

(Dis)organised business in disarray?

In the post-1994 period, white business structures continued to dominate institutions such as the National Economic Development and Labour Council (Nedlac) despite the presence of National African Chamber of Commerce (Nafcoc) and Fabcos.

Nafcoc is represented separately from Business South Africa (BSA) while Fabcos is part of BSA. These organisations were seen as disorganised with limited capacity. Organisations such as Nafcoc were often depicted as being constantly embroiled in internal divisions as different individuals and personalities hijacked the organisation.

By 1996, the Black Business Council (BBC) was set up as an umbrella body for various black organisations. Towards the late 1990s organisations such as the Afrikaanse Handelsinstituut (AHI) and SA Chamber of Commerce (Sacob) – both members of BSA – began courting Nafcoc. After Kevin Wakeford took over as head of Sacob merger talks with Nafcoc intensified.

The proposed merger has not received unequivocal support from either within Nafcoc or Sacob (and within BSA). A section within Nafcoc lead by Patrice Motsepe has challenged the merger while there are rumblings within BSA over the merger and Wakefords' intentions. In turn there have been subtle threats from Wakeford about withdrawing from BSA and requesting a separate seat in Nedlac.

*The ongoing dispute over the merger between Sacob and Nafcoc has muddied the waters as to whether white and black business will ever merge to form one umbrella business organisation. **Reneé Grawitzky** looks at the moves afoot to achieve this.*

Business sources claim, however, that funding for Sacob could be threatened if the organisation disaffiliated from BSA as many of the key funders of BSA also fund Sacob. BSA is a similar body to the BBC. It is an umbrella body for different types of business organisations ranging from sector-specific structures such as Seifsa to Chamber of Commerce type operations such as Sacob.

Wakeford believes there is a need to redefine the business landscape in the country. The Chamber movement could act as a real instrument for change, he says. Organisations such as Sacob – which represent small to medium size enterprises – have direct access to small towns where the change is really taking place. He believes the merger of black and white chamber of commerce structures on the ground will contribute to real economic growth. 'Cutting

deals with a few elite will not cascade down to small and medium size businesses,' Wakeford says.

The merger has, however, been viewed in some quarters as being a 'colonialist style' takeover of a weak black organisation. The Black Management Forum and Cosatu expressed concern over the merger while some questioned whether it would dilute the voice of black business. Initially government was not too concerned about the merger as it was thought to represent a move towards unity between black and white business. However, in recent weeks, government has actively intervened in order to resolve the ongoing acrimony that has developed. Resolving this issue is critical if government is to engage business on a national level in the proposed growth summit.

This merger does not reflect the only initiative aimed at bringing white and black business together. The events leading up to the formation of the Business Trust saw the informal coming together of the white and black captains of industry. This group has continued to meet informally.

Differing views exist as to whether it is necessary for business to form one united umbrella body. Boyd says he has never come across a country that has one business structure. There tends to be some strong organisations, he says. However, elements within BSA believe that the trend worldwide is towards the formation of one umbrella employer body. First Rand chief executive officer (CEO) Laurie Dippenaar (and president of the South African Foundation) says there is a desire from all parties to see some form of unity in business.

Dippenaar says there is a need for one overarching organisation, which will deal with matters of national interest. Government, he adds, needs a single

interface with business on issues of national interest while sector-specific issues could be dealt with by the sector organisations. A number of stumbling blocks, which have previously prevented unity, need to be sorted out, he says. These include capacity and funding problems within some business structures.

It is understood that government has requested Motsepe, who is getting increasingly involved in the BBC, to resolve existing problems in black business and thereafter, ensure an alignment of white and black business.

BSA has for some time been contemplating a merger with BBC. However, this has been hampered by attempts to resolve its own internal problems. Dippenaar says it is important that BSA is seen to be an effective body and members are now insisting on this. In the past a lack of resources, more involvement of senior business leaders and dynamic leadership have hampered BSA. The captains of industry have, in recent years, tended to attend meetings of the South Africa Foundation.

BSA has been grappling with whether to begin to build its own profile or not. This has caused some concern by those pushing for a merger with BBC. There is a view that black business would see this move as a deliberate attempt to create a stronger organisation in anticipation of a merger with the BBC.

Merger – is it possible?

Some elements in white business believe the BBC is still finding its feet and is not ready to enter into a formal structured alliance with BSA. Despite such concerns, a time frame has been adopted to begin a process for merger talks between the two organisations. It is understood that a black business summit will be held in April and a joint black and white business summit will be held mid year.