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INFORMATION SHARING ON TRADE POLICY BETWEEN STATE AND BUSINESS IN SOUTH AFRICA

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**A research report submitted to the Faculty of Management
University of the Witwatersrand
in 25% fulfilment of the requirements for the degree of
Master of Management (in the field of Public and Development Management)**

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Abstract

Effective state–business relations have the potential to make a positive contribution to economic development and growth. One of the key factors that impacts on the nature of the interactions between governments and business is the sharing of information. Information must flow in both directions if there is to be a shared common vision for development. There are challenges for a government to engage directly with individual firms, and the result has been a proliferation of business associations. Umbrella or apex private sector organisations tend to include policy engagement as a key objective, including in the area of trade. The case study of the South African Chamber of Commerce and Industry (SACCI) illustrates the various mechanisms for information exchange and the vested interests involved. There are a number of ways in which information could be encouraged to flow more effectively between the South African government and apex bodies such as SACCI.

(151 words)

Declaration

I declare that this report is my own, unaided work. It is submitted in partial fulfillment of the requirements for the degree of Master of Management (in the field of Public and Development Management) at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other university.

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28 February 2014

Dedication

For Daniel, Mary Beth, Daniella and Gertrude, with my deepest appreciation for your support in completing this research.

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Abbreviations

ATF	Agricultural Trade Forum
BBC	Black Business Council
BBWG	Big Business Working Group
BRICS	Brazil, Russia, India and South Africa
BUSA	Business Unity South Africa
CEO	chief executive officer
COO	chief operating officer
dti	Department of Trade and Industry
ITED	International Trade and Economic Development
NEDLAC	National Economic Development and Labour Council
OECD	Organisation for Economic Development
SACCI	South African Chamber of Commerce and Industry
SACCU	Southern African Customs Union
SADC	Southern African Development Community
SACOB	South African Chamber of Business
SME	small and medium enterprise
Teselico	Technical Sectoral Liaison Committee
WTO	World Trade Organization

1 INTRODUCTION

This report presents research that considers the role of umbrella or apex private sector associations in state–business relations in South Africa, with specific reference to the facilitation of information sharing on trade policy and negotiations. The study explores the current status of one national umbrella-organised business structure in South Africa, the South African Chamber of Commerce and Industry (SACCI), using case study methodology. It draws on the field of information economics to consider the mechanisms and incentives that exist for the sharing of information on trade matters between the government and SACCI.

This chapter identifies the background to the issue of state–business relations and this is further elaborated on in the literature review in Chapter 2, where a theoretical framework for the analysis of information sharing between government and business on trade policy issues is constructed. Building on this information the purpose of the research is explained and the specific research question is identified in Chapter 3. Following an explanation of the research methodology used, the limitations to the study are set out in Chapter 3. The analysis of the research is presented in Chapter 4, where a general assessment of state–business relations in South Africa is provided, together with more specific information on the case study of SACCI. Chapter 5 sets out the findings and some of the implications of the research, which are also reflected in the conclusion and recommendations provided in Chapter 6.

1.1 *Background*

State–business relations have been considered by a number of different disciplines for their potential to impact on issues related to governance, power, politics, and economic growth and development. The relationship between a government and the business community in a country is often a complex one that reflects many

different factors, including history, race or class dynamics, politics and specific sectoral concerns. It is often difficult to generalise as these interactions are specific to certain countries and also differ, depending on the nature of the issue under consideration. There will be different players involved at various points in time and one of the most common challenges voiced by policymakers is 'who is the private sector?'. The business community is wide, diverse and can mean different things to different people (Rettberg, 2010, p. 22). Some of the most common points of differentiation relate to formal versus informal businesses; corporate versus small and medium enterprises (SMEs); and foreign versus locally owned firms. The desired interaction between the state and business will depend on the specific objectives being pursued (e.g., contributing to increased employment or developing new technologies). State–business relations are therefore structured differently in many instances, and can be both ad hoc in order to address one issue only or sustained over a longer period to allow for broad-based consultation.

Given this diversity and the sheer number of firms and enterprises in many countries, it is simply not feasible, or desirable in many cases, for the government to interact directly with individual businesses on policy matters. Senior government leaders do not have the time to meet separately with every business person who requests an engagement, and a selective approach can often lead to the impression that there is state capture by vested interests in the private sector. The result has been that a number of intermediary organisations have sprung up in order to facilitate the engagement between business and other constituencies, including the government. Apex or umbrella organisations will usually have a regional or national mandate and include in their membership other business associations (often in addition to direct corporate membership). They do not represent only one sector or industry, but are cross-cutting in their coverage of the economy. Such organisations tend to be more focused on policy matters rather than on the provision of services at the grassroots level of business development. They can be described as 'associations of associations', which might result in distance between the secretariat staff and business people themselves.

The role of private sector or business associations has been identified as one aspect of state–business relations that is worthy of greater understanding and research in the case of developing countries in particular. This report attempts to make a contribution in this regard by examining one factor and one umbrella or apex business organisation in order to develop a better understanding of the current situation with regard to state–business relations in South Africa. The information-sharing function of business associations is considered using a case study that explores the type of information on trade policy and negotiations that flows between government, an umbrella business body and its private sector members. The aim is to make a contribution to the existing research on state–business relations in developing countries, and more specifically African countries, by updating the available literature on the role of organised business in facilitating the sharing of information among key stakeholders in an economy. Trade policy is chosen as the focus for the case study as this is an area where, ideally, there are significant levels of interaction between the government and private sector if the potential benefits of choices made on trade policy and through the negotiation of trade agreements are to be realised.

1.2 *Problem Statement*

The importance of effective state–business relations for economic growth and development has been identified by a number of researchers (e.g., Sen & te Velde, 2009), including in the context of developing countries such as South Africa. In the international development and policy community it is increasingly recognised that private sector development is a key component of poverty reduction and development (OECD, 2006, p. 74). Unfortunately, to date, detailed information on the current country-specific situation in most African countries is missing or is, at best, related to only one or two very detailed areas (such as the impact on specific policy areas or the interactions of specific individuals). It has been concluded that umbrella private sector associations or organised business bodies can play a key role in promoting the interaction between policy makers and companies (e.g., Harriss, 2006). Some research has been done on the situation in South Africa in the

past but this has tended to focus on historical relationships between government, business and organised labour as they play out in the context of the National Economic Development and Labour Council (NEDLAC) (Nattrass & Seekings, 2010). More recent publications have explored issues related to possible improvements that could be made in state–business relations in the sphere of economic diplomacy (Grant, 2011; Hughes, 2011) but have not examined in detail the capacity of existing umbrella organisations in South Africa to make a contribution.

1.3 *Purpose of Research*

The purpose of this research is to increase the understanding of the current contribution of umbrella private sector associations in South Africa to effective state–business relations. There are a number of specific outcomes that can be achieved through state–business relations and the research focused on one of these factors (i.e., the sharing of information) in the South African context in order to provide detail that will build on existing research and contribute to the wider debate on the issue of the relationship between government and the private sector in developing countries. Information sharing takes place across a wide range of issues and through many different mechanisms. For the purposes of this limited research, one area of state–business interaction is considered in more detail, namely trade policy and negotiations.

The South African Government itself has acknowledged that there is a need to encourage the private sector and government to work together to ensure the development of the country. Most recently, in the State of the Nation address delivered on 14 February 2013, South African President Jacob Zuma (Government of South Africa, 2013) noted that: "We will engage business, labour and other social partners in pursuit of solutions. No single force acting individually can achieve the objectives we have set for ourselves." This is echoed in almost all economic policy documents and plans. With regard to trade policy, the Department of Trade and Industry (dti) (2012, p. 21) highlights the importance of building strategic

relationships between government and business in order to create competitive advantage.

This study examines the systems in place in an apex business organisation in South Africa to share information effectively with its members in order to contribute to strong state–business relations and to its relations with government in the area of information exchange on trade policy. The study specifies where there are strengths and weaknesses in addressing the supply-and-demand requirements between various stakeholders. This is done against the background of information on the efforts already under way to provide platforms for greater engagement by the private sector with policymakers, such as NEDLAC. The research reflects the views of representatives interviewed from within the secretariat staff of the apex business organisation, members of the board of directors, a small business and a large corporate, as well as a government official.

1.4 *Research Question and Limitations*

The research was guided by the following overarching question:

How do umbrella business organisations in South Africa contribute to state–business relations through their role of exchanging information between the government and private sector?

There are a number of limitations to this research. First, it was not possible to consider the capacity of all the business associations currently operating in South Africa. There are numerous local, provincial, national, special interest (e.g., business women's structures) and sectoral or industry organisations in South Africa. Even at the apex or umbrella level, there has been a recent proliferation which includes Business Unity South Africa (BUSA), the Black Business Council (BBC) and Business Leadership South Africa. The study focuses on one apex or umbrella organisation – the South African Chamber of Commerce and Industry (SACCI). SACCI has been chosen as it is considered broadly representative of the umbrella organisations, it is

an institute of long-standing with relatively stable structures in place and it is inclusive in terms of its representation of a broad cross-section of the South African private sector.

The second limitation is the coverage of the study in terms of the number of people from the organisation that have been interviewed as part of this research. It was not possible to include all the office-bearers or leaders involved in SACCI in the research due to time and resource constraints. Interviews were sought with key individuals who were able to represent the general views of the various stakeholders involved in engaging with SACCI on trade policy matters. To a certain extent, the interviews obtained were also influenced by the researcher's own networks and contacts.

Assessing the role of a business association can relate to a wide range of issues and the third limitation of this research is that it only focuses on one particular aspect, namely the ability of the organisation to contribute to state–business relations in South Africa through the sharing of information. Furthermore, in order to ensure that the research was manageable and focused, it looked at information sharing on one issue in particular, namely trade policy and negotiations. This study does not look at matters such as the membership services provided by organised business, participation in trade and investment promotion activities, and the engagement with government on domestic policy matters. It is acknowledged that there are many different contributing factors to state–business relations and that the information-sharing function of umbrella business bodies is only one of them.

