

Ethical leadership in and through labour, business and politics

ABSTRACT

This article articulates the proceedings of three research based conferences on ethical leadership. The objective is to describe the notion of ethical leadership in labour, business and politics. Firstly, the current context will be addressed; secondly, the ethical challenge in Labour will be described; thirdly, ethical challenges in Business will be discussed; fourthly, the ethical question in Politics will be addressed; and finally, the discussion will be summarised and concluded. The following dynamics are illustrations of our moral challenges: (1) Private accumulation of material wealth and power as a onslaught on values; (2) The development of a new philosophy of patriotism and nationalism; (3) Labour, business and politics should become contributors and not detractors; (4) Corporate social capital and responsibility for the good of everybody; and (5) Labour, business and politics should become 'reputational capital' agencies to realise the basic needs of human beings.

1. INTRODUCTION

This article is the third in a series of articles (*The Ethical Leadership Project: Its Role as a key Contributor for a Morally Transformed Society*, unpublished; and *Ethical Leadership in and through Family, Religion and Youth*, unpublished) and focuses on research results from three different, but interrelating conferences, namely Ethical Leadership in and through Labour, Business and Politics (www.elp.org.za). The objective is to describe some of the key results of these conferences. This article will, therefore, not focus on a theological reflection or an ethical theory development on the results of these conferences.

1.1 Background

The quest for ethical leadership and growing moral challenges in South African in civil society, in the world of work, business and politics, are dominating the public domain. These challenges are an existential-threat to the future of civil society and its public institutions. Newspaper reports have persistently illustrated (rightly or wrongly) the depth and width of unethical leadership and immoral socio-economic, corporate and political practices. The following examples highlight the situation:

The growing dissatisfaction and violent conduct of the electorate on the issue of adequate service delivery is a crucial factor for the stability of our democracy. News headlines in this regard are becoming the norm and not the exception: This week Protea South, Soweto, residents protested against the lack of housing and service delivery. Police fired rubber bullets and water cannons to disperse the crowd (Nkosi and Tozvireva, 2007 p.11)².

1 In association with the Beyers Naudé Centre for Public Theology at the Theology Faculty of the Stellenbosch University.

2 Public protests regarding service delivery are being used to advance political aspirations (Rossouw, 2007 p.6).

Secondly, the destruction of the moral fibre of society is most evident in the pathological trends of alcohol and drug abuse. De Aar is renowned for the highest rates of foetal alcohol syndrome³ in the world'. The immoral and recurring (even after democracy) practice of the notorious 'dop system' in which alcohol forms part of workers' wages is an indictment to our country's young democracy (Beresford, 2007 p.14).

Thirdly, immoral leadership in South Africa's police structures maybe one of our biggest threats for a safe and secure society: "Three police officers who turned state witness against Robert McBride are themselves involved in cash-in-transit networks" (Basson, 2007 p.9). Boyle (2007 p.1) assessed crime and punishment and described the criminal justice system and the social cause of crime. The following remark of the article depicts the potential psychological state of our society: "If one thinks that so many people are involved in crime, and so many people are victims of crime, there is an immense sadness and despair".

Fourthly, the role of business is not only questionable, but frightening according to recent reports of its interference with the country's national intelligence agencies. Dawes' (2007 p.12) report on controversial business which had a stake in a sensitive national intelligence bid, serve as an example. The Fidentia⁴ corruption saga is another cruel example of how far business leaders would go to gain personal wealth at the expense of children, pensioners and widowers. First National Bank (FNB) and some of its clients, for example the directors of Discovery, have made secret off shore investments in excess of the legal investment limit. They have committed income tax evasion (Dawes & Sole, 2007 p.6). The report of the arrest of a controversial businessman, Charles Modise (apparently donated R500 000 to South African Communist Party general secretary Blade Mzimande) by the Scorpions on charges of corruption (Joubert, 2007 p.7) as well as Cabinet's call for criminal charges against executives of the Land Bank, is indicative of the immoral status quo in the country today (Ngobeni et al., 2007 p.1).

