

# TRAILBLAZERS

Trailblazing the future

<http://www.mokwena.com>

Edition 1: March 2013

## About Trailblazers

Trailblazers are freethinking individuals and focus groups with a shared vision of positively contributing towards advancing developmental discourse. The trailblazers' website stimulates and encourages discourse on Economic development, Political economy, knowledge economy and the green economy. The website serves as a forum for exchanging ideas, views and opinion. It attracts experts, academics, intellectuals and practitioners and anybody interested in contributing towards the debate. It is a site for generating new knowledge & cutting edge solutions for the global socio economic ills. The trailblazers seek to build social capital through the process of informal transmission of knowledge and social media. Also mentor and support practitioners in the specified field of work, through engagement, advice and referrals. The ultimate objective is to ensure professional development and support.

## News of Top Stories

### Catholic Church gets first non-European pope in 1,300 years

Argentinian Cardinal Jorge Bergoglio's election as pope has broken Europe's centuries-old grip on the papacy, opening the doors on a new age of simplicity and humility for the Roman Catholic Church, mired in intrigue and scandal. He is the first South American pontiff, the first non-European pope in 1,300 years and the first to take the name Pope Francis, in honour of St Francis of Assisi, the 12th-century saint who spurned wealth to pursue a life of poverty.

<http://www.bdlive.co.za/world/europe/2013/03/14/catholic-church-gets-first-non-european-pope-in-1300-years>

### SACP warns Cosatu to avoid 'reactionary stance' to state policy

THE South African Communist Party (SACP) "respects" the independence of the Congress of South African Trade Unions (Cosatu), but warned that it should not adopt a "reactionary stance" toward government policy. Sections of Cosatu have long taken issue with the SACP's less critical stance towards the African National Congress-led government since its senior leaders, particularly Mr Nzimande, became part of Cabinet, arguing that the party needed a full-time general secretary to strengthen it.

<http://www.bdlive.co.za/national/politics/2013/03/14/sacp-warns-cosatu-to-avoid-reactionary-stance-to-state-policy>

### We'll torch Gautrain – commuters

A group of rail commuters threatened to torch the Gautrain's coaches should the government fail to improve the service provided by suburban commuter rail services operator Metrorail. One of their leaders, Albert Mokoena, warned Transport Department deputy director-general Maria du Toit at a meeting in Pretoria that commuters would resort to "drastic action" should the train service not improve.

<http://www.timeslive.co.za/thetimes/2013/03/14/we-ll-torch-gautrain--commuters>

### SA 'needs' business, labour to co-operate

THE expansion of South Africa's industrial base required closer working relations between business and labour. A fractious and (conflict-ridden) shop-floor is not conducive to the joint effort that is at the heart of successful industrialisation in a society," he said. "Workers and entrepreneurs need to co-operate to expand employment, develop industrial competencies, improve skills, strengthen productivity and address inequalities.

<http://www.bdlive.co.za/business/2013/03/15/sa-needs-business-labour-to-co-operate>

### BEE bill worries casinos, Vodacom

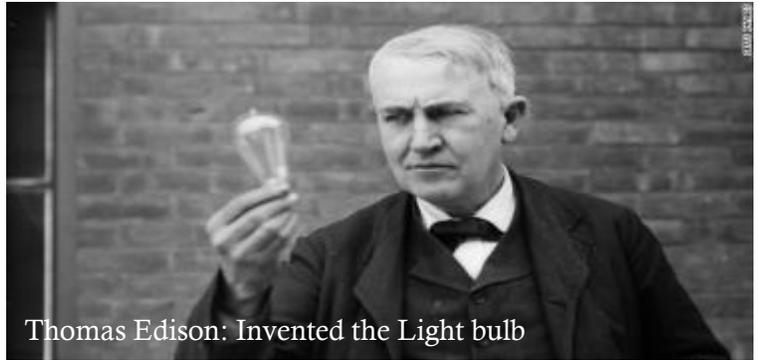
CASINO owners and cellular network operator Vodacom have expressed concern that the draft Broad-Based Black Economic Empowerment Bill will create confusion and business uncertainty as it will not necessarily trump other regulations in the sector to promote participation by previously disadvantaged people.

<http://www.bdlive.co.za/business/2013/03/18/bee-bill-worries-casinos-vodacom>

## Quote of the Month



*"True knowledge exists in knowing that you know nothing" - Socrates*



Thomas Edison: Invented the Light bulb

## Lead Article

Thabo Owen Mokwena



RECENT months have been filled with signs that are worrying and confusing. Possible mine closures and disinvestment by some mining companies, the violent and deadly saga at the Marikana mine, the downgrading of South Africa's sovereign rating and the subsequent downgrading of the banks, the strikes in the Western Cape farm sector, and the government's review of the "willing buyer, willing seller" policy all represent the winds of change — but for better or worse?

South Africa's economic landscape is unfolding in the context of the global financial crisis, although many African economies are growing healthily. The economies of Nigeria, Zambia, Angola and even Zimbabwe are seeing meaningful growth, largely boosted by mineral and energy resource exports. The dynamics in South Africa's mineral sector have the potential to undermine, if not cripple, South Africa's growth prospects. The downgrading of our sovereign and banks' ratings clearly has its own consequences, especially in the context of international markets. The ratings will affect other institutions and potentially lead to socioeconomic difficulties. Recent media reports on the mining sector are enough to ring alarm bells. Anglo American Platinum's intention to close some of its operations poses a threat to employment in the sector. Its decision to retrench 14,000 employees is a sign of serious problems that cannot be left unchallenged. The sentiments surrounding the Western Cape farm strikes fall in the context of the continuing problems besetting this sector. It is important that the farm sector is not compromised — if it is, the result could be food shortages and unproductive farms, so a workable balance needs to be sought by those involved. The mining and farming sectors are among the biggest employers in our economy, possibly second only to the government. It therefore goes without saying that we need to nurture the "goose that lays the golden egg".

When it comes to manufacturing and beneficiation, the state must propel these sectors — our competitive advantage lies in the mining and farming sectors, but we need to harness them for the benefit of all. The mining houses' strategy of retrenchments risks setting precedents. So too do the unaffordable wage agreements reached in Marikana and in some of the farming settlements, which have the potential for setting a precedent for other sectors in the economy. Wages are a key cost of production and they are either affordable or not. Once they are deemed unaffordable, businesses will either collapse or mechanise. There is no doubt that all of these events will have a changing effect on the economy. The important task is to manage this change and ensure a positive effect. Practical steps need to be taken to ensure that jobs are saved, not lost. Beyond that, we need more job-creating opportunities. There is a need for a dialogue with the trade unions about the present wage regime and broader labour conditions. As a matter of principle, high wages must go hand in hand with high productivity. South Africa's socioeconomic and political landscape is highly volatile at the moment. The large numbers of unemployed youth are running out of patience. The highly unionised and politicised workforce is also flexing its muscles in its own selfish interests. Slow domestic economic growth, which is largely influenced by the global crisis, is not making it easier to find meaningful solutions. Amid all of this, change is around the corner. It must be managed by insightful leadership with the ability to find lasting solutions and to engineer change that will be for the best.

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