Other limitations that arose during the research were as a result of the short time available in which to complete the study and the resources the researcher had at her disposal for this work. It was not possible to secure interviews with all the people first identified by the researcher. It also took some time for the interviewees to confirm the time for the discussions due to other pressing and competing commitments. The time factor also prevented some people from participating to the greatest extent possible in this research; for example, where a face-to-face

interview would have been preferable, it was necessary to engage over the telephone. The researcher had good links with the business organisation identified for the case study, which was a bonus in terms of understanding the current situation and accessing relevant information.

It is also important to note that the final phase of the research was undertaken in early 2014. This was a time of some uncertainty for BUSA with the retrenchment of secretariat staff and the resignation of the chief executive officer (CEO) in mid-February 2014. There is no doubt that these developments are likely to have an impact on the ongoing role of BUSA, its relationships with member organisations (e.g., SACCI) and the representation of business in NEDLAC. It was not possible to redefine this research to take into account these changes but it may be necessary in future to reconsider the findings in relation to the linkage between SACCI and BUSA for the purposes of information sharing on trade policy matters in particular.

2 LITERATURE REVIEW

This study focuses on the role of organised business in South Africa, specifically in facilitating the exchange of information between the government and private sector. The theoretical framework guiding the research was developed through consideration of the debate surrounding state–business relations in developing countries and the particular factor of information exchange. The approach of information and knowledge economics to asymmetries between principals and agents was applied through the identification of mechanisms and incentives used by the case study organisation – SACCI.

The following review discusses some of the key literature available and locates the research carried out within current thinking related to economic development and information sharing in particular. The final sections provide a context for the discussion that follows on the case study of trade policy and negotiations in South Africa, and includes specific information on one of the identified mechanisms – NEDLAC. It looks at the literature on public–private dialogue on trade policy, which is largely based on applied policy research rather than more academic contributions.

2.1 *State–Business Relations*

Sen and te Velde (2009, p. 1279) define 'state–business relations' as "a set of interactions between states and the business sector whether through formal channels such as official meetings of bureaucrats with business associations, or through more informal channels such as phone conversations and dinner parties". Maxfield and Schneider (1997) explored effective state–business relations in detail and identified three key characteristics: (1) transparency, (2) reciprocity and (3) credibility. Sen and te Velde (2009, p. 1269) build on this work to link state–business relations to economic policy where they outline three main functions: (1) facilitation of information exchange, (2) check and balance on government policies, and (3)

reduction of policy uncertainty. Harriss (2006, p. 1) identified a fourth factor, which is the role of state–business relations in establishing high levels of trust between the stakeholders. This research was set within the context of the approach to state–business relations outlined here and focused on one of the main functions, namely the facilitation of information exchange.

Sen and te Velde (2009, p. 1269) describe the 'facilitation of information exchange' as solving "information related market and co-ordination failures". Harriss (2006, p. 1) talks of the facilitation of "the flow of accurate and reliable information, both ways, between business and government". The role of business associations is specifically mentioned with regard to coordinating and distributing information among stakeholders (Sen & te Velde, 2009, p. 1269). Sen and te Velde (2009, p. 1270) cite Hisahiro (2005) as arguing for the integration of dispersed information among the public and private sector in order to better coordinate economic policies and minimise risks. By addressing this and the other key factors of state–business relations, Sen and te Velde (2009) make the clear linkage between effective relationships and enhanced economic growth. South Africa is one of 14 sub-Saharan African countries considered in the study and is assessed by Sen and te Velde (2009) to have effective state–business relations.

Going beyond the work by Sen and te Velde (2009) and others who have focused on state–business relations, the detailed literature review undertaken for this study highlighted the fact that there is little specific research output focused on the current situation of engagement between the government and private sector in South Africa. Nattrass and Seekings (2010) focused specifically on the National Economic Development and Labour Council (NEDLAC) as an institutionalised platform for the engagement of government, business and labour on economic issues in South Africa. In this context Nattrass and Seekings (2010, p. 68) found that "state-business relations remain fragile and highly fragmented" which they attribute to the legacy of apartheid and the racialised, personal nature of the engagements between government and the private sector in South Africa.

Hughes (2012) explored state–business relations within in the context of regional dynamics and the contribution of the private sector to the development objectives of the South African Government. Grant (2011) also contributed a specific example to highlight the interactions between business, including private sector organisations, and government around state visits by the President of South Africa. Within the broader South African discourse, there has been some indirect consideration of the relationship between government and the private sector in the disciplines of political science and international relations. More specifically, the literature on the role of the state and the notion of an African developmental state and on South Africa's foreign policy, especially its economic diplomacy, has touched on state–business relations (even if this term is not used to describe the interactions). The presence of a strong production-orientated private sector is viewed as one of the key ingredients in both the creation and sustainability of a developmental state in Africa (Meyns & Musamba, 2010, p. 21). There are many different views on whether a developmental state is achievable (supported by Mkandawire, 2001) or, in fact, desirable in an African context but even the sceptics (e.g., Birdsall, 2007) in some way reflect on the need for strong state–business relations in order to achieve economic development objectives.

State–business relations are a critical dimension of economic diplomacy, which has been defined by Rana (2007, p. 1) in the following way:

> [E]conomic diplomacy is the process through which countries tackle the outside world, to maximize their national gain in all the fields of activity, including trade, investment and other forms of economically beneficial exchanges, where they enjoy comparative advantage; it has bilateral, regional and multilateral dimensions, each of which is important.

In the South African context Vickers and Ajulu (2008, p. 5) described economic diplomacy as "policies and activities that promote trade, FDI, tourism, and technology transfers to South Africa, and positively position the country in the world through imaging, branding, marketing and public diplomacy (domestic and

international)". Both these definitions highlight activities that are predominantly in the sphere of the private sector and that require the close cooperation among government and business in order to achieve the objectives of the policies. The South African Department of International Relations and Cooperation (2011, p. 28) specifically acknowledges this in a *White Paper on Foreign Policy* that notes: "successful economic diplomacy requires a close partnership with government, business and labour".

2.2 *Role of Private Sector Umbrella Organisations*

In the literature on state–business relations, the existence of an umbrella private sector organisation in a country is one of the key variables used to determine the effectiveness of interactions between government and business (Sen & te Velde, 2009). Harriss (2006, p. 3) notes that "[e]ncompassing, multi-sectoral business associations are most likely to press for policies that promote growth through the economy". To date, the mere existence of such an apex body has been enough for the purposes of the research undertaken to explain the impact of state–business relations on economic development. During this research, little information was found on how best to assess the effectiveness of private sector organisations, except for case studies in Zambia (Qureshi & te Velde, 2007) and Mauritius (Rojid, Seetanah & Shalin, 2010) that looked at specific examples of where such groups had impacted on policy-making processes.

In addition to academic publications, there is a collection of applied policy research papers that addresses the question of the role of private sector organisations, including in the area of trade policy and negotiations. The researcher was involved in a project undertaken by the International Trade Centre in the southern African region in 2011 to look at the capacity and interests of a range of business associations in the field of trade policy and negotiations (Grant & Dube, 2012). This study confirmed the proliferation of organised business structures in southern Africa and the varying levels of effectiveness that each organisation had in terms of

engagement on trade policy matters. The wide variety of mechanisms for engaging with governments was set out and has implications for the identification of information-sharing options in this research. The organisation identified for the case study in the current report – SACCI – was mentioned in the International Trade Centre publication and the current research builds on that analysis to look at specific issues such as the facilitation of information sharing.

2.3 *Information Exchange*

This research focuses on the first of the functions of state–business relations identified by Sen and te Velde (2009) – facilitation of information exchange – and additional literature was considered in the area of information economics, and the interactions between government and business on trade policy as reflected in the section 2.4. The literature review for this research showed that there is no literature that is directly relevant to the topic of this research proposal, especially as it applies in the South Africa context. Some related concepts have been explored – for example, on the role of intermediaries in the agriculture sector (Klerkx & Leeuwis, 2008) – that are useful to consider. Klerkx and Leeuwis (2008) argue that market facilitators can assist both the state and private sector in achieving mutually shared goals which, in this case, related to the support for innovation in agriculture. Apex private sector organisations could be viewed in a similar way as being an intermediary between their members and the broader policymaking community, including government. Building on the approach of Klerkx and Leeuwis (2008), one possible role for intermediary business associations could be in the facilitation of information where there are clear asymmetries as established by Stiglitz (2002) and discussed further below.

Within the field of economics, there is a significant body of literature that looks specifically at problems of information and knowledge exchange. Stiglitz (2002) has devoted much of his research to understanding the impact of information asymmetries on both market economics and on political economy. He has shown that information affects decision-making in every context, including in the policy

arena where questions such as the appropriate role of the state and political processes are grappled with (Stiglitz, 2002, p. 474). Sappington and Stiglitz (1987, p.575) made an explicit connection between the amount of information held by governments and their ability to prescribe the correct policies. This broad application makes the theory on information and knowledge economics developed by Stiglitz an appropriate framework from which to consider the flow of information between government and business associations.

For the purposes of this research, the Stiglitz (2002, p. 478) approach of examining the incentives and mechanisms to acquire and transmit information has been adapted and applied to the activities of an apex private sector body in the area of trade policy. Incentives relate to the factors that determine whether or not information will be revealed to another party. Stiglitz (1999) distinguishes between internal and external motivations or incentives. He explains that the most effective incentives are those that are intrinsic to the activity and not "a superadded carrot or stick" (Stiglitz, 1999, p.6). Mechanisms are the structures and processes in place to facilitate the sharing of information. Stiglitz (2002) uses examples such as wage negotiations between employers and employees, and Stiglitz and Weiss (1992) use the operation of credit markets to illustrate different types of mechanisms and incentives that influence the existence of information asymmetries.

