**Speech made by Chancellor, Ms Santie Botha at the Graduation**[**Chancellor's Dinner, April 201**](http://lectures.nmmu.ac.za/lectures/media/Store/documents/Other%20Speeches/Chancellor-s-Dinner-Speech-2015.docx)**6**

One of my favorite sayings in life is…’Never waste a crisis’. Because crises are brought about to challenge us as people, to test our resolve, to test our values, to test our character, to make us learn and grow as people. How people ACT in a time of a real crisis usually shows who and what we are as people. To do nothing or remain silent during a crisis is akin to a dereliction of duty.

The year 2016 is not even half over yet but my prediction is that it is going to be a turning point for the West. Many questions, such as ‘Is the Chinese slowdown a pretext to a global bust?’ ‘Will Europe’s inability to solve the migration crisis destroy the little that is left of its political stability?’ ‘Will Brexit mean that Russia’s power is increased again?’ ‘Can America survive its game of Russian roulette with the presidency?

In January of this year, I followed the events at the WEF in Davos, Switzerland, with great interest and trepidation given the unprecedented collapse in oil and commodity prices around the world, its effects on financial markets and the security and migration crisis brought about by ISIS. To put it in perspective, the migration crisis in Europe is the biggest since the Second World War.

Complex issues to be addressed by a divided world. I said addressed, not solved, because to solve some of these global problems, will mean working together towards a common goal. And currently, working together seems impossible for the world that we live in.

One of the favourite words in business is Disruption…especially the disruption caused by technology or the digitization of business… e.g what uber did to the concept of transportation or airbnb to accommodation. As a business you are either doing the disruption or you are being disrupted. Yet few seem to grasp the major disruption happening in the US at this very moment. The one inexplicable and to some unwelcome disruption is the fact that Donald Trump has a chance to become the next president of the US and the leader of the free world. As the Economist put it so succinctly… a Trump White House will pose a greater threat to World Peace than jihadist terrorism.

Fareed Zakaria, the CNN anchor and Washington Post reporter commented…’we are living in a very difficult world, we need grown-ups in charge’ There is more anxiety in the air than at any time since the global financial crisis in 2008. People still believe that the worst will NOT come to pass…China will not crash, the US will not fall into recession, Brexit will not happen. And as we have all experienced, conventional wisdom has been wrong many times in the past.

Very few experts predicted that oil prices would slump and that growth in emerging markets would drop. No one predicted that Islamic State would inspire the terrorist attacks in Belgium recently, and in France twice before that… and in many other countries around the world.

The question that many thought leaders are asking is whether we have arrived at the moment predicted in Alvin Toffler’s 1970’s book ‘Future Shock’ when the global system is so complex and changing so fast that it outpaces any ability to analyze let alone understand it?

It is the point he makes about openness that got me thinking about our beloved country. He says he does not know where all this disruption is going but knows for sure that in periods like this, open systems like the United States’s will do far better than closed ones. America often looks dysfunctional because its problems are on display and aggressively debated daily. Everything – economic strategy, homeland security, police practices, infrastructure – is out there and open to constant criticism.

But this transparency means that people have information, and it forces the country to look at its problems, grapple with them and react. Although it’s a messy, sometimes ugly process, the US system takes in a lot of diverse, contradictory information and responds. It might seem dysfunctional, but is highly adaptive.

Closed systems often look much better initially. China, with its tightly centralized decision-making, has been the envy of the world. People across the globe have marveled at the government’s ability to make decisions, plan for the future and build gleaming infrastructure. And when China was growing, we were amazed by the efficiency of the system. But now that growth has stalled, no one is sure exactly why, what went wrong, who’s to blame and whether it is being fixed where required. A black box produces awe when things go well. But when they don’t, it causes anxiety and fear due to a lack of knowledge and information.

We have seen the same with the sudden collapse of our currency when the market was taken by complete surprize with the firing of the Finance Minister Nhanhla Nene at the end of 2015, now popularly referred to as 9/12.

Any South African that cares deeply about the longevity and future success of our nation, has no choice but to use all spheres of influence to ensure that we continue to build our country into an open, transparent and educated society that reinforces the foundation built by mr Nelson Mandela. And to never give up.

Where we are today is somewhat different to the challenge that Madiba gave to us, his countrymen and women… He challenged us to build, out of an extraordinary human disaster that was apartheid, a society that all humanity will be proud of.

Yes, after 2 decades, we are failing on some critical fronts…. nation building is not where we envisaged it to be by now, racist and cultural intolerance is palpable, poor governance and mediocrity are becoming the new normal, corruption on a grand scale is on everyone’s minds, junk status is looming and South Africa is fast disappearing from the global investment radar …to name a few..

But never before have I had the sense that Big business is ready to get involved and assist in driving the growth agenda of this country. As ‘junk status’ is not a reality that anyone wants to face right now.

