

SA Chamber UK – Business Ethics Series

15th February 2023 at GIBS

Never Again! Lessons for Business and Others from their Complicity in State Capture

Far from the ordinary "talk shop", this first roundtable discussion with some of South Africa's most influential leaders in business imparts pragmatic nuggets on how South Africa can avert corruption. As South African Chamber of Commerce UK Chairman, Sharon Constançon, leads the conversation, we've summarised their profound contributions below for you to ponder.

Professor Morris Ntombeni, Dean GIBS University

Corruption and its consequences are intergenerational, it steals from the future! The journey against corruption is not solely in the hands of the president, it's in the hands of academia, civil society, businesses, and the youth.

What can we do to help going forward?

PANEL

Prof Bonang Mohale, Chair of Business Unity SA, Chancellor of UFS

The cycle of lack and poverty in South Africa still has a primarily black and feminine face. If wealth were the inevitable outcome of more hard work and enterprise, every African woman would be a millionaire.

Our entire constitution rests on just three pillars. The first is a constitutional democracy, the second principle is social justice, and the third is fundamental human rights.

We must accept that if South Africa works, it's because the businesses work. What is required is decisive, bold leadership that only business can provide.

Rabbi Gideon Pogrund, Director of the GIBS Centre for Business

Anti-corruption conversations need to shift from the "why" to the "what" and, more importantly, the "how".

Effective corporate apologies start with the following:

- Acknowledging any actual wrong, because this validates the victims
- Admission of responsibility
- Accepting where wrong has been done, because this distinguishes apology from denial
- There must be a display of emotion, particularly remorse and empathy
- Restitution or Reparation is also essential. Where applicable, there should be some compensatory or material redress
- There has to be a forward-looking approach and a commitment to non-recurrence

When you address the wrongs, you must deal with the continuity of time. You have to deal with the past to enable a different future. But equally, when you enable a different future, you can somehow retroactively flood the past with meaning, and it can acquire a different kind of significance.

Dr Claudelle von Eck, Eskom Board Member, Executive Coach, Facilitator & Trainer

We stumbled out of the previous era and were never de-briefed properly. We never had deep conversations about what our society should look like and how to change things so South Africa could be a South Africa for South Africans.

Part of the reason we're not seeing what we should be seeing is that we need to ask what gives us the legitimacy to operate within society. The social contract informs the conversation around culture. There needs to be a deeper application of mind around the purposeful design and measure of culture.

We need to ensure that our employees have the tools and the ability to see the ethical implications and navigate the ethical dilemmas they inevitably will encounter.

Lord Peter Hain, former anti-apartheid activist and UK Cabinet Minister

It's a stain on South Africa and the businesses of South Africa that our whistle-blowers have to flee the country or pay with their lives.

We need to take responsibility.

Wessel Badenhorst, Partner at Hogan Lovells, Johannesburg

Knowing who you're in business with is not a clerical function: it means learning their ethics and ethos and understanding how your interaction will play out. The change in mindset needs to happen in real time.

FROM THE FLOOR**Paul Pretorius, Senior Counsel**

It may be too late for 'never again.'

One of the requirements for a prosperous South African future is an independent law enforcement agency network to deal with organised crime and corruption.

Investigators, prosecutors and strategy must be specialised. Those executing the strategy must be highly trained, truly independent with modern resources, and have tenure security.

Martin Kingston, Chairman, Rothchild & Co

We've been here before and signed things we committed to; now, we must be pragmatic. We need to understand that business is not homogeneous.

- We need to look at the values and culture of business.
- We need to investigate the governance, or absence thereof.
- We have to interrogate the systems in place.
- There must be consequence management.

Given the above, rogue traders can still exist, bringing down entire organisations!

We've signed integrity ventures before, and it's meant nothing. We must ensure that individual businesses, that may have committed crimes, can be brought back into the fold.

Tanya Cohen, advisor to Public Private Growth Initiative

The one thing businesses should be cautious about is offering to do the State's job; it can only support the State, and corporate South Africa cannot play the regulatory role.

Business is not homogenous, but it does have capital. Why are South African businesses not putting together a fund to support the whistle-blowers, so they have some level of support?

Dion Chango, CEO of PWC

It's easy to become despondent. Let's recognise that there is a trust deficit, and we, as businesses, have work to do. We need to do things that help us build trust.

If we focus our minds and choose one or two initiatives, like unemployment, to build trust and put the government under pressure to come to the party; we can build something of which we can be proud.

We're having this conversation because we haven't given up!

FROM THE CHAIR

Sharon Constançon, Chairman of the South African Chamber of Commerce UK

Never Again!

Let each one of us, in our personal, business and leadership capacities, take the decision to do something constructive, however small, to consciously take action against corruption.

We can all make a difference, and the sum of everyone's efforts will begin the tide of change. It will not be easy, but it is time to take action.