Colloquium on Systemic Entrepreneurship in a Dynamic Global Context, jointly hosted by Coventry University and Stellenbosch University, 18-19 July 2011, at Coventry University, UK.

Opening Remarks by Prof H Russel Botman, Rector and Vice-Chancellor of Stellenbosch University, and a Vice-President of the Association of African Universities

Good morning, everyone! Madame Vice-Chancellor, distinguished guests, ladies and gentlemen ... it is an honour and privilege to be present at this very important colloquium on systemic entrepreneurship. I trust that the academic interchange that is planned for the next couple of days will add significantly to the body of knowledge on this crucial concept.

Our task will be to figure out how to optimize the contribution that entrepreneurship can make to society. Too often entrepreneurship is equated solely to economic growth. This colloquium provides us with an opportunity to focus on the bigger picture. We need to consider entrepreneurship's contribution to systemic societal development.

I think if we focus solely on growth, we’re on the wrong track. Allow me to be bold: When reflecting on the recent global economic meltdown, I am left with the nagging feeling that one of the key causes was in fact what many people would consider “entrepreneurship”.

In the wake of the disaster, there is currently a lot of introspection at business schools in South Africa and elsewhere about the contribution of leaders and entrepreneurs to the crisis. The easy way out is to attribute their failures to a lack of ethical behaviour. But this absolves us as institutions of higher learning of the responsibility to fundamentally change how we develop responsible leadership and entrepreneurship.

We need to take up the challenge. At this colloquium we can interrogate the very tenets on which we base our teaching. Perhaps the prevailing paradigm of entrepreneurship is unsuitable to the task at hand. Maybe the time has come to embrace more appropriate frameworks.

Let me illustrate my viewpoint by referring to the situation in South Africa. As you know, we have had three presidents since our first democratic elections in 1994 (that is, if you don’t count Kgalema Motlanthe, who only kept the “hot seat” warm for a short while).

In the time of our first president, Nelson Mandela, the biggest challenge was to dismantle apartheid and lay the foundation for a different future. His job was to put new systems and structures in place; and to promote reconciliation between black and white in South Africa.

In 1996, the country got a new Constitution that proclaims in its preamble that it was adopted to “improve the quality of life of all citizens and free the potential of each person”.
As could be expected, the Bill of Rights contained in the Constitution protects civil and political rights, but it also protects socio-economic rights. The motivation for such a holistic approach was captured by Nelson Mandela himself, who said:

*We do not want freedom without bread, nor do we want bread without freedom. We must provide for all the fundamental rights and freedoms associated with a democratic society.*

Nelson Mandela’s successor, Thabo Mbeki, picked up on the issue of redress. He framed it as a question of economic justice: How do you correct the massive economic imbalances created by centuries of racial discrimination under colonialism and apartheid?

South Africa is characterised by deep socio-economic disparities, deprivation and underdevelopment. Approximately half of the population live below the poverty line, and the official unemployment rate is running at 25% – a figure that rises to 50% in the age group 16-24.

The ones bearing the brunt of South Africa’s steep income inequality are the poor, and they are mostly black. So, in Thabo Mbeki’s time, affirmative action rose higher on the agenda, and the system of Black Economic Empowerment (BEE) was cemented.

His analysis was that South Africa is a country of “two nations” – the one “white” and “prosperous”, the other “black” and “poor”. He also argued that South Africa has two economies existing side by side – one in the first-world and one in the third-world.

Now that we are in the time of our third president, Jacob Zuma, the challenge facing South Africa is to bridge the divides that Thabo Mbeki spoke of; to make the “freedom” that Nelson Mandela brought us truly meaningful by ensuring everyone gets “bread” in abundance, not just those in the first-world economy.

And this is where entrepreneurship comes in – but not narrowly conceived of solely in terms of unlimited growth. We need the kind of entrepreneurship that brings us both economic justice and national unity. We need the kind of entrepreneurship that bridges the divide between rich and poor, black and white, underdeveloped and developed.

We need the kind of entrepreneurship that can deal with the complexity of the challenge at hand; the kind that takes into account not just the economic sphere, but also the political, social, legal and environmental dimensions. In a nutshell – we need systemic entrepreneurship.

Human development is the moral imperative of our time, and systemic entrepreneurship can play a crucial role in making the world a better place and improving the lives of our people.
At Stellenbosch University, we have committed ourselves to both “redress” and “development”. We have come up with a systemic approach that we call the HOPE Project.

It is about using our key strengths – our academic excellence and cutting-edge research – to be of service to society.

I will expand on this initiative tomorrow afternoon in our session on the HOPE Project. But allow me to mention one example of how a university can make a difference through promoting the kind of entrepreneurship that has a social impact.

In our Faculty of AgriSciences there is an initiative called ASNAPP, which stands for Agribusiness in Sustainable Natural African Plant Products. It is dedicated to developing agribusinesses in rural Africa, and strives to empower individuals and communities.

ASNAPP operates in several African countries, including Zambia, where our researchers have introduced a system of vegetable production that combines conventional farming with hydroponic technologies for healthy and high-value crop cultivation.

In partnership with the Sun International hotel group, a vegetable production network has been established, allowing local groups of farmers to produce vegetables for sale to top hotels serving the international tourism market.

This has led to the emergence of agri-entrepreneurs, and overall, the farmers benefiting from the project in the Livingstone area have earned and income of 1 million US dollars annually since the project started in 2006. Those that have benefited include such vulnerable community members as homeless people, the visually disabled, widows and orphans.

This is an example of the kind of systemic entrepreneurship that we need. It takes a social problem and utilises knowledge transfer to come up with a solution that is not about economic growth per se, but about human development.

Madame Vice-Chancellor, ladies and gentlemen, colleagues, I trust that I have managed to convey my understanding of why this colloquium is so important. Let us put everything that we know and understand about the context, content and processes of systemic entrepreneurship on the table for balanced scrutiny. The journey will be a challenging one, but as academics we owe it to society to articulate and thrash out the difficult questions.

Here we have a golden opportunity to take hands as partners in a joint venture to contribute to optimal societal development – via systemic entrepreneurship.

Let me conclude by thanking the organisers for arranging this colloquium. I am looking forward to the outcomes.

Thank you.