



AFRICA CENTRE FOR DISPUTE SETTLEMENT

At the University of Stellenbosch Business School

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Title	Business in the transition to democracy in South Africa: Historical and contemporary perspectives	
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APA citation	Ganson, B. (2017). Business in the transition to democracy in South Africa: Historical and contemporary perspectives. ACDS Working Paper Series 2017/5.	
Year	2017	
Peer reviewed?	No	
Document type 1	Working Paper	
Document type 2	N/A	
Key topic 1	Business, conflict, and development	
Key topic 2	Business and human rights	
Key topic 3	Dispute resolution	
Key lens 1	Policy	
Key lens 2	Management practice	
Visible to public?	Yes	
Notes	<p>ACDS working papers provide a window on work in progress. They may be withdrawn from public view if updated or published in another form.</p> <p>This paper was written as a contribution to the research initiative entitled Engaging the Business Community as a New Peacebuilding Actor. It is a joint project of the Africa Centre for Dispute Settlement (ACDS), CDA Collaborative Learning Projects (CDA), and the Peace Research Institute Oslo (PRIO), funded by the Carnegie Corporation of New York and the Norwegian Ministry of Foreign Affairs. The project aims to fill the large gap in evidence regarding the effectiveness of business efforts for peace, providing a framework and practical guidance for more effective planning and evaluation of business-peace initiatives, policies and practices. Comments, critiques and corrections are welcome.</p>	



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Business in the transition to democracy in South Africa: Historical and contemporary perspectives

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Africa Centre for Dispute Settlement Working Paper 2017/5

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This paper was written as a contribution to the research initiative entitled Engaging the Business Community as a New Peacebuilding Actor. It is a joint project of the Africa Centre for Dispute Settlement (ACDS), CDA Collaborative Learning Projects (CDA), and the Peace Research Institute Oslo (PRIO), funded by the Carnegie Corporation of New York and the Norwegian Ministry of Foreign Affairs. The project aims to fill the large gap in evidence regarding the effectiveness of business efforts for peace, providing a framework and practical guidance for more effective planning and evaluation of business-peace initiatives, policies and practices. Comments, critiques and corrections are welcome.

The story of the Consultative Business Movement (CBM), a group of progressive company leaders that took action to help facilitate the transition to a democratic South Africa, has taken its place in the cannon business and peace. Any number of studies describe how the CBM normalized engagement with opponents of the apartheid regime, in particular black leaders; facilitated dialogue between a wide range of stakeholders to help identify common ground; supported efforts to mitigate rising violence; and ultimately served as Secretariat to the convention that delivered the country's new constitution.

The story as typically told is in large measure true; however, it is incomplete. The CBM – which was active only six years at the tail end of minority rule – emerged from business interests that were for more than a century deeply entwined in the politics, policies and practices of the violent repression of the majority, and somewhat more than a decade of tentative business efforts to engage socially to promote stability. During the period in which the CBM was active, only a relatively small number of businesses mobilized in any decisive way for positive change, while many more were actively engaged in the maintenance of the apartheid state. And in the two decades since the CBM, increasing numbers of commentators bemoan a business community that is perceived as being at best indifferent to issues of social justice and at worst deeply complicit in the maintenance of a political economy that reinforces the divisions that arguably underlie a number of the crises the country now faces.

Within this fuller contextualization of the CBM's efforts, a number of questions arise that have been less well addressed in the literature. First, how did the CBM succeed in its efforts, given that it faced not only scepticism from mass movement leaders, but hostility from government and, often enough, opposition from the broader business community? Second, what were the limitations of what even progressive business leaders could and would work for, given their economic interests? Third, what are the lessons learned from the historical analysis that may have resonance today?

To address these issues and questions, this paper draws from the historical record and secondary research; interviews; the insights of an expert roundtable convened to consider and debate these issues; and three input papers prepared to advance that inquiry that are also available as ACDS Working Papers: Ramphela (2017/2), Cawe (2017/3), and Hutchings (2017/4).

