

An assessment of Corporate Social Responsibility in South Africa's mining industry: A case study of Anglo American Platinum's Corporate Social Investment programmes in the area of Education.

Busisipho Ayakha Siyobi

SYBBUS001

A minor-dissertation submitted in *partial fulfillment* of the requirements for the award of the degree of Master of Philosophy

In

Public Policy and Administration

Department of Political Studies

Faculty of the Humanities

University of Cape Town

2016



The copyright of this thesis vests in the author. No quotation from it or information derived from it is to be published without full acknowledgement of the source. The thesis is to be used for private study or non-commercial research purposes only.

Published by the University of Cape Town (UCT) in terms of the non-exclusive license granted to UCT by the author.

COMPULSORY DECLARATION

This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works, of other people has been attributed, and has been cited and referenced.

Signature: _____

Date: _____

LIST OF ACKNOWLEDGEMENTS

My acknowledgements and appreciation go to the following people and organisations for the pivotal role that they have played in making this research study possible.

To my dearest grandparents: Ntongelo Tosholo and Nonqaba Tosholo for always believing in my dreams and goals and for the words of wisdom that have continued to inspire me.

To my amazing parents and siblings: Gcobani Siyobi and Bukelwa Siyobi for always being my pillars of strength and supporting my academic career till this point. To Khanyo Siyobi and Khanyo Siyobi, thank you for cheering me on.

To my family and friends, thank you for providing inspiration, motivation and continued support.

To my supervisor, Prof. Anthony Butler: thank you for your patience, support and guidance Prof. I feel honoured to have been supervised and guided by you through your insightful and constructive feedback. It has been greatly appreciated.

To the Konrad-Adenauer-Stiftung (KAS) Foundation; the Governance of Africa's Resources Programme (GARP) team at South African Institute of International Affairs (SAIIA): thank you for the on-going personal and academic support as well as the immense financial contribution made towards putting this research study together. Thank you for giving me the wonderful opportunity to pursue my Master's degree.

To Jo Polzin: thank you for all the personal and administrative support that you have provided throughout my postgraduate studies in the Political Studies Department.

Above all, through God's grace the capability to start and finish has been achieved.

DEDICATION

I dedicate this research study to my grandparents and parents. In light of the South African history, particularly the education system of the apartheid regime – the generation of my grandparents and parents did not receive the opportunity and education that I have been presented with in the new South Africa post-1994. Despite all odds, they promised each other that they will grant their children the opportunity and education that they felt we deserve.

Hence my undying passion and will to conduct a research study pertaining to the education system of South Africa and how it may be improved for the better. To you Mr and Mrs Tosholo and you Mr and Mrs Siyobi, thank you very much for all that you have been and continue to be in my life. This one is for you all, with love – Busisipho Ayakha Siyobi.

“Ndingafundanga nje, abam abantwana ndizobafundisa” – Mama, 2013.

Ndiyabulela kuninonke, kunye nabaphantsi bakwaMaduna, ooRhadebe, amaQwathi kunye namaGcina, ngongazenzisiyo umbulelo, enkosi.

Abstract

The Corporate Social Responsibility (CSR) agenda and practice has been a part of the global, academic and corporate debate for many decades. Policymakers are increasingly viewing the private sector as an important role player in contributing towards meeting the socio-economic developmental challenges. The research study has assessed the role of CSR in South Africa's mining industry with a focus on the basic education system; by unpacking the objectives and the key challenges of the provincial department of basic education in the North West and Limpopo provinces. This research study has made use of Anglo American Platinum's Corporate Social Investment (CSI) education programmes as a case study to further gauge the impact of CSR engagement and key challenges that prevail in the execution of CSI education programmes. The challenges pertain to poor coordination and cooperation, poor consultation and strategic planning and lack of consistent review of monitoring and evaluation of all the stakeholders involved. Therefore, the paper argues that company's interests, incentives and motives to engage in CSI education programmes is twofold: one; CSI is used to project public relations and as a 'window-dressing' exercise and two; businesses are gradually viewing CSI as a long-term investment towards social and human capital that will benefit the corporations in the future.

Contents

LIST OF ACKNOWLEDGEMENTS	3
DEDICATION	3
Abstract.....	5
Chapter One: Introduction	9
1.1 Contextual setting of Corporate Social Responsibility in South Africa’s mining industry and education system	9
1.2 Aim of the research study	10
1.3 Research question and sub-questions	11
1.4 Research sub-questions	11
1.5 Research Methodology	11
1.6 Outline of forthcoming chapters	11
1.6.1 Chapter Two	11
1.6.2 Chapter Three	11
1.6.3 Chapter Four	12
1.6.4 Chapter Five	12
Chapter Two: Literature Review	13
CORPORATE SOCIAL RESPONSIBILITY	13
2.1 Evolution of Corporate Social Responsibility	13
2.1.1 Defining Corporate Social Responsibility	13
2.1.2 Corporate Social Responsibility: Schools of Thought	14
2.1.3 WBCSD Definition	16
2.1.4 European Commission Definition	16
2.2 Why Corporate Social Responsibility?	18
2.3 Corporate Social Responsibility in South Africa	21
2.3.1 Brief historical context of South Africa	21
2.3.1 Critics of Corporate Social Responsibility	24
2.4 Corporate Social Responsibility in South Africa’s mining industry	26
2.4.1 Mineral and Petroleum Resources Development Act (2002)	28
2.4.2 Social and Labour Plan Guidelines for the Mining and Production Industries.....	29
Chapter Three: Education Sector in South Africa	32

NORTH WEST PROVINCE AND LIMPOPO PROVINCE	32
3.1 Historical context of South Africa’s education system	32
3.1.1 Education system planning	34
3.1.2 Recruitment and training of teachers	34
3.1.3 Curriculum development.....	34
3.1.4 Education financing	35
3.2 Transitioning Period – post 1994.....	35
3.3 The National Education Policy Act (1996).....	36
3.4 The South African Schools Act (1996)	36
3.5 Limpopo Province: Brief contextual background.....	37
3.6 North West Province: Brief contextual background	38
3.7 Objectives of the Provincial Education Departments: Limpopo and North West.....	38
3.8 Key challenges in the basic education sector of South Africa.....	41
3.8.1 Learner-related issues.....	43
3.8.2 Teacher-related issues.....	45
3.8.3 Resources-related issues.....	46
3.9 Broader role of CSR and CSI initiatives in the education sector of South Africa	48
3.9.1 Learner-related investment.....	50
3.9.2 Teacher-related investment	50
3.9.3 Resources-related investment.....	51
Chapter Four: Case Study – Anglo-American Platinum.....	53
CSI EDUCATION PROGRAMMES: FINDINGS AND CRITICAL ANALYSIS.....	53
4.1 Anglo American: Brief contextual background	53
4.2 Anglo American Platinum and CSR.....	53
4.2.1 The Chairman’s Fund.....	54
4.2.2 Socio-Economic Assessment Toolbox (SEAT)	55
4.2.3 Anglo Zimele.....	55
4.3 Anglo American CSI Focus Areas.....	56
4.4 Anglo American Platinum: CSI in South Africa’s education system	57
4.5.1 2012 NSC examination results: mathematics and physical science	59

4.6 Implementation of CSI education programmes by Anglo American Platinum	60
4.6.1 Learner-focus CSI education programmes	60
4.6.2 Teacher-focus CSI education programmes	61
4.6.3 Resource-focus CSI education programmes	62
4.7 Discussion and Critical Analysis	62
4.7.1 Key challenges faced by Anglo American Platinum in implementing CSI education programmes:	62
4.7.1.1 Learner-focus	62
4.7.1.2 Teacher-focus	63
4.7.1.3 Resources-focus	64
Chapter Five: Conclusion	67
Bibliography	70
Appendices	78
Appendix 1	78
Appendix 2	79
Appendix 3	80
Appendix 4	81

Chapter One: Introduction

1.1 Contextual setting of Corporate Social Responsibility in South Africa's mining industry and education system

The South African mining industry is known to be at the heart of the South African economy due to its immense contribution towards economic growth and social structures, respectively. The mining industry continues to be the leading industry to generate up to 18% of the country's gross domestic product (GDP) and further provides direct employment to approximately 500 000 people and indirect employment to 1million South Africans (Chamber of Mines of South Africa, 2012). The historical context of the mining industry is known to be a highly political and controversial account due to the capital and labour division that was established through racial lines under the apartheid regime (1948-1994) that perpetuated extreme social and racial inequalities.

Fundamentally, the apartheid legacy produced socio-economic and political control between white and non-white people (Blacks, Coloureds and Indians) and this divide was highly prevalent within the education system of South Africa. Prior 1994, the education sector, among many other sectors was racially divided between the above classified ethnic groups and the apartheid system produced alarming discrepancies related to curriculum policy development; recruitment and training of teachers; school infrastructure; resources and education financing. With the fall of the apartheid regime in 1994, there was an urgent need for redress and transformation under the newly democratically elected African National Congress (ANC) government. It was inevitable that the new South Africa was faced with extreme socio-economic challenges along with class divisions that were predominantly present in the spaces of non-white South Africans.

In light of the above South African contextual setting, the role of Corporate Social Responsibility (CSR) agenda and practice has been a part of the global debate on socio-economic development and poverty reduction for many decades. Simply defined; CSR refers to the voluntary engagement and investment of companies into social projects that assist in developing the community in which they operate in. The social projects include areas such as health, education, housing and the environment; however the most dominating areas in receiving CSR practice is education and health, globally and in the South African context. This is because policymakers have increasingly viewed the private

sector as a crucial partner in contributing towards development challenges consisting of economic growth objectives to poverty alleviation and developing human and social capital.

