

4,567	66	9
Views	CrossRef citations to date	Altmetric

The Politics of Black Economic Empowerment in South Africa

Pages 699-716 | Published online: 22 Aug 2008

“Cite this article” <https://doi.org/10.1080/03057070802295856>


Sample our
Politics & International
Relations Journals

>> **Sign in here** to start your access
to the latest two volumes for 14 days

[Full Article](#) [Figures & data](#) [Citations](#) [Metrics](#) [Reprints & Permissions](#)

Read this article

Abstract



About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings



About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

black business have been peripheral to the empowerment process. Black business has expressed criticism at the slow pace of reducing white domination of the corporate world, while labour has criticised BEE deals for enriching a small number of senior ANC figures. But reconciling populist goals with capitalist-led economic growth remains problematic for ANC rulers.

Notes

¹ Black is a generic term that refers to Africans, Asians and coloureds (those of mixed race). For previous discussions on BEE, see, in particular, O.C. Iheduru, ‘Black Economic Power and Nation-Building in Post-Apartheid South Africa’, *Journal of Modern African Studies*, 42, 1(2004), pp. 1–30; W.M. Gumede, ‘Down to Business, but Nothing to Show’, in S. Jacobs and R. Calland (eds), *Thabo Mbeki's World* (London, Zed Books, 2002), pp. 201–19; R. Southall, ‘The ANC and Black Capitalism in South Africa’, *Review of African Political Economy*, 31, 100 (2004), pp. 313–28, and ‘Ten Propositions about Black Economic Empowerment in South Africa’, *Review of African Political Economy*, 34, 111 (2006), pp. 67–84. See also ‘BEE 10 Years On’, *Enterprise* (Johannesburg), April 2004, pp. 104–8 for a discussion pertinent to the one presented here.

² The African National Congress, *The Reconstruction and Development Programme: A Policy Framework* (Johannesburg, Umanyano, 1994), p. 93.

³ ‘Empowerment and the JSE’, *Financial Mail* (Johannesburg), 17 March 2006.

⁴ ‘The BEEhive Empowers the Drones not the Workers’, *South African Labour Bulletin*, 29, 3 (2005).

⁵ This s
respon
through
the p
‘COSA
Democr
2006), p

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

⁶ Quoted in 'Scores Put Muscle on the Bone', Business Report (Johannesburg), 5 January 2005.

⁷ 'BEE not the Priority for all Business', Business Day (Johannesburg), 30 June 2006.

⁸ P. Waldmeier, *Anatomy of a Miracle* (London, Arrow Books, 1997), Chapter 14; and A. Handley, 'Business, Government and Economic Policymaking in the New South Africa, 1990-2000', *Journal of Modern African Studies*, 43, 2 (2005), pp. 220-5.

⁹ This article focuses on BEE in the corporate sector and excludes consideration of empowerment in the parastatals.

¹⁰ The Economist, 'Cautionary Tale of Black Business' (London), 10 January 1998.

¹¹ Black Economic Empowerment Commission (BEECOM), *Black Economic Empowerment Report* (Johannesburg, Skotaville, 2001), pp. 1, 35 & 37.

¹² 'Transformation at "Snail's Pace" in the Business Sector', East Cape News, 14 August 2001.

¹³ 'Interview', Mail & Guardian (Johannesburg), December 1997.

¹⁴ A. Hirsch, *Season of Hope: Economic Reform under Mandela and Mbeki* (University of Kwa-Zulu Natal Press, Scottsville, 2005), p. 202.

¹⁵ The relevant ANC congress resolutions are cited in full in BEECOM, *Black Economic Empowerment Report*, p. 35.

¹⁶ M. Ashurst, 'Pace of Change Frustrates', The Financial Times (London), 3 October 1996.

¹⁷ BEECOM, *Black Economic Empowerment Report*, pp. 8-9, 34, 35.

¹⁸ BEECOM, *Black Economic Empowerment Report*, p. 35.

¹⁹ Business Day (Johannesburg), 30 June 2006.