Business in the shaping of the political economy of South Africa

It is increasingly well accepted that business never stands apart from politics, but is rather part and parcel of the political economy – the interplay of politics, society and economics that shapes the social order and the creation and distribution of wealth within it. In South Africa, one can further assert that business interests were a dominant factor in the shaping of the country and its political system. This was true throughout the country's colonial history: a driving factor in the treks that led to the formation of the Boer republics, for example, was the introduction of more progressive labour laws in the Cape Colony in 1828 and the abolition of slavery in the British Empire in 1834 that negatively affected the financial interests of the Cape Colony farmers. It was particularly true after commercial exploitation began of diamond deposits around what is now Kimberley in the 1860s and gold around what is now Johannesburg in the 1870s.

Intertwined commercial interests and state authority shaped the emergent South Africa. The 1882 Diamond Trade Act, for example, foreshadowed the police powers of later regimes: a person found with diamonds was presumed guilty of illegal trading until proven innocent; policemen could search without warrants; and mail and packages could be opened upon mere suspicion. Later, breach of employment contract was made a criminal offense – for the employee but not for the employer. John Cecil Rhodes' British South Africa Company – itself a public-private partnership with joint imperial and commercial designs across the Limpopo – provided the troops for the Jameson raid in 1897, intended to provoke a British uprising in the Boer Transvaal. Although a tactical failure, the raid was all the same an instigating factor in the Second Boer War, which brought all of current South Africa – most notably its gold, which Rhode's Gold Fields Corporation (among other English-backed companies) would go on to exploit – under British rule.

Moral outrage against commercial excesses – even among Europeans – was evident from the beginning. Already in the 1890s voices at home decried the 'slavish system' of compounds – in which diamond (and later gold) workers were forced to live apart from their families to maintain control

and minimize theft – because of its impact not only on workers but on surrounding communities and the economy as a whole. In Europe, the British periodical *Truth* in 1893 called Rhodes ‘the head of a gang of shady financiers’ who operated ‘on the principle that “godless heathen” ought to be mowed down with Maxim guns if they happen to inhabit a country where there may be gold’.

Yet commercial interests prevailed in the then-new South Africa. The president of the Chamber of Mines stated unequivocally in 1912, ‘We must have labour. The mining industry without labour is as ... it would be to imagine that you could get milk without cows.’ The Chamber supported the Natives Land Act of 1913, which introduced territorial segregation to the country shortly after its founding in 1910. Reserves for the black population were created that represented only about 10% of the country’s land area. The president of the Chamber was of the opinion that the Act would ensure that ‘the surplus of young men, instead of squatting on the land in idleness ... must earn their living by working for a wage’. Building on a history of hut taxes, poll taxes and unemployment taxes (under which Africans who could not show that they held formal employment for at least some months a year were subject to an additional tax), these measures guaranteed the mines cheap labour. The Chamber also supported the state’s brutal suppression of successive waves of the black labour movement in the 1910s, the 1940s and the 1960s. These land and labour ‘reforms’ were similarly backed by the country’s politically and economically important agricultural sector, for reasons of land acquisition, suppression of black competition, and wage control. While their relative primacy remains debated, it is clear that colonialism, apartheid, control of labour, and business interests were fundamentally enmeshed.

Business attempts at promoting stability

In the 1970s, the evident ability of labour to mount effective strikes, the need for more highly skilled workers, and the closing of labour recruitment from Malawi, Angola and Mozambique changed the mining landscape. One mining executive noted, ‘the game changed when developments in technology meant it took more than three weeks to train a new mineworker. We could no longer fire a thousand men today and replace them tomorrow. We had to negotiate with black workers.’ By 1972 W.D. Wilson, Deputy Chairman of the mining conglomerate Anglo American Corporation, called for a ‘major overhaul’ of labour law and labour relations, stating that reforms would determine ‘whether we will retain industrial peace and whether we will have the human resources to continue the development and expansion of our enterprises’. Harry Oppenheimer, Chairman of Anglo American, declared that ‘racial discrimination and free enterprise are basically incompatible’.