1.2 Aim of the research study

The research study is profoundly influenced and reliant on Besharati's (2014) research report titled: *Platinum and Passes: The Impact of Mining Investments on Education Outcomes in South Africa*. Besharati's study looks at the effectiveness of Anglo American Platinum's education programme initiated in the North West and Limpopo that are worth 100 million in the timeframe 2009-2012. In light of this body of knowledge that presented additional understanding of CSR agenda and practice at a local level; the current research study aims to extend on the impact of mining investment in the area of education by assessing the key challenges that are faced by the education sector and Anglo American Platinum's Corporate Social Investment (CSI) education programmes.

It is important to note that CSR agenda and engagement is influenced by a host of differing standpoints and schools of thought. Consequently the current research study aims to explore and review the existing literature on CSR in order to explain the interests and motives behind CSR engagement. Additionally, the current research study intends to unpack the key objectives of the National Education Policy (1996) and subsequently the objectives for provincial education departments particularly the North West and Limpopo given that Anglo American mining operations are situated across the two provinces.

This will assist in illustrating the key priorities and challenges that are faced by the education system. Thus, this research study argues that the influence of CSR interests, incentives and motives to engage in education sector is twofold: One; CSI is often projecting public relations and used as a mechanism to promote the company's public image to appear as taking immense responsibility for the common good. Two; the private sector is increasingly seeing the long term benefits with investing in social and human capital because they will produce long returns for their companies. Centred to the core argument above is that, the key challenges faced in the basic education sector are all-encompassing of learner, teacher and resources issues and thus similar to the key implementation challenges of the Anglo American Platinum CSI education programmes when intervening in the education system of South Africa.

1.3 Research question and sub-questions

1. What are the key challenges faced by the basic education sector, particularly in the North West Province and Limpopo Province?

1.4 Research sub-questions

2. What is prioritised by the provincial departments of basic education in North West and Limpopo?
3. What is prioritised by Anglo American Community Engagement Development in the area of education?
4. What are key challenges faced by the provincial education departments in the two provinces in relation to Anglo American Platinum CSI education programmes?

1.5 Research Methodology

The current research study adopted a qualitative in-depth reading and analysis of existing literature on the broader theme of CSR agenda and practice as well as related sub-themes that have assisted in answering the research questions. Thus it has used the following secondary materials: books; journal articles; government publications; research reports; thesis papers; sustainability annual reports and selective online sources. There has been limited research and academic output concerning this research area; and therefore this dissertation has had to rely substantially on the work of a single author mentioned above.

1.6 Outline of forthcoming chapters

1.6.1 Chapter Two

This paper consists of five chapters and each chapter contributes significantly in answering each research questions. Chapter two will be discussing and analysing the existing literature, both from a global and local perspective, on the concept of CSR agenda and its practice. The chapter will thoroughly discuss and analyse South Africa's mining industry and the role CSR has played in it, both globally and locally.

1.6.2 Chapter Three

Chapter three is an in-depth discussion on South Africa's basic education sector – both at a national and local level with a focus on the North West Province and Limpopo Province. Fundamentally the

chapter will be looking at prevailing challenges faced by the education sector and further discuss the role of private sector CSR and CSI practice in the basic education sector.

1.6.3 Chapter Four

This chapter aims to provide a case study of Anglo American Platinum CSI education programmes in the North West and Limpopo provinces, respectively. It will discuss the education programmes implemented by Anglo American Platinum and deliberate the key implementation challenges in relation to those that exist in the education system, particularly in the North West and Limpopo.

1.6.4 Chapter Five

This is the concluding chapter of the dissertation. It will provide an overview of the research questions, findings and impact of CSR in South Africa's education system, particularly in relation to the case study of Anglo American Platinum. It will consolidate the core argument of the research study and propose a set of feasible recommendations with the aim to improve the role of CSR initiatives that are implemented by mining companies in the area of education.

Chapter Two: Literature Review

CORPORATE SOCIAL RESPONSIBILITY

2.1 Evolution of Corporate Social Responsibility

2.1.1 Defining Corporate Social Responsibility

This chapter will discuss and analyse the existing literature, both from a global and local perspective, on the concept of Corporate Social Responsibility (CSR) agenda and its practice. It will particularly discuss three distinguishable 'schools' of thought and practice of CSR, namely characterised as neo-liberal perspective, neo-Keynesian and radical political economy approaches. It will further use the most prominent and influential sub-themes, specifically: Corporate Governance (Cadbury, 1999); Triple-Bottom Line (Elkington, 1994); Stakeholder Theory (Freeman and Reed, 1983; Freeman, 2001) Economic Agency Theory (Ross, 1973); Legitimacy Theory (Porter and Kramer, 2006); Public-Private-Partnerships (National Treasury: PPP Manual, 2004) and Development (Hoogvelt, 1976; Inglehart and Welzel, 2009).

The above sub-themes and theories will assist in dissecting the multifaceted concept from a global and local perspective. This chapter will further discuss CSR and its positioning in South Africa's mining industry. Essentially, this chapter aims to showcase a compelling review of literature that encompasses a critical debate of positions for and against the shaping and framing of CSR agenda and its practice. CSR has increasingly become a prominent concept that is shaping corporate strategy that reflects a general global spread of management concepts, ideologies and technologies. This concept has been developing since the 1950's; however, it does not hold one consistent definition that is accepted universally. According to Flores-Araoz (2011), "CSR refers to the voluntary involvement or investment, of companies in social projects that help advance the society, the community in which they operate in areas such as healthcare, housing, education, safety and the environment, among others".

It is important to highlight that the CSR debate has been dominated by the northern perspectives of American and European multinational companies, NGO's, governments, trade unions and academics (Fox, 2004:30). The CSR agenda emerged from the globalisation debates of the 1990's "fuelled by revelations of environmental, labour and human rights abuses within the operations and supply chains of large, high-profile companies based in the North, but often operating in or sourcing

from the South” (Fox, 2004:30). With that said, Fox acknowledges emerging local agendas coming from Brazil, South Africa and the Philippines.

However, the international debate is still embraced and dominated by the Organisation for Economic Co-operation and Development (OECD) and non-governmental organisations, investors, consumers, businesses and business associations. Fox further argues that, “the tools of the agenda (such as codes of conduct, supply chain standards and audits) are identified with the international markets, adding to the sense that CSR is a potentially protectionist northern-driven agenda, which ignores local views of responsible enterprises and is irrelevant for companies producing for the domestic sector” (Fox, 2004:30).

2.1.2 Corporate Social Responsibility: Schools of Thought

Neoliberal perspective, one of the first theories under political economic practices and it “proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets and free trade” (Harvey, 2005: 2). In this view, CSR is fundamentally being an adoption of a set of voluntary policies, codes or guidelines that have been initiated and driven by the corporation. This neoliberal view was supported by the Australian government in a submission to the Joint Parliamentary Inquiry on CSR that defined CSR as “a company’s management of the economic, social and environmental impacts of its activities” (Australian Government, Parliamentary Joint Committee on Corporations and Financial Services, 2006). The Neoliberal view is that CSR as “an unreasonable intrusion into and restriction on business’ primary purpose” (Broomhill, 2007:7).

For one, in 1962, M. Friedman, a Noble Prize winner and Economist argued that “few trends could so thoroughly undermine the very foundation of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible” (as cited in Hamann, 2003: 240). Friedman further argued that government agencies, not corporations, were responsible for social development and thus businesses addressing social responsibilities was simply interfering with the effective and efficiency economic activity of firms (as cited in Hamann, 2003: 241). Moreover, Younkings argues that CSR may be taking away the primary focus on business objectives and thus removes managerial decisions “from their connections to the

search for profit and the enhancement of stockholder value (2000:1). Essentially, neoliberal perspective believes that CSR is a minor component of corporate strategy at best.

According to Broomhill (2007:7), the neo-Keynesian (under the school of macroeconomic thought) approach adopted a wider definition of CSR and greatly recognises the active role of the corporation's stakeholders and the states useful role players in defining and applying CSR. Babiak and Wolfe (2013) write that corporations are not just held by the interests of shareholders but a range of stakeholders – for example employees, consumers and members of the wider community. In addition, Carroll (1979) suggests that corporations ought to have ethical responsibilities and discretionary responsibilities; thus corporations' acceptance of ethical norms engage in activities that will benefit the broader society even though there is no direct payback to the corporation.

However, it further acknowledges that CSR is generally defined as an approach adopted voluntarily by corporations. The Canadian Business School for Social Responsibility supports the neo-Keynesian approach that and describes CSR as “a company's commitment to operating in an economically, socially, and environmentally sustainable manner, while recognising the interest of its stakeholders, including investors, customers, employees, business partners, local communities, the environment and society at large.” (The Certified General Accountants' Association of Canada Paper, 2005:20). It is evident that the neo-Keynesian discourse differs from the neoliberal approach. Neo-Keynesian recognises the impact of corporations' environmental policies, workplace practices as well as the social and economic consequences of corporate activities.

Lastly, radical political economy is much more critical on CSR and how it's applied. This school of thought assesses global corporations “as possessing enormous power which is often wielded ruthlessly in their own self-interest, and frequently at the expense of society and the environment” (Broomhill, 2007:8). Radical political economy writers argue that advocates for voluntary CSR lack critical political economy analysis and thus, fall short in addressing a realistic view of the power structures that are prevalent in society and the economic environment. In addition and most significantly, Jo (2011:12) argued that corporations “may, can and do utilise CSR for the sake of profits, survival and growth...and that corporations strategically use resources in order to reproduce themselves: ethical, humanitarian, or social concern is at most epiphenomenal”.