²⁰ The ANC's radicalism over the difference



About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

- ²¹ Fast Facts (Johannesburg), May 2001.
- ²² Quoted in, 'SA Gov "Astonished" by Market Chaos', Miningweb (Johannesburg), 15 August 2002.
- ²³ See editorial entitled 'Empowerment Tension', Business Day, 1 April 2004.
- ²⁴ 'Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry', 11 October 2002.
- ²⁵ Department of Trade & Industry (DTI), 'South Africa's Economic Transformation: A Strategy for Broad-Based Black Economic Empowerment' (Pretoria, 2003), p. 12.
- ²⁶ 'Fuel Giants Warned to Pump up BEE Efforts', Business Day, 17 August 2006.
- ²⁷ Quoted in 'State Slams Mining Firms Over "Dirty Tricks"', Business Report, 19 April 2006. See also, 'State Warns on Miners' "Daylight Robbery" BEE', Business Day, 19 April 2006.
- ²⁸ Quoted in 'Behind the Smoke and Mirrors of the Business of Empowerment', Business Day, 6 May 2004.
- ²⁹ Quoted in 'Black Managers Seek New BEE Points System', Business Day, 29 March 2005.
- ³⁰ Their worst fears were to be confirmed by the experience of construction group Basil Read. In September 2005, BEE magnate, Mzi Khumalo, and former national director of prosecutions boss, Bulelani Ngcuka, bought 51 per cent of the construction company. However, the rise in the company's share price saw Khumalo selling his entire stake, netting himself a profit of more than R70 million (\$9 million) by May 2006, and which left the firm with a diminished black ownership. See 'Mzi Khumalo in New BEE Share-Sale Cor
- ³¹ 'BEE T
- ³² So
- Owns
- Motsepe
- (\$74 mil
- 05.
- 's Who
- lists
- 519 million
- owning R491

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings



million (\$70 million), and among the wealthiest directors by value of their shareholdings on the JSE.

³³ Some of the new names, both men and women, included Dr Popo Molefe, Manne Dipico, Valli Moosa, Dolly Mokgatle, Andile Ngcaba, and Cheryl Carolus. For details, see ‘Rich Pickings of the waBEEenzi’, Mail & Guardian, 11 November 2005, and ‘Anatomy of Fast Money’, Mail & Guardian, 11 August 2006.

³⁴ McGregor, Who Owns Whom in South Africa, lists Marcel Golding, chairperson of the trade-union majority-owned Hosken Consolidated Investments (HCI), as owning a R361-million (\$50 million) shareholding on the JSE.

³⁵ See ‘Teetering on the Tightrope: Union Investment Companies’, South African Labour Bulletin, 29, 3 (2005), pp. 14–19.

³⁶ ‘It is About Who You Know’, Mail & Guardian, 23 July 2004.

³⁷ On the mining and financial services charters, see R. Hamman, S. Khagram & R. Shannon, ‘South Africa's Charter Approach to Post-Apartheid Economic Transformation: Collaborative Governance or Hardball Bargaining?’, Journal of Southern African Studies, 34, 1 (March 2008), pp. 21–37.

³⁸ Quoted in ‘Debate on Codes Continues’, Financial Mail, 17 November 2006.

³⁹ ‘The Codes did reflect a trade-off between the DTI, which oversees BEE, and the finance ministry which lobbied against some proposals fearing they would inhibit business activity’. ‘Anxious to Shed a “Jobs for the Boys” Perception’, Financial Times, Special Report on South Africa, 5 June 2007.

⁴⁰ Quoted in Q. Wray et al., ‘Cabinet-Approved BEE Codes are Already Drawing Criticism’, Business Report, 8 December 2006.

⁴¹ ‘BEE C

⁴² See ‘E

2007

⁴³ ‘Black

⁴⁴ Leade

SA (BLSA),

are the cream of business and include Ramaphosa and Macozoma as well as top white

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings



executives. The Big Business Working Group is co-ordinated from the BLSA offices in Parktown, Johannesburg. In early 2007, the two bodies co-operated to influence the First National Bank's decision to cancel a R10 million (\$1.4 million) media campaign, which would have urged President Mbeki to do more to combat crime. The two bodies believed the campaign would be detrimental to the close relations between big business and the government.

⁴⁵ For a discussion of these and related points, see M. MacDonald, *Why Race Matters in South Africa* (Cambridge, MA, Harvard University Press, 2006), Chapters 7–8.

⁴⁶ Quoted in 'BEE 10 Years On', *Enterprise*, April 2004, p. 105.

⁴⁷ Quoted in *Mail & Guardian*, 9 March 2007.

⁴⁸ 'Concern on SA Law to Empower Blacks', *Financial Times*, 9 April 2007. In late 2007, sharp differences between the DTI and the treasury were evident as regards the direct black ownership target in the financial services charter.

⁴⁹ See 'Poisonous Whispers at the Dawn', *Business Day*, 6 February 2007.

⁵⁰ Quoted in 'CEOs have their say on BEE', *Moneyweb*, 5 March 2007.

⁵¹ *Business Report*, 4 December 2006.

⁵² In addition, the Public Investment Corporation has launched a strong campaign to have more black executive directors appointed to JSE-listed companies. The PIC, which manages the Government Employees Pension Fund, is the largest single shareholder in many top JSE companies.

⁵³ Quoted in, 'Business Still Waiting for BEE Code Clarity', *Business Report*, 14 November 2006.

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All 

Essential Only

Settings



Rel

Information for

Authors

R&D professionals

Editors

Librarians

Societies

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2024 Informa UK Limited [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)



Taylor & Francis Group
an informa business

Registered in England & Wales No. 3099067
5 Howick Place | London | SW1P 1WG

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings