

‘Social entrepreneurship – a moral imperative of our time’
Remarks by Prof H Russel Botman,
Rector and Vice-Chancellor of Stellenbosch University,
and a Vice-President of the Association of African Universities

Simposium oor Entrepreneurskap vir Menslike Ontwikkeling, aangebied onder die vaandel van die US se HOOP Projek, te STIAS, 17 November 2011

Good afternoon, everyone. *Goeie middag, almal. Molweni.*

Distinguished guests, colleagues, ladies and gentlemen, what a great turnout! Thanks for your interest. This is an exciting venture for us, and one that we hope will have a great impact in South Africa and beyond.

Deur koppe bymekaar te sit, kan ons plan maak om die uitdagings wat ons samelewing in die gesig staar, die hoof te bied. Ons fokus vandag spesifiek op die bydrae wat entrepreneurskap kan maak.

My point in this debate is simple – too often, entrepreneurship is equated solely with economic growth. Instead, we need to focus on the bigger picture. We need to consider entrepreneurship’s contribution to systemic societal development.

If we focus solely on growth, we’re on the wrong track. Allow me to be bold: When reflecting on the on-going global economic meltdown, I am left with the nagging feeling that one of the key causes is in fact the dark side of “entrepreneurship” – greed; no moral framework; no sense of purpose beyond self-enrichment.

Nou, kom ons kyk baie prakties na ons situasie hier in Suid-Afrika. Soos u weet, het ons drie presidente gehad sedert ons eerste demokratiese verkiesing in 1994 – dis nou as jy vir Kgalema Motlanthe eers buite rekening laat.

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

In 1996 het ons ’n nuwe Grondwet gekry – en in die aanhef word dit gestel die nuwe bedeling is onder meer daarop gemik om die “lewensgehalte van alle burgers te verhoog en die potensiaal van elke mens te ontsluit”.

As could be expected, the Bill of Rights in the Constitution protects civil and political rights, but it goes further – it also protects socio-economic rights. The motivation for such a holistic approach was captured by President 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.

Now, Nelson Mandela's successor, Thabo Mbeki, picked up on the issue of redress. *Vir president Mbeki was die hoofkwessie ekonomiese geregtigheid, met ander woorde, hoe stel jy die wanbalans wat geskep is deur eeue se diskriminasie onder kolonialisme en apartheid reg?*

South Africa is still 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 15-24.

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". *Hy het ook aangevoer ons het twee ekonomieë wat sy aan sy bestaan – 'n ontwikkelde ekonomie en 'n ontwikkelende ekonomie.*

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 developed economy.

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

Ons het die soort entrepreneurskap nodig wat die kompleksiteit van die situasie in ag neem – 'n entrepreneurskap wat nie net op die ekonomiese dimensie ag slaan nie, maar ook die politiek in ag neem, die gemeenskap, die reg en die omgewing. In 'n neutedop – ons het maatskaplike entrepreneurskap nodig.

I am arguing that we need social entrepreneurship – but this term is, of course, somewhat controversial. There are those who say that "social" and "entrepreneurship" don't belong together. Some say they are irreconcilable opposites.

They say that under “social” you basically have to address the massive challenges of poverty and inequality – in other words, you view wealth generation as a “common good”.

And they say that under “entrepreneurship” you are talking about “free enterprise” and the “market economy” – in other words, wealth as a “private good”.

But there is a third way – and that *IS* to put “social” and “entrepreneurship” together. If you do that, you are addressing the neglected dimension of “agency”.

You are saying that those with the greatest social challenges have the agency to do something about it. And you are saying that those with the best access to the economy have the agency to plough back some of the profits they make – amongst others, by providing those who need it most opportunities.

My point is that human development is the moral imperative of our time, and social entrepreneurship can play a crucial role in improving the lives of our people.

Now, as you may know, Stellenbosch University’s HOPE Project aims to make a difference in society by using our key strengths – our academic excellence and cutting-edge research – to address urgent challenges.

The HOPE Project has five themes:

1. combating poverty;
2. promoting human dignity and health;
3. strengthening democracy and human rights;
4. building peace and security; and
5. striking a balance between a sustainable environment and a competitive industry.

And we have a host of academic initiatives in our faculties that give expression to these themes.

Kom ek gee ’n voorbeeld van ’n hoopskeppende benadering. 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 South Africa and other countries on our continent, 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 Sun International, 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 an 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.

Ons is oortuig dat deur op hierdie manier van betekenis vir die gemeenskap te wees, maak ons 'n wesentliche verskil; deur van "sukses" na beduidendheid te beweeg, help ons om wanhoop in hoop te omskep.

Now there remains only one thing to do, and that is for all of us to ask of ourselves, what am I doing to make a difference?

Dankie vir u aandag, en ek sien uit na u opmerkings en vrae tydens die paneelbespreking 'n bietjie later.

Thank you.