Thus, the radical political economy approach views CSR as “naïve, ineffectual and inadequate” (Broomhill, 2007:8). Moreover, radical political analysts are further concerned that the self-regulatory and voluntary CSR policies are intentionally designed and initiated by corporations as means to divert from the external regulation and control of corporate behaviour and “power and to disguise the and legitimate other activities that are socially and environmentally destructive” (Broomhill, 2007:8). Due to this critical view, many activist groups tend to reject voluntary CSR and advocate for an alternative strategy known as “corporate accountability”. This term indicates the crucial requirement to hold corporations accountable and responsible for the social and environment impacts of their decisions and practices.

2.1.3 WBCSD Definition

The World Business Council for Sustainable Development (WBCSD) defines CSR as the “continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community at large” (WBCSD, 2000). Presently, the WBCSD definition for CSR is “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life”.

In the revised and latest WBCSD definition of CSR (2002), businesses are encouraged to genuinely improve the quality of life of both their workers and society at large. Subsequently, the revised definition takes into account development and the environment as important features to incorporate into any definition of CSR or legislative framework related to the CSR agenda and its practice. With that said, WBCSD acknowledges that there is no universal standard for CSR initiatives and that the CSR agenda and practice takes on a different meaning in accordance to the community’s culture, religion, governmental or legislative framework.

2.1.4 European Commission Definition

The European Commission outlines that CSR initiatives are voluntary actions beyond businesses’ legal obligations. The Commission in its 2002 Communication on CSR stated that:

CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis (European Commission, 2002).

However, adopting a CSR agenda and programme has become increasingly crucial for businesses in order to remain competitive in the respective industries (European Commission, 2011). On the one hand, in her book titled *"In Good Company: An Anatomy of Corporate Social Responsibility"* Rajak writes that CSR requires businesses to voluntarily go beyond the legal compliance, whereby the commerce and social community are coupled together in what is referred to as *"compassionate capitalism"* or *"the new humane face of capitalism"* (Rajak, 2011:2). On the other hand, Fox argues that the dividing line [between voluntary and mandatory legislation] is unhelpful because *"voluntary and regulatory approaches have too often been treated as exclusive to each other, rather than as options within a balanced approach to eradicating bad (socially irresponsible) behaviour while encouraging responsible activities"* (Fox, 2004:30).

Busacca argues that *"corporations are moving away from operating and satisfy and protect exclusively shareholders, and toward incorporating the interest of stakeholders, including employees, customers, suppliers, the environment and the community, as well"* (2013:5). The above sentiments are reflected in the World Bank's working definition:

Corporate Social Responsibility is the commitment of business to contribute to sustainable economic development – working with employees, their families, the local community and society at large to improve the quality of life, in ways both good for business and good for development (Ward, 2004:3).

Busacca continues to argue that the momentum for corporate governance grew when the ownership of public companies became disconnected from the control of the companies. The introduction of corporate governance was to ensure that the owners of companies act in accordance of the company's shareholders' (Rossouw, van der Watt and Malan, 2002:289) as well as understanding accountability in business that opened to include stakeholders' interests in the form of CSR.

2.2 Why Corporate Social Responsibility?

The adoption of CSR agenda and practice by companies is motivated and sustained by different theoretical frameworks. Freeman (2001:41) writes that “corporations have stakeholders, that is groups and individuals who benefit from or are harmed by, and whose rights are violated or respected by, corporate actions”. He further argues that the concept of stakeholders is a “generalisation of the notion of stockholders, who themselves have some special claim on the firm. Just as stockholders have a right to demand certain actions by management, so do other stakeholders have a right to demand certain actions by management...” (2001:41). Freeman and Reed (1983) distinguish between two senses of stakeholders and they are the “narrow definition” and “wide definition”; the narrow definition encompasses the groups that are essential for the survival and success of the corporation. And the wide definition includes any group or individual who can affect or who is affected by the corporation.

On the one hand, *stakeholder theory* suggests that companies have a social responsibility that requires them to consider the interests of all stakeholders affected by their actions. In addition, this theory holds an expectation that stakeholders and businesses working together in the hopes of mutual gain will have a significant impact on the business (Mariri and Chipunza, 2011: 98). Eweje (2006) cements the idea behind the stakeholders’ theory that having a shared vision between the business and its stakeholders creates a platform for innovative solutions to surface that may resolve socio-economic problems.

On the other hand, the *economic agency theory*, a theory coined by Ross, (1973) focuses on selecting a compensation system that will produce behaviour by the agent consistent principles preferences; therefore emphasis is put on the nature of incentive system and the contracting system that leads the distribution of those incentives (Ross as cited in Mitnick, 2006). Essentially, this theory suggests that businesses should not be obliged to spend their resources on concerns other than the pursuit of profit due to the fact that it goes against the notion of a free society. Convincingly, Mariri and Chipuza (2011:98) argue that more and more companies are accepting the stakeholder theory as a framework for all business decisions, globally.

Porter and Kramer (2006) draw upon four existing justifications for CSR: moral obligation, sustainability, license to operate and reputation. In light of the moral justification, proponents argue that companies should honour ethical values and “do the right thing” and in terms of sustainability, companies should look at the *triple-bottom line* to operate in order to secure long term needs by limiting socially detrimental and environmentally wasteful behaviour.

The term *triple-bottom line* was first coined by John Elkington in 1994 and it was later developed into the three P's: “people, planet and profit” (as cited in Henriques and Richardson, 2004:1). *Triple-bottom line* further reflects the company's economic, ecological and social effects (Flores-Araoz, 2011). In reference to the licence to operate, every company is obliged to gain governmental approval to receive the license to operate hence it is beyond necessary and in the company's best interest to have a CSR agenda. In light of reputation, it becomes a subject of impressing and satisfying external parties, thus a long term commitment to social responsibility can beneficially distinguish a company (Porter and Kramer, 2006:82).

Jenkins agrees with the reasoning of Porter and Kramer's justification for CSR and refers to it as *legitimacy theory*. This theory is based on the idea that businesses should be dedicated to complying with the stakeholders' expectations and in this way business can better its reputation and effectively respond to legitimacy threats (Jenkins, 2004:28). Porter and Kramer highlight the importance of CSR by arguing that “successful corporations need a healthy society...any business that pursues its end at the expense of the society in which it operates will find its success to be illusory and ultimately temporary” (Porter and Kramer, 2006:83).

Globally, investors have become increasingly more careful when making decisions, and are not only interested in high returns on investment but also knowing that the company takes social and ethical responsibility in spaces that they operate in (Fourie, 2005: 7). Hence, it is essential for local businesses to adopt and practice CSR in order to ensure investments. Moreover, Porter and Kramer maintain that corporations and society are equally dependent on each other, business decisions and social policies should benefit both sides and have a shared value.

Coghill, Black and Holmes (2005) in their submission to the Australian Parliamentary Inquiry on CSR are that there are three potential drivers of CSR in existence: “CSR as a business strategy...; CSR as a

policy, based upon ethical and moral values and CSR as means for achieving social 'sustainability'" (as cited in Broomhill, 2007:12). In terms of CSR as a business strategy refers to it being designed to promote innovation that benefits the company's interests or to escape risks that threaten the company's shareholders' (as cited in Broomhill, 2007:12) and this first driver has been a dominant one used by corporations when applying CSR.

On the one hand, in his study titled: *The false developmental promise of Corporate Social Responsibility: evidence from multinational oil companies*, Frynas suggests that the motives for CSR engagement "are much more complex than simply a response to external pressure" (2005:583). Subsequently, Frynas identified four important factors impelling mining houses to initiate community development projects and they are: obtaining competitive advantage; maintaining a stable working environment; maintaining external perceptions and keeping employees happy (Frynas, 2005: 583). It is essential to note that social initiatives may serve to address the above motives at the same time or may be simply motivated by the desire 'to do the right thing'.

On the other hand, Frynas argues that some of the industry insiders are heavily critical of CSR and to the author's surprise – it was not the NGO activists expressing the critical views such as 'CSR is a waste of time'; 'CSR is about managing perceptions and making people inside and outside the company feel good about themselves and that 'CSR is red herring in terms of development projects' (Frynas, 2005:582). Undoubtedly, the industry does have 'CSR believers' and genuine CSR practitioners, however, "the criticism by industry insiders must be taken seriously, and calls for an assessment of CSR practice" (Frynas, 2005:582).

Such critical views of CSR practice translate to a number of important constraints on the implementation of CSR. In his research, Frynas further identified that there is a lack of country-context specific issues; lack of involvement of the beneficiaries of CSR; lack of human resources; social attitudes of oil company staff and a focus on technical and managerial solution as well as failure to integrate CSR initiatives into larger developmental plan (Frynas, 2005:591).

2.3 Corporate Social Responsibility in South Africa

2.3.1 Brief historical context of South Africa

The apartheid regime of 1948 instituted by the National Party formed in 1915 formed a system that shaped socio-economic and political control between white and non-white (Africans, Coloureds and Indians) people that resulted in extreme racial inequalities and class division between all ethnic groups. This system was put into place to maintain white supremacy and keep non-white South Africans out of the modern sector of the economy. After South Africa gained its independence in 1994, it marked the end of three and half centuries of British colonialism, white rule and apartheid. The beginning of a democratic regime surfaced and there was an urgent need for redress and reorganisation of public service institutions in order to achieve equality and transformation in the politically transitioning and developing South Africa.

South Africa's first democratically elected president, Nelson Mandela began his presidency prioritising growth and development plans in the hopes of reawaken the economy. Former president Mandela put greater emphasis on public-private partnerships to address the developmental challenges (Field, 2007). Subsequently, the National Treasury issued the Public-Private Partnership Practice Notes under the Public Finance Management Act. In the Preface of the Manual, the former Minister of Finance, Mr Manuel stated that the PPP Manual is to "systematically guide public and private parties through the phases of the regulated PPP project cycle for national and provincial government, unpacking policy and providing procedural clarity as it does so" (as cited in National Treasury, PPP Manual, 2004:1). He continued to write that the PPP Manual is "a powerful tool in South Africa's ongoing quest to tackle poverty and grow our economy" (as cited in National Treasury, PPP Manual, 2004:1).

