

“Ethics, Education and Economy: Challenges and new directions”

“Ethics, Education and Economy: Challenges and new directions” was the title of the conference organised by Konrad Adenauer Foundation in cooperation with St. Augustine College at the College’s auditorium in Johannesburg on the 2nd and 3rd of May 2012. The conference was the third of a series that focuses on challenges of the economic system in South Africa.

Both organisations are convinced that ethics are a crucial element of any economic system. The first conference in 2010 broached the issue of social market economy. In 2011 the “society’s corporate social responsibility as a central element of an ethically orientated economic order” was picked as main title. This year’s conference focused on the cohesions between education and economy, challenges as well as new directions for the two were subject to debate. In the context of the event, the following questions were discussed: Does the current system of education adequately prepare students for participation in economic life? What are the needs of the labour market and society respectively? What are the gaps? What works? What are the possibilities? What changes do we need to make?

The conference was subdivided into six sections which covered the role of education in society and economy, vocational and industrial training, labour market and educational provision, education of economic citizenship in South Africa as well as the difficulty young people face transitioning from education to work. Over two conference days seventeen speakers highlighted different aspects and enriched the wrap-up discussion directed by Prof Charles Simkins.

In the first module, ‘Role of education in society and for the economy’, Dr Linda Chisholm, Dr Martin Prew and Dr Julia De Kadt presented. Chisholm, special adviser to the Minister of Education, concluded from her speech ‘Education for all’ (a global initiative, set up by UNESCO 20 years ago) that compared to South Africa, the German system of education prepares students better to participate in society and economic life. In Germany, the system of education and compulsory schooling has been established for 200 years, whereas South Africa only launched compulsory education two decades ago and is still at an early stage. However, the challenges of curriculum design and teacher training is common to both systems.

The director of The Centre for Education Policy Development, Dr Martin Prew, continued the discussion and spoke about the new Green Paper for post schooling which he said has been ignored by the Department of Education for a long time. In the light of high youth unemployment (approximately 3 million or about 70% of 18-24 year olds) which particularly affects students who leave school before ending grade 12, a new institution, the *Department of Higher Education and Training (DHET)*, was established to strengthen the post schooling sector. The post schooling system seems to change, precisely because of this, a white paper for post-school education and training (PSET) should be successfully introduced. Dr Julia De Kadt concluded the first session with research results showing which factors contribute to school choice. The study shows that only 20% of students attend a school near their home, the remaining 80% accept a longer journey in order to attend their desired school. Accordingly, the geo-

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graphical distribution of quality and thereby educational opportunity contributes to inefficiencies in the schooling system and especially concerns already disadvantaged students.

The second series of topics addressed vocational and industrial training. Janet Lopes, Dennis George, Claudia Mummmenthey and Judi Hudson reported on South African and German experiences in this area. Janet Lopes, Skills Development Executive of SEIFSA (Steel and Engineering Industries Federation of South Africa), emphasised that the South African system can learn a great deal from the German and Swiss model. Dennis George, General Secretary of FEDUSA (Federations of Unions in South Africa), introduced the three main challenges South Africa has to deal with. These include deep inequalities in income and wealth, high youth unemployment and massive poverty. George points out South Africa should not copy the economic system of another nation but come up with own creative solutions and new directions for the economy. The next speaker, business consultant Claudia Mummmenthey, presented Germany's dual system as a successful model. In Germany, current youth unemployment rates are at a record 6.1% low in 2012, and local companies are convinced of the benefits of this highly traditional system. Nevertheless, the establishment of a dual system of training takes time; therefore it is important to persuade enterprises of this training variant rather sooner than later. Eventually, Judi Hudson (St Augustine College) was the last speaker of this session. She contributed with a speech about SMMEs (small micro and medium sized enterprises) and their efforts of training entrepreneurs and workers. Hudson sees a great potential in small companies because of the positive results seen on the German and Swiss labour market.