Fifthly, political leaders add to the moral challenges, more so with the previous 'floor crossing' practice. Ten new political parties were introduced in 2007 (Majova and Sosibi, 2007 p.5). Some parties like the Democratic Alliance and the Independent Freedom Party have called on Parliament to scrap the floor-crossing legislation. This practice is seen as a betrayal of the wishes of the voters. Some of the ANC's leaders even perceive this practice as an opportunity for self-serving opportunists with limited understanding of political party's policies and traditions. This practice was recently discontinued, after prolonged debate and protests.

These are some of the moral and ethical challenges leaders in the world of labour, business and politics have to deal with. The views of prominent leaders will be addressed in the next paragraphs to assess whether ethical leadership in and through these sectors is possible or just a mere ideal.

2. ETHICAL LEADERSHIP IN AND THROUGH LABOUR

The world of work became a global space of instantaneity, acceleration, ubiquity and consumerism, according to Le Bruyns (2005 p.1). "In this globalising era, the world of work in South Africa forms part of these broader transformations that impact at the local, national, regional and global levels" (Le Bruyns, 2005:p.1).

Le Bruyns' picture of labour and the following remarks of Howard (2007 pp291-292)

3 "New research has confirmed that at least 12 out of 100 children in the Northern Cape town have been damaged by alcohol while in their mother's womb" (Beresford, 2007 p.14).

4 Fidentia had misappropriated millions of rands (www.iol.co.za).

serves as a frame of reference of the ethical and moral challenges addressed, respectively: There is an expectation from the West and Europe that South Africa should provide political and moral leadership. South Africa's role in NEPAD as government, business and labour is to have a political and economical influence without being prescriptive. Build an African Trade Union Movement to provide moral leadership on the issue of corruption in business and government; the advancement of worker's interests; and transformation of African societies. Economic imperialism is immoral and cannot continue to remain the foundation for globalisation⁵. However, South Africa does recognise the role of the government and alliances developed through G20 and G77 to transform multi lateral trade and political institutions like the UN security council.

Labour can contribute to moral leadership nationally, continentally and globally to tackle corruption practices. Public and private funds cannot be misused by corrupt practices particularly when meant to deliver to the needs of the people⁶. Moral regeneration must be informed and measured by the value of economic change to the lives of the majority of poor people, marginalised and poor, otherwise it shall not succeed⁷. The socio-economic rights in favour of the poor enshrined, must find concrete expression in order to sustain the democratic project.

2.1 Exploitation and anti-corruption practices

The Anti-corruption Summit in Cape Town in November 1998 was addressed by the then Deputy President, Thabo Mbeki⁸ declared that "the private accumulation of material wealth has unleashed a total onslaught on every other determining value possible" (cited by Mkosana, 2007 p.275). The necessity of an anti-corruption practice in the labour movement is stressed by Howard (2007 p.290). He urges his labour movement, the Congress of South African Trade Unions (hereafter COSATU), to provide moral leadership on the issue of corruption inside and outside the movement.

Another equally pressing issue is gender oppression found in pre-colonial capitalist systems. The customary and patriarchal nature of our society was misused "to intensify and justify exploitation, in particular gender oppression" (Jafta, 2007 p.293). "It is therefore important to understand the extent to which class, race and gender intersected to form an intricate system of oppression, which *benefits a minority*" (Jafta, 2007 p.293). The system led to widespread abuse of women, both inside and outside the family. African women were confronted by triple oppression – oppression based on their race, gender and class.⁹

The effects and occurrence of any of these colonial and customary practices should be defined as immoral and be eradicated in any sphere of society. The plight of domestic workers for example is a modern phenomenon of exploitation and abuse, especially with the challenge

5 Globalisation holds a certain tension between economic integration within the world of work (Palane, 2007 p.319) and development within an ethical vacuum based on a *capitalist economic system* (Jafta, 2007 pp.295-296).

6 "The globalization project in the world of work has economised life. Economic values determine the worth and dignity of human beings" (Le Bruyns, 2007a p.302).