In earlier work, Sappington and Stiglitz (1987, p. 572) incorporated the idea of a principal-agent relationship between the government and the private sector when discussing the distribution of information between those involved in privatisation of public services. For the purposes of this research, a similar approach is helpful with the business association taking on the role of agent and supporting the government (the principal) in its economic development agenda by taking on specific tasks in sustaining the private sector more broadly. Information is a key factor in the principal-agent relationship, as outlined by Sappington (1991), and can be influenced through the use of appropriate incentives. Establishing the various incentives at play in state-business relations in South Africa will go some way in attempting to identify the key challenges for improvement.

2.4 Public Private Dialogue on Trade Policy and Negotiations

African Development Bank (2011, p.9) describes trade policy as entailing

> the formulation of measures, rules and regulations that govern the trading of goods and services, and the movement of capital and labour across international borders. Trade policy also includes the reduction of rules and regulations which unduly restrict trade. The ability to negotiate rules governing international trade requires a capacity to understand systems, issues, rules and obligations in order to engage in the World Trade Organization (WTO) as well as participating effectively in regional and bilateral trade agreements such as the Economic Partnership Agreements with the European Union.

Trade policy processes differ from country to country. There are, however, two key considerations that apply in all circumstances. First, trade policy should ideally be linked to national development and economic policies either explicitly (e.g., in the South African Trade Policy and Strategy Framework, the dti (2012)) or indirectly. It is only in this way that trade agreements will be effectively negotiated and implemented, together with the necessary accompanying measures (African Development Bank, 2011).

Second, it is important to understand the stakeholders who are interested in trade policy and negotiations. This can be complex even at the level of government. In Africa there is a wide range of government participants in trade policy, including

> government ministries, namely Ministries of Trade and Industry which are usually responsible for trade policy formulation and implementation, Ministries of Finance which are responsible for fiscal policy and customs management and possibly other government ministries such as those charged with specific responsibilities such as the Ministries of East African Community Affairs in East Africa as well as some sector-based Ministries such as Agriculture. Investment and export promotion agencies can also contribute significantly to national trade policy development if they have been

given responsibility for policy issues and dependent on their capacity to engage. (African Development Bank, 2011, p.10).

In addition, there are government agencies that are more directly involved in the implementation of trade policy, such as development finance institutions, standards bureaux, port authorities and services industry regulators.

Outside government there are many non-state actors that play a role in trade policy processes to a greater or lesser extent. Trade negotiations are the prerogative of governments but, as mentioned above, the activities of trade are usually carried out on a day-to-day basis by private sector companies. It has been widely acknowledged (including in many of the references used for this research; see the literature review on public–private dialogue) that there is generally a positive impact to be had on trade policy if there is effective involvement of the business community. The benefits can include trade policy that is more closely aligned to the economic realities of a country and therefore more likely to make a real contribution to economic development.

Individual exporters and importers may not have the interest or capacity to participate in trade policy formulation. However, the exception is larger corporates in some cases. This is where private sector organisations or business associations, such as chambers of commerce and industry, and industry bodies, have a particular role to play in the overall development of trade policy and, in some instances, also in trade negotiations themselves. It can, from a practical and political point of view, be easier for a private sector organisation to consult and engage with government on trade policy. There is not the same risk of being captured by the vested interests of an individual firm and it allows a broader perspective on issues to be considered. The African Development Bank (2011, p. 10) suggests that the inclusion of business associations in trade policy processes "will encourage the emergence of a more business-friendly environment and promote a more competitive private sector". This is not automatic however and the impact of public-private dialogue will depend

on a wide range of factors, including the effectiveness and capacity of the business associations involved.

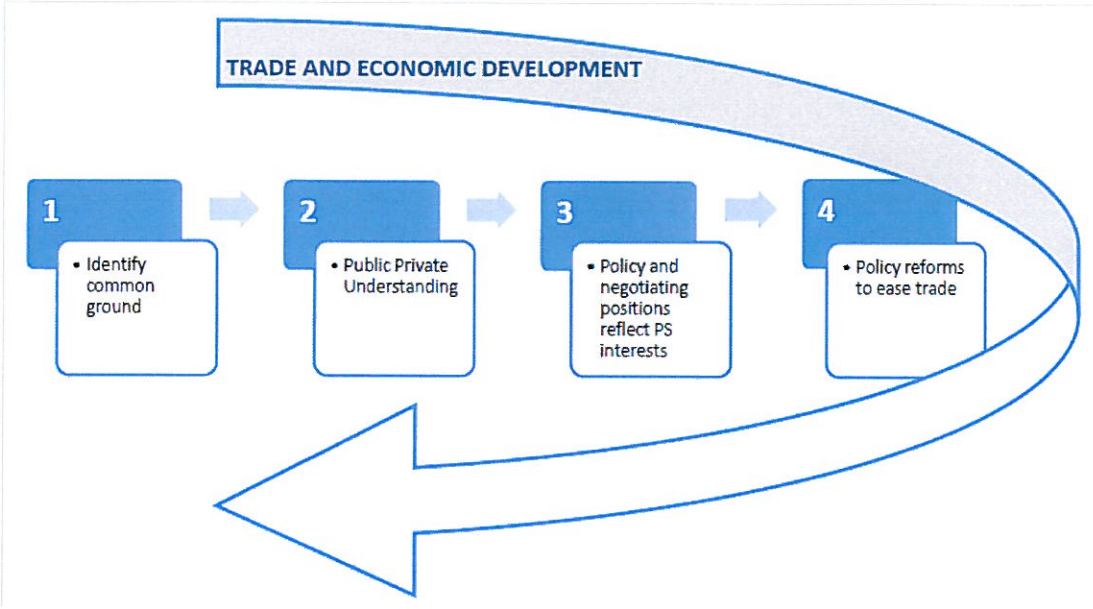
In South Africa trade policy is largely the responsibility of the dti and, more specifically, the Directorate on International Trade and Economic Development (ITED). Trade policy is located within broader national priorities as a tool of industrial policy as is clearly set out in the Trade Policy and Strategy Framework (dti, 2012). Aspects of trade policy are also touched on in the New Growth Path and the National Development Plan. There is not a specific trade cluster within the government but issues are discussed within the context of other related clusters in order to coordinate the approach of the dti and other interested departments (including the Department of International Relations and Cooperation; Economic Development Department; Department of Fisheries, Forestry and Agriculture; National Treasury; and the South African Bureau of Standards) and The Presidency. Parliament's input comes through the Portfolio Committee on Trade and Industry which is responsible for ratification of all trade agreements that are negotiated, and also plays an active role in the oversight of broader trade policy development and implementation.

The dti uses NEDLAC (i.e., the Trade and Industry Chamber and the Technical Sectoral Liaison Committee (Teselico)) actively, as explained in section 2.5, in order to provide information and interact with business, labour and civil society on trade policy. This is the primary forum for engagement with non-state actors. However, it is a formal structure and therefore has its limitations; for example, in order to get input from a broader range of business voices, the dti will undertake additional consultations outside NEDLAC, such as through the official *Government Gazette* process of public comment or dedicated consultations. The Minister of Trade and Industry and other senior dti officials are regular participants in conference and workshops where they present the government's views and debate trade matters with the public.

In the most recent version of South Africa's Trade Policy Strategy and Framework (dti, 2012, p. 48), the following suggestion is made with regard to the engagement between government and the private sector on trade policy issues:

> [T]he dti will need to draw increasingly on the views of business and labour stakeholders in NEDLAC in order to deepen the trade policy-making process. As these stakeholders are more directly involved in the day-to-day workings of the real economy, they can enrich policymaking with deep insights.

There is extensive literature that looks at trade policy and negotiations, including in developing countries. For the purposes of the current research, the focus is on the interactions that take place between government and business, specifically private sector organisations, when engaging on trade matters. Grant (2011, p. 8) makes the point that "[i]t is said that governments do not trade and therefore to achieve credibility when engaging on such issues it is important to be able demonstrate a strong linkage to the private sector". There are clear benefits for both government and business if there is a strong public–private dialogue mechanism to discuss trade policy. For the private sector, engagement in these discussions can help in facilitating trade, which has the potential to make a direct impact on the bottom line of exporters and importers. For government, the positions adopted following effective public–private dialogue will better represent the economic reality of the country, avoid capture of the process by vested interests of individual sectors or firms, maximise scarce resources and contribute to effective implementation in the longer run. The process of public–private dialogue is presented in Figure 2.1.



Source: African Development Bank (2011, p. 13).

Figure 2.1: The Process of Public–Private Dialogue

The creation of a public–private dialogue mechanism will not be sufficient in and of itself to ensure successful outcomes and a positive impact on economic development. Firstly, the key players involved must be the right people who have real interests in the issues being discussed and are therefore credible in their engagements. Secondly, there must be a high degree of trust between the government and private sector engaged in the process. Thirdly, institutional structures are necessary to support the dialogue, including within government but also business. It is here where the role of private sector organisations is critical: they should have the capacity to provide leadership of the process and also engage on a technical level.

Herzberg and Wright (2006) have identified many of the factors that can influence the success or not of public-private dialogue mechanisms, including the capacity of business associations to engage in and shape trade policy. These are useful to bear in mind for the purposes of the current research and the case study of SACCI. The following are the roles required of an effective apex private sector body working on trade policy issues:

- Analyse trade policy development, including developments and accession in the WTO, regional and bilateral trade negotiations.
- Maintain contacts and provide intellectual input into trade policy decisions.
- Ensure leadership and give administrative support to trade policy matters.
- Actively and competently participate in formal consultations on trade policy matters.
- Conduct research and prepare position papers.
- Improve access to decision-makers.
- Advocate for or against policy proposals that are likely to affect industry and corporate performance.

