew Lukhele: "For far too long the majority of people in this country have been denied access to formal financing and credit. As a result, the entrepreneurial spirit has not been nurtured and encouraged."

"The introduction of this scheme will contribute greatly to economic empowerment, the impact of which can only have positive implications for the country's economy."



GO-GETTERS ... Nasasa's director Stephen Japp, left, and president Andrew Lukhele.

argued that his organisation found stokvel members well-disciplined when it came to saving and understanding the ne-

cessity of mobilising funds. But, pointed out Lukhele, as well structured as they are, certain growth areas have been stunted due to the lack of capital.

"While many stokvel groups and individual members have in the past aspired to business creation and development," pointed out Lukhele, "the traditionally available funds could only achieve results to a certain point".

According to Lukhele the scheme "will enable individuals and groups (in the stokvel movement) to extend their plans beyond that point".

FNB executive Pat La-

mont said: "The People's Benefit Scheme came about after four organisations were able to pool their resources and expertise to develop something we firmly believe will make a meaningful contribution to the upliftment of individuals and communities of SA."

BOE Merchant Bank managing director Mike Thompson concurred: "This is particularly important to the disadvantaged members of our society. I am confident that this scheme will make a difference to the SA of tomorrow by creating a bridge between the formal and informal sectors."

BUSINESS New mores

ANC strategy *Sowetan 1/7/93* is spelt out

By Mzimkulu Malunga

A FUTURE government can only lay the framework while black business will have to take the initiative, says ANC economic affairs head Mr Trevor Manuel.

Addressing the 23rd annual meeting of the Southern Transvaal African Chamber of Commerce and Industry this week, Manuel outlined his organisation's strategies to assist black business.

The measures included making bodies like the Small Business Development Corporation and the Industrial Development Corporation more representative.

The SBDC representative at the conference said most black business people were unable to meet requirements for bigger loans. (176) (S)

Manuel said until its involvement in the deal in which a group of blacks bought a substantial shareholding in Metropolitan Life, the IDC had done nothing for the advancement of black business.

An industrial policy geared towards stimulating domestic consumption while not neglecting exports and reducing monopolies would be part of ANC's strategy.

Soutacoc's president, Mr Joe Hlongwane, appealed to blacks serving on corporate boards to fight for change.

MANAGEMENT

Big push for black management

Biday 11/7/93

176

THE training of aspirant black managers has become a hot issue in the property industry as the country moves towards democracy, players in the property market say.

"In fact, the SA Property Owners' Association is aiming at employment equity within five years," Sapoa vice-chairman Colin Steyn said at the recent launch of the organisation's education project.

Steyn said Sapoa had for many years focused resources on the education and training of largely white property managers, to the detriment of black advancement.

"Our objectives are to promote the industry among black South Africans, to initiate the introduction of black managers

MZIWAKHE HLANGANI

into all levels of business, and to provide training programmes and educate, in the main, black employees," he said.

Cautioning that there was no "quick fix", Steyn said there were many suitable black candidates. Sapoa would identify them and negotiate employment offers through its 800-member companies.

"We have had discussions with most of the major universities and other tertiary educational institutions to enlist their help, and many Sapoa members have indicated their support."

Old Mutual Properties investment manager Ian Watt said identifying interested and suitable candidates had in the past been



● STEYN

"problematic", even though employment of black managers was not new to his group. The Sapoa project, however, would create a formal mechanism to find and promote black manag-

ers more easily.

"Although the initiative will help property companies in identifying job opportunities, individual property companies cannot rely solely on Sapoa to take the lead," said Watt.

Sanlam Properties spokesman Rian Hancke said his group supported affirmative action in the industry. "As a result of a backlog in the employment of people of colour, we are looking increasingly to these groups to fill vacancies," he said.

In addition to a number of bursaries provided to black students at tertiary education institutions, Sanlam Properties had made provision for five new positions to be filled by black management trainees this year, Hancke said.