7 Compare Dames' (2008) theology of the cultural edges.

8 A Task Team of the ANC produced a report '*Revolutionary Morality: The ANC and Business*' to provide "political and moral guidelines to the ANC as a whole, particularly the leadership, on the issue of involvement in business" (*Mail & Guardian*, March 23 to 29 2007).

9 Compare Le Bruyns' (2007c) article: *Working for 'human dignity, equality and freedom' in South Africa today*.

of HIV/AIDS (Witbooi, 2007). HIV/AIDS should not only be addressed in the workplace, “but in terms of the communities where the workers come from” (du Toit, 2007 p.345). Du Toit calls on organisations that run corporate social investment programmes to take responsibility for the families of workers also.

2.2 Towards new language

Any reflection on ethical leadership should honour the philosophy of concepts such as *ethics, morals, patriotism, and nationalism* (Mkosana, 2007 p.275). Ethics and morality cannot exist in a vacuum or divorced from the interaction of people’s daily communal and public living. Leaders and ultimately ethical leaders emerge, function and are formed in the human interaction of communities. Virtues, the embodiment of values, should be both public and civic, and not only in the private domain. Public virtues engender healthy democratic societies (Koopman, 2007 p.286; Ehrenreich, 2007a p.313). Virtues refer to people’s specific predispositions, tendencies and intuitions to act in a specific human rights way. Virtues engender public character, integrity and consistency in people’s promises and actions. Aristotle distinguished four cardinal virtues, namely: wisdom to discern, courage to act in terms of one’s choices, temperance and self control (Koopman, 2007 p.286).

The philosophy of ubuntu should be linked to ethics and morality with its ‘observing’ function of ‘the most human virtues’ in people living together (*ubuntu eabantwini ekuhlaleni*) (Mkosana, 2007 p.277). Mkosana calls on academia in South Africa to explore the value of ubuntu¹⁰. The ubuntu philosophy should be studied in direct relation with poor communities who embodies society’s values still in it’s original form (Mkosana, 2007 p.277).

The ability to address Mkosana’s theory will ultimately determine a collective intention and choice which should adhere to the habitat (the worlds of rich and poor). Society are challenged privately or publicly: at home, at work, in civil society and parliament when laws, policies, decisions, choices and actions must be made and taken for the common good of all. Choices and actions should serve society’s habitat, enhance the realisation of the type of habitat desired, and should adhere to the desired type of ethical citizens (Koopman, 2007 p. 286). Ehrenreich (2007a p.314) depicts a real-life-habitat perspective of the level of unemployment in that has risen from 16% in 1996 to close to 40% today. He argues that the typical social problems that arise from poverty “whether its gangsters ruling our townships or our children being exposed to drugs, everyday tears apart the social fabric of our society”.

Questionable and immoral institutional practices add to the contemporary South African habitat: (1) the practice of disburdening the burden-bearing people who are blacklisted in the credit bureau, ravaged by poverty, unemployment and illiteracy; (2) selfish interests over against communal interests – the exaggerated accumulation of wealth by a minority of people at the expense of the majority of the South African population; and (3) crime related incidents of “violent grabbing from those who have, is often ascribed to greed and inborn instinct¹¹ to be violent”¹² - as a false interpretation of the nature of the human being (Mkosana, 2007 p.280). One should not expect poor citizens who are constantly living in server poverty stricken

10 Ihuah (2002 pp.134-147) wants to rethink morality or ethics in terms of African Philosophy. Compare also du Preez (2007 p.5).

11 Monare (2007) reported recently on the ANC’s criticism of the BBC World media as being racist and stereotyping Africans as genetically inferior after running a documentary on crime in South Africa.

12 Poor people are turning to crime after searching for the promised age of hope and not finding it (Howard, 2007 p.292).

circumstances to accept moral regeneration while they are experiencing limited and even no human dignity in their daily lives¹³ (Howard, 2007 p.292).

