

Opening address by Prof H Russel Botman, Rector and Vice-Chancellor of Stellenbosch University, at the 'Building a Better Life for All' conference, 20-21 April 2010

Unit for Corporate Governance in Africa, University of Stellenbosch Business School (USB)

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Theme: 'The Crucial Role of Good Governance for a Sustainable African Future'

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*Things do not change; we change.*

– Henry Thoreau, American development critic (1817-1862)

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Thank you, chairperson.

Ladies and gentlemen, I am glad to be here with you this morning. And I am delighted to see all of you here. Welcome to all the dignitaries and each of you who joined us.

Improving the lives of the people – especially those in need – is the moral imperative of our time. But the big challenge is doing it the right way. So, I welcome this conference as an opportunity to pool our thoughts and come up with a collective approach.

As you know, Africa is faced by serious problems. We score poorly on UNDP's Human Development Index (UNDP, 2009), which measures life expectancy, education and GDP. Of the world's 24 least developed countries, 22 are African.

And our performance on the Corruption Perceptions Index of Transparency International (TI, 2009) is equally dismal. Of the bottom 50 countries, 21 are African.

There seems to be some correlation between these areas (Malan, pending publication). Africa is underdeveloped because graft is so rife here, the argument goes. Public officials and politicians abuse their power for personal gain, and businesses bribe their way to riches. As a consequence, scarce resources are squandered and citizens don't receive the services they need.

The prescribed cure has been good governance. Corporations and governments alike should behave more ethically. The core values of honesty, transparency and accountability should guide all actions (Garratt, 2003).

Critics have pointed out that it works the other way round: Corruption is the symptom – not the cause – of development problems. And by demonising the state, the institutional development needed to sustain democracy is undermined (Szeftel, 1998).

As this debate drags on, ordinary people are taking a stand. In South Africa, service delivery protests have become a feature of the political landscape. Hardly a day goes by without citizens taking to the streets somewhere to demand a better life.

Our fellow Africans seem to be in agreement about what the priorities should be. According to the most recent World Values Survey (WVS, 2008), 63% of all African respondents have identified “poverty” as “the most serious problem in the world”.

Consensus is also emerging about the direction that Africans want to head in. An overwhelming 90% of respondents described a democratic political system as good. And just more than two thirds (64%) said neither bribery nor cheating on taxes were ever justifiable.

A piece of good news is that Africa has experienced a surge of good corporate governance initiatives of late, often driven by the private sector and professional bodies (Rossouw, 2005). The expectation is that self-regulatory practices will inspire and inform governance reform on the political level.

On this score, there have been encouraging developments in Africa, such as the emergence of the African Union at the turn of the century, followed by Nepad (the New Plan for Africa’s Development) and its African Peer Review Mechanism (APRM).

Of course, none of these initiatives mean much if they remain empty rhetoric. Policies only acquire significance once they are implemented. This is the real challenge that confronts us – to turn hope into action.

The hosts of this conference – the Unit for Corporate Governance in Africa – is doing precisely that. The Unit forms part of the University of Stellenbosch Business School (USB), a leading provider of internationally accredited postgraduate management degrees and executive education. It is one of our strategic projects aimed at creating hope in Africa.

The USB was the first African signatory of the UN’s Principles for Responsible Management Education (PRME) initiative, which is aimed at developing a new generation of business leaders capable of managing the complex challenges faced by business and society in the 21st century.

Ladies and gentlemen, when I listed some of Africa’s woes earlier, you might have gotten the impression that this continent is indeed the basket case that the Afro-pessimists make it out to be. But at Stellenbosch University, we refuse to be overwhelmed by despair.

We have drawn out from the international development agenda five themes on which to focus our core activities (learning and teaching, research and community interaction). The aim is to marry higher education with development and economic growth comprehensively.

We believe that by (1) helping to eradicate poverty and related conditions, and by (2) promoting human dignity and health; (3) peace and security; (4) democracy and human rights; and by (5) balancing a sustainable environment with competitive industry through the innovative work we do, we will change the world.

This conference is a step on a journey of hope that I invite you to undertake with us. Our vision is an Africa free from poverty, where the human dignity of all people is protected, where our

social and ecological systems are healthy, and where peace, security and democracy are safeguarded.

Together, we can turn our dream of good governance in Africa into reality.

Thank you, and good luck with the rest of your conference. I look forward to the publications and projects set to flow from it.

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