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BOOK REVIEW

Beyond tenderpreneurship: rethinking black business and economic empowerment, edited by Ayabonge Cawe and Khweze Mabasa, Johannesburg, Mapungubwe Institute for Strategic Reflection, 2020, ISBN 978-1-928509-12-7

In recent years, the study of Black Economic Empowerment (BEE) has fallen on hard times. During its early days, primarily under the Mbeki government, it attracted much attention, as analysis sought to balance the urgent need for the decolonisation of the economy and deracialisation of capital against the costs of a black capitalist elite being absorbed into its white counterpart. Subsequently, as implementing BEE became more complicated, defined by legislation and industrial 'Codes of Employment', disillusion about lack of substantial progress set in. Such disappointment was to culminate in the conceptual merging in many academic and popular analyses of BEE with 'state capture' and corruption.

Not least of the problem afflicting so much scholarship on BEE is the marked ambivalence towards capitalist development. During the liberation struggle, it was widely assumed that the abolition of apartheid would imply the overthrow of South African capitalism. The ideology of the African National Congress (ANC) prescribed a transitional National Democratic Revolution, in which the promotion of a 'patriotic black bourgeoisie' would somehow accompany a transition to socialism. Correspondingly it became heretical for many on the left to accept the legitimacy of capitalism once it survived the defeat of apartheid, with a result ambivalence about the moral salience and economic role of black capitalists. Indeed, once the critical condemnations of a 'neo-liberal South Africa' rolled in, BEE was widely portrayed as a crafty move by white capital to protect its dominance as much as policy devised by the new ANC government to deracialize the top-most ranks of the corporate sector and was too easily dismissed as nothing but 'crony capitalism'.

For critics, inside and outside government, BEE was neither working properly nor fast enough, and the blame was largely placed upon resistance by the white managers of large corporations. One answer was to increase the pace and scope of demands, and Codes of Empowerment were steadily ratcheted up. Yet increasingly, as the government moved from Mbeki to Zuma, growing emphasis was placed upon using state capital as the crucial vehicle for promoting black empowerment. However, whilst it was officially versed in the language of the 'developmental state', it was soon to degenerate into an orgy of the looting of government departments and State-Owned Enterprises by a grasping black bourgeoisie. 'Radical Economic Transformation' (RET) was born, justifying widespread and systematised theft as a payback for the bitterness of apartheid history. By now, in the eyes of many onlookers, BEE had transformed into 'tenderpreneurship'. No wonder then, that, scholarship on BEE has been overwhelmingly critical.

Given this troubled background, it has become increasingly urgent to assess BEE anew. South Africa remains highly unequal, economically and racially, and its economy is stagnant if not actually going backward. Capitalism, even if under global assault under the weight of its own contradictions internationally, seems here to stay, and it is accordingly necessary to assess how its South African version is going to be repositioned if the ANC's goal of 'a better life for all' is to have any reality. Throw in the widespread call for 'decolonisation', and a new assessment about BEE, its history, its problems, its potentialities, becomes increasingly urgent. How appropriate then, that first steps towards this have been taken with the

publication of the volume under review under the auspices of the Mapungubwe Institute for Strategic Reflection (MISTRA), the think-tank associated with former President Mbeki.

Joel Netshitenzhe, always one of the nation's most thoughtful commentators, observes in the book's preface that its analysis proceeds 'from the understanding that social transformation should include the emergence of a cohort of black capitalists', post-apartheid South Africa having laid a favourable canvas on which the process of black capitalist class formation has unfolded (vii). Khwezi Mabasa and Ayabonga Cawe, the editors, go on to proclaim in their opening sentence that the book 'contributes to policy debates on Black Economic Empowerment (BEE) and black entrepreneurship' in a variety of ways, noting that previous literature on BEE has been 'minimal' and largely focused upon 'a selected group of BEE beneficiaries'. Given that it is accepted that BEE legislation has produced limited results, an extensive re-think of South Africa's BEE model is necessary.

The outcome, in a collection which will become a standard reference upon its subject, is a valuable mix of analysis. It starts with a discussion of the history of black entrepreneurship since 1800 by Zuko Godlimpi, which is distinguished by its championing of a lively black entrepreneurialism in pre-colonial and early colonial days. Although this was to come under major assault by the colonial state after 1880, it was never entirely extinguished because of the 'persistent dynamism' of the black entrepreneurial classes as they were compelled to operate in the margins of apartheid state, until the latter eased some of these restrictions from the 1970s. This is followed by a wide-ranging overview of black capitalist formation in South Africa by Megan Bryer. Featuring a careful assessment of the existing literature, this places emphasis upon apartheid as a capitalist project and how the ANC has sought, with mixed results, to grapple with this legacy. Although acknowledging that Zuma's relationship the Gupta's and the 'state capture' project constituted a venal model of national accumulation, it concludes that this nonetheless contributed to the creation of an economically empowered elite and poses the question whether this can provide the basis for the emergence of a genuine black capitalist class (before doubting whether this is likely). The opening section of this book is then concluded by a discussion of how post-1994 macro-economic trends have facilitated or limited BEE, arguing that these were generally more conducive to black empowerment in the early post-apartheid period (Siya Binze); and an analysis of BEE and structural economic transformation (Eddie Rakabe), which interestingly, focuses upon the trajectories of the companies of the so-called 'fab four', (Patrice Motsepe, Tokyo Sexwale, Cyril Ramaphosa and Saki Macozoma), worrying that the transactions that launched them integrated black empowerment vehicles into established market structures and concentrated rather than diversifying the capital markets.

Space limitations forbid engagement with every chapter, but it is important to acknowledge that there is not a dud amongst them. Inter alia, we are offered valuable discussions of East Asian developmental capitalism (Khwezi Mabasa) and other international experiences of empowerment (Nwabisa Nontenja & Khethiwe Mavundla), as well as an important and welcome focus upon the local government as a site for black empowerment, corruption and state capture. Another highlight is the introduction by Ebrahim-Khalil Hassen of the concept 'Return to workers' as a tool for investigating the virtues and vices of trade union investment companies and employee stock ownership plans (ESOPs), its great strength that it takes these seriously as a tool for transformation and innovative thinking. To these are added valuable discussions of black empowerment on the ground, a case study of black youth entrepreneurship by T.K. Pooe, Wandile Ngcaweni & Njabulu Zwane, and a delightful, interview-based travelogue of 'black entrepreneurship journeys' by Tessa Dooms and Pearl Pillay.

Written largely by black scholars, *Beyond Tenderpreneurship* stands out as a major contribution to the understanding of the limits of, and potential for, African capitalism in democratic South Africa.

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