Society, therefore, needs active and constructive engagement of ethical leadership on all levels of society and in organisations “with issues which may impact negatively on the morality of society and its people”¹⁴ (Mkosana, 2007 p.282). South African leaders should act on immoral practices in order to change these into good ethical practices (Mkosana, 2007 p.282). A synthesis between the morality of the worker leaders and that of the working class is required (Jafta, 2007 p.302). Servant leadership or public service with a people centred and people driven focus, characterised by equity, quality and a strong code of ethics, is required (South Africa, 1995 p.22).

Mkosana (p.282) call for a responsible patriotism practice and argues that patriotism may create “a middle road for different societal classes to pursue common goals for the interest of their common fatherland”. The example of South Africans celebrating the Springbok teams’ Rugby World Cup victory in France, illustrates how different social-classes can unite to stir an unprecedented sense of patriotism for the common good of our country. Mkosana should, however, also take into account that patriotism would only materialise, according to Howard (2007 p.292) with the advancement of a culture of human rights to which economic rights is central. We need an ‘intensification of the struggle’ to develop a society based on a new value system of solidarity, social justice and economic equality (Mkosana, 2007 p.292).

The Ethical Leadership Conference on Labour was ‘a very good initiative’ and ‘reflective exercise’ which will contribute in the development of a morally transformed society (Mkosana, 2007 p.283). The potential role of business in the realisation of such a society should not be underestimated.

3. ETHICAL LEADERSHIP IN AND THROUGH BUSINESS

The challenges of historical business practices in South Africa and for post-apartheid businesses are part and parcel of the ethical questions which confronts the lives of contemporary South Africans. Business holds one of the most important keys for a morally transformed society. “Human dignity must also include rather than exclude economic dignity” (Le Bruyns, 2007b p.363).

South Africa has a history of doing business under cover. This can be ascribed to economic sanctions that prevailed and led to business being conducted immorally. Our immoral business past has been embraced as the new business culture: “what some people perceive to be fronting others believe to be an opportunity”. The business value system and culture of our future economy may be determined by the outcome of this new ‘immoral’ perception and practice (Louw, 2007 pp. 381-382).

Many companies have until a decade ago, “viewed ethics as an administrative compliance” (Magamola, 2007 p.370). Business ethics, since the Enron debacle is becoming a global pre-requisite for corporations and organisations. The King I; II; and III Reports are key instruments of awareness and policy transformation to combat corruption and fraud. Corporate governance and corporate social responsibility ought to envision and embody ethical business

13 “... a worker would have to work about three lifetimes to earn what a director earns in one year. (Elsley, 2007 p.328).

14 “We ask: how can labour help materialise the desired *habitat* and *habitus* and help make good public and private decisions?” (Koopman, 2007 p.286).

practices of integrity. It is here that consumers and poverty stricken communities dictate their preference for good and honourable business practices. Louw (2007 p. 379) and Williams (2007 p.397) makes a significant contribution by defining business enterprises as corporate citizens in contrast to individual citizens. Louw (2007 p. 379) views each business as an integral part of society¹⁵. Williams (2007 p.398) notes that some international corporations are acknowledging the notion of *Ubuntu*.

3.1 Ethical leadership in context

Ethical leadership in economic life is not a given. Knowledge and skills about leadership and even ethics may be a general phenomena, but contextual ethical leadership is complex to understand and recognise (Le Bruyns, 2007b p.363). Good governance and integrity from top management as routine practices of everyday business life, is required (Magamola, 2007 p.371; Ketola, 2006 p.6). The traits of ethical leadership are a responsibility which is not individualistic (the private needs and agendas of companies) but a responsibility for the common good¹⁶ (Le Bruyns, 2007b p.363). Ethical leadership 'transcends' integrity¹⁷ to encompass the wellbeing and future of others. This represents a paradigm shift that most of us may have difficulty with:

What we are communicating through the ELP is that any possibility of moral transformation in any sphere of life, including business, is directly intertwined with the extent to which we are willing to go beyond our private and organisational zones. So what might ethical responsibility within the business world have to do with poverty, unemployment, wage gaps, crime, family breakdown, HIV-Aids, globalisation, social capital, skills development, gangsterism, substance abuse, war and conflict or peace, and so on? Maybe nothing, maybe everything (Le Bruyns, 2007b pp.363).

