

# **Business and Economics for Tomorrow**

(Draft: Check Against Delivery. Errors and Omissions Accepted.  
Please send comments, corrections and suggestions to  
[ismail.lagardien@nmmu.ac.za](mailto:ismail.lagardien@nmmu.ac.za))

**Public Lecture by the Executive Dean of Business and Economics Sciences at  
Nelson Mandela Metropolitan University, Dr Ismail Lagardien  
Lecture Theatre George Campus of the NMMU  
14 July 2016**

*"Practical men who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back." - John Maynard Keynes*

*It is possible to put the economic text 'under erasure,' to see, that is, the unavoidable and pervasive importance of its operation and yet to question it as a concept of the last resort. - Gayatri Chakravorty Spivak*

*'The sword of history has two edges, one that cuts open new possibilities for the future, and one that cuts through the noise, contradictions and lies of the past.' - Jo Guldi and David Armitage*

## **Introduction**

Business and Economics Sciences at Nelson Mandela Metropolitan University face enormous internal (institutional) challenges, external challenges that have to do with South Africa's national development objectives, and global challenges that have to do with increasing instability in the orthodoxy and hegemony that underpinned business and especially economics for very many decades. Faced with these challenges, we can take some comfort in the idea that we are not alone – so to speak.

One of the more important decisions we have to make is whether we want to follow global trends without question, or whether we can lead and drive changes in the disciplines that make up the faculty of business and economics at NMMU. With some of the responsibility and attendant authority I have as Executive Dean of Business and Economics Sciences (BES), I want to state, with some confidence, that we are positioning ourselves to be a leading institution for change in teaching and learning, and knowledge production. We carry the burden of expectation of our students, of their families and communities, and of South Africans across the country to start making better sense of the problems we all face. We have to start providing better answers to old questions, ask new questions, widen the scope of inquiry across the political economic horizon, and dig deeper into society, and in our intellectual selves, to produce scholarship, insights, and teaching and learning methods. Altogether, as the best and most comprehensive university in the country, we have to start providing substance to the idea that we are an African university of model excellence and ethics, and the pre-eminent South African institution of higher learning. We are unwavering in this commitment.

It is with great pleasure (and a distinct privilege) to deliver this public lecture on the future of Business and Economics at the Nelson Mandela Metropolitan University, today. It is, also, a privilege to be on our George campus, where we want to significantly strengthen our business, economics, accountancy and tourism studies. We will strengthen the southern Cape region by providing the next generation of businesswomen and men, and of public administrators imbued with the vision of NMMU; respect for diversity; excellence, ubuntu, integrity, respect for our natural environment, and responsibility.

Allow me to present some insights into the vision for BES; what it is that drives us, where we want to be and how we want to get there. Before I move forward and lay out how we have positioned ourselves, let me recall a brief passage by Søren Kierkegaard: 'Life must be understood backward... but it must be lived forward.'

I take from this an understanding that we cannot go back; back to a time, real or imaginary, when societies were pristine and ordered, stable and prosperous; when markets were free and unfettered, back to the Golden Age of capitalism, or back to when we were all in some idealised primordial state of nature. It would help to know, in the least, where we are and how we got here. Indeed, we meet at a time of great turbulence and uncertainty in the global political economy; a time when some of the most dearly held theories, concepts and methods have been undermined by the life-world of millions of

people around the world, and when our communities and businesses, our students and parents expect us to provide more complete answers to the difficulties that beset their lives. We can take comfort, nonetheless, from the Igbo saying that *no condition is permanent*. We have to believe that this period of uncertainty will pass, and that a better world will emerge from the devastation of the past two-to-three decades. This is the edge of change at which BES at NMMU has positioned itself.

Coinciding with epoch-defining social and political in South Africa, there have been many extraordinary developments in the world over the past two or so decades. Initially, at least, these changes gave rise to great optimism. Our domestic problems have been discussed over and over again over the past several years; there is little to be gained from picking at this wound. Allow me to shift the discussion to a more global plain, and draw attention to some of the philosophical, theoretical, methodological, the practical and pedagogical issues that underpin our transformative ethos and humanising pedagogy in BES. In doing so, I hope to give some sense of the long and hard thinking that we have done, and the ways in which we are strengthening our institution – and making it a greater part of our society.

