

Abstract

The *raison d'être* for Black Economic Empowerment (BEE) and its more recent Broad Based version is to achieve racial economic equality. This paper evaluates how narrowly defined BEE – which is limited to the conferring of ownership, management and control of South Africa's financial and economic resources to previously disadvantaged individuals – measures up against Rawls's theory of distributive justice. The paper argues that the policy of BEE's ostensible implementation failures are a consequence of inherent problems in the conception of this policy – the conflation of individuals, who are real personalities with moral responsibilities, and the group, which is an abstract entity from a moral point of view. The paper further argues that the desired goals of directly addressing the economy's skewed racial profile and the requisite changes in intra- and inter-firm relational patterns of capital and control are not adequately served by the BEE policy as currently conceived. It argues that the levels and patterns of inequality that are exacerbated by this policy are not biased towards the advantage of the poorest of the poor as envisaged in Rawls's principles of distributive justice. Arguments in favour of the current strategy of BEE are evaluated, but the general gist of the argument is that the policy as currently conceived cannot move South Africa to greater racial economic equality.