Business ethics cannot be separated from general ethics (Pieterse, 2007 p.366). Corporate ethical issues must be addressed on the basis of fundamental ethical standards. Pieterse argues for the application and acceptance of common ethical values. Pieterse's perspective is based on Montgomery's [1972 p.26 in Pieterse, 2007 p.366] situation ethics¹⁸. Montgomery's basic theory states that "no action is good or right in itself. It depends on whether it hurts or helps people". Pieterse (2007, p.366) argues from his experience during the liberation struggle in South Africa:

Situation ethics takes precedence over a traditional (conformance or compliance) critique on the actions of individuals or groups. 'You can be unethical without breaking the law'. This can be ascribed to situation ethics that employ a different critique to measure whether people are hurt or helped. 'Fairness and compassion transcends laws and norms'. Social responsibility (Dubrin, 2007 p.183) transcends even legal and economic motives. Suffice to say that theft and

15 See reference to individual and public ethics (Public Service Regulations, 2001:A2).

16 "According to both Dewey and Weber, the modern world fragments both the 'individual' and 'community'. This fragmentation impairs meaningful political action" Roederer, 2000 pp.75-94).

17 Magamola (2007 p.370) states that ethics is not an event, but a process. Her argument, however, is questionable: "The golden rule in business says that good conduct is important for success. Integrity is great for business because in the end everybody wins". Does her view demonstrate her own business interests? Le Bruyns' view on ethics that serves the wellbeing of the 'others' rather than just honouring one's integrity is justifiable.

18 Deeper understanding of the social-cultural as well as organizational contexts is of paramount importance for responsible management and leadership (Lämsä & Pucetaite, 2006).

euthanasia, for example, maybe justified in terms of the respective social or psychophysical conditions of a person at any given time and context.

3.2 Corporate and social capital?

Situation ethics focuses on the other hand on the actions of society itself. The punishment of criminals is a direct reflection on society and an inability not to recognise the accountability and responsibility for the very crimes which it punishes. Louw (2007 p.379) argues for a correlation between corporate citizens and the environment in which their business functions.

The corporate and social ethical responsibility is indeed reciprocal. Pieterse's (pp.366-369) ethical framework is descriptive of the typical issues that the working class is confronted with, namely: the plight of farm workers; brutal evictions; pseudo empowerment; wage gaps; apartheid dept; the selling of farm houses – bought with 'grant money'; and the dop system despite laws prohibiting it (Beresford, 2007 p.14).

Magamola (2007 p.370), from a business perspective, argues that unethical business behaviour is far more expensive than street crimes¹⁹. Her statement that: "theft and robberies cost the country thousands, maybe millions, but white collar crime costs us billions" does not resonate as an ethical argument. This argument may be perceived as an 'excuse' or 'approval' for indiscriminate theft and robbery practices, instead of making a collective argument that oppose every form of crime. She is, however, correct in emphasising that ethical business practices are the cornerstones for the development of a successful society. Business corporations may not be demonstrating adequate "commitment to invest in people" and "opportunities to previously disadvantaged businesses" (Louw, 2007 p.382). Transparency and collective responsibility in business conduct and practices²⁰ is required (Magamola, 2007, pp.372;374).

Business holds the potential to become healing agencies and peace builders. It could be agents to foster stability and be part of peace through commerce by restoring the social fabric of society (Williams, 2007 p.399). The challenge for South African business lies right here and now! The response of politics would however be even more appropriate in this regard.

4. ETHICAL LEADERSHIP IN AND THROUGH POLITICS

Current political developments in South Africa, as depicted by Shapiro's (pen name, Zapiro) cartoon illustrating a blindfolded woman figure labelled "justice system" pinned down by Zuma's political allies, calls for critical reflection for ethical leadership in politics (Sapa, 2008 p 5):

The internal struggle for power within the ANC and in all spheres of the organisation and government that is focused on in the media all the time, rightly or wrongly, also has a negative impact on nation building and service delivery (Louw. H, 2007 p.381).