We can start, as I believe we should, with history; with a pointed, very brief, but no less critical appreciation of our immediate past, to get a sense of how we got here. I look at history with a sense of provocation, mainly because orthodox Economics tends to be ahistorical, and often concerned with short-term quick and easy profit-making.

We know now that short-term thinking by investors and companies played a catalytic role in the current global financial crisis. **Out of this there has emerged a need to reflect on how we got here, and shift to a long-term view of development that ensures inclusive, equitable and sustainable growth for today's citizens and for generations to come. These objectives include making it easier for our graduates to enter business and industry, unleashing entrepreneurial energies and imagination and significantly enhancing the quality of life for all South Africans. A clear look at history can be used as a guide to action, to applying the resources of the present and the past to imagine alternative possibilities. It can, also, help us deepen our senses of time, space, and of human agency, including our interaction with our natural environment, and with the structural conditions and cycles of politics and economics.**

### **The God(s) That Failed**

We have arrived at this point after great difficulty and epoch-defining change. Some of us are old enough to recall the fall of the Berlin Wall, the collapse of Soviet Communism, the convulsion wave that spread across the world, and the optimism of the era. The great god of communism had failed, and at home politics was normalised, so to speak. Globally, it was a time of triumphalism, when we were led to believe that there was a general convergence, a type of natural harmony of interests that reached across national and international spaces. It was said that 'all human societies, regardless of their historical

origins or cultural inheritances,' were now being homogenised, and that there was a cultural convergence on liberal capitalist consumerism. In keeping with this optimism, very many scholars and thinkers, international public policy makers and the media around the world were convinced that there was, now, a set of 'common rules of the game across the world' that governed the global political economy. History had ended. The nationalist and ideological battles that killed estimated 120 million people during the preceding 90 years had been won, and 'the last man standing' was a liberal capitalist.<sup>1</sup> This was, of course, before the horrors of Srebrenica, Rwanda, New York City, Iraq, Afghanistan, Sudan and Syria, and successive crises in the global political economy snapped us back to reality. Triumphalism very soon turned to despair.

Over the ensuing 25 years,<sup>1</sup> a series of economic crises (currency, banking, and financial), each one of which started in one country and spread across most over the world, rocked this certainty. Greater attention was paid to the weaknesses and failures in the Economics orthodoxy that underpinned it.

- The Mexican Peso crisis of 1994 opened up some of the decades-old cracks in the architecture of the global political economy.
- The East Asian Crisis of 1997 widened these cracks.
- In 2000 the dotcom bubble burst. Between 1996 and 2000, the NASDAQ stock index shot up from 600 to 5,048.62 points. At the peak of the dot-com crisis, starting in early 2000, the NASDAQ Composite lost 78% of its value crashing from 5046.86 to 1114.11 points. There was panic selling and trillions of dollars were lost.
- In 2007, the US entered into a crisis that was described as a 'once-in-a-century credit tsunami' that sent devastating shock-waves across the world. It marked a decisive turning point in the history of the global political economy. If preceding crises revealed cracks in the architecture of the global political economy, the current crisis has shaken the foundations of global capitalism.

Why do we focus on the political economy of the United States? There are two main reasons. First, because we live in a world that is relatively integrated into a functionally interdependent global political economy. Second, because the US dollar has, for most of the post-war period, been used for most international transactions as a means of payment, unity of account and store of value. The dollar has been the *lingua franca* of global financial and economic relations, and these relations are fundamentally unequal. This inequality was the basis of French Finance Minister Valéry Giscard d'Estaing's reference, in 1965, to the 'exorbitant privilege' that the US enjoyed in the global financial