Business engagement based on these changed notions was meaningful. After the Soweto uprising of 1976, Oppenheimer and other leading industrialists founded the Urban Foundation to help improve the living conditions of the black urban population. Its first executive director stated that ‘No free enterprise system can survive in circumstances of persistent social disruption and disorder.’ Support for the Wiehahn Commission on labour reform and subsequent changes to the Industrial Conciliation Act led to the legalisation of black unions in 1979. Industry leaders, recognising that state agents could not be trusted by black employees, negotiated with labour leaders the creation of

the Independent Mediation Service of South Africa (IMSSA) in 1984 as a regime of private justice between workers and companies.

But these were fundamentally palliative measures, arguably akin to the abolition in the 1980s under State President P.W. Botha of the pass laws, the granting of rights to blacks to live in urban areas and the decriminalisation of interracial marriage, or his government's increase in spending for black schools from one-sixteenth of what was spent per white child up to one-seventh. There was at some level a recognition that a fundamentally unworkable system was driving the protests of an increasingly well-organized mass movement. Yet business measures were by and large an attempt to take the sharp edges off the system, not change it fundamentally.

Private sector 'institutions and initiatives appeared to want to follow an ongoing incremental route and to rely primarily upon Government-led initiatives'. Businesses were most vocal when issues affected their direct needs, for example, for greater numbers of skilled laborers or the ability to negotiate formally with the *de facto* black unions. Almost no businesses spoke out against segregated residential areas or education, for black political rights, or against the increasingly brutal measures of the police state, which used, for example, arrest, banning and assassination to stem the growing power of the unions, even bombing the headquarters of the Congress of South Africa Trade Unions (COSATU) in 1987.

Business engagement for a democratic South Africa

Amidst a growing economic crisis, escalating violence, biting international sanctions, and an increasing sense of isolation, a number of business leaders took steps to reach out to democratic forces inside the country and the African National Congress (ANC) in exile. In January 1987 Chris Ball, the CEO of then Barclays Bank, identified in early 1987 a handful of senior leaders 'who shared the opinion that traditional methods of interaction with mainly black unions and political leaders being employed within business and organised industry and commerce were inadequate'. He proposed direct communication between 'legitimate black leaders who enjoyed mass-based support and white mainstream business leaders.' Ball had been part of a 1985 initiative, in which he and senior leaders of Standard Bank, Rothschilds, Shell, Courtaulds, BP, Gold Fields, and Premier Group met in London with Oliver Tambo, President of the ANC, at the invitation of the journalist Anthony Sampson.

Over a period of months, the interventions of well-networked allies, including the television journalists Roger and Miranda Harris, allowed for several meetings between business and black leaders of the UDF. 'During these meetings the concept of establishing a group of business leaders who would interact intensively with legitimate black leaders was discussed. They, in turn, were willing to endorse and support the initiative that had already been taken by other black leaders.' Meetings were also held with ANC leaders in exile, who also lent their support to the idea. In April 1988, business representatives met with senior members of the Congress of South African Trade Unions (COSATU) and the UDF. 'At this meeting it was agreed that a formal workshop should be

conducted between senior business leaders and representatives of the mass-based movements.’ In August 1988, approximately forty white business leaders and senior academics met with a similar number of leaders representing several mass-based socio-political movements and unions, establishing what was only then named the Consultative Business Movement (CBM).

True to its name, the CBM began a process of broad-based bilateral consultations: with leaders of the UDF and the (still banned) ANC; with the National Party and senior government civil servants and diplomats; with other political parties including the Inkatha Freedom Party (IFP), the Democratic Party, and later, the more militant Pan African Congress (PAC) and Azanian People's Organisation (AZAPO), as well as the right wing Arikoner Volkswag and Conservative Party; civil society leaders from the press and churches; and organized business and organized labour, both black and non-black. These discussions continued throughout 1988 and 1989, establishing both the need and the possibility for common ground.

Bilateral trust-building laid the foundation for multi-lateral successes. In 1990 the CBM organised a meeting of 40 ANC representatives, including Nelson Mandela, with 350 senior business leaders to reduce mutual distrust and start work towards a new national economic framework. ‘At last’, it was said, ‘we are discussing our country’s future’. When political violence put the entire peaceful transition to democracy in doubt, the CBM along with the South African Council of Churches was able to convene government and opposition parties in the offices of Barlow Rand Ltd, South Africa’s second largest industrial concern. The CBM co-convened process was the beginning of negotiations leading up to the National Peace Accord in 1991, which exposed tens of thousands of people to conflict resolution methodologies and created national, regional and local structures that ‘helped contain violence, altered the attitude of the security forces and introduced an element of public accountability and pressure for peace’.