The challenge for moral renewal in politics is both enlightening and thought provoking: "Politicians are not in any way more dishonest or corrupt than the rest of us" (Sampson, 2007 p.403). Ethics and morality exist only in dictionaries today. South Africans are collectively ill and morally comatose. Political leaders are jeopardising democracy. A decline in public political participation; a shift to imperial leadership; and the end of servant leadership can be observed

19 "A KPMG study conducted in 1993 indicates that only 20% of white collar crimes are reported to the police. ... the higher we rise in business and positions of responsibility, the greater the temptation to engage in unethical behaviour" (Magamola, 2007 pp.370-371).

20 "The temptation to corrupt and to be corrupted has become almost second nature in the form of kickbacks in all forms" (Louw. H, 2007 p.381).

after thirteen years of democracy (Louw, H, 2007 p.450). Politicians must respect the humanity of other political opponents and their engagements should promote the spirit of ubuntu. “If one dehumanise another person one becomes dehumanised in the process” (Ehrenreich, 2007b p.425).

4.1 Responsible social response?

The real challenge for moral renewal in politics lies in the way in which individuals in South Africa respond to the constitution²¹. Politicians should constantly envision the creation of a morally good society. Ethical governance is the ability of visioning the future and realising it for the people (Brown, 2007 p.465). Sampson (2007 pp.408–409) calls attention to several challenges in an emerging democracy to achieve the ideal society, namely: planning the future while taking cognisance of the past (Pieter Dirk Uys); striking a balance between the fears of those who have and the needs of those who have little or nothing; and learning to live in a democracy and unlearning life in an oppressive state. Basic service delivery and transformation, however, remains key challenges and it is usually poor people who ultimately suffer (Ozinsky, 2007 pp.418–419). Politicians and citizens must become contributors and not detractors. Democracy must be characterised by decency and dignity. South Africa’s political life is “dogged by too much desperation”²² (Sampson, 2007 p.409). The *unpredictability of our past* [Pieter Dirk Uys] has created an environment where political representation has become a career and a profession. There is a shift from political leadership as *persecution and suffering* to political leadership as *security and wealth* (albeit relative) (Sampson, 2007 p.409). Some South Africans are “the only bridging generation” who could build a future for new generations based on their actual experience of the past (Sampson, 2007 pp.409–410).

4.2 Ethics of politics

Vassen (2007 pp. 5–6) defines ethical leadership in and through politics as ‘working to maintain the climate of integrity’. She developed a framework for ethical leadership in and through politics within the Batho Pele (people first) Principle, the Home for all Campaign and the Social Transformation Programme of the Western Cape. These programmes envision social cohesion and social capital and calls leaders to restore and ensure an ethics of politics (Ehrenreich, 2007b p.427). The Constitution of South Africa refers to such codes of ethics and calls for ‘a high professional ethical standard’ for politicians (South Africa, 1996: Article 96(1) and 136(1) & Article 195(1) and 196(2)).

Ethical leadership is the upholding of values which inform society and the promotion on both an individual and collective basis to achieve those values (Greyling, 2007 p.412). Ethical leadership in and through politics is also about good, fair and efficient governance in achieving the targets set out for electoral promises to the people (Brown, 2007 p. 364). The Independent Democrat’s values are captured in their slogan ‘bridging the divides’; to build a country where the destructive divides of the past are bridged (Greyling, 2007 p.412). These divides can be seen on all levels in our economy, education, health²³ and even our politics. The practice of politics,

21 Hondeghem (1998 p.1) notes that governments are evaluated on social and political criteria of efficiency, effectiveness and economy. Politicians and public servants’ ethical conduct should therefore be an important criteria.

22 Mkandawire’s (2001 p.293) observation about Africa can be true of South Africans’ pessimistic ideological prognosis too.