2.5 *National Economic Development and Labour Council (NEDLAC)*

NEDLAC is one of the leading formal mechanisms established in South Africa to allow for the interaction between government and business, together with other constituencies representing organised labour and civil society. Parsons (2007, p. 9) explains that NEDLAC was designed to "inaugurate a new era of inclusive consensus-seeking and ultimately decision-making in the economic and social arenas". It facilitated the discussion of national social and economic policy and legislation, and South Africa's re-entry into international organisations, such as the International Labour Organisation (Nattrass & Seekings, 2010, p. 42).

Box 2.1 provides a detailed description of NEDLAC and its structures that are relevant for trade policy and negotiations.

BOX 2.1: NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL (NEDLAC)

The National Economic Development and Labour Council (NEDLAC) is a statutory body that was established in 1995 to provide a platform for social dialogue in South Africa on a range of economic policies and legislation. Government, labour, business

and community are all represented in NEDLAC, which is structured with four main chambers dealing with (1) monetary policy, (2) labour, (3) development, and (4) trade and industry. There is a specific sub-committee of the Trade and Industry Chamber known as 'the Technical Sectoral Liaison Committee (Teselico)' which focuses on trade matters. It is here that the Department of Trade and Industry (dti) consults with organised labour and business on trade policy matters, and on the positions of South Africa to be adopted in trade negotiations. Teselico is mirrored by the Agricultural Trade Forum (ATF), which looks specifically at trade as it relates to the agricultural sector.

NEDLAC is a formal process that requires monthly meetings of its bodies, including Teselico. There is a set agenda that focuses on matters related to the World Trade Organization (WTO); regional economic integration (e.g., Southern African Customs Union (SACU) and the Southern African Development Community (SADC); bilateral relationships; and the linkage between trade and other related policies such as industrial policy. It is possible for any constituency to raise an additional item for the agenda and to request others to respond. The dti uses Teselico as a means to communicate with key stakeholders, including the South African private sector, on trade matters and a large part of the activities of Teselico are focused on information sharing. It is also at NEDLAC where the dti receives input on its approach to the negotiation of trade agreements with partners. It remains the government's prerogative to make final decisions on the position to be adopted, but the dti has demonstrated significant respect for the views of labour and business over the years.

The private sector is represented in NEDLAC via Business Unity South Africa (BUSA), which is the designated organisation for the coordination of the business constituency. BUSA is required to nominate representatives for each of the NEDLAC bodies, including Teselico where there are 12 standing members from the private sector. BUSA presents mandated positions in NEDLAC that are developed through its standing committees. The Standing Committee on Trade Policy at BUSA will consider all the matters on the NEDLAC agenda, and canvas the views of the

membership before presenting positions for discussion with government and labour. This process tends to focus on the industrial sectors of the South African economy as agriculture has its own forum in the ATF. BUSA does, however, attempt to coordinate positions in both NEDLAC and the ATF in order to get an overall picture on trade policy matters.

Source: African Development Bank (2011)

2.6 South African Context: Current Situation

As noted in the literature review above, an extensive collection of research that looks specifically at state–business relations in South Africa does not exist. For the purposes of the analysis that follows, the following is a brief attempt to place the case study of SACCI and the exchange of information on trade policy in a broader political economy context. With a lack of publicly available research, it was necessary to do this through observation of public debate on this issue, including in the media, in order to assess the current situation. In 2011 Grant (2011, p. 5) contended that "the relationship between the government and private sector in South Africa has not always been particularly close". She went on to explain that

> [t]he formation of the National Economic Development and Labour Council (Nedlac) in 1995 provided a formal platform for engagement on a wide range of economic issues between government, business and labour. Nedlac has achieved mixed, which has often depended on the commitment of the relevant government department to engage on policy matters. (P. 5)

These observations would appear to still hold in 2014 and, if anything, a greater distance has been created between the government and business since 2011. The relationship could be characterised as in a sorry state, given the high levels of mistrust that appear to exist on both sides. There is a rhetorical commitment from the highest levels of the South African government (refer to the quote above from President Zuma's State of the Nation speech of February 2013) to co-operate and interact with the private sector. This is much more difficult than expected. In

practice the relationship is bedevilled by perceptions, procedural challenges and, in some instances, ideological differences; for example, the South African Government, including the ruling alliance partners of the African National Congress, has made it clear that there is a widely held perception that the private sector does not share its objectives with regard to development and is only concerned with access to profits.

The government continues to struggle with the question of who the private sector is and, in many instances, there are different interpretations depending on the issue for consultation. South Africa currently has hundreds of thousands of registered companies that operate in all spheres of the economy. They range in size from one person operations (micro enterprises) to multinational corporations that compete with the largest in the world as reported in the Forbes Top 2000 companies register (Forbes, 2014). The interaction of these firms with government structures varies greatly. Some (probably the vast majority) will simply pay taxes and demand the most basic of services at a local level. Others will have dedicated resources that are responsible for managing the interactions with government on both commercial matters and the development of policy. It must be noted that this description largely applies only to the formal sector, yet there is a large informal component to South Africa's business community that is difficult to capture for the purposes of research.

NEDLAC has been cited as the platform of choice for social dialogue in South Africa and this was reconfirmed in the New Growth Path and the National Development Plan. As assessed by Grant (2011), NEDLAC has a mixed track record and its contribution to state–business relations could be interpreted in many different ways. It is a tripartite mechanism (as described in more detail in section 2.5 that includes not only government and business, but also constituencies from labour and civil society. Under former President Thabo Mbeki, NEDLAC engagement was supplemented by dedicated working groups between government and business. The most high profile of these was the Big Business Working Group (BBWG), as described by Qobo (2010, p. 23). There were, however, working groups that

included black business, the agriculture sector and foreign investors, all of whom contributed to regular interactions between government and the private sector at the highest level.

President Zuma's administration chose not to retain the business working group approach developed under the leadership of Mbeki (Qobo, 2010, p. 23). The regular meetings were discontinued and replaced with ad hoc interactions that often included the other NEDLAC constituencies as well; for example, President Zuma hosted a number of consultations on South Africa's response to the global financial crisis since 2009 and has also had engagements with business to discuss the National Development Plan.

The blame for the current lack of effective state–business relations in South Africa cannot be wholly placed at the feet of one side. It has not been helped by the ongoing struggle among business itself to coordinate its interactions with government, including through umbrella private sector organisations. Some progress had been made in this regard, with the formation of BUSA in 2004. For a number of years, both government and the private sector widely acknowledged BUSA as the leading voice on policy issues; this included through its coordination of the business constituency in NEDLAC (see section 2.5). In 2011 organised business in South Africa suffered a major set-back resulting in a split along racial lines. The Black Business Council (BBC) had been one of the founding members of BUSA and had effectively merged into the umbrella body. Following an acrimonious debate over BUSA leadership, particularly the positions of president and CEO, the BBC pulled out of BUSA and re-established itself as an apex business body. It was recognised by the government as being on a similar footing to BUSA, as is evidenced through the participation of both BUSA and BBC representatives in meetings with the president of the country and in structures such as the Brazil, Russia, India, China and South African (BRICS) Business Council.

3 RESEARCH METHODOLOGY

This study was designed at the outset to test a number of concepts, namely state–business relations, information exchange and public–private dialogue, through a deductive process that is best described as 'critical realism'. These concepts were defined during the literature review of the study, and informed the development of the interview questions later used to gather additional qualitative date on the case study of SACCI. The definitions of these concepts included in this study were shared with the interviewees so as to ensure a consistent interpretation of the concepts being explored in the discussions. The relevance of the concepts was confirmed by both the literature review and the interviews with the intention of allowing for their adjustment and revision, if necessary, during the research.

The methodology used for this study is qualitative research, with a small component of quantitative data collection on the membership of SACCI and the number of engagements with government, policy papers and media statements, among other things. The overall qualitative focus enabled the researcher to get a sense of the current status of the organisation and to explore why certain trends or issues are emerging in the state–business relations in South Africa through in-depth interviews with key stakeholders from government and the private sector. The research focuses on one organisation, namely SACCI, as a basic case study entailing detailed and intensive analysis (Bryman, 2012, p. 66). The case study methodology has been acknowledged as appropriate when a holistic, in-depth investigation is needed (Tellis, 1997, p. 1), which is what this study has hoped to achieve within the time available. The case study selected provides a middle-ground example of the different types of business organisations that exist in South Africa at the apex or umbrella level. It is hoped that it will be an "exemplifying case" as explained by Bryman (2012, p. 70). SACCI is an organisation that exemplifies the broader category of apex business associations in South Africa (through its membership, objectives, governance structures and activities undertaken) and therefore provides

a suitable context in which to answer the research question posed by this study (Bryman, 2012, p.70).

The case study started, in the first instance, with a basic questionnaire aimed at establishing the level of contribution made by the organisation to the sharing of information between its members and government, and at obtaining basic data on the current role of the association (e.g., number of staff members, number of members, and forms of information distribution and exchange). The data were supplemented by that collected from secondary sources, such as annual reports, public statements by the association and reports submitted to government on policy issues. Secondary data were sourced through library searches, online computer searches, bibliographies of books and articles found, and observations of attendance at workshops, seminars and conferences. The quantitative information or data collected were not representative, given the limitations of this research.

The researcher discussed the base-line questionnaire with the chief operating officer (COO) of SACCI – a key person in the business association who is well positioned to provide the background information that forms the basis of further analysis of the role of SACCI in information sharing with government.

The second part of the research was qualitative, as the data were collected in observational form through interviews with key role players from the organisation, its members and government. A list of the interviews undertaken for the purposes of this research are set out in Appendix 1. Bryman (2012, p. 68) acknowledges that qualitative methods (including interviews) are "particularly helpful in the generation of an intensive, detailed examination of a case". The purpose of this part of the study is to describe and understand the issue from the participants' point of view (Leedy & Ormond, 2001, p. 101). The idea was for the interviews to be interactive so as to allow the researcher to get as much insight as possible into the constraints facing umbrella business associations in South Africa. Therefore, a semi-structured approach was used where the questions in the interview schedule were varied in terms of their sequence and there was scope to expand on the replies from each of

the interviewees (Bryman, 2012, p. 212). With this approach in mind, different questions were prepared for the government and business respondents. Following the initial interviews, it also became apparent that the research would benefit from interviews with two supplementary sources who were knowledgeable about NEDLAC and BUSA in order to build on the information provided in the first set of interviews.