---

<sup>1</sup> There have been an estimated 117 systemic banking crises, defined as much or all of bank capital being exhausted, that have occurred in 93 countries since the late 1970s. There have, also, been 51 'borderline and smaller (non-systemic)' banking crises in a further 45 countries during the same period. See, Gerard Caprio and Daniela Klingebiel 2003. 'Episodes of Systemic and Borderline Financial Crises'. World Bank. Development Research. Data available at: <http://go.worldbank.org/5DYGICS7B0>. Accessed on 8 July 2016. The focus in this lecture is on the past 25 years since the end of the Cold War, and the 'triumph' of liberal capitalist and Economics orthodoxy over the Soviet Communist challenge.

system. It was also reflected in the 1971 statement, by John Connally, Richard Nixon's Treasury Secretary, to the G10, that: 'The dollar is our currency, but it's your problem.'

As the global reserve currency, stability is absolutely fundamental. Stability is the first thing to which importers, exporters and investors look. It follows that 'nothing ... can more seriously damage the regard for which a currency is held than a full-blown financial crisis,' which is precisely what happened in the US in 2007-08.<sup>2</sup>

We are, arguably, in the midst of quite profound and systemic change. It is clear that the US is becoming weaker as the global lender of last resort, that the US economy is being outpaced by China and India, and that the *euro* has gained strength in global transactions. We can only speculate on the role that the *renminbi* may play in global transactions. The BRICS group is certainly asserting itself as a new transnational formation – albeit with wavering force. But as Chairman Mao was reported to have said about the French Revolution – it is too soon to tell.

What we have learned from the transnational and trans-sectoral impacts of recurrent crises is that whether or not we like it, or agree with the way that it is being driven, late capitalist globalisation is real, and we need deeper engagement with its main drivers. Economics and politics, to the extent that they are non-overlapping magisteria, have become less national and more global. Capitalist exchange has spread across the world, and has nestled in every crevice and every corner, driven by human propensity to barter and truck. There were, of course, always dangers inherent in this spread. Successive crises over the past two or more decades dramatically exposed how contagion mechanisms between sovereign states and non-state actors transferred flaws in one discreet polity to another – with no regard for national, political, territorial or social boundaries. At least two things became clear after the recurrent crises of the past 25 years.

First, behind every 'economic' or 'financial' crisis there is usually a political, ethical or social movement, statement, event or decision. This is as true about the Mexican Peso Crisis, where the dominant party, the *Partido Revolucionario Institucional* (PRI) launched a spending splurge to keep voters happy,<sup>3</sup> as it is of the current crisis, which has its origins as much in an ideological belief in deregulation,<sup>2</sup> in negligent and unethical lending and securitisation.<sup>4</sup> It is difficult to ignore the evidence.

---

<sup>2</sup> In October 2008, US Treasury Secretary, Alan Greenspan was questioned in that country's House of Representatives Committee on Oversight and Government Reform about his role in the economic crisis that result in bank closures and defaults, all of which contributed to tipping the world into crisis:

'You had the authority to prevent irresponsible lending practices that led to the subprime mortgage crisis. You were advised to do so by many others,' said Representative Henry A. Waxman of California, who chaired the committee. 'Do you feel that your ideology pushed you to make decisions that you wish you had not made?' Mr. Greenspan conceded: 'Yes, I've found a flaw. I don't know how significant or permanent it is. But I've been very distressed by that fact.'

Anyway, there has, also, been a relative decline in market fundamentalism; the unwavering belief in the market as the final arbiter of all human behaviour and endeavour. Stemming from these, conventional Economics, as the dominant force in mainstream scholarship and practice has lost its lustre, and can no longer rely on its valued precision, certainty and the self-assured powers of prediction. At least not with very many caveats.