This in turn set the stage for constitutional negotiations. The CBM was asked by the participating political parties and government authorities to provide process support and secretariat services for the Convention for a Democratic South Africa (CODESA) I & II, two rounds of multi-party talks. The CBM later acted as the administration of the Multi-Party Negotiating Process, which put into motion South Africa’s ultimate transition to democracy. And where Lord Carrington and Henry Kissinger had failed to secure the agreement of the Inkatha Freedom Party to participate in the first elections, risking renewed violence, the CBM-supported process succeeded. South Africans voted in their first democratic election on 27 April 1994 under the interim constitution. The CBM ceased to exist when it merged with the Urban Foundation in 1995 to form the National Business Initiative, not quite two years before the coming into force of the final constitution on 4 February 1997.

The CBM as a process consultation

The snapshot presented above does not give a full picture of the CBM's activities, which became increasingly structured over time. The CBM developed programmes, for example, to find employment for released detainees, and to facilitate the internal transformation of companies. But the weight of its positive influence came from its leadership's willingness 'to listen first, then act in partnership; at a time when consultation was both unknown and almost impossible because of the polarisation in society. This was seen as CBM's greatest strength'. There was a relentless focus on outreach: several hundred meetings were conducted throughout South Africa between April and August 1988, for example, to build commitment by business leaders to create relationships with 'recognised black leaders of established mass-based socio-political movements'; and the CBM only moved forward when it had secured the support of black leaders. 'This was the first, and probably still only time in South Africa's history', it was noted, 'that a business-led institution was created through direct consultation with largely black leadership and mass-based institutions'.

The mission statement adopted by the CBM was 'to assist South African business to contribute in partnership with all other interest groups to democracy, peace, growth and development in South Africa'. That is to say, it recognized that business, too, needed to change. Most of the work carried out under the umbrella of CBM – from the initial intermediation between business and black leaders by journalists and others who had the trust of mass movement leaders; to the consultations carried out by 'young and dynamic' staff members; to the organisation and operation of the peace committees – was in fact carried out by individuals who were not deeply imbedded in corporate structures. The organisation of CBM allowed it to be closely aligned with progressive business leaders, but independent enough to also influence them; business leaders created structures where they were one constituency among many at the table.

The way CBM worked also gave meaning to the word 'Movement' in its name. It created structures – particularly at the regional level, and later with the National Peace Accord at the local level – that could opportunistically absorb energy and commitment, as well as channel money and social capital as more people inside and outside the business community became comfortable with, and committed to, a peaceful transition to majority rule. This to some extent encompassed even the apartheid government, particularly after F.W. de Klerk took over the reins of the state from P.W. Botha in 1989; the government craved and valued information about the mass democratic movement and its leaders that its self-isolating policies denied it. CBM also never claimed to represent business, meaning that it was to some extent insulated from the 'least common denominator' politics of member organisations. Indeed, its support rarely came from corporate boards or management teams – let alone organised business – as a whole, but rather from targeted individuals within companies and other institutions. It was self-consciously a vanguard coalition of willing individuals with business roots.

Where the 'business' bona fides of CBM were perhaps most clear were in its use of its leaders' power and privilege to act in defiance of the apartheid regime. It was no secret that the law was not applied equally in South Africa; there were many instances, for example, where a black woman would be convicted and punished for violation of the miscegenation laws, while her white male

partner would go free. CEOs of some of South Africa's most important concerns could take advantage of this structural injustice to take calculated risks. In one case meetings were held with opposition leaders in detention during their trial for treason, with their counsel bringing in the business representative as part of the legal team; in another a co-facilitator of the meeting establishing CBM was under restriction orders making it illegal for him – or others with him – to participate in a meeting of more than five people. CBM simply ignored legal restrictions on its ability to meet with banned organizations such as the ANC and PAC, and worked around restrictions on organised labour and other 'suspect' organisations and individuals.