In preparing for the interview, the overall research question was kept in mind: How do umbrella business organisations in South Africa contribute to state–business relations through their role of exchanging information between the government and private sector? To assist in structuring the research, especially the interviews undertaken, the research question was broken down into a number of sub-themes related to the specific factor of information sharing between government and companies through SACCI, including the following:

- What is the potential role of SACCI in contributing to state–business relations in South Africa as a developing country?
- What kind of role can SACCI play to make an effective contribution to state–business relations through the sharing of information between government and companies?
- What capacity (including systems, organisational structure and culture) currently exists in SACCI to enable effective participation in state–business relations through information sharing?
- What are the limitations in SACCI that restrict its ability to ensure effective sharing of information, including with other business associations involved?
- What steps can be taken to address these limitations effectively and improve information sharing?

Some questions were prepared on the basis of the sub-themes listed above and based on the results of the collection of background data from the COO of SACCI. The questions were also designed with the aim of applying the theoretical framework adapted from the ideas of mechanisms and incentives for information

exchange as set out in the approach of information and knowledge economics. These questions are set out in Appendix 2. As hoped, they provided a good basis from which the interviewees could be encouraged to open up and speak freely on the topic. The interviews were wide ranging and covered the key points as part of an organic conversation, rather than simply in the format of a question-and-answer session.

Ideally, all the interviews should have been conducted in person for the purposes of this research in line with the customary research methodology of many academic social studies (Bryman, 2012, p. 214). There are definite advantages to be obtained from face-to-face engagement, especially on a topic such as state–business relations which can be sensitive and of a political nature in some instances. This was not always possible, however, and the alternative strategy to conduct telephone interviews was implemented. The main reason for needing to use the telephone related to the time constraints in completing the research and the existing commitments of a number of the people targeted for interviews. This came with its own special needs and further work was required in order to keep the telephone interviews focused and of a reasonable length of time. Bryman (2012, p. 215) details both some advantages to, and challenges of, telephone interviews which the researcher took into account in utilising this method for obtaining qualitative information.

To ensure the credibility of the research carried out for this study, a triangulation of findings from the case study was used. The tools of observation, interviews and a questionnaire were all part of the research methodology followed. This has been backed up by reference to appropriate written documentation (Leedy & Ormond, 2001, p. 157) in both the literature review and the analysis sections that follow.

While there has been a debate among academics on whether the criteria of reliability and validity are relevant for qualitative research, Bryman (2012, p. 389) suggests that they are important even if they are interpreted with a different meaning. For the purposes of this research, the concept of 'trustworthiness', as

proposed by Lincoln and Guba (1985), was used to consider the credibility, transferability, dependability and confirmability of the research. The following is an assessment of these four criteria in relation to this research on state–business relations in South Africa and the specific techniques used to ensure trustworthiness of the study:

Credibility: As mentioned above, triangulation of the data for the case study on SACCI was undertaken with the use of multiple sources such as literature, website resources, interviews and a questionnaire. Respondent validation was used with some of the interviewees (as time permitted) to check the notes on the outcomes of the interviews and the analysis of the information.

Transferability: This is not easy to establish when using detailed case study methodology and Bryman (2012, p. 392) recommends the use of "think description". The current study aims to provide a detailed account of the operations of SACCI with regard to the exchange of information with government on trade policy and negotiations. It draws on the comments and observations of interviewees to provide colour and deeper understanding of the case study. This will assist in other researchers being able to judge whether the findings are useful in the broader context of both information economics and its application to state–business relations.

Dependability: It will not be possible for an audit of the research findings to be carried out in the context of this study. The researcher has, however, ensured that records have been kept of the processes involved in undertaking various steps of the research, including notes on all of the guidance received from the supervisor.

Confirmability: Bryman (2012, pp. 392–393) describes this criteria as when the researcher makes it apparent that "he or she has not overtly allowed personal values or theoretical inclinations manifestly to sway the conduct of the research and the findings deriving from it". The researcher approached the study with this

criterion firmly at the forefront of the process, and was guided on occasion by the supervisor to ensure that professional and theoretical rigour was maintained.

The data collected from the research were analysed using a flexible process of thematic analysis which is a common approach to qualitative data analysis (Bryman, 2012, p. 578). A pen-and-paper system was used by the researcher to identify possible themes in the interview transcripts through an informal type of coding based on repetition of ideas by the interviewees. A computer-assisted analysis tool was not used in this research. The researcher relied on annotated transcripts and notes taken during the interviews to guide the analysis of the research. The identified themes were tested against the issues highlighted through the literature review for the study.

4 CASE STUDY ANALYSIS: SOUTH AFRICAN CHAMBER OF COMMERCE AND INDUSTRY

4.1 *SACCI Background*

BOX 4.1: SOUTH AFRICAN CHAMBER OF COMMERCE AND INDUSTRY (SACCI)

Contact details

Physical address
Chamber House
24 Sturdee Avenue
Rosebank
Johannesburg
South Africa
2196

Tel. no.:	+27 11 446 3800
Fax no.:	+ 27 11 446 3804
eMail:	advisor@sacci.org.za
Website:	http://www.sacci.org.za

About SACCI

Date of foundation:	Not known
Number of Secretariat staff:	7
Number of staff dedicated to advocacy:	3
Language(s) spoken:	English
Interests represented:	Corporates and sector bodies
Key members:	Numerous members – both individual companies and industry associations
Senior members of the Secretariat:	Chief Executive Officer – Neren Rau
eMail:	ceo@sacci.org.za

Source: Grant and Dube (2012, p.51).

SACCI is one of a number of apex private sector bodies in South Africa and is the largest business chamber. It is one of the longest-standing organisations that have been representing the private sector at a national level, including through the predecessor of SACCI – the South African Chamber of Business (SACOB). The

membership structure of SACCI accommodates local and regional chambers of commerce, sectoral business associations, large corporations, and SMEs. The SACCI website claims that, indirectly, there are approximately 20 000 businesses with membership of SACCI (SACCI). This includes a number of large corporates with direct membership but most are associated via the 50 local and regional chambers of commerce and the 15 national industry associations that belong to SACCI.

The overall direction and activities of SACCI are determined by resolutions of the Annual Convention which builds on discussions at the provincial level by member chambers. SACCI's website (SACCI) sets out the following as the mission and objectives of the organisation:

MISSION – To effectively protect and promote the interests of business.

OBJECTIVES –SACCI strives to:

- ensure adequate protection of the interests of business
- formulate the policy and viewpoint of business on key issues that affect it
- influence constructively the environment in which business operates
- help business to adapt to realities that cannot be changed
- assist chambers in helping their members to grow their businesses and fulfil a leading role in their communities
- promote the private enterprise system and market-orientated approach with equal opportunities for all
- be the voice of business.

SACCI is governed by a Board of Directors which has 16 members elected at an annual conference from the 30-member SACCI Council. The organisation is supported by a small Secretariat that includes 11 staff members (with an additional position advertised at the time of the research). Of the current staff, 6 could be considered professional, while the others have largely administrative responsibilities. Of the professional staff, 4 work on policy-related matters.

SACCI offers a range of different services to its members. These include the following:

- Events hosted, often with guest speakers, including senior government representatives
- Monthly newsletter and database of information resources on a wide range of issues of interest both to chamber members and individual firms
- Networking platform for business
- Monthly Business Confidence Index: Since 1985 SACCI has been tracking an index that reflects the business mood and climate in South Africa
- Authorised guaranteeing body for the issuing of ATA Carnets (International Uniform Customs documents) for traders in South Africa
- Monthly Trade Conditions Survey that monitors both trade activity and trade expectations of business.
- Specific events and support for SMEs
- Facilitation of South African participation in the International Chamber of Commerce
- Regular Cooper Theft Barometer
- Preparation and distribution of policy papers on a wide range of issues.

4.2 *Information Exchange between Government and SACCI*

Applying the theoretical framework developed by information and knowledge economics (Stiglitz, 2002), there are a number of different mechanisms through which SACCI engages on policy matters with the government and facilitates the flow of information. All of the mechanisms mentioned by interviewees for this research are summarised in Table 4.1, together with the incentives that influence the effectiveness of each mechanism as assessed from the research undertaken for this study. Given space limitations, it is not possible hear to go into detail on all of the mechanisms so the following paragraphs focus on those that were raised most

often during the interviews and which were given the greatest level of attention by the respondents.

Table 4.1: SACCI Mechanisms and Incentives for Information Exchange

Mechanism	Related Incentives
BUSA membership	Access to NEDLAC, invitations to government activities coordinated through BUSA (e.g. trade promotion missions), networking and knowledge exchange, Business Parliamentary Office, expensive membership fees
Participation in NEDLAC	Direct engagement with government officials on policy and draft legislation, regular briefing sessions on trade negotiations, circulation of documents from government, procedural and administrative burden, time required, level of participation from other constituencies, lack of strategic debate
Member meetings with ministers	Government policy explained by the most senior policymakers, networking platform, opportunity to ask questions (not always), presence of media can restrict debate
Small, closed sessions with minister or senior government officials	Highly interactive, off the record, one on one time with senior policy makers, commitment to follow up
Informal interaction with officials	Ad hoc, time required, question of reliability, personality driven
Newsletters	Efficient if focused on specific information, can duplicate what is available publicly, application of information for business
Media statements and interviews	Encourage public debate, little government response
Policy papers	Detailed, technical, length, dissemination to right people
Monthly indexes	Encourage public debate, maintain visibility of SACCI to policymakers

First, SACCI is a member of BUSA, which has positioned itself as the one voice for business (as compared to SACCI whose tag line is "The Voice of Business") and is the "apex" umbrella private sector organisation in South Africa. BUSA has a strong focus

on facilitating a dialogue on key policy issues between government and its business members. This has primarily been through the role that BUSA plays as the coordinator of the business constituency at NEDLAC. Through its membership of BUSA, the SACCI Secretariat is able to participate in NEDLAC meetings and to gain access to the information that the government provides there, including on trade policy and negotiations. SACCI has played an active role at NEDLAC in the past; for example, the COO, Peggy Drodskie, of SACCI was the Business Convener for the Trade and Industry Chamber for a number of years. As noted by respondents, this particular engagement provides a channel for direct information exchange between SACCI and government officials on matters that are on the NEDLAC agenda, including draft bills, regulations and policy positions.