The Royalists among us might get a thrill out of the following. In November 2008, when the current global crisis was spreading, Queen Elizabeth visited the London School of Economics to open a new building. Turning to the academics in the room, she reflected on the scope and scale of the crisis and asked quite pointedly: How was it possible that nobody saw the crisis coming? In their summation of the event, Michael Jacobs of the LSE and Mariana Mazzucato of Sussex University, were rather forthright:

*'...the Queen's question went to the heart of two huge failures. Western capitalism came close to collapsing in 2007-2008, and has still not recovered. And the vast majority of economists had not understood what was happening'.<sup>5</sup>*

The current crisis, perhaps more than any of the very many before, had cast a long, almost nuclear shadow on the body of mainstream Economics. It would be disingenuous, however, to believe that there have not been concerns among mainstream thinkers, and a re-evaluation of long-held beliefs. More than 40 years ago, Benjamin Ward asked, rhetorically, I want to assume: *What is wrong with Economics?* He went on to explain that a formalist revolution had produced a narrow, technical economics suffused with liberal positivist ideology and a methodology that forces economic reality into an ossified mathematico-econometric mould which separates 'facts from values' – and thereby relegating values as exogenous variables. This orthodoxy significantly influenced the way that Economics has been taught at university. It has been presented as being detached from the real world of politics, power, culture, identity, history and society. Practitioners conceive of 'the economy' as a socially and historically disembedded, almost technical, entity with a life and logic of its own.

The economist Thorstein Veblen, explained that Neo-Classicists, in particular, generally considered human beings as 'lightning calculator[s] of pleasures and pains, who oscillate like a homogeneous globule of desire of happiness under the impulse of stimuli that shift about the area, but leave him [sic] intact'. In other words, human agency and the very things that make us humans — happiness, sadness, irrationality, exuberance, love, hate and unpredictability — are slaughtered on the altar of rational behaviour and utility maximisation as the natural condition of people.

It is unfortunate that so many of today's orthodox Economists seem to ignore the advice of a founder of modern discipline, Alfred Marshall, whose *Principles of Economics* is, arguably, the baseline textbook for the Neo-Classical period; that new social orders and epochs required new ways of thinking. 'Economic conditions,' Marshall wrote more than a century ago, 'are constantly changing, and each generation looks at its own problems in

its own way.' It seems rather bizarre that there have been such enormous shifts in politics and society over the last three decades, but Economics has failed to change many of its most fundamental tenets; of rational behaviour, self-regulating markets (that are efficient), the rather crude separation of facts and values, all of which are captured by Smith's 'invisible hand,' and the idea of an atomised human being (among very many other).

We should not dismiss the idea that any apparent blind spots among mainstream economists may be self-serving, in the sense that most economists may benefit from the *status quo*. Their livelihoods often rely on maintaining the *status quo*. Being 'different' or bucking trends can be career limiting. We have to, also, accept that there is a sincere belief in the veracity of their claims, and the eternal validity of theories. The latter is probably more durable, and more resistant to change. This is probably where the greatest challenge lies. Just how does one break orthodoxy and dominant ideas? What is certainly true, is that the world has changed quite rapidly over the past 25-30 years, and that these changes require a fundamental shift in our thinking. We have to take the advice of Marshall, and look at contemporary problems in our own way. We cannot go back to those eras of fixity, certainty and stability, nor can we dwell, nostalgically, on perfect worlds that may or may not have existed centuries ago.

We have to acknowledge that changes are upon us, and that it runs all the way through society, infusing our most treasured values and beliefs, affecting the large ideas that we have about humanity and the world, the theories we cling to, the methodologies we apply, and the practical social impact and significance of our work as scholars, thinkers, teachers and students. Doing this will significantly strengthen the social relevance of the university in the southern Cape and across the country.

### **Change All the Way Through**

Path dependency, and vested interests in the *status quo* have a joint purpose of preserving the dominance of paradigms in the social sciences, as much as they do in the real world. There is a genuine, albeit sometimes misguided belief, that things work because they have worked in the past; many people have gained considerably by 'keeping things as they are,' so to speak. It never ceases to amaze when people believe that South Africa and our educational institutions have had enough change; that everything is, now, just fine, since we have large majorities of black students – and that this is, somehow, a reflection of how far we have come. Stemming from this is a belief that there is nothing wrong with what we teach, only the demographics have to change.