Thus the establishment of CSR programmes seen in South Africa today were based on Mandela's platform. According to Fourie, CSR can take different roles depending on the particular needs of a respective country. To illustrate this, Fourie states that "to Chinese consumers the hallmark of a socially responsible company is safe, high-quality products. For Germans it is secure employment. In South Africa, what matters most is a company's contribution to social needs such as health care and education" (2005:12).

The World Bank Group published a *“Corporate Governance: Framework for Implementation”* (Magdi and Nadereh, 2000) with a Foreword by Sir Adrian Cadbury. Cadbury wrote that “corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals...the aim is to align as nearly as possible the interests of individuals, corporations and society” (1999:2). CSR is a concept discussed and debated under the Corporate Governance concept in South Africa. Subsequently, the Institute of Directors in Southern Africa (IoD) published the King Report on Corporate Governance in South Africa (1992) and it became the first global corporate governance code report to write on the interest of stakeholders and about accountability beyond that of shareholders. The King Report put emphasis on the importance of that “a proper balance needs to be achieved between freedom to manage, accountability and the interests of the different stakeholders” (Rossouw et al, 2002:209).

In 2002, the second King Report (King II) was published and it focused on the Triple-Bottom Line Reporting (Fourie, 2005:17). The King II was the first global corporate governance code to include a section on integrated sustainability reporting and requiring that businesses to produce annual reports on the nature and extent of its social, transformation, ethical, safety health and environmental management policies and practices (Visser, 2006: 44). The various responsibilities stated in the King Report II, may point to the lack of legitimacy of businesses in South Africa and the Report could be used as a mechanism to promote legitimate management policies and practices.

Though King Report II is voluntary it still remains a listing requirement for the Johannesburg Stock Exchange (JSE). In 2003, the JSE established a Socially Responsible Investment Index and Newton-King, the new counsel and director of new business at the JSE announced that “corporate governance is a big issue for emerging markets, particularly within South Africa, not least because of the pioneering work of the King committee” (as cited in Fourie, 2005:7). The King Report was further established into the King III, in 2009.

In the South African context, companies refer to CSR related work as CSI – Corporate Social Investment as it is characterised “by philanthropic activities that are not necessarily embedded in the company’s core strategy” (Busacca, 2013:16). Moreover, Skinner and Mersham argue that the term CSI “is a peculiarly South African development” (2008:240). Arguably this may be the result of the

South African history. Prior to the transitioning period in the early 1990's, big businesses believed that CSR was "neither an administration of guilt for their share of agony of the deprived, nor is it implying responsibility for their socio-economic welfare of the country" (Mersham, Rensburg and Skinner, 1995:79). Rajak further argues that the main difference between CSI and CSR is that CSI reflects a focus on individual philanthropic leaders and managers, whereas CSR puts more emphasis with "'the good company' as an entity of its own, independent of the people who inhabit it, a moral being in its own right: 'a corporate citizen'." (Rajak, 2011:73).

In this context, there was a positive reaction towards the concept of "investment" than there was in the concept of "responsibility" because it tied businesses to the "evils of apartheid" (Skinner and Mersham, 2008:240). Thus, CSI "suggests a business orientated outcome that is preferred to doing something because it is vaguely 'ethical' or 'their responsibility'" (Skinner and Mersham, 2008:240). Due to this different ideology behind the concept, CSI programmes are action-plan led interventions to implement the CSR policy processes as part of community development efforts of companies in areas where operations take place.

According to the CSI Handbook published by Trialogue (2006), it illustrates key guidelines in order for businesses to balance the development goals with their business objectives. Briefly, the key guidelines for CSI's are: align CSI with the business; select focus areas; understand the development context; consolidate the CSI function; integrate CSI into the business; encourage employee volunteerism; engage stakeholders; forge working partnerships; monitor and evaluate projects; replicate and scale up successful models; build-knowledge sharing mechanisms and report on CSI practice (CSI Handbook, 2006).

In the context of South Africa, Hamann and Kapelus (2004) argue that the CSI phenomenon is highly problematic and vague because businesses that separate CSI from core businesses practices are not taking accountability for their activities but are further perpetuating root social problems. In this case, businesses will be accused for "greenwashing" (Hamann and Kapelus, 2004:88). The term "greenwashing" is used when a company is making misleading claims regarding environmental benefits of their product, service or technology. However, Trialogue's 7th edition CSI Handbook acknowledges South Africa's progress in implementing CSI programmes and state that CSI has

moved away from 'feel good charitable work to "an industry that is large, strategic and integral to South Africa's transformation effort...our successful CSI programmes are leading edge in world development terms" (as cited in Fourie, 2005:7).

2.3.1 Critics of Corporate Social Responsibility

Expectedly, the CSR agenda and practice faces immense criticism and rejection from investors, consumers, businesses, academics, NGO's and civil society. It remains being highly contested and continuously challenged for its reach and application. Given the South African context, Friedman's argument that government agencies, not corporations, were responsible for social development can be analysed as unsuitable and outdated. It is essential to understand that Friedman's argument is held upon a "well-ordered controlled state, but cannot be translated to an area defined by widespread poverty, illiteracy, weak and corrupt national governments, monopolization and inadequate international regulatory bodies" (Busacca, 2013:10). In addition, it is crucial for the private sector and civil society to put in shared integrated efforts in solving socio-economic problems as it is required globally for evolving sustainability agenda (Busacca, 2013:10).

Consequently, businesses that are socially and environmentally conscious are becoming more efficient regarding production considering that less energy and material needs are required (Busacca, 2013:10). In addition, Friedman focuses on economic self-interest as the only form of motivation in business. However, "business ethics has become increasingly important in terms of operations and decision-making" (Busacca, 2013:10).

In 1999, A. Bernstein, a former director of South Africa's Centre for Development and Enterprise, stated that "corporations are not institutions established for moral purposes. They are functional institutions created to perform an economic task...This is their primary purpose. They are not institutions designed to promote some or other form of morality in the world" (as cited in Rajak, 2011:79). Bernstein further believed in South Africa letting businesses maximise on economic profits, particularly for corporations and shareholders and believed this would in turn promote modernisation and development leading to democracy.

Bernstein's argument that businesses maximising on economic profits would in turn promote modernisation and development and thus leading to democracy is highly flawed and problematic.

However, Webster (1995: 104) argues that modernisation theory offers an account of the common features of the process of development. According to Hoogvelt (1976:5) a working definition for development is “a process of induced economic growth and change in an internationally stratified world”. This definition contains three focal elements: development as a process, development as interaction and development as action (Hoogvelt, 1976: 5).

In this context, modernisation theory falls within Hoogvelt’s development as a process: an evolutionary process of growth and change of man’s social and cultural organisation (that is of society) (Hoogvelt, 1976: 5). In light of modernisation theory emerging in the 1950’s, third world countries were the focus of the modernisation plan under the western wing and in doing so, academics reflected this interest by examining the socio-economic conditions conducive to modernisation (Webster, 1995: 109).

Moreover, the general argument from most scholars is that transition from limited economic relationships of a traditional society to the innovative, complex economic associations of modernity depended on a prior change in the values, attitudes and norms of people (Webster, 1995:109). However, Inglehart and Welzel (2009) argue that the early versions of modernisation were wrong on several points. First modernisation is not linear and social and cultural change is path dependent therefore, history matters. Second, modernisation is not westernisation and that modernisation does not automatically lead to democracy (Inglehart and Welzel, 2009: 39).

In addition, the authors argue that the new sources of empirical evidence provide valuable insights on how modernisation changes worldviews and motivations (Inglehart and Welzel, 2009:39). Subsequently, people in low-income societies are much more likely to emphasise religion and traditional gender roles than the people in rich countries. To illustrate this argument; World Value Survey and the European Values Study demonstrate that the worldviews of people living in rich societies differ systematically from those people living social and religious norms-shift from traditional to secular-rational values (Inglehart and Welzel, 2009:40).

Moreover, the authors emphasise the shift from survival to self-expression values and argue that it is linked to the rise of post-industrial societies. Survival values are those values that are centred on the acquisition of basic needs and “self-expression values give high priority to freedom of expression,

participation in decision-making, political activism, environmental protection, gender equality and tolerance of ethnic minorities, foreigners and gays and lesbians” (Inglehart and Welzel, 2009:40).

Consequently, the authors do not disregard the influence of a country’s heritage, beliefs and values, but they argue that this and society’s economic development, which brings change determines what values are reflected in a particular society (Inglehart and Welzel, 2009:40). Thus, the authors do believe that economic development is conducive to democracy when it brings social and political changes that change people’s behaviour and further argue that economic development must have structural changes – rise of knowledge sector; and cultural changes – rise of self-expression values.

2.4 Corporate Social Responsibility in South Africa’s mining industry

Globally, it is commonly known that the oil and gas sector has been among the leading industries in championing CSR practice (Frynas, 2005:1). The mining sector is at the heart of the South Africa economy, contributing 18.7% of the country’s gross domestic product (GDP) and directly employing 13.5 million people in 2012 (Chamber of Mines of South Africa, 2013:2). This is because South Africa is the largest export nation in the world of many minerals such as gold, platinum, manganese and chromium with the mining industry accounting for more than 50% of the country’s exported goods (Christian, Lindstrom, Mikkila, Pitulia, Tenfalt and Thunstorm, 2011:4).