Through membership of BUSA, SACCI also has a number of routes for the indirect exchange of information with government. It was explained in the interviews for this study that at BUSA there is a dedicated Committee for Chambers of Commerce. This is another focused avenue through which SACCI engages with a range of different stakeholders in order to obtain information about developments in the policy arena in South Africa. The committee was scheduled to meet once a month but this has not been the case more recently. The committee is intended to provide a space for the representatives of a wide range of chambers of commerce to exchange experience and knowledge of issues of concern to their constituencies.

Information from government is also indirectly communicated to SACCI via other BUSA structures (such as the Standing Committees on Trade, Economic and Social Policy) and events, including workshops, business forums, trade and investment promotion missions, and briefings with the president and his ministers. On issues that are before Parliament, there are regular newsletters from the BUSA Parliamentary Office in Cape Town that are received by SACCI and other BUSA members.

What is not clear from the research undertaken is how much of the information SACCI receives through its membership of BUSA is passed on to its members. There

are certain individuals (including SACCI Board Members and Secretariat staff) who are well informed and use BUSA engagements as a primary source of information on some issues. Regular mechanisms do not seem to exist, however, to enable the information from BUSA to flow to all SACCI members. The SACCI Secretariat confirmed that they do not circulate all the documentation received from BUSA on the activities of government, although some of it is included in SACCI newsletters and uploaded into the resources section of the SACCI website. Feedback to SACCI members is also provided via regular committee or working group meetings. It is rarely possible to extend invitations to BUSA events to all SACCI members and, therefore, the participation tends to be limited to members of the Board of Directors and Secretariat staff.

The second mechanism used by SACCI to access information from government is through formal speakers meetings or events where ministers or senior officials are invited to participate; for example, SACCI has recently hosted the Minister of Trade and Industry, Minister of Justice, and Minister of Finance, among others, at sessions that were open to all members. In the interviews for this research, the value placed on these engagements was mixed. Most people associated with SACCI did, however, confirm that these opportunities to listen to a presentation on government policy were appreciated by members, especially if space was provided for direct engagements through questions or discussions. The exchange of information through this channel does tend to be one-sided, with government offering up its views or position but with little communication of any commonly held views from the SACCI membership. One respondent observed that these meetings provided an opportunity to hear information directly from senior policymakers, which was valuable even though not much information that was not already known was conveyed.

The third mechanism for SACCI to receive information from the government is through more informal interactions with officials in particular. These were described by one business interviewee as "ad hoc" and often "dependent on your personal relationships and networks". They are however useful for obtaining

informal updates on the status of policy processes within government and also an idea of when certain issues are likely to emerge for input by business associations, such as SACCI. It is often difficult for SACCI staff to report to the wider membership on the outcomes of these more informal information gathering exercises. The incentive to use them for conveying any official positions is therefore also a limiting factor.

SACCI communicates it views on policy matters to the government through many of the same routes that it receives information. This includes the exchanges that take place at NEDLAC and the presentation of mandated positions by BUSA. SACCI will contribute information gathered from its members to the development of business positions on draft legislation and policy according to the COO. The incentive structure for SACCI members to contribute to these processes is however not particularly strong as there is little recognition given to the individual view points or inputs from firms. The mandated positions tend to be distilled down to the lowest common denominator that is agreeable to all businesses represented in the process.

To address the concern of SACCI losing its voice in the broader BUSA and NEDLAC processes, the organisation does prepare and publish its own position papers. These are distributed electronically via the SACCI website and also through targeted emails to identified policymakers. The interviewees who had participated in the preparation of these policy papers believed that it could be a valuable process but questions were raised about how much impact this mechanism had with regards to influencing government policy. One respondent said that the dissemination of position papers is the most critical aspect of the process because if the information does not get to the right people then there is very little incentive provided to continue engaging using this approach.

One mechanism used by SACCI to convey information that it gathers from its members are the indexes developed on business confidence, trade conditions and copper theft. This is a unique offering of SACCI and a mechanism that has not been

successfully developed by any other apex business association in South Africa. The COO of SACCI confirmed that these are priority policy engagement tools for the organisation. The monthly result can attract a significant amount of media interest and provide a focus for public debate on issues of key interest to SACCI members. While there is no direct linkage between SACCI and the government when it comes to this particular mechanism, the interviewees who raised this example were positive about it and confirmed that the publicity alone was a strong incentive to keep using it. One respondent described the Business Confidence Index as an important way to ensure that SACCI remains a visible stakeholder with an interest in economic policy issues.

4.3 *Trade Policy and Negotiations*

SACCI does not currently have a trade policy committee or working group. Therefore, its engagement on these issues is fairly limited. However, trade issues are discussed by members in a number of the other standing bodies. The working group on Africa was mentioned specifically in this regard. SACCI also undertakes a monthly survey aimed at assessing the views of participations on trading conditions in South Africa. This enables members to access quite a wide range of views on trade matters from a practical perspective. The following information in Box 4.2 provides an assessment of the activities of SACCI on trade policy, which was based on research undertaken in 2011 and 2012 (Grant & Dube, 2012). It remains an accurate summary based on the analysis of the research undertaken for this study.

BOX 4.2: SACCI AND TRADE POLICY ENGAGEMENT

Business Advocacy Activities Carried Out

The South African Chamber of Commerce and Industry (SACCI) is a member of Business Unity South Africa (BUSA) and engages in policy advocacy largely through the BUSA Chambers Committee. It does develop its own positions on specific issues of interest to members through a small number of technical working groups. Over

the years these groups have, however, been reduced in number to enable a focus on the provisions of services for members instead. One of the flagship activities of SACCI is its monthly Business Confidence Index.

Means Available to Promote Members' Interests

SACCI has a strong media profile and uses this as a means to promote its members' interests. This includes good coverage on a regular basis of its Business Confidence Index. SACCI also organises a number of high-profile events each year and hosts key policymakers to address its members.

Specific Trade Policy Areas of Interest

- Opportunities on the African continent
- Infrastructure.

Remarks About Current Capacity to Promote Members' Interests

SACCI does not have any specific professional capacity to engage on trade policy issues and tends to leave this to BUSA. SACCI tends to focus on domestic issues where it has a comparative advantage through its fairly strong public profile. The capacity of SACCI to participate in trade policy debates is currently limited and does not seem to be a priority for its members.

Assessment of Capacity to Contribute to Public Private Dialogue on Trade Policy:

Weak capacity

Source: Grant & Dube, 2012, p.51.

It is worth reflecting here on a number of the responses provided by the government official interviewed for this research as the focus of his involvement with SACCI is in relation to trade policy and negotiations. He confirmed that NEDLAC remains the primary mechanism for the exchange of information between the dti and business on trade matters. Government is not unhappy with the level of debate in the Trade and Industry Chamber and the technical subcommittees of NEDLAC, with the interviewee citing examples of the formulation of positions on the Economic Partnership Agreement negotiations with the European Union and the Tripartite Free Trade Agreement. The effectiveness of this engagement is however dependent on business having the capacity to engage and the necessary information from firms who are operating at the coal face of trade. The respondent raised the question of whether business organisations like SACCI are in fact investing in their own capacity to deal with trade policy debates. He mentioned that many of the people involved had extensive knowledge and experience but this did not appear to be widely shared. The NEDLAC discussions were characterised as being technical, often procedural and involving the "usual suspects".

The dti has supplemented NEDLAC processes on occasion in order to get broader input and share information more widely on trade policy. This has included issuing government gazette notices calling for comment on particular negotiations (such as the preferential trade agreement negotiations between the Southern African Customs Union and India) and convening trade policy reference groups to provide input into the South African Trade Policy and Strategy Framework. Another example highlighted of public-private dialogue on trade issues in South Africa are the consultative conferences that take place before each Ministerial Conference of the World Trade Organisation. South Africa is one of the few member states of the WTO to include business representatives in the official delegation to the Ministerial Conferences.

When asked about the perceived incentives for business to participate in trade policy processes, the government official interviewed for this research questioned the commitment of business to the mechanisms and even asked if trade policy is in

fact important for most South African firms. He described NEDLAC as dominated by "protectionist business interests" and added that there was rarely representation of big corporate, exporters and SMEs. This resulted in a "silence from business on progressive, forward looking trade priorities", according to the government respondent. It was suggested that until this is addressed then public-private dialogue on trade policy in South Africa is likely to remain a process dominated by an elite group that is difficult to connect to the real world interests of the majority of private sector.

Other challenges for the engagement between state and business on trade policy, in particular, were mentioned by other interviewees as well. They included: literacy among private sector representatives on technical trade issues; capacity within organised business in South Africa to fulfil the role of linking policy issues with the concrete experiences and interests of firms; dissemination of information on the debates beyond the small group that participates regularly in NEDLAC and other mechanisms; lack of coordination and cooperation among government departments on key trade matters; and, no platform provided for business to assist government by providing commercial intelligence that could inform the development of trade policy.

The government official interviewed call for a rethinking of how NEDLAC works so as to remove some of the obvious disincentives for participation, such as the inflexible agenda, procedural requirements, and time delays. Further consideration should also be given to establishing additional or supplementary mechanisms. One specific suggestion was to have a regular "retreat" between the relevant Ministers and senior business leaders to strategise on South Africa's broader global economic engagement. Such a high level interaction was mentioned as missing by a number of business respondents as well.