More importantly, CBM used its power and networks of influence on behalf of others. The morality of apartheid defenders may have been misplaced, but their observations were true: CBM lent voice and credibility to leaders of the opposition, replacing propaganda about communist revolutionaries manipulated from abroad with experience of pragmatic, thoughtful and deeply committed leaders. CBM earned their trust by doing what no South African business entity had done before: reject racial authoritarian government and commit to the rapid implementation of majoritarian rule. It committed unambiguously in policy and action to the principles and outcomes of greatest importance to the disempowered and disenfranchised. In doing so, it used its process focus – expanding the circle of dialogue, establishing a common fact base, working towards consensus on outcomes, agreeing on roles, responsibilities, and obligations for action, and maintain a platform for mutual accountability – to meaningful shift power and facilitate fundamental social change.

Self interest as the limiter of business engagement?

The CBM and other business for peace stories have given rise to a generalised argument about a 'business case' for peacebuilding. Previous studies of CBM have warned, however, that 'it is important not to exaggerate the role CBM played, nor to make claims for business in general'. The limitation of the business role is evident in the problematic timing, breadth, and scope of business engagement in South Africa, both by CBM and by business more generally.

Business came to the movement for a democratic South Africa very late. The Sharpsville Massacre – an event so iconic that the new South African constitution was signed into law there in 1996, and the date commemorated both as a national holiday and as the International Day for the Elimination of Racial Discrimination – was in 1960. The UN Security Council's adoption in the same year of Resolution 134, calling for an end to apartheid and racial discrimination, marked growing international isolation as the government implemented the first state of emergency. In 1970, the then-Anglican Bishop of Lesotho, the Rev. Desmond Tutu, assumed a leadership role in the non-violent struggle against apartheid as head of the South African Council of Churches; increasingly well-organised labour organized the surprisingly effective Durban Strikes of 1973; while in 1975 the ANC Revolutionary Council publicized its intent to launch 'total war', followed by increasingly sophisticated armed attacks. 1976 saw the Soweto Youth Uprising – a youth-inspired protest resulting from the consciousness raising efforts of the Black Consciousness Movement (BCM), itself a

non-aligned political movement started by young university students that spread to high schools, churches and civil society organizations – spread across the country and into the next year. 1980 saw both massive school and university strikes, and a declaration by the Nederduitse Gereformeerde Kerk (NGK) together with its sister church for blacks (the NGK in Afrika), Coloureds (the NG Sendingkerk) and Indians (the Reformed Church in Africa) that it had no objection to the repeal of the Immorality Act or the Mixed Marriages Act, a death knell for religious support of apartheid. The UDF was formed in 1983; the new state of emergency was declared in 1985; and COSATU was formed the same year. Even these very few milestones in the long anti-apartheid struggle illustrate that the writing was increasingly both on the wall and being read by growing numbers of South Africans of all races from the 1960s through the 1980s.

Yet business was hardly to be found. Only in 1986 did the South African Federated Chamber of Industries adopt its *South African Business Charter of Social, Economic and Political Rights*; but its programme was never implemented and the charter was divisive enough amongst the membership to lead to the demise of the Chamber. In 1987, black leaders asked that a group of business leaders join them in a statement to the press calling for the lifting of the state of emergency and certain restriction orders, as it was increasingly impossible for moderate leaders to exercise any influence over escalating violence in the townships. But no more than six business leaders would sign onto the statement, and the idea was shelved. Similarly, anti-apartheid activists that same year arranged for 18 leaders from the black community to meet with business leaders. Eighteen business leaders attended a preparatory briefing, but only 6 remained to meet with the black leaders after twice as many excused themselves. As late as 1989 CBM could count no more than 40 business members, only passing the 100 mark after the unbanning of the ANC in 1990 amidst a growing understanding that political changes were inevitable. The first regional meeting CBM organized between business leaders and mass movement leaders in the Western Cape begins to look like the caboose rather than the locomotive of change; it took so long to organize that it was interrupted by the announcement of Nelson Mandela's release.

Far more common than the actions exemplified by the CBM was what the Truth and Reconciliation Commission described as 'the role business played or failed to play in the apartheid years', ranging from active collaboration in security structures to more passively benefiting from apartheid's labour repression, pass laws, and forced removals. Other business-led initiatives, such as the South Africa Foundation, gained the reputation of existing mainly to stave off international sanctions rather than to support any kind of fundamental reform. And even after the Durban strikes made clear the need to change the basis of labour relations, companies created 'employer-controlled liaison committees to circumvent works committees elected by the black workers themselves', with true labour-management reform coming first (if still only reluctantly) to foreign companies facing the greatest international scrutiny. It was even impossible at the founding meeting of CBM to agree to include 'democracy' in the new organisation's name. An alternative recounting of the CBM story might be that, in the long struggle for a democratic and peaceful South Africa in which countless South Africans courageously took part, only a very few business leaders, and almost no presence of organised business, could be found.

Indeed, it is arguably only through a narrow, white, business-centric lens on history that a crisis can be particularly situated in the 1980s, finally motivating even a minority of the business community to more concerted action. Apartheid – an explicit policy of institutional racism – has roots at least as deep as 1858, when the constitution of the South African Republic (commonly known as Transvaal Republic) was adopted, stating that ‘the people will admit of no equality of persons of colour with the White inhabitants, either in state or in church’. The system of forced migrant labour began the systematic disruption of the black family in the 1860s; blacks in the territory of now-South Africa were dispossessed of nearly all of their land in 1913. Blacks were systematically denied education, health care, decent housing, economic opportunities, and political rights throughout the 20th century, including the right to South African citizenship in 1980. Meanwhile, the State engaged in a campaign of terror against its enemies, with the Truth and Reconciliation Commission finding state president P.W. Botha responsible for gross violations of human rights; to have directly authorised unlawful activity which included killing; and to have personally ordered the bombing of the offices of the South African Council of Churches. It is said that a crisis is something bad that happens to oneself; and it appears that business organised and mobilized in favour a democratic South Africa only as social unrest and revolutionary threats could no longer be contained, and international isolation limited both capital and markets, posing an existential threat to business interests.

An appetizer without the main course?

The limited scope of business engagement is perhaps also underlined by the rapidity with which CBM withdrew from public discourse. CBM and the Urban Foundation merged in 1995 to form the National Business Initiative (NBI), with a declared mission to continue private-sector engagement in South Africa’s peaceful development. Yet the CBM consultative structures, including the peace committees, were dismantled or allowed to wither. NBI took on the look and feel of a more typical business member organisation, shifting its emphasis from political mobilization on behalf of values and principles to developing, funding and delivering social programs, and moving from a commitment to broad-based consultation and consensus building to a more limited focus on government relations.

The more cynical reading of this rapid retreat was that the business interests in the South African transition had been successfully met. Theuns Eloff as former head of the CBM is – although he may not have intended to be – particularly damning. ‘Business’ hopes for the new South Africa had been fulfilled’, he stated, ‘to a larger extent’. Revolution had been averted; the liberal precepts of ‘economic growth and wealth creation’ has been imbedded in national policy; property rights were protected; and international capital and markets were again available. The CBM retired from public life as the government was preparing the groundwork for a macroeconomic policy framework called the Growth, Employment and Redistribution (GEAR) strategy, with a focus on reducing fiscal deficits, lowering inflation, maintaining exchange rate stability, decreasing barriers to trade and liberalizing capital flows. These policies brought about greater macroeconomic stability, laying the foundation

for the business boom that followed. But they did not begin to meet their goals of poverty reduction or employment creation, the issues of greatest concern to the vast majority of South Africans but which the business community was free to ignore or downplay.

A more sympathetic view of the transition from CBM to the NBI recognizes that there was need to respect and support the new, democratically elected government – to give it space to ‘rule and govern’. Additionally, economic orthodoxy of the day, characterized by the Washington consensus of the 1980s and 90s, gave credence to the notion of an ‘apolitical economy’, and to the belief that wealth creation (driven by a robust private sector) and wealth distribution (overseen by government) could somehow be treated as separate and largely unrelated functions. So when the issues important to the broader society – basic education, HIV/AIDS, housing, land reform, job creation, and so on – remained largely unaddressed, business could declare its wish for better government, and provide palliative support, rather than take direct responsibility for positive change.