Therefore, it is no surprise that the South African mining industry has made the greatest financial contribution as a sector into CSR initiatives. In the 2002 World Summit of Sustainable Development (WSSD), South Africa reaffirmed an international commitment to sustainable development. It is essential to acknowledge that partnerships between the private sector and civil society are important in meeting the socio-economic development goals the country has put forward (Busacca, 2013:23). Moreover, the Johannesburg Plan of Implementation (JPOI) encourages industries to improve social and environmental performance through voluntary initiatives and promote public-private partnerships (Mbuza, Msezane and Kwata, 2010:1).

Kubicek (1991:74) writes that “it was at Kimberley that key features of the mobilisation of the South African mining labour force began to take shape. The use of migrant black labour, its containment in compounds, and the preferred treatment of white labour to its disadvantage, became well established practices within 20 years of the discovery of the diamond fields”. Hence, the South African mining

industry continues being the most complex and controversial sector given that “the current sustainability practices cannot be separated from the political history of the sector and the socio-economic conditions of the mining populations” (Mariri and Chipunza, 2011:95).

With that said, the industry is also responsible for the negative impacts related to land use, environmental pollution and mine closure. Moreover, Jenkins and Yakovleva (2006:272) write that the mining industry is to blame for the disruption of river flows, degradation of land and forest resources, disturbance of local communities as well as the traditional lifestyles of the local people. Hence the mining industry is regarded as one of the most disruptive business operations, both socially and environmentally (Jenkins and Yakovleva, 2006:272).

Due to the above negative impacts, there has been great amount of tension between the mining companies and where they operate in and this tension stems from the apartheid legacy because “the activities of the mining houses were inextricably linked with colonial and subsequently apartheid policies through the migrant labour system” (Hamann, 2004: 279). Thus, South African multinational mining companies were known for:

“Neglecting their mining producing communities during the apartheid regime. The mining companies lacked electricity, housing, potable water, and their farmland were destroyed by the mining activities. Even though they claimed to have done many things to correct the wrongdoing of the past, they have not done anything to improve the lives of people living in the mining areas. It is the government [as mandated to do so] that have embarked on notable housing and electrification project. What are the companies that neglected the communities doing? They are only after their profits.” (as cited in Eweje, 2006:111).

Hence it is evident that the mining industry is currently taking lead in CSR initiatives given the inherently unsustainable nature of mineral extraction, due to the multinational mining companies that operated without regard of the environmental damage and social destruction caused, particularly prior 1994. Chapter Seven of the South African Constitution (1996) outlines the objectives of local government as follows:

- (a) To provide democratic and accountable government for local communities;
- (b) To ensure the provision of services to communities in a sustainable manner;

- (c) To promote social and economic development
- (d) To promote a safe and healthy environment and
- (e) To encourage the involvement of communities and community organisation in the matters of local government (RSA Constitution, 1996: 74).

Keeping the objectives of local government in mind, subsection (2) of the Constitution (1996:74) stipulates that “municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)”. In practice, however, the above objects remain being difficult to achieve due to limited resources and unskilled personnel at the local level.

Hence, mining corporations began to recognise the difficulties in the pursuit of sustainably and effectively operating in unstable environments. This problem gave momentum to public-private partnerships and the notion that “CSR may contribute to the general uplifting of those historically disadvantaged people that have been discriminated against for centuries” (Kloppers and du Plessis, 2008:93). Subsequently, the Mining and Petroleum Resources Development Act (MPRDA) and the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry (The Mining Charter) were enacted in 2002 in which both played a pivotal role, direct and indirect towards advancing CSR and its application.

2.4.1 Mineral and Petroleum Resources Development Act (2002)

The MPRDA, enacted in June 2002, serves as a legislative framework that aims to attain equitable access to and sustainable development of South Africa’s mineral and petroleum resources. The act requires mining companies to convert their old mining rights under the Minerals Act 50 of 1991 to new order rights under the MPRDA. Moreover, companies are obliged to meet a number of the social and labour plan targets as a pre-requisite for the granting of mining rights. For the purpose of this research study in which focuses on CSR in the mining industry and CSI initiatives in the area of education, only three of the nine objectives of the MPRDA will be outlined as they have been identified as the most applicable to the research study. Thus, the most applicable objects of the Act are to:

- (a) recognise the internationally accepted right of the State to exercise sovereignty over all the mineral and petroleum resources

(h) give effect to section 24 of the Constitution by ensuring that the nation's mineral and petroleum resources are developed in an orderly and ecologically sustainable manner while promoting justifiable social and economic development

(i) to ensure that holders of mining and production rights contribute towards the socio-economic development areas in which they are operating (MPRDA, 2002:18).

In reference to CSR, it is clear that the most important and applicable objective of the Act is section 2(i). However, the Act does not specifically elaborate on how the objective may be attained, hence mining companies subscribe to the Act in a voluntary manner and thus can be assessed through the degree of their CSR initiatives how much of the Act has been adopted effectively.

Subsequently, the establishment of The Mining Charter in October 2002, enacted by the Chamber of Mines of South Africa, the Department of Minerals and Energy, the South African Mining and Development Association and the National Union of Mineworkers with a "shared vision of a globally competitive mining industry that draws on the human and financial resources of all South Africa's people and offers real benefits to all South Africans. The goal of the empowerment charter is to create an industry that will proudly reflect the promise of a non-racial South Africa" (The Mining Charter, 2002:1). Therefore, the Charter is a legally binding commitment by the mining industry "to increase the access of previously disadvantaged individuals to South Africa's mineral resources and their associated economic benefits" (Busacca, 2013:29). Significantly, the Charter further represents an extended recognition of the Black Economic Empowerment (BEE) Act and promotes what the Act stands for.

2.4.2 Social and Labour Plan Guidelines for the Mining and Production Industries

As mentioned previously, mining companies are obliged to meet a number of social and labour plan targets that are regulated by the Department of Minerals and Energy. The Social and Labour Plan (SLP's) Guidelines for the Mining and Production Industries further regulates the mining companies to support social, economic, education and infrastructure development in communities situated near the mining operations. Hence, the SLP's requires applicants of mining and production rights "to develop and implement comprehensive Human Resources Development Programmes including Employment Equity Plans, Local Economic Development Programmes and processes to

save jobs and manage downscaling and/or closure” (SLP, 2012: 4). Subsequently, the objectives of the Social and Labour Plan are to:

- (a) Promote employment and advance the social and economic welfare of all South Africans;
- (b) Contribute to the transformation of the mining industry; and
- (c) Ensure that holders of mining or production rights contribute towards socio-economic development of the areas in which they are operating as well as the areas from which the majority of the workforce is sourced (SLP, 2012: 4).

Similarly to the objectives of MPRDA Act, SLP object (c) further reiterate that mining houses must contribute towards the socio-economic development of the areas in which they are operating in. Additionally and most importantly, CSR is most applicable when mining houses implement the SLP programmes as a tool to assist in meeting the SLP objectives coupled with the MPRDA Act objectives. Conversely, the Companies Act 71 of 2008 does not specifically stipulate companies engagement in CSR practice nor does it compel companies to implement CSR initiatives or programmes, though it encourages “transparency and high standards of corporate governance as appropriate, given the significant role of enterprises within the social and economic life of the nation” (2008:33).

However, the Finance and Accounting Services Sector Education and Training Authority (FASSET) reflect that the Companies Act 71 of 2008 contradicts with the Broad-Based Black Economic Empowerment (BBBEE) Legislation Act 53 of 2003 in which state that companies are legally compelled to embrace CSR programmes because “the Act requires South African based companies to engage in Preferential Procurement Policy” (FASSET, 2012:9). This policy requires companies to assist previously disadvantaged groups of people in the economy, in order to be actively involved in the modern economy. In light of CSR and its application, the legislative framework discussed above is lacking clarity and guidance pertaining to how CSR ought to be applied and regulated. Therefore, this result has possibly led to institutional and practical challenges militating against the effective and successful implementation of CSR initiatives in South African communities.

The existing literature on CSR agenda and its practice highlight a significant role that CSR ought to play in contributing towards the alleviation of poverty and addressing socio-economic development

challenges related to health as well education, mainly in developing countries, as argued by Blowfield and Frynas, 2005. On the one hand, it shows the key motives that drive corporations to engage in CSR practice and on the other hand it illustrates how CSR is critically perceived by corporation insiders in the mining industry with the view that 'CSR is a waste of time'.

This perception further fuelled critical writers of CSR that argues that government agencies are responsible for social development and therefore businesses addressing social responsibilities was simply interfering with the effective and efficiency economic activity of businesses. Moreover, the notion of 'development' has significantly been questioned over a long period of time due to 'development' explicitly and exclusively signifying "economic development" for many decades. This form and notion of 'development' would be acquired through the adoption as well as promotion of modernisation in third world countries.

Subsequently, due to the highly contested notion of development, a new meaning and understanding of development emerged that reflects a society that holds health, education, environmental protection, gender equality, tolerance of ethnic and foreign minorities into high regard. Hence, CSR is used as a vehicle to drive socio-economic development, particularly in the areas of health and education. However, the literature discussed fails to address and unpack the key institutional and practical challenges, particularly from public institutions perspective, that are hindering the effective implementation of CSR initiatives.

Hence, this research paper aims to unpack the key institutional and practical challenges within the area of education in the North West and Limpopo province in South Africa, with a focus on the mining industry. Thus, the following chapter will contextualise the education system of South Africa, both from a national and provincial level in order to map out the key objectives and aims of the stated education departments and further discuss the key challenges faced within the education system, followed with the broader role of CSR and CSI programmes in the area of education.

Chapter Three: Education Sector in South Africa

NORTH WEST PROVINCE AND LIMPOPO PROVINCE

Following from the comprehensive chapter on the existing literature on CSR, chapter three aims to discuss and analyse South Africa's basic education sector – both nationally and provincially with a focus on the Limpopo Province and North West Province. Furthermore, the chapter will look into the prevailing challenges faced by the education sector. In addition, the chapter will discuss the broader role of CSR and CSI practice in the basic education sector. Though it is difficult to quantify corporate social spending in South Africa, the education sector is by far the most prioritised and leading in terms of CSI and necessary interventions undertaken.

