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Reflections on Affirmative Action for Businesses in the Democratic South Africa: Lessons Learnt from B-BBEE

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Abstract:

South African democratic government brought about several expectations on affirmative action policies, some of such policies have been achieved and some not. Positive policies on affirmative action prompted many individuals to open small businesses with the view of benefitting from well established conglomerates through affirmative action. Affirmative action policies included Broad-Based Black - Economic Empowerment (B-BBEE), which gave prospects of empowerment and coownership. The notion of (B-BBEE) brought about a lot of excitement amongst the designated groups namely the youth and women, who were previously marginalized at a larger scale. What made (B-BBEE) more attractive was its five pillars, namely, Ownership (Direct Empowerment), Management Control (Indirect Empowerment), Skills Development, Enterprise Development and Socio-Economic Development. However, up to date, government has failed to transform the economy through the B-BBEE programme. Instead, the programme was marred by corruption and fronting as companies battled to fraudulently acquire better status that would enable them to obtain bigger projects from government. The programme benefitted the few politically connected individuals. Thus, the question that is being asked by most South Africans is, does the country still need B-BBEE to transform the economy? What role should the companies play to advance democracy in South Africa? In analysing the above-mentioned questions, one could only conclude that the South African business has a mixed legacy in helping the government achieve affirmative action ideals and transformation. Furthermore, economic transformation has remained a slogan in many political parties that were aiming at winning the 2024 elections. Thus, a document analysis was conducted with a qualitative approach to probe how businesses have partnered with the government to achieve the affirmative action ideals and bring about transformation in the South African economy.

Keywords:

Affirmative action, economic transformation, social justice and democracy.