The truth is perhaps a combination of both assessments, recognizing as well that the business community and its motives are far from homogeneous. Either way, there appears to be a deep and wide divide in South Africa society over the meaning of peace. For many South Africans, the democratic transition only whetted the collective appetite for the promises captured in the preamble to South Africa’s new constitution, which establishes a new social order to:

Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;

Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;

Improve the quality of life of all citizens and free the potential of each person; and

Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

While for the weight of the business community the political settlement leading to democratic elections in 1994 might be the hoped-for peace, for most South Africans it was the appetizer for a main course still yet to come.

Wanting change without wanting to change?

South Africa again finds itself in a period that the business community is increasingly willing to recognize as a crisis, and the mainstream business agenda is again increasingly overtly political: state capture, official corruption, and breakdowns in security and the rule of law, for example. It has shown the ability to mobilize decisively, for example, to oppose and reverse the removal of an internationally respected finance minister with someone perceived to be the President's personal crony. But it is less clear whether business has learned the lesson that it is part and parcel of the political economy, shaping outcomes through its own actions and inactions.

Indeed, there seems to be an enduring desire to situate change 'out there' rather than 'in here'. The CBM was critiqued for largely failing in its declared objective of 'facilitating change within our areas of influence':

While business leaders have been willing to participate in externally focused initiatives, they have proved less willing to apply themselves with equal rigour to transforming their organisations so that the organisations reflect the culture of non-racial democracy and human rights at organisational and operational levels.

Some see contemporary resonance in this critique in the apparent persistent failure of business to embrace black economic empowerment measures, affirmative action, or the full import of the mining charter. There is a perceived willingness to complain about government policy without a commensurate willingness to build consensus for a better solution. Indeed, many businesses seem intent on pursuing the path of least resistance – entering into agreements with politically well-connected elites to meet black ownership mandates, for example, rather than creating ownership vehicles that would directly benefit workers or communities – without seeing how this might feed the very system of patronage and state capture that business decries.

Similarly, business does not yet seem willing to confront an economy that many perceive inevitably 'exacerbates inequality, un- and under-employment, and therefore grotesque levels of poverty' because of capital's dependence on a low wage economy and government's reliance on the tax revenues it generates. This should give pause to those who imagine a reinvigorated role for business in leadership towards peaceful development of the country. Arguably, CBM was able to act as what Craig Charney describes as 'stabilizing agents' in the transition to constitutional democracy because it occupied the centre between the apartheid regime and the ANC. CBM could emphasize dialogue, trust building and consensus building, exactly because the solution space these enabled brought society closer to what business wanted. Yet consequential progress towards the social justice promised by the constitution may require tough medicine for business: higher wages, lower barriers to entry, less concentration of wealth, greater competition, and more direct accountability to the communities in which business operates. Business inaction – driven by apathy, or some say even antipathy – may be a result of business no longer occupying the social centre, and therefore being

unable to play a catalytic role in addressing 'a degree of inequality that makes human community impossible'.

A path forward for business in enabling peaceful development may still be found in the lessons of the CBM. As in the past, business seems to want to define the current crisis in its own terms, rather than acknowledging alongside a state capture crisis a psycho-social crisis, a nuclear family crisis, a spatial crisis, and an unemployment crisis, all of which are rooted in the country's political history and political economy, and all of which are deeply entwined. As the founders of the CBM critiqued in the apartheid era, private sector 'institutions and initiatives' again appear 'to want to follow an on-going incremental route and to rely primarily upon Government-led initiatives'. Yet business 'cannot afford itself the privilege of staying out of difficult conversations'. At the 20 year mark of the new constitution (4 February 2017), it is perhaps again time to recognize that 'traditional methods of interaction' by business are inadequate; and that a vanguard is required to reaffirm the power of dialogue, trust building, consensus within the broadest possible circle of South African society, fearless opposition to those inside and outside of government who resist progress, and business empowerment of those most in need of support. A 'voluntary and independent group of senior business leaders and corporations' might then again, as the CBM described its role, 'acknowledge and support the need for constructive transformation of South Africa's political economy' in the interest of just and peaceful development.