The challenges in the sector is strongly due to South Africa's previous racially marginalised education system that resulted to all-encompassing problems related to learners, resources and teachers. It is important to understand that private sector interests, incentives and motives to engage in the education sector is twofold and this twofold dynamic will be elaborated later in the chapter, with reference to chapter two.

3.1 Historical context of South Africa's education system

During the apartheid regime, the introduction of the strategic education system developed in the *Report of the Commission of Enquiry into Native Education 1949-1951 under the Tomlinson and Eiselen Commissions*; and this report formalised new educational subsystems that were classified into ethnic groups. Prior the creation of this report, the churches and mission groups provided two-thirds of schooling to black people and the churches could not educate effectively on the basis of maintaining labour demands for the expansion of the economy because of limited funds and lack of manpower (Beck, 2000: 131). Subsequently, the passing of the Bantu Education Act (No. 47 of 1953) required churches and mission groups to lose control of their schools to the apartheid government or to accept the reduced state subsidies.

Moreover, the Act was the first piece of legislation to formally remove provision of school education from provinces to being controlled by the state, and this was further perpetuated on the assumption that "African children, because of their distinctive aptitude, which was perceived by the state as being below normal, required a schooling different from that of white children" (Mothata, 2000:

141). Furthermore, Beck (2000) highlighted that the National Party government was concerned by the fact that the churches and mission groups were developing solid thoughts and ideas' pertaining to equality and the significance of human rights that was influencing the African students.

Consequently, it became evident that the education received by black people was of poor quality and was intended to not have black people within the modern sector of the economy (Fiske and Ladd, 2004:42). Therefore, the Act was intended to supply stable cheap labour, predominantly in the mining, agriculture and domestic service sectors. Subsequently, the National Party government further deliberated on how teachers were selected and trained, curriculum development and financing of schools in order to produce basic skills that were required to maintain cheap labour force amongst black people (Beck, 2000:132).

In the late phases of apartheid, different schools were run under different Houses that represented each ethnic group. Black students remained under the control of the Department of Education and Training (DET) whilst the House of Assembly (HoA) had schools attended by white students; House of Representatives (HoR) had schools attended by coloured students and the House of Delegates (HoD) has schools attended by Indian students (Fiske and Ladd, 2004:43).

The above amendments were accompanied by new developments that surfaced in the 1960's; the tricameral parliament was established to give coloureds and Indians restricted political voice. Subsequently, the three chambers were given the power to run their own education departments as well as the schools (Fiske and Ladd, 2000:43). Moreover, four departments were added to run schools in the homelands that were regarded to be "independent" specifically, Bophuthatswana, Ciskei, Transkei and Venda.

As previously mentioned, the apartheid government further deliberated on how the recruitment and training of teachers, curriculum development and education financing would be distributed between the racially classified Houses. In the early 1980's; the Human Sciences Research Council (HSRC) conducted an investigation in the area of education covering all elements such as the education system planning; the recruitment and training of teachers; curriculum development as well as financing of education in the different Houses that represented the four ethnic groups.

3.1.1 Education system planning

In light of the education system planning; the White group was organised through two levels: central being the Minister of National Education and Parliament and the provincial under the Administrator and Provincial Council. On the other hand, the Black, Coloured and Indian education subsystems were under the full control of a Minister and a central department only (The Work Committee: Education System Planning, 1983:2). Keeping that in mind, the former homelands were not encompassed in the education subsystems as they were declared “independent” and thus ran their own departments and had their own legislation.

3.1.2 Recruitment and training of teachers

In reference to the recruitment and training of teachers; a minimum of standard eight was required in order to be gain admission into colleges, though this was later amended to a minimum of standard ten. This was specifically designed for Black, Coloured and Indian students whom were interested in joining the teaching profession. The required training had to be undertaken in one of the 35 colleges or a white university that required permission to be approved by the Minister (The Work Committee: Recruitment and Training of Teachers, 1983:45).

3.1.3 Curriculum development

In light of curriculum development, the similar subjects that were offered in the HOA, HOR and DET were: mathematics, languages (first and second), history, hygiene, geography, physical education and religious instruction. (The Work Committee: Curriculum Development, 1983:4). On the other hand; the HOA had an additional distinguished subjects such as: media-use instruction, arts education, handwriting environmental studies, guidance and music other than the standard subjects that were offered in all the other houses. Considering that there were subjects offered in more than one House; one interrogates the calibre of the material gathered and taught to the four education subsystems. Through the triacameral parliament, the coloured and Indian community gained a political voice hence; the HOD requested that the Indian communities should have their different Indian languages being considered as subjects in the curriculum.

3.1.4 Education financing

In reference to education financing there were alarming discrepancies related to how finances were racially distributed: 6.1% of the total budget was spent for Asians, 12.7% was spent for Coloureds, 16.3% for Blacks and 64.5% was spent for Whites. The disproportionately distributed finances on education were not only controlled by the different departmental education subsystems, but were also regulated through other departments that rendered services to the education department such as the health, transport and public works departments. Most significantly, education financing contributed towards “the differences in the availability of educational facilities and the quality of those facilities; differences in the spectrum of subjects offered, and differences in teachers qualifications and salaries” (The Work Committee: Education Financing, 1983: 16).

Overall, the racially classified education subsystem created infrastructural and organisational inefficiencies that produced immense backlogs that are still apparent in contemporary South Africa. Amongst many others, the apartheid legacy resulted to the “residential segregation and persistent poverty among Africans, inadequate resources and low quality instruction for black children, low levels of educational attainment among black adults and low student achievement and absence of adequate “culture of learning” (Fiske and Ladd, 2004:52). This statement can further be argued for the Coloured and Indian communities because of the marginalisation that was apparent in the system. Subsequently, public schools within the marginalised communities lacked basic facilities such as: adequate classrooms, laboratory, libraries and other vital equipment and resources that were needed for effective teaching and learning.

3.2 Transitioning Period – post 1994

Evidently, educational reform became one of the main prioritised issues that needed urgent redress and transformation due to high levels of inequality in the education system – as comprehensively discussed in the section above. Chapter Two of the Constitution, encompassing the Bill of Rights stipulates that:

29. (1) Everyone has the right

(a) to a basic education, including adult basic education; and

(b) to further education, which the state, through reasonable measures, must make progressively available and accessible (RSA Constitution, 1996:12).

The Constitution further state that “in order to ensure the effective access to, and implementation of, this right, the state must consider all reasonable educational alternatives, including medium institutions taking into account: equity; practicability and the need to redress the results of past racially discriminatory laws and practices” (RSA Constitution, 1996: 12).

3.3 The National Education Policy Act (1996)

Subsequently, the National Education Policy Act (No. 27 of 1996) (NEPA) was to provide new definitions and objectives of the education system as well as determine a policy on salaries and conditions of employment of educators. With that said, it was “necessary to adopt a legislation to facilitate the democratic transformation of the national system of education into one which serve the needs and interests of all the people of South Africa and upholds their fundamental rights” (National Education Policy Acts, 1996: 1). The Act is arranged according to fifteen sections. In light of the current study; the most applicable subsections will be critically discussed at a later stage. For now, section two outlines the objectives of the Act for:

- (a) The determination of national education policy by the Minister in accordance with certain principles;
- (b) The consultations to be undertaken prior to the determination of policy, and the establishment of certain bodies for the purpose of consultation;
- (c) The publication and implementation of national education policy;
- (d) The monitoring and evaluation of education. (National Education Policy Act, 1996:3).

3.4 The South African Schools Act (1996)

Consequently, the South African Schools Act (SASA) (No. 84 of 1996) became one of the most significant pieces of legislation in transitioning the basic education system. It aimed to provide a uniform system for the organisations, governance and funding of schools. It further ensures that all learners have the right of access to quality education without discrimination and makes schooling compulsory for children aged 7-14 years (SASA, 1996). The education system of South Africa is regulated by more than seventeen Acts and mandates. Each and every piece of legislation contributes towards the main priorities put forward in the NEPA and most significantly the South African Constitution.

In addition, the provincial government holding executive power, also plays an essential role in materialising the legislative frameworks deliberated in the Acts and mandates. Thus it is crucial to discuss the provincial education departments' objectives of the respective provinces in fulfilling the national mandate. But first, it is necessary to contextualise the socio-economic background and conditions of the respective provinces. The socio-economic conditions will assist in gaging the realities that need to be considered when critically discussing the provincial education departments' objectives.

3.5 Limpopo Province: Brief contextual background

The Limpopo province is known to be among one of the most rural and poorest provinces in South Africa. Though the province is relatively non-industrial, its main two primary sectors are agriculture and mining and these sectors are the major share of the province's gross geographical product. Moreover, Limpopo has a growing manufacturing sector, though it is not widespread across the province (Mthethwa, 2005:3).

The Development Bank of Southern Africa (DBSA) report (2000:14) recorded that "the economy of the province is not to utilise its available human resources capacities effectively" (as cited in Mthethwa, 2005:3) and thus leading to the high rate of unemployment in Limpopo. It is essential to highlight that the province lacks physical infrastructure and services which resulted from the severe legacy of apartheid. Thus it is inevitable that the education system will face institutional and structural challenges due to the inadequate development occurring in the province.

The education department in the province is an amalgamation of the former Department of Education and Culture: HoR; HoD; DET; Gazankulu Education Department (GED) for Tsonga/Shangaan-speaking people; Lebowa Education Department (LED) for the Northern Sotho-speaking people; Transvaal Education Department (TED) also known as House of Assembly (HoA) for English-speaking people and lastly Venda Education Department for Venda-speaking people (Mahomole, 2008: 4).