5 FINDINGS OF RESEARCH: IMPLICATIONS OF CASE STUDY FOR STATE–BUSINESS RELATIONS

Given the limitations of this research, it is not possible to draw any significant general conclusions on the implications of the findings for state–business relations in South Africa. It is, however, clear that there are a number of trends or themes that may have some broader application that could assist in answering the research question set out in section 1.3 of this report, and make a contribution to an understanding of the concepts identified through the literature review and research (e.g., state–business relations, information exchange and public–private dialogue). The findings set out below emerged from the research on the case study of SACCI and its role in information exchange on trade policy and negotiations. Given the nature of the interviews undertaken and data collected from SACCI, it is possible to frame the findings as applicable beyond trade policy as there was little apparent difference in both the mechanisms and incentives between this and other areas of policy engagement.

The overarching question that was the focus of this research was: How do umbrella business organisations in South Africa contribute to state–business relations through their role of exchanging information between the government and the private sector?

In order to answer this question, the theoretical framework of information economics, as established by Stiglitz (2002), was used with specific reference to the idea of the level of information exchange being determined by both mechanisms and incentives. By considering the case study of SACCI, it is clear that there are a number of different mechanisms in place to facilitate the exchange of information between government and business. They are described in detail in Chapter 4 and include participation in BUSA and NEDLAC; engagements with high-level

government leaders in both public and more informal (often closed) meetings; and interactions with government officials on specific topics.

All those interviewed for this research confirmed that there is a potentially significant role for umbrella private sector organisations such as SACCI to contribute to state–business relations in developing countries. The establishment and frequent use of the mechanisms for information exchange are illustrative of this potential that can be taken from the case study of SACCI. SACCI was considered to have the capacity to fulfil this role, including the mandate from members, human and financial resources within the Secretariat, and systems to organise information exchanges with government. Interviewees identified a number of limitations, which are discussed in more detail further on in this section, including how these restrictions more broadly apply to apex private sector bodies.

One of the research findings on mechanisms for information sharing relates to NEDLAC, which was a common theme in the interviews conducted for this study. All the interviewees indicated a concern about the current situation. It was felt that NEDLAC had not lived up to its full potential as a platform for social dialogue, including among government and business. However, interviewees put forward different reasons as to why this was the case. One person put the blame squarely at the feet of business by conveying dissatisfaction at the level of engagement by members of BUSA. He said that the right people did not attend NEDLAC meetings and, as a result, business was not taken seriously by the other constituencies. Others held a view that attributed the problems of NEDLAC to all constituencies in some way or another; for example, one mentioned the challenges of organised labour which had become increasingly fragmented since 2013. Another gave the examples of the failure of Parliament in two recent high-profile cases to consider the view of NEDLAC on changes to labour legislation and the proposed youth wage subsidy.

Another mechanism that was found to be problematic as a result of its structure and design were the interactions hosted by President Jacob Zuma with labour and

business on key issues impacting on South Africa's economy. These meetings have replaced the business working group structures that used to exist under the administration of President Thabo Mbeki. The current structures were designed by the Minister of Economic Development, Ebrahim Patel, to share ideas and responses to the challenges faced following the global economic crisis in 2009. They resulted in a number of so-called grand accords that included specific commitments undertaken by the government, labour and business. One interviewee noted that the government issued invitations to business people to participate in these meetings and, as a result, the accords were often signed by individuals who had no mandate to represent the wider private sector. While office-bearers of SACCI often had the chance to be part of these meetings, there was limited engagement with the broader membership either in preparation for, or following, them. Those businesses who were not at the events hosted by the president felt little ownership of the outcomes and there was therefore limited implementation.

When considering the incentives for information exchange via an umbrella private sector organisation such as SACCI, the research indicated that this was not as clear cut as simply identifying the mechanisms. One important observation made by an interviewee from a large corporate member of SACCI was that there were numerous mechanisms available for sharing information with the government and that the mechanisms used by SACCI were not necessarily the most effective. In order to assess this in more detail, the incentives can first be considered in relation to accessing information from the government via an umbrella private sector body and, second, from the other perspective of the incentives for making input into government policymaking (providing information on the views of business) via an organisation such as SACCI.

SACCI was not the first option for members interviewed seeking to access information from the government about developments in policy and likely decisions that might impact on the business environment. Interviewees cited the day-to-day use of both traditional media (e.g., newspapers, television and radio) and, increasingly, social media (e.g., Twitter and LinkedIn) for gathering information on

government activities. The incentives to use these sources of information included the ease of access; the up-to-date nature of the information reported; and the appreciation of the relatively free media in South Africa which regularly provided detailed reporting on government debates and processes; and the low cost of accessing these mechanisms. One interviewee noted with regard to social media that it was also possible to tailor the information accessed to suit the needs of a particular business interest and, therefore, in a way, obtain a more bespoke offering than that which could be provided by an umbrella business association.

One example provided by an interviewee of a service provided by a business organisation that was helpful in collecting this type of basic information on policy developments was the regular newsletter issued by the Business Parliamentary Office in Cape Town (part of the BUSA structures). This was described as a useful source of information on the issues of interest to the private sector that were currently on the agenda of Parliament. The incentives for using that mechanism to access information were the direct delivery of the newsletter into the email box of subscribers (so there was no need to search for it) and the ability of the newsletter to distil large amounts of information from Parliament into an easily accessible format which focused on the anticipated concerns of a broad cross-section of the business community.

Interviewees also confirmed that they did not rely on participation in SACCI or other private sector bodies to gain direct access to government officials. The SACCI members interviewed had other options to get information from government directly, such as requesting meetings with officials, using networks and participating in sector-specific initiatives (e.g., the regular consultations with private banks hosted by the South African Reserve Bank). It could be expected that this would differ from firm to firm and be more of a challenge for smaller enterprises in particular. That was not the case in this study but it would require more specific research with a larger sample of small businesses to explore the particular issues for them in respect of talking to government officials. That said, it can be concluded that there is not a compelling incentive of lack of direct access to government

officials that drives members of SACCI to use the organisation to access information through that mechanism.

Where there did seem to be a much clearer incentive for using the services provided by SACCI was in relation to accessing information directly from senior government leaders or ministers. One interviewee described the dilemma faced by ministers who were keen to engage with business but who did not have the time to respond to every request for a meeting on an individual basis. There is also a degree of political sensitivity when a minister is seen to be engaging with a single business person or firm. This can create the perception of political favour and call into question whether the government has been captured by certain vested interests of the private sector.

Convening group interactions for senior government leaders and business representatives is a clear role that can be played by umbrella private sector organisations to make an effective contribution to state–business relations through facilitating the sharing of information between government and companies. There is the incentive for members to participate as they are unlikely to be able to get direct access to ministers through other means. One interviewee suggested that the information received during such meetings often did not add much to what he already knew from other sources. There was, however, the incentive to hear it directly from the minister at the events organised by SACCI for this purpose.

The incentives for business to participate in NEDLAC were specifically raised by a number of the people interviewed for this study. There was an acknowledgment that NEDLAC could play a useful role in providing information to the private sector organisations who participate in the chambers, particularly with regard to trade negotiations where there is often not a good deal of information available publicly. For some, these benefits were, however, outweighed by the disincentives to participate in NEDLAC meetings, such as the highly procedural nature of the interactions; the time-consuming process involved in reaching an agreement; the perceived complicity of government and labour; the lack of meaningful engagement

among peers; and the dominance of a few people who have been involved with NEDLAC for many years and tended to guide the direction of the debates to the exclusion of newcomers.

If one looks at the incentives to use the mechanisms provided by SACCI to convey information from business to the government, one finds that there are some differences from the incentives found to apply to information flows in the other direction. Firstly, there is a strong incentive implied by the rationale for establishing organised business bodies in the first place – that there is a greater impact and a certain safety in numbers. All the interviewees noted that the government was much more likely to acknowledge and pay attention to the views put forward by a group of firms rather than those expounded by an individual business person. This relates, in part, to the time constraints of policymakers to engage with individual private sector operators but also goes to the weight of the information. The statements made by SACCI are more likely to be picked up by the media as well, and can, therefore, indirectly influence the public debate between the state and business.

Secondly, there is an incentive to use SACCI to convey information to the government as the Secretariat staff can provide a filtering role which helps members to understand the implications of government policy decisions and to prepare responses that are then policy-appropriate. An interviewee for this research observed that government and business were often not speaking the same language. Providing a type of translation or filtering service is a key role of a private sector organisation and, if it is done effectively, it is an incentive to use the mechanisms provided for information flow to government.

Thirdly, the use of an umbrella business body to convey information from members to government is often incentivised by the lower direct costs involved. Members pay SACCI a fixed fee and, in exchange, they gain access to a range of services, including the development of policy positions on key issues such as trade policy and negotiations. Because the costs of the Secretariat and the resources involved in

preparing views to be presented to government are shared by the membership of the organisation, it can work out to be much less expensive for an individual firm or association to interact with government through this mechanism than to do so directly. The lower costs also provide an incentive for SACCI members to engage on a wider range of policy issues that are not necessarily specifically relevant to their day-to-day business operations.

The timing of this research meant that it was unavoidable that more general discussion with interviewees about the overall state of organised business in South Africa was needed. While this was not the specific focus of the study, it did provide useful input on the overall concepts being considered, especially state–business relations and public–private dialogue. It also helped in answering two of the sub-questions used to guide the research: (1) Are there limitations in umbrella private sector organisations in South Africa that limit their ability to ensure effective sharing of information? and (2) What steps can be taken to address these limitations and improve information sharing effectively? The following is a reflection on the key findings with regard to private sector organisations in South Africa beyond SACCI and its role in information exchange on trade policy and negotiations.