The third series of lectures gave attention to the 'Labour market and educational provision'. Sam Tsima from Tsima Cometsa Management Group (TCMG) spoke about 'Problems and challenges for the labour market in relation to provision of education' and Julian Hewitt, Programme Director at Allan

Gray Orbis, focused on the developing and entrepreneurial mindset, whereby Hewitt emphasised the importance of ethics in education. Furthermore, he described two gaps or bridges which young adults have to negotiate on their way to professional life: the changeover from school to university on the one hand and the entrance into the working world on the other. Subsequently, Prof Marilise Smurthwaite referred to 'Challenges of work in the 21st century'. First of all, Prof Smurthwaite distinguished work as a crucial element of human life which does not only bring enrichment to the individual but also contributes to the common welfare. Beyond that, Prof Smurthwaite listed three challenges in matters relating to work: globalisation, new economy and 'bimorality' (traditional morality versus market morality) which cause ethical conflicts and can only be accomplished with a reflection on human dignity, solidarity, community and social justice.

In the last field of the first conference day, 'Education for economic citizenship in South Africa' was discussed. Prof Leon Van Vuuren spoke about 'generation Y' which refers to young employees born between 1979 and 1994. Van Vuuren observes South Africa's placement on rank 64 in the corruption index in 2011 (out of a total of 182 states) and the downgrading by 10 places as a substantial warning signal for an economy that has lost ethical role models. Business Schools should not teach economy as a world of war but they must focus on the formation of future ethical leadership. The second speaker of the session, Mike Greef, discussed the ability of secondary schooling to make students ethically and economically literate. Greef, economist and CEO of St David's Marist Inanda School, is familiar with both sides of the discussion. From daily life at school he knows that students study to pass their exams and not to acquire skills, and that the subject matter reaches some students but not others. Hence, secondary schooling cannot guarantee a wholesome ethical education.

Prof Amanda Dempsey (University of Johannesburg) added her insights into univer-

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sity education. For instance, the module 'active citizenship' can be seen as a contribution to ethical education for students of economics. It is part of the third academic year and fosters the understanding of identity, rights and responsibility.

The second conference day started with lectures given by Dr Maria Frahm-Arp, Monika Sommer and Dr Neil Rankin on 'Youth in Hard Times: The transition from education to work in Africa and Europe'. Dr Maria Frahm-Arp (St Augustine College) discussed her research results in the South African context. This study shows how young women from townships experience a crisis of identity between their background and the working environment. In the following lecture, Monika Sommer (German Embassy Pretoria) reported on the transition between study and work and drew comparisons between the German and South African system of vocational education and training. Crucially, 80% of apprenticeship training positions are offered by small and middle sized enterprises in Germany; whereas in South Africa small and middle sized companies are less active. The subsequent speaker, Dr Neil Rankin (University of the Witwatersrand), finalised this thematic block with some notes on the question 'Education, unemployment and absorption into the labour force: how wasteful is it?' Dr Rankin emphasised the importance of obtaining soft skills during the training phase in addition to further references of practical training.

more to students' opinions and ideas. This suggestion led to Prof Charles Simkins' (vice president, St Augustine College) final remarks and concluding summary. During the two conference days, speakers and participants dealt with the question of whether the South African education system prepares young people adequately to participate in economic life. Apparently, South Africa's education system faces crucial challenges: society has to absorb the lack of role models and orientation as well as the omission of authorities such as parents or church. Ideally, this shortage should be compensated by pursuing a top-down approach. All educational establishments could advocate ethical and moral behaviour at an early stage. Through this wealthy enriching conference, participants were able to look at an array of insightful ways South Africa can further improve its education system.



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The last session contained Prof Gerard Walmsley's speech 'The Case for Real-World-Economics: Educating for Ethical Responsibility' as well as a wrap-up discussion of the two conference days. Prof Walmsley argued that the thinking of rational economy and the associated idea of man as 'homo economicus' based on a cost-benefit analysis does not leave room for the care of other people. Newer trends strongly criticize this neoclassical approach. Studying economics were not just mathematics but also a social science, Prof Walmsley highlighted. The degree program Politics, Economics and Philosophy combines disciplines which previously used to be separate. Finally, Prof Walmsley pointed out that one should listen