Due to this amalgamation, one of the primary challenges was to "integrate the diverse organisational structures and education systems of all these entities into coherent whole, and establish some form of unity within the framework of the National Government's aim to restructure

the entire education system, the imperatives of the Reconstruction and Development (RDP) and other post-1994 education-related legislation and policies” (Lehohla, 2013:14). Lehohla (2013) further writes that, though the new education department used the same curriculum, with similar conditions of service and were subject to the same national legislation, backlogs were inherently prevalent in the schooling system. Hence, Gardiner (2008) argues that this is due to the historical legacy and continued poverty as well as the inequality in rural areas.

3.6 North West Province: Brief contextual background

The North West Province, bordered by the provinces of Gauteng, Limpopo, the Northern Cape, the Free State and the Republic of Botswana is the sixth largest of the nine in South Africa with a total area of 116 320 km² and a population of approximately 3.4 million and with 65% of the population living in the rural area (Walmsley and Walmsley, 2000:9). Similarly to the Limpopo Province, North West is one of the most rural and poorest in South Africa with a provincial geographic product of R 3 964.00 per person, in which is below the national average of R 6 498.00 (Walmsley and Walmsley, 2000:9).

Thus “rural poverty and urban-income differences exacerbate social problems such as violence, crime and HIV infection” (Walmsley and Walmsley, 2000:9). Again similarly to North West, it is known to have a high rate of unemployment with a population that is illiterate and being the highest figure among all provinces in South Africa. Likewise, the mining and agriculture sectors are the two leading industries and remain being the centre of the provincial economy contributing 42% to the GDP and 39% to the employment (Walmsley and Walmsley, 2000:9). Similarly to the Limpopo Province, the North West had the amalgamation of the former Department of Education and Culture: HoR; HoD; TED; DET; Cape Education Department which was a part of the HoR and the Bophuthatwsana Education Department (Mayet, 1997).

3.7 Objectives of the Provincial Education Departments: Limpopo and North West

It is essential to highlight that South Africa is a unitary state with features of federalism; meaning that each Province is able to formulate and pass its own legislation (Mayet, 1997). Hence, provinces are encouraged to do more than the basic national standards, with the notion that each province will pass on legislation that addresses context-specific challenges. For the purpose of this research study, this chapter will focus on the 2012/13 Annual Performance/Strategic Plan in order to gather

the objectives and further deduce the challenges faced by the education system, nationally and provincially. The Annual Report (outcomes) will be discussed thoroughly in the next chapter for both provinces.

On the one hand, Department of Basic Education in the Limpopo Provinces envisions its basic education system as a “catalyst for human development, providing innovative and inspiring quality life-long education” (DoE Annual Report 2012/13, 2013:6) and it has a mission to achieve this vision by:

- Delivering curriculum in an innovative, effective and efficient and efficient way
- Maximising accountability
- Fostering community participation and governance in education
- Ensuring equitable and efficient allocation resources
- Striving for competent and motivated workforce (DoE Annual Report 2012/13, 2013: 6).

Moreover, the Limpopo Department of Education values “will strive to demonstrate excellence, respect and integrity towards its clientele. It will also promote professionalism, commitment, accountability and innovation in its bid to realise its objectives” (DoE Annual Report 2012/13, 2013:6). Judging from the above mission reflecting the vision put forward, it appears to be clear and orderly to what the department ought to do and further correlate with the National Education Policy Act. In addition, the department sets out the following as the objectives of the department:

- Transformation of educational institutions into accessible, functional and quality.
- Promote access to education through independent.
- Transformation of special schools into accessible, functional and quality centres.
- Contribute to the reduction of illiteracy in adult learners to enable them to access further learning and employment opportunities.
- Building a firm foundation for further learning.
- Provision of auxiliary education services (DoE Annual Report 2012/13, 2013:6).

However, the Report fails to adequately define the terms in setting out the objectives. The weaknesses pertaining to how the objectives of the department are set out will be discussed later.

On the other hand, the Department of Basic Education in the North West Province envisions a vague strategic overview of what direction they ought to move the province towards. The vision states that the provinces aims to move “towards excellence in education” (DoE Annual Report 2012/13, 2013:7). The mission that ought to reflect the vision is vague and the provincial department aims to “provide for quality basic education for higher learner achievement through educator excellence and support service” (DoE Annual Report 2012/13, 2013:7).

Moreover, the department uphold the following values: excellence; innovation; people-centred; communication as well as integrity and honesty. The department further provides explanation on what the above values reflect and how they are prioritised. Thus the department aims to: move beyond compliance by going an extra mile; continually strive for better and new ways of doing things; people being the strength of the department; sharing information in a responsible and transparent manner as well as respond to fellow employees and other stakeholders with honesty, fairness and respect (DoE Annual Report 2012/13, 2013:7).

The values seem to provide a clear framework of what is prioritised in the department; however it lacks to offer clear definitions and systematic steps that ought to be taken in order to achieve the above objectives. In comparison to the Limpopo Province, there is an imbalance in how the strategic overview is outlined and slight differences in what each department is prioritising. Considering the 2012/13 Annual Performance Plan, the Limpopo Province appears to have clear objectives set out under the ‘mission’ of the department; whereas North West falls short in breaking down the key objectives of the department. However, looking at a previous Strategic Plan (2003) for the Department of Education in the North West, in relation to the subject of the current research study, it paves a similar strategic overview with a focus to:

Strategic objectives for strategic goal one:

- To ensure governance levels work effectively and efficiently.
- To ensure sustainable use of available resources.
- To improve the organisational design of the department to bring services closer to schools.
- To improve financial management and quality enhancement (DoE Annual Strategic Plan 2003/4 to 2005/6, 2003: 5).

Strategic objectives for strategic goal four:

- To develop a maintenance plan for all infrastructure of the department.
- To establish regional and provincial task teams to co-ordinate the maintenance of infrastructure.
- To introduce mechanisms of accountability (monitoring) viz-viz the main plan.
- To ensure participation of stakeholders and role players at school, circuit, region and provincial levels through committees.
- To implement evaluation mechanisms at regular intervals to ensure compliance and standards maintenance.
- To eliminate conditions of physical degradation.
- To eliminate classroom and sanitation backlogs (DoE Annual Strategic Plan 2003/4 to 2005/6, 2003: 5).

The key objectives instituted above illustrate the application of executive power driven by the two provincial education departments, respectively, to further carry through the National Education Policy Act and other legislative frameworks and related-education policies such as the South African Schools Act (No. 84 of 1996). However, it is inevitable that the education system will be subjected to key challenges, both nationally and provincially. The next section aims to critically discuss the challenges that are faced by the education system followed with a section discussing the broader role of CSR and CSI programmes in the basic education sector, as a way to address some of the key challenges.

3.8 Key challenges in the basic education sector of South Africa

It is inevitable that the inequalities of the South African education system can be traced to the education system prior-1994, particularly the Bantu Education Act of 1953. The Act perpetuated the unequal distribution of teacher-training and recruitment; curriculum development and finances in accordance to the racially classified education sub-systems elaborated in the opening of the current chapter.

As discussed previously, the national and provincial departments of education are mainly concerned with redressing the injustices of the past education system and find feasible ways to improve the sector as well as the quality of the education taught in schools. However, the education system remains being a high-cost with low-performance that does not compare favourably in conjunction to other education systems in other developing countries, particularly Africa. Thus, this

section paves a way illustrating the current challenges that still prevail in South Africa's education system.

In the Introduction chapter in the book titled: *Challenges and Issues facing Education System in South Africa*, Legotla (2014) outlines various challenges that have been identified through research studies acknowledged in the book and Legotla broadly classifies them into three categories: resource issues; staff related issues and learner related issues. Shortage of instruction material; shortage of teaching staff; lack of relevant textbooks; poor condition of buildings; shortage of facilities; inadequate time-on-task; un-resourced libraries and disorderly learning environment are challenges classified within the resource issues (Legotla, 2014: 7).

Legotla further outlines that there is shortage of appropriately trained educators; loss of competent staff; high job insecurity; low-level of motivation and morale; lack of staff discipline and poor teaching and learning strategies. Lastly, the learner-related issues pertain to lack of discipline; learner motivation problems; under-prepared students; substance abuse; high-absenteeism; psychological factors; poor study and life skills and poor socio-economic conditions that result from high levels of poverty (Legotla, 2014:8).

Considering the above categorised challenges, one may find it difficult to believe that the education sector (along with the healthcare sector) remain being the core areas of national spending in South Africa. The shift in national budget spending in these sectors extends to the evolving notion of the meaning and understanding of what development fundamentally encompasses. Moreover, it signifies that the South African government is prioritising the well-being of society and improving the accessibility to services; such as healthcare and education. Most significantly, the Millennium Development Goals (MDG's) adopted in 2000 state that "better education is fundamental to the prospects of economic and social development and the end of world poverty" (as cited in Ndandani, 2014:27).

According to the National Treasury, in the 2012/13 financial year alone; the budget summary for the Medium-Term Expenditure Framework (MTEF) allocation in the Department of Basic Education was estimated at 16 344 million rand (National Treasury of the Republic of South Africa, 2012: 299). The budget is allocated to five programmes and they are: (1) Administration; (2) Curriculum Policy,

Support and Monitoring; (3) Teachers, Education Human Resources and Institutional Development; (4) Planning, Information and Assessment and lastly the (5) Educational Enrichment Services (National Treasury of the Republic of South Africa, 2012: 299). However, the challenges faced by the education schooling system supersede the financial provision made to the sector and the problems prevail in all the different programmes set out for the MTEF allocation.