23 Cairncross (2007 p.379) holds that South Africa spends 8.8% of its GDP on health, and that the

however, seems to have descended into being more about the accumulation of power than the upholding of basic principles. "When power trumps principles, ethics is often the loser" (Howard, 2007 p.289).

South African politics run the risk of exacerbating rather than bridging the divides of its past (Greyling, 2007 p.412). The capitalist class knows no colour when seeking to maximise their profits (Cloete, 2007 p.442). Socio-economic and political transformation in the Western Cape (as well as in the country) can only be achieved through a radical land redistribution programme (Shabodien, 2007 pp. 352-387). Land redistribution has to be seen as a key strategy around which other interventions may be structured. The fact that inequity in land distribution persists along racial and gender lines even fourteen years after the dawn of democracy, should present a profound moment of crisis for South Africans (Shabodien, 2007 pp. 446-447).

4.3 Race and poverty

The impact of race on poverty and vice versa in the history of the Western Cape has led to a situation where the province is decidedly different to other provinces with abundant riches, but also huge inequalities (Fisher, 2007 p.428). All South Africans are basically racists in their conduct, attitudes and perceptions (Fisher, 2007 p.428). The acknowledgement thereof could promote dialogue, acceptance of racial and cultural differences and ultimately cohesion of the people. Racial stereotypes and prejudices are still playing out between 'Coloured', and African workers in the working class communities (Cloete, 2007 pp.437-438). "Prejudice along racial lines has found a safe haven within many spheres in our society"; the defeat of racism, racial prejudice and racial stereotypes is called for (Cloete, 2007 pp.442-443).

4.4 Accountable politics

The specific ethical responsibility of government and politics should be viewed within the ambit of its distinctive political conduct and practices. Truth and consensus in decision making must be applied as basic values of a vibrant democracy (Vassen, 2007 p. 1). Accountable leadership that values commitment to citizens; and political leadership that accept the notion of speaking truth to power as paramount to good ethical practices, is needed. Terreblanche (2001 pp.85-102) emphasises the indispensable importance to ethics for institutions and a good social order. Ethics has claimed a central place in the national debate, because of the scourge of corruption. The complex web of and mechanisms of neo-colonialism were is still responsible for the wealth of a few whites and the current scourge of corruption. Corrupting public officials by multi-national and other corporations are only one of the outcomes of these colonialist practices. Socio-economic challenges in South Africa and the political 'inability' to deal with these challenges is unethical and unacceptable. Previously advantaged whites are still benefiting economically and the prospects for a better life for the majority of poor South Africans are degenerating (Louw, 2007 pp.420-424). This is illustrated by the difference between the wealth of the white property boom and poverty coupled with massive unemployment. Louw (2007 pp.420-424) points to the disparities thereof and challenges the status quo to be changed in its entirety. A shared vision for the realisation of transformation through land reform (in the Western Cape) is an urgent and critical matter. The vision for smaller family plots of farm land with greater varieties of crops alongside each other could serve as a solution (Shabodien, 2007 pp.461-462).

4.5 Fragmented social capital

health index reflects a population that has limited access to healthcare. ... the private sector continues to flourish at the expense of the public sector in terms of human and material resources".

Unemployment, on the other hand, is particularly stark among the youth; and contributes to a fragmented social capital; increased drug use; and gang and criminal activities among young adults (Brown, 2007 p.467). The economy is creating jobs, but not enough jobs. This is true especially at the lower to medium skill level that represents many unemployed people, especially the youth who are bearing the brunt of poverty, unemployment, crime and violence. This raises the importance of policies of social inclusion, shared growth and, integrated development approaches to address vulnerability²⁴ in communities. Society is in need of just and ethical principles and ethical leadership in respect of a shared vision, responsible decision making and good governance (Brown, 2007 pp.467-468).