This business as usual approach stems, in part, from the unfortunate belief in scientism; a belief in the universal validity and applicability of the scientific method in all social sciences, and the accompanying belief in empiricism as the most authoritative view of the world. Nowhere is this more prevalent than in Economics, and in the wilful exclusion of other, so-called non-scientific, views. Scientism places an inordinately high value on natural science, in comparison with other branches of learning or culture.<sup>6</sup> This tends to ignore the fact that 'non-scientific cultures [have] provided acceptable lives for their

members and [the] imposition of Western ideas and practices often disturbed the delicate balance with nature they ... achieved'.<sup>7</sup>

This scientism has seeped into the teaching of Economics, Business, Management, Human Resources, Tourism, Development and Accountancy. It is probably best exemplified by the belief that Economics is a science, like physics, that is immune from human influence – whether political or otherwise. This likening of Economics to Physics (and other 'hard' or natural sciences) was expressed again more recently, by Lawrence Summers (Financial Times, 13 July 2015). This 'physics envy,' is based on a need to reduce a series of complicated (social and historical factors) situations to clear, broadly applicable lessons. The assumption is that the social world can be studied in the same way as the solar system or even thermodynamics. This matter is enormously complicated, but in short, the belief in scientism usually leads us to thinking that we have always been right; that society has changed around us, but there is no need for us to change. It should be said (parenthetically), without malice or sarcasm, that when *The Economist* raises doubt about whether business and management studies are still relevant (in part because of the fixation with scientism), then it certainly deserves our attention.<sup>8</sup>

We can, however, change decidedly and purposefully by making our teaching, learning and knowledge production socially relevant; by focusing on the common good, and by identifying the strategic knowledge contribution that Business and Economics can make to South Africa's development objectives – especially on poverty, inequality, unemployment, and food scarcity and social conflict. This, I would argue, cannot be left to Economists alone. As the Nobel Laureate for Economics, Ronald Coase wrote, shortly before he died, Economics may have to be saved from economists.<sup>9</sup> Writing in the *Harvard Business Review*, and with specific reference to Business education, Coase wrote:

*'Economics as currently presented in textbooks and taught in the classroom does not have much to do with business management, and still less with entrepreneurship. The degree to which economics is isolated from the ordinary business of life is extraordinary and unfortunate.'*<sup>10</sup>

There is a need, then, to open up Business and Economics to make it more relevant to our social world. We would have to move away from scientism, and doing of research simply for the sake of doing research to meet peer-review quotas or to become more 'competitive' at the expense of being more meaningful to local communities and our national development objectives. It would mean that we have to move away from the comfort of reproducing ideas, concepts methods or arguments that satisfy exclusive clubs of peers and fellow travellers. We have to start providing substance to our understanding of NMMU as a pre-eminent comprehensive education that is part of South Africa, of the southern Cape, and of communities whose children we teach. These are our constituencies. At NMMU, we are constantly re-evaluating our teaching and research, and our understanding of the role of the university.

We may, therefore, also have to think about what we teach, how we teach, why we teach the things we do, and in the ways that we do. Doing nothing, is an expression of complicity in the reproduction of inequality in South Africa. Our task, is to ensure that the leaders of tomorrow are not drawn from the elites of yesterday and today. We have to avoid, then, reproducing the inequalities and injustices, privilege and exclusion that are the hallmarks of our past. It is worth bearing in mind that obtaining of social privileges depends more and more on possession of academic credentials.<sup>11</sup> What we teach, how we teach and why we teach therefore goes to the heart of curriculum reform.

### *Decolonising the Discipline(s)*

One of the expectations that has been brought to us by the fees must fall movement is 'decolonisation of the curriculum'. This demand is not isolated. It comes in the wake of the uncertainty in the global political economy, and forms part of a larger movement across the world for an expansion of Economics teaching and learning; for a more pluralist approach, and for 'more instruments and broader goals'.<sup>12</sup> While I am not completely convinced by the body of work produced by post-colonial scholarship, some of its strengths lie in the way it confronts and questions European (by which is meant more than the cartographic entity) dominance of global public policy-making, the way Eurocentric thought dominates all Economics scholarship, and the comfort and convenience that Economics enjoys within the body of European colonial thought. I should explain. We can set aside the belief that decolonisation is a crude ideological construct. We should, at least, be honest. Much of what represents higher-learning, today, was brought to us through colonial empires. From the material structures (I am always intrigued by the brutalist architecture that dominates some of our institutions) to the institutional arrangements (internal structures, practices and customs of teaching and research), and the subjects we teach, have all been shaped by European dominance and orthodoxy – much of which currently lies in tatters, as I have tried to explain, above.