Firstly, all interviewees commented on the proliferation of umbrella business organisations in South Africa and the negative impact this has had on the interactions between government and the private sector. One business person related how one could be called to a meeting on the same subject with largely the same participants by two or three different organisations in the same week. He added that there did not seem to be a clear definition of roles between the apex bodies and this diluted their value when it came to influencing state–business relations. The government official interviewed for this research noted on this point that the existence of many different organisations purporting to be the 'voice of business' just confused policymakers who wanted to consult with the private sector. A member of SACCI added that this confusion enabled the government effectively to 'divide and rule' the private sector on certain policy matters when it suited it.

Secondly, the large number of umbrella bodies has resulted in the capacity of the secretariats being spread too thinly. A specific set of skills is required to fulfil the roles of effective organised business, particularly with regard to being able to communicate effectively on policy matters in a way that makes sense to business as well as government. One interviewee said that there were people with these skills in organised business associations in South Africa but, unfortunately, they were spread among the many different organisations and there was no consolidated team that was able to provide support across the broad range of policy issues on the table.

Thirdly, there is a related constraint on the ability of business leaders (such as CEOs) to give their own time to pursue public–private dialogue activities when they often belonged to more than one apex organisation. To provide effective leadership, senior business people need to be able to leave their own interests at the door of the business association and assume a role on behalf of all the members. This is made more ad hoc and inconsistent when the lines of communication among the state and business are confused by the proliferation of role players.

In summary, there appears to be a mismatch in some instances between the current mechanisms used by SACCI to facilitate the flow of information between its members and government with the incentives for engaging in this process. This is the case with regard to participation in NEDLAC, which is currently particularly problematic and failing to contribute effectively to state–business relations. The high-level meetings held between the president of the country, business and labour were also criticised for resulting in meaningless grand accords that did not make any real contribution to the economic development of South Africa. It will be important for SACCI to be aware of the incentives for information sharing through different mechanisms as it continues to evolve as a leading apex private sector organisation in South Africa.

This research has been limited to only one factor in the model of state–business relations used by Sen and te Velde (2009), and Harriss (2006) which includes three

additional considerations in addition to the exchange of information: (1) check and balance on government policies, (2) reduction of policy uncertainty, and (3) the establishment of high levels of trust between the stakeholders. These ideas were not included in the research methodology developed for this study and no specific questions on them were posed to the interviewees (refer to Appendix 2). Given the semi-structured nature of the interviews, a number of references were, however, made to broader aspects of state–business relations by interviewees. The one theme that recurred most often was that of trust between government and the private sector or, more specifically, the perceived lack of trust in state–business relations in South Africa. One member of SACCI noted that private sector organisations should, in theory, play a role in building trust between the government and business but that this was not the case in South Africa. This was attributed to some of the challenges mentioned above, including the proliferation of apex bodies and the divide among the private sector along racial lines (seen in the split of the BBC and Black Management Forum from BUSA) and referred to by Nattrass and Seekings (2010, p. 23) as "fault-lines".

While the question of trust would require a separate study in and of itself, there are some implications for the flow of information between government and business. If one side does not trust the other, then it is unlikely that information will flow unimpeded, especially on any issues that are particularly sensitive. Trade policy and negotiations could be one such area where it is critical for both parties to trust that the other will protect any requested level of confidentiality and privacy of commercial data. An additional point raised by some of the findings above is about levels of relative trust in that the mechanisms established by an organisation such as SACCI to facilitate the flow of information may not be as trusted as much as other similar mechanisms or alternatives (even the media). A comprehensive approach to state–business relations that looked at the various factors in an integrated way would highlight some of these important considerations and linkages.

6 CONCLUSION

It is clear from both the literature and the case study of SACCI that there is a role for organised business structures in developing countries to facilitate state–business relations through the exchange of information. To a certain extent, this is already taking place in a number of different ways, through mechanisms that are both formal and informal but often on an ad hoc basis that depends on the availability of key personnel or a priority matter that makes the interaction reactive in nature. Both government and business representatives identified challenges when considering the existing information exchange mechanisms operating in South Africa, including NEDLAC and the structured working groups hosted by the President of the South Africa.

In the area of trade policy and negotiations there are particularly compelling reasons for public–private dialogue to be encouraged. The implementation of trade policy requires the participation of business, and for this be achieved, a high degree of transparency is required. However, sharing information is not always as straightforward as it may seem on the surface. Different incentives exist for interested stakeholders and these can change at the various stages in the process of trade negotiations and policy development. This prompts consideration of flexible mechanisms that allow these dynamics to be taken into account and to enable the true value of the interactions to be maximised.

Consideration of the incentives for using the mechanisms provided by SACCI for information exchange with the government resulted in some interesting findings; for example, it is not possible to consider the concepts of state–business relations and public–private dialogue in isolation of other information exchange systems that exist in a country. In the case of South Africa there is a relatively free media and widespread use of social media, which has an impact on the value of the information exchange offering of apex private sector organisations. The research

suggests that an organisation such as SACCI needs to tap its core strengths of focusing on information that is particularly relevant for business (filtering) and offering an array of services that help in the translation of important policy debates into a language that is accessible to the private sector.

6.1 Recommendations

With the conclusions set out above in mind, the following are some possible recommendations that could be considered in the South African context to improve state–business relations through the exchange of information.

Firstly, the exchange of information between government, business and other constituencies (i.e., labour and civil society) is formalised in South Africa through NEDLAC. This includes the area of trade policy and negotiations. There is massive potential in this mechanism that is not being utilised fully. This, in part, relates to the way in which the constituencies are structured, which is a particular challenge for organised business. The requirement for the private sector to be represented through one body – currently BUSA – presents challenges for the flow of information both to and from individual firms. It is recommended that business reconsider the way in which its participation in NEDLAC is structured so as to improve the exchange of information on trade policy matters through this important mechanism. As was suggested by one interviewee, this should focus on ensuring that the right people from business are part of the NEDLAC delegations and that senior private sector representatives provide clear leadership in order to give the NEDLAC process credibility and real value.

An initial consideration of the incentives for the engagement of the private sector in NEDLAC has revealed some important considerations about the constraints of the structure for facilitating public–private dialogue on trade policy. It may not be possible to change the incentives directly and, therefore, it is secondly recommended that both government and organised business develop alternative mechanisms to NEDLAC that provide space for open and regular engagement on

trade policy and negotiations. These interactions could be facilitated by third parties, such as think tanks, who can provide an independent and neutral platform that is cost and time effective.

Thirdly, one of the key roles of organised business structures is to act not only as a conduit of information, but as a filter or translator. Enhancing the ability of organisations like SACCI to do this, would help to bridge the communication gap between trade policymakers and negotiators with business people. There are examples where the same language is not used by these two key stakeholder groups, for example, in relation to trade in services matters. It is recommended that private sector bodies, such as SACCI, build their capacity to filter and translate information received from both the government and their members of trade issues. This could be done through the further consolidation of the various apex organisations that are currently active in this space in South Africa, the clear definition of the value add of the various business players and the pooling of resources.

Fourthly, it is recommended that further research could make a useful contribution to developing a deeper understanding of state–business relations in South Africa. This could focus, in the first instance, on the interactions between the government and private sector organisations. There are a number of options that could be considered to provide an overall strengthening of apex business bodies, such as mandating membership through legislation, which would provide a more regular source of income, or secondments between government and organised business to encourage sharing of experience and deeper appreciation of different views.

Finally, this study has focused on only one of the relevant factors for state–business relations – information sharing. In order to develop a complete picture of the situation in South Africa, it would be useful for further research to examine in detail the other factors, especially trust which was a common theme that emerged indirectly from this research.

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APPENDICES

APPENDIX 1: People Interviewed

The respondents for this research were the following people:

Business

Ms Peggy Drodskie: Chief Operating Officer, South African Chamber of Commerce and Industry

Mr Dennis Dykes, Chief Economist, Nedbank (corporate): Member of the Board of Directors of the South African Chamber of Commerce and Industry

Mr Duane Newman, Cova Advisory (small business): Active member of a number of business associations

Government

Dr Brendan Vickers, Chief Director, Department of Trade and Industry

Supplementary Interviews

Mr Alistair Smith, Executive Secretary, National Economic Development and Labour Council

Ms Cynthia Chikura, former Director of Trade Policy, Business Unity South Africa

APPENDIX 2: Interview Questions

Interview Questions: Background Information on SACCI

1 How many members does SACCI currently have?

2 Can you please provide a breakdown of the membership by category?

3 What is the governance structure of SACCI?

4 How many staff members are employed by the SACCI Secretariat?

5 What are the main services offered to the members of SACCI?

6 What committees or working groups does SACCI currently have in operation?

Interview Questions: Information Exchange: SACCI Staff and Members

1 What mechanisms are in place for SACCI to receive information from government on policy issues?

2 Are the same mechanisms used to pass on information from SACCI to government? If not, please identify the other mechanisms.

3 How effective is each of the identified mechanisms?

4 What resources are available within SACCI to support the exchange of information (e.g., staff, communication technologies)?

5 What are the main challenges for the exchange of information between SACCI and government?

6 What changes could be made to improve the information exchange mechanisms?

7 What is the main value offered by SACCI in the area of information exchange – both to the business community and the government?

8 Are umbrella private sector bodies required for effective state business relations in South Africa?

9 How does SACCI engage in the area of trade policy and negotiations?

10 What are the particular challenges of information exchange on trade matters?

Interview Questions: Information Exchange: Government Officials

1 What mechanisms are in place for government to receive information from SACCI on policy issues?

2 Are the same mechanisms used to pass on information from government to SACCI? If not, please identify the other mechanisms.

3 How effective is each of the identified mechanisms?

4 What resources are deployed by government to facilitate the exchange of information with SACCI?

5 What are the main challenges for the exchange of information between SACCI and government?

6 What changes could be made to improve the information exchange mechanisms?

7 Are umbrella private sector bodies required for effective state business relations in South Africa?

8 What is the main value offered by SACCI in the area of information exchange – both to the business community and the government?

9 What is the role of an umbrella private sector body in the area of trade policy and negotiations?

10 What are the particular challenges of information exchange on trade matters?