



University of Stellenbosch Business School



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA



UNIVERSITEIT  
STELLENBOSCH  
UNIVERSITY



COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD



**A NEW SOCIAL COVENANT**

## A New Social Covenant

Daniel Malan  
BEN-Africa Conference  
2 October 2014



University of Stellenbosch Business School



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

## A New Social Covenant in the Making

- Growing distrust in the way the global economy operates
- Historic social contract between business government and society is broken
- Many economies are seen as unsustainable, unfair, unstable, unfulfilling
- A New Social Covenant is proposed
  - Based on dignity, the common good and stewardship of the planet
  - Multiple covenants (industry, geography, issue) – informed by Integrative Social Contracts Theory



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

## Integrative Social Contracts Theory





CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

## National Development Plan

*"There is now an urgent need to craft a social contract that will enable South Africa to achieve higher growth and employment, increase investment and savings. The idea of a social compact is a relatively simple one: all stakeholders buy into a clearly articulated vision; have a shared analysis of constraints and are committed to finding solutions; and parties understand the objective of the compact. The compact should offer attractive (indeed compelling) benefits to each party and all parties should believe that the necessary sacrifices are relatively equitably shared amongst all participants".*



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

## John Rawls

*"Persons are not indifferent as to how the greater benefits produced by their collaboration are distributed, for in order to pursue their ends they each prefer a larger to a lesser share"*



# CENTRE FOR CORPORATE GOVERNANCE IN AFRICA





CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA



A [Message](#) from Klaus Schwab





CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

“Ill fares the land, to hastening ills a prey, where wealth  
accumulates, and men decay”

Oliver Goldsmith (1770)



CENTRE FOR  
CORPORATE GOVERNANCE  
IN AFRICA

[www.anewsocialcovenant.org](http://www.anewsocialcovenant.org)

[daniel.malan@usb.ac.za](mailto:daniel.malan@usb.ac.za)

[www.governance.usb.ac.za](http://www.governance.usb.ac.za)