As it goes, then, western Economics rationalism and Eurocentric orthodoxy underpins much of the thought, theorising, teaching and research that takes place within mainstream business and economics sciences. This Economics model which came to be accepted as universal truth has, concomitantly, played a fairly central role in organising the discourses of poverty, wealth and prosperity, at least since the end of the Second World War. It has framed the public policies that have shaped the lives of millions of people across the global South who have been defined as somehow 'less developed' or 'under-developed'. More specifically, in tones reminiscent of colonial 'civilising missions,' the development discourse, projected, as it has been, from the centres of power in Europe and North America, suggests that Africa has to be saved from itself.

For most of the post-war period, more so since the end of the Cold War, Economics has acquired a strong colonial impulse, which celebrates the way that it 'colonises' other social sciences. The main claim is that 'the combined assumptions of maximizing behaviour, market equilibrium, and stable preferences,' that lie at the heart of 'the economic approach,' operate relentlessly across time and space. As such, Economic

theory has come to represent ‘the universal grammar of social science’. Post-colonial theorists also point to the ‘militaristic and colonial metaphors’ in this literature, notably when Economists speak of ‘partially conquered new territories’ and ‘native’ writings’.<sup>13</sup>

Indeed, mainstream Economics, has upheld the narrative of ‘development’ as the centrepiece of its theoretical construction of previously colonised regions, and presumed a (stable) ontological precedence of modern European societies as a basis for a theory of history. The discourse on development has, in effect, rendered patterns of life outside the European world a ‘mistake’ that had to be ‘corrected’ or ‘a problem’ that has to be ‘solved’. This set of beliefs and values has bled into much of the social sciences fairly unchallenged.

Given recurrent global crises and the questions that have been asked about mainstream scholarship – as detailed briefly, earlier – the demands by students are, therefore, not out of place. It should be said, nonetheless, that there have been deeper questions that some of us have been asking, especially around the dominance of Western Liberal canon.

**We should be clear. We are not about to throw overboard an entire body of scholarship – that would be foolish, negligent and irresponsible.** For instance, Branko Milanovic’s most recent work on global inequality (over the past 10 – 15 years) is exceptional and path-breaking. We cannot ignore it. Joseph Stiglitz has tried, quite valiantly, to drive orthodoxy away from its Neo-Liberal fixations. Raghuram Rajan’s book on the current crisis, *Fault Lines*, is one of the best reads on the topic. What we do envisage, nonetheless, is a vertical and horizontal expansion of inquiry. We have to bring in a wider range of factors, concepts, methods and states of affairs, dig deeper into indigenous knowledge, tap into the great diversity and complexity of African society, and of humanity in general. This wider and deeper inquiry has to address the structural features of poverty, inequality, of low and uneven growth, decreasing investment and innovation, low job-creation, heavy-reliance on fossil-fuels to fire economic activity, and disinvestment in youth and unbearable pressures on women and girls.

**We should, also, not be disingenuous and ideologically blinkered ourselves.** In the mainstream, there has been a slow (but steady) awakening that there was a desperate need for new concepts and methods, and a shift away from neo-liberal orthodoxy. Part of this is a shift away from the consensus that emanates from along the Wall Street Washington Axis that has increasingly dominated global public policy making since the late 1970s. Of course, there are many among those of us with a more radical and distinctly non-Eurocentric approach to global political economy, who have been critical of neo-liberalism and liberal capitalist hegemony for several decades. Only recently, last month, actually, there were noises coming from the International Monetary Fund that Neo-Liberalism may not be all that it has been cracked up to be, and that it has been ‘oversold’. ‘Instead of delivering growth, some neoliberal policies have increased inequality, in turn jeopardising durable expansion,’ Jonathan D. Ostry, Prakash Loungani, and Davide Furceri wrote in the IMF’s journal, ‘Finance and Development’.<sup>14</sup> (For some reason I await a reply from the IMF which says: ‘It was all taken out of context’. Never mind)