Practical ethics to transform the socio-economic dynamics in the Western Cape and cooperation between government, churches and communities are called for to transform the current socio-economic landscape (Louw, H. 2007 pp.423-424). These socio-economic challenges and the consequences of ineffective policies cause the destruction of the social fabric; the undoing of social cohesion and Nation Building; and rising protests (Ehrenreich, 2007 p.426). Farm workers remain the lowest unionised sector with less than 5% of being unionised²⁵. The plight of black farm worker families should be viewed within the historic commercial agriculture structure (Shabodien, 2007 p.446). The objective of *iKapa Elihlumayo*²⁶ to reconfigure spatial relations and implement spatial priorities in a manner that radically changes the apartheid spatial economy, should receive aggressive attention and intent from government. "People, rich and poor, of different ethnic groups and linguistic preferences should live side by side in communities, using the same schools, libraries, churches and shops" (Brown, 2007 p.465).

Politicians, according to Greyling (2007 p.411), often tend to ignore the responsibility of ethical leadership in daily political practices which could secure housing and land for the poor. Public perception, particularly during floor crossing, that ethical leadership and politics is an oxymoron, is, therefore, justified. Floor-crossing from the perspectives of many political parties are fundamentally flawed (Ozinsky, 2007 p.420). It is the most unethical of political acts – "it may be legal but it is illegitimate and lacks credibility" (Ehrenreich, 2007b p.426). Ozinsky's (2007, p.420) motivation for floor-crossing lies at the moral decision that people in, for example, the New National Party who at the time of democracy was members of a party whose forerunner instituted Apartheid, had to make. He states that the decision for floor crossing²⁷ is and should not be taken lightly (Ozinsky, 2007 p.420).

Politicians and the practice of politics are universally perceived with derision (Greyling, 2007 p.411). There exists a fundamental disjuncture between how politics *should be* viewed and *how it is viewed* (Greyling, 2007 pp.411-412). The ANC's tradition and its distinctive role models could serve as ethical models for political leadership and governance. Chief Albert Luthuli, Oliver Tambo, and Nelson Mandela demonstrated exemplary *ethical leadership* in practice through their lives and decisions. The story of Madiba, serves as an example, who during his

24 Organised crime causes more harm to the national psyche than other offences, Safety and Security Minister Charles Nqakula said on Friday (www.m&g.co.za, 19 February 2007 online).

25 Individual contracts with employers pose a new challenge for organized labour and threaten the collective bargaining principle and the right to withdraw labour. Karl Marx's ideological differences between business and labour, thus continue (Palane, 2007 p.319).

26 The vision of the Western Cape, a home for all.

27 Ozinsky (2007 p.12 in Oliver, 2007 p.3) corrected his view in the *Cape Argues* (September 10, 2007) by stating that he did not imply that voters are to blame for floor-crossing, but rather the outcome of the elections.

incarceration in the dark days of apartheid, when given a choice of individual freedom, turned it down and declared: "I am not free until all South Africans are free" (Ozinsky, 2007 pp.416-417). The majority of South Africans' political and ethical orientations were and should still be shaped by these exemplary political leaders.

5. CONCLUSION

Ethical leadership for a morally transformed society seems almost unrealistic and unachievable against the backdrop of contemporary unethical and immoral actions, practices and leadership. There is a huge gap between the reality and the ideals for a morally transformed society. The collective perspectives by leaders in the world of work, business and politics, however poses hope for the realisation of such an ideal. Williams' notion of business as a healing and peace agency should be developed with recognition of the ubuntu philosophy. The distinction between 'private and public' should be breached in order to foster corporate social capital and responsibility. The transformation of the socio-economic conditions of poor communities is crucial for the creation of an equitable and morally sound society. Labour, business and politics is a collective power and should strive as interconnected 'corporates' to realise a 'reputational capital' – for the materialising of the basic needs of the poor. South Africans are in need of an enculturation of decency and dignity; a people centred work, economy and democracy; and the application of corporate practices of practical ethics; and the fostering of contributors instead of detractors. We need a matrix of servant leaders who could transform the socio-economic conditions of communities in the Western Cape. They should: address the fears of the "haves" and 'haves not'; realise the vision, *iKapa Elihlumayo*; eradicate poverty; restore people's dignity; and foster ethical leadership for a morally transformed society.

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