I think not since 1994 has anyone been so interested in the budget speech of a Finance Minister as the one delivered in February this year… headlines such as ‘Pravin give us the medicine’, ‘Pravin please pull us out of the fire’, ‘Pravin you have the nation on your shoulders’ and I can continue.

As we all know, it is not one man’s responsibility to keep our economy aflout. We have the international ratings agencies breathing down our necks, high unemployment, falling commodity prices, a devastating drought, rife corruption, the looming municipal polls and I can continue.

South Africa got our first investment grade rating in May 1995. Now, almost 21 years later, that status is at risk. The 3 international rating agencies, Moody’s, Standard & Poor and Fitch will ultimately decide in June this year whether SA is creditworthy or not. We are one notch above ‘junk’ status and the agencies are negative in their outlook, which indicate that they expect things to get worse. What will it mean if we are downgraded to junk status you might ask…more foreign investment will leave our shores and our currency will be negatively impacted. Professional investors, such as hedge funds, pension funds and asset managers are prevented from investing in ‘junk status’ countries. A greater concern going forward will be both the raising of capital as well as the cost thereof. If you are less trusted as a country, which is what junk status means, you will pay more to borrow. And we need capital to grow our economy. But that is one part of the equation.

The other part of the equation is that we need to get our high budget deficit under control with speed. In the FINMIN’s budget speech, he made it clear that it was one of the critical objectives of an independent National Treasury this coming year. To navigate the politics of IMPLEMENTATION of austerity in an election year will take some doing and that is what the markets and the opposition parties will be watching, commenting and using, if all does not go to plan.

What the Finance Minister has shown to South Africa, not just in his budget speech but also in his actions in the few months that he has been in office, is what is possible if we work together. He has given South Africans HOPE again.

He has shown leadership when it mattered most by addressing the contentious economic issues to get our country back on track such as the massive public sector wage bill, cutting government spending, raising taxes. As he said categorically, you cannot spend money that you do not have, with obvious reference to some SOE’s and previously mentioned proposed massive projects. Simply put, we need no further inexplicable shocks to economic growth and we must get our debt under control. He has had extensive meetings with big business during the last few months where plans are under way to drive investment in innovation, skills development and job creation in various sectors of the economy and he has had various engagements with the international community to try and re-assure them that SA’s future is brighter than they might think. There is a clear action plan of what needs to be done, with big business ready to work with government to get not only the basics right but to get our economic growth to the +3% levels again. 0.6% GDP growth as per the IMF’s latest forecast is unacceptable. The magic word of course is ‘implementation’. With a dash of speed.

So let me go back to where I started…’Never Waste a Crisis’. Yes, we are in a time of a leadership and economic crisis as a country. To pretend that we are not will be foolhardy.

As a nation, we have made miracles happen in the past and there is no reason whatsoever, irrespective of one’s political orientation, that we cannot do it again. The politics of our land is potentially more intriguing than it was 21 years ago with a serious lack of courageous and values- based leadership at the top of the list. Therefore to drive a common goal that unites us as a nation becomes near impossible. But therein lies the opportunity. It is us, the citizens of this incredible land to be leaders in all our important spheres of influence and to act and do as Madiba so perfectly articulated in his inaugural speech on the 10th of May 1994.

Where he said…’The time to build is upon us. We understand that there is no easy road to freedom. We know it well that none of us acting alone can achieve success. We must therefore act together as a united people, for national reconciliation, for nation building, for the birth of a new world.’

We need to have zero tolerance for any form of corruption by acting on it, not just reporting on it, by creating strong independent specialist boards, safe whistle blower environments, ensuring our auditing systems are best in class and influence and force change where necessary. It is everyone of our responsibilities to act on it. We need to focus on a values based society where we focus on integrity, respect and build trust amongst people. We need to ensure that the bastions of our economy, the NT, Reserve Bank and SARS remain independent of interference. We need to build pride as a nation and compete with the best in the world. We need to be uncomfortable in a world where mediocrity and economics with the truth have become the new normal. We need to speak up on critical issues when it matters most.

Nelson Mandela Metropolitan University is an excellent example of living up to Madiba’s request to us. This university, under the leadership of Prof Derrick Swartz and his team, has lived up to its name to show that during a time of crisis on many campuses in South Africa, it has navigated its way through what could have been massive disruption to its education agenda. It was and is not an easy process but with the right leadership and engagement with critical stakeholders, anything is possible. The leadership example set by Prof Swartz and his team is truly exemplary. With more than 5000 graduates of which 60 Doctorates the numbers speak for themselves.

Congratulations therefore to our Doctorate recipients as well as our Honorary Doctorate recipient, Dr Imtiaz Ismail Suleiman, CEO of Gift of the Givers and Dr Sharanjeet Shan, Chancellors Medal recipient, for the immense difference that they have made and continue to make to society at large.

Thank you/ Ndiyabulela Nongomsa.