Globally, though, there is a great surge of energy that is shifting the way we understand issues of poverty, inequality, unemployment, growth, and the roles that culture, identity, multiple affiliations, diversity and complexity, and that indigenous knowledge plays in social cohesion, prosperity, stability, and engendering trust among individuals and communities. Business and Economics Sciences at NMMU stands with these forces of history and society, of accumulated knowledge and experience at its back, and face the future confidently and prepared. We are rising with the wave of new knowledge production, preparing our students to meet the challenges and risks of this ever-changing world. As a cornerstone faculty of the pre-eminent comprehensive university in the country, we are progressively making our institution more relevant, and our educational contribution more meaningful to the lives of communities and the country.

### **Transdisciplinarity and the Common Good**

The nature of the current crisis in the global economy has made us think, deeply and with fresh insights into resolving some of the most vexing problems in society. Within South Africa our problems mirror the multi-dimensional global crisis. For instance, five years ago, the Diagnostic report of the National Planning Commission identified at least nine immediate areas that affect the development of South Africa. These were:

1. Too few people work
2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality
7. Public services are uneven and often of poor quality
8. Corruption levels are high
9. South Africa remains a divided society



When the NPC put together the National Development Plan (NDP) they put forward a comprehensive approach to addressing these crises, and stressed the need for policy-makers to break out of silos and address our development objectives in an holistic manner. The basic idea was that it is impossible to understand unemployment, without understanding the structural economic conditions, large deficits in access to health, education, housing and transportation. So, when we discuss the most demanding concerns of people in South Africa, the questions that communities ask of us (the very communities who send their children to our university) we have to understand the multiplicity of factors that influence education. To ensure, then, that we can attain more inclusive and equitable growth and distribution of resources and opportunities, we, at the NMMU, place a high premium on transdisciplinarity in teaching and learning.

The main objectives of transdisciplinarity are to develop knowledge and practices that promote the common good; this implies, of course, that there is a general acceptance of what is conceived to be 'in the common good'. We are convinced, nonetheless, of the need to draw on different forms of knowledge and particular challenges, insights and opportunities that characterise each type of knowledge. The common good becomes an important starting point for transdisciplinary work. It can bring together scholars and thinkers from across disciplines and practices to work on specifically identified questions, projects, issues and problems, without the assumption that 'problems' lie in dehumanised technical domains. A word of caution may be appropriate.

Transdisciplinary teaching and learning, and research, should prevent excessive and overburdening demands. It cannot be all things to all people, nor should we do research for the sake of research, with no real-world application. In normative terms, and as a basic proposition, transdisciplinary research should:

- Establish dialogue among academic disciplines, and between the sciences and society;
- Deep and purposeful reflections on processes in society – including the economy finance, banking, corporations, industries and manufacturing plants as institutions of society that regulate the lives of citizens.
- Produce integrative research that includes identification of specific problems, followed by purposeful scholarship and strategies for agency.

Here in the southern Cape, and in George in particular, we can draw on the knowledge of local and business and share entrepreneurial skills, insights and achievements across our institutions and communities. Our collaboration includes, therefore, constant interaction with non-academic sources of knowledge and innovation. We are acutely aware that we are not simply putting through a number of bodies with certificates who can make it into that first job, but people who are immersed, active and engaged citizens. Those that pass through the doors of our campuses will serve in the public and private institutions across the southern Cape and further afield.

The state cannot provide jobs and salaries in a sustainable way, and at the same time (on its own) expand the economy, productivity, innovation and entrepreneurialism. The private sector is the engine of expansion and labour absorption. Here is where we need to reduce deficits in trust and in ethics, and tap into the innovative and entrepreneurial drives of the private sector and the state. At NMMU, we are driving closer collaboration, as a research institution, with policy-makers and will continue to expand our networks across the country. We move forward, then, with great courage and excitement – notwithstanding what seems like terminal global problems and the devastation caused by recurrent political economic crises the world over.

