

Advancing Broad-Based Black Economic Empowerment in South Africa

South Africa has embarked on a drive to increase black participation in its economy through its Black Economic Empowerment (BEE) policy. The Department of Trade and Industry (DTI) recommended in 2004 that companies target 25.1% black ownership, 40% black management and for half the workforce to be black within 10 years. Black Economic Empowerment is no longer a moral imperative but a matter of policy to comply with.

The DTI's codes of good practice define Black Economic Empowerment as an integrated and coherent socio economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the number of black people who manage, own and control the country's economy, as well as significant decreases in income inequalities.

In South Africa, the systematic dispossession and expropriation of all forms of productive wealth in the hands of blacks has arguably been one of the most insidious forms of discrimination and mass oppression, albeit subtle by comparison to the other more public manifestations of *apartheid*. The historical racialisation of economic power has also threatened the country's economic growth and development and has had devastating consequences on the very core of its sustainability... its people. Societies characterized by racial or ethnically defined wealth disparities are not likely to be socially and politically stable. No economy can grow by excluding any part of its people and an economy that is not growing cannot integrate all of its citizens in a meaningful way. A fundamental part of South Africa's economic reform and transformation is improving the quality and transparency of all economic activity. A more equitable economy will benefit all South African citizens - all enterprises in South Africa can, and should participate in this process.

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