Returning to what I raised at the start: I believe we can lead in knowledge production, and not wait for things to change at the global centres of power. We are the best comprehensive university in South Africa, and BES is the biggest faculty at NMMU; we are duty-bound, honour-bound to provide better answers to the questions raised by our communities. We also have to be a resource to policy-makers. We have to remain in constant touch with our surroundings – unless, of course, we believe the university has no moorings in the real world.

## References and Bibliography

---

- <sup>1</sup> Fukuyama, Francis, 1992. *The end of history and the last man* Free Press, Maxwell Macmillan Canada.
- <sup>2</sup> Eichengreen, Barry, 2011. *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*. Oxford: Oxford University Press, p
- <sup>3</sup> Rajan, Raghuram, 2010. *Fault Lines: How Hidden Fractures Still Threaten the World Economy*. Princeton: Princeton University Press, p 73.
- <sup>4</sup> Rajan, 2010, pp 4 – 7
- <sup>5</sup> Jacobs, Michael and Mariana Mazzucato (eds) 2016. *Rethinking Capitalism: Economics and Policy for Sustainable and Inclusive Growth*, Wiley/Political Quarterly: Oxford.
- <sup>6</sup> Sorrell, Tom, 1991. *Scientism: Philosophy and the Infatuation with Science*. London: Routledge.
- <sup>7</sup> Feyerabend, Paul, 1994. 'Has the scientific view of the world a special status compared with other views?' In, Jan Hilgevoord (ed.) *Physics and our View of the World*, pp 135-148. Cambridge: Cambridge University Press.
- <sup>8</sup> The Economist, 2011. 'Business-school research: The physics-envy problem'. *The Economist*. 14 October. <http://www.economist.com/whichmba/business-school-research-physics-envy-problem>. Accessed on 11 July 2016. The Economist, 2007. 'Business schools and research: Practically irrelevant? What is the point of research carried out in business schools?' *The Economist*, 28 August. <http://www.economist.com/node/9707498>. Accessed on 11 July 2016
- <sup>9</sup> Coase, R (2012) 'Saving Economics from the Economists.' *Harvard Business Review*. December 2012. Online edition. Available at <https://hbr.org/2012/12/saving-economics-from-the-economists/ar/pr>. Accessed on 11 July 2016.
- <sup>10</sup> Coase, R (2012) 'Saving Economics from the Economists.' *Harvard Business Review*. December 2012. Online edition. Available at <https://hbr.org/2012/12/saving-economics-from-the-economists/ar/pr>. Accessed on 11 July 2016.
- <sup>11</sup> Bourdieu, Pierre and Jean-Claude Passeron, 1979. *The Inheritors: French Students and Their Relation to Culture*. Chicago. University of Chicago Press. Bourdieu, Pierre and Jean-Claude Passeron, 1977. *Reproduction in Education, Society and Culture*. London: Sage.
- <sup>12</sup> Stiglitz, Joseph Stiglitz, 1998. 'More Instruments and Broader Goals: Moving Towards the Post-Washington Consensus'. *WIDER Annual Lecture*. Helsinki, Finland January 7. [https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/1493/Stiglitz\\_More\\_Instruments.pdf](https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/1493/Stiglitz_More_Instruments.pdf). Accessed on 10 July 2016.
- <sup>13</sup> Charusheela, S and Eiman O. Zein-Elabdin, 2004. 'Introduction: economics and postcolonial thought', in *Post-Colonialism Meets Economics*, edited by Charusheela, S and Eiman O Zein-Elabdin. New York: Routledge, p 2
- <sup>14</sup> Ostry, Jonathan D. Prakash Loungani, and Davide Furceri, 2016. 'Neoliberalism: Oversold?' *International Monetary Fund: Finance and Development*, June, pp 38 41. <http://www.imf.org/external/pubs/ft/fandd/2016/06/ostry.htm>. Accessed on 12 July 2016.