3.8.1 Learner-related issues

Learner-related issues can be viewed as all-encompassing and strongly connected to resources and teacher-related to challenges. The socio-economic background and current conditions play a significant role in the teaching and learning process and most crucially, socio-economic circumstances contribute towards academic performance of learners in schools – whether negative or positive. One of the major hindrance in achieving strong academic performance is the use and abuse of substances such as alcohol and drugs in schools.

A study conducted in 2003 by Madu and Matla in Limpopo Province reported that 12.0% for substance abuse amongst adolescents in schools, cigarette smoking 10.6% and 39.1% for alcohol use (as cited in Onya and Flisher, 2008:72). Furthermore, Cannabis was reported to be the most used substance and the mean age for first time users was 14.89 years and 15.25 years for substance – cigarette and alcohol respectively (as cited in Onya and Flisher, 2008:72). It is inevitable that substances such as alcohol and drugs have a mental and psychological effect in the developmental process of the brain and subsequently the outcome of academic performance.

Additionally and most significantly, Morojele, Parry, Brook and Kekwaletswe from the Alcohol and Drug Abuse Research Unit in the Medical Research Council argue that “children’s and adolescents’ substance use can each be accounted for by the multiplicity of factors at the societal, community, school, and familial and individual levels’ (2004:195). Moreover, Zulu, van der Merwe and der Walt (2004) state that the use of alcohol and drugs is easily accessible on school premises particularly in disadvantaged communities.

One the one hand, Matthews, Griggs and Caine (1999) argue that where there is lack of mental and academic stimulation in the classroom environment learners are prone to be drawn to substances such as alcohol and drugs. On the other hand, Morojele, Parry, Ziervogel and Robertson (2001)

express that low and poor academic goals and performance from learners may be a strongly be related to the use of substances, particularly alcohol. This subsequently leads to the issue of high absenteeism and repetition of grades in disadvantaged communities (Flisher, Parry, Evans, Muller and Lombard, 2003). Consequently, learner motivation and academic preparation is weakened and in turn negatively affects self-discipline in learners.

Moreover, poor socio-economic conditions of learners who come from disadvantaged communities have significantly influenced the quality of education learners have received. Considering the South African history; “the hierarchical structure of society, including access to wealth, prestige and power, was constructed to be on the basis of race through decades and even centuries and institutional inequality” (Taylor and Yu, 2009:5). With that said, Taylor and Yu use the data from the General Household Survey of 2006 and reported that on the one hand, “31% of black children between the ages of ten and twelve lived in a household with neither parent, 41% of black children lived with a single parent and only 28% lived with both parents” (as cited in Taylor and Yu, 2009:6).

On the other hand, 80% of white children and 89% of Indian children between ten and twelve lived with both parents present. This illustrates the aspect of family background having a fundamental effect on educational results. Thus, Anderson (2000:12-12) finds that family structure heavily contributes to the enrolment status of students, their highest passed grade and the number of years delayed in school if the child is still in enrolled (as cited in Taylor and Yu, 2009:6).

Considering Limpopo Province and the North West Province contextual background, the levels of unemployment and poverty are extremely high and therefore leading to negative implications related to the academic progression of the learners. This extends to Taylor and Yu’s argument that “problems poor households are generally vulnerable to are amplified through the concentration of poverty in the neighbourhood” (2009:6) and thus hindering the teaching and learning process for children coming from poor households. This is due to a lack of economic opportunities, absence of positive role models, unsafe streets and high concentration of non-traditional family structures. Hence Taylor and Yu further argues that “poor neighbourhoods tend to foster a general attitude of hopelessness and low self-efficacy” (2009:7).

3.8.2 Teacher-related issues

In light of staff related issues; it is a known fact that there has been a continuous struggle in producing qualified and competent teachers who can provide quality teaching for all subjects and phases. Again, the apartheid regime – particularly the establishment of the Bantu Education Act of 1953 significantly contributed to the intended consequence of organising processes of training and recruiting teachers according to racial classification.

Subsequently, the unintended consequences of the [Teacher] Rationalisation Policy of 1996 established by the Education Labour Relation Council (ELRC) that consisted of the Department of Basic Education, South Africa Democratic Teachers Union (SADTU) and the National Professional Teachers' Organisation of South Africa (NAPTOSA) added to the continued struggles related to the teaching profession. Fundamentally, the policy aimed to shift 20% of overall education spending from privileged schools to the disadvantaged schools, equalise the pupil-teacher ratios in public schools as well as equalise salary-scales across all ethnic groups (Jansen and Taylor, 2003:31).

This policy designed two distinct mechanisms to achieve the above goals: (1) voluntary severance package (VSP) and (2) redeployment lists (Jansen and Taylor, 2003:31). The VSP was awarded to teachers that wanted to leave the teaching profession and teachers that were deemed "in excess" were then put on the redeployment lists. The redeployment lists were organised according to Central Redeployment Agency (CRA) and Provincial Redeployment Agency (PRA). Consequently, the provincial redistribution of teachers on redeployment lists was based on the immense economic and social inequalities that is prevalent in the nine province (Chisholm, Soudien, Vally and Glimour, 1999: 387). The VSP was estimated at 66 333 rand for every teacher that left the teaching profession.

However, implications of this policy resulted to the loss of highly-skilled teachers through the VSP's; resistance by teachers to be redeployed to provinces in order to teach in disadvantaged schools – particularly the Eastern Cape, Limpopo and North West (Jansen and Taylor, 2003: 32). It further led to financial crises in the poor provinces due to the immense backlogs; such as infrastructure and resources as well direct relationship between fiscal constraints and the expanding social demand (Chisholm et al, 1999:394). Lastly, the resistance of schools to hire teachers from the redeployment lists and the schools that were resisting to hire redeployed teachers were

predominantly the privileged schools irrespective of the teachers' qualification and experience (Jansen and Taylor, 2003:31). Essentially, this further added to the challenges that exist in the teaching profession today.

In 2009, the Teacher Development Summit was held with the aim to improve and transform the South African teacher education system. From this summit, the *Integrated Strategic Planning Framework for Teacher Education and Development in South Africa 2011-2025* was established with the aim to "improve the quality of teacher education and development in order to improve the quality of teachers and teaching" (Department of Basic Education and Department of Higher Education and Training, 2011: 1).

The Plan covered the full range of teacher development and both quantitative and qualitative challenges were recognised. However, the Centre of Development Enterprise (CDE) in its *Teachers in South Africa: Supply and Demand 2013-2025* publication identified particular weaknesses in the Plan: "the lack of measurable deliverables and specific annual targets, a model of expansion based on the existing models of the initial teacher education (ITE) at public higher education institutions which excluded new and innovative approaches, neglect of professional development for teacher educators and lack of attention to the role private sector could play in the future" (CDE, 2015:1). It is inevitable that the weaknesses identified in the Plan will reflect on the roll-out of the Plan on the ground. Hence the continuous practical challenges of poor teaching and learning strategies as well as the lack of appropriately trained teachers.

3.8.3 Resources-related issues

The environment and conditions of rural schools situated in Limpopo and North West Province are heavily burdened. Hence Legotla's outline of the categorised issues facing the schooling system is justified. In line with the resources issues; one primary school in Madibogo village located in the capital city of the North West, had its toilets rendered to be threatened with closure by the provincial health department (Ndandani, 2014: 24). Moreover, Ndandani (2014:24) writes that "toilets in schools with over five hundred children in number of are always in a terrible state and in some rural schools they are not even provided". This illustrates the severity of the condition of toilets in schools

and in-turn relating to the shortage of facilities and poor condition of the buildings, particularly in rural schools.

In the *National Policy for an Equitable Provision of an Enabling School Physical, Teaching and Learning Environment* published in 11 June 2010 read as follows:

Yet, as recent studies show, there is a link between the physical environment learners taught [in], and teaching and learning effectiveness, as well as learning outcomes. Poor learning environments have been found to contribute to learner irregular attendance and dropping out of school, teacher absenteeism and the teacher and learners' ability to engage in the teaching and learning process. The physical appearance of school buildings are shown to influence learner achievement and teacher attitude towards school (as cited in Ndandani, 2014:26).

Though the National Policy makes the link between the physical environments learners are taught in and how that reflects the outcomes teaching and learning; it does not practically provide adequate solutions on how this particular challenge can be addressed, particularly in rural schools. In his research study, Ndandani visited two schools (2012) in the North West Province in the Mofofotso 1 and Khunwana villages and found that "educators have little to offer with regards to the absence of libraries in their schools in line with alternative propositions that staff and learners can come up with their own. Learners simply depend on books supplied by the provincial Department of Education." (Ndandani, 2014:33).

On the one hand, the learners in the schools have no computer facilities, along with other schools in the communities; thus making it difficult to acquire the technological knowledge that is seen to be a necessity in the schooling system for the 21st century. On the other hand, in an article published on *The Times Live* in January 2012, Child writes that "while government schools are still struggling to source teaching support material, private schools are zooming ahead into the digital era". Therefore, the Information Technology (IT) infrastructure that is adopted in South Africa's private schools is further widening the gap between the privileged schools and rural disadvantaged schools. Yet, all learners (across all South African schools) are expected to write the same final examinations in order to acquire the National Senior Certificate (NSC) at the end of their grade 12 year of basic schooling. This is an overwhelming gap to overcome.

3.9 Broader role of CSR and CSI initiatives in the education sector of South Africa

It is essential to note that business engagement in South Africa's education sector has been initiated prior the transitioning period in the 1990's. In light of the tragic 1976 Soweto Uprising, 180 business leaders held a conference to address the plight of the marginalised black population (Besharati, 2015:1). The conference led to the creation of the Urban Foundation; whereby resources were collected from the 80 corporations with the aim to provide housing and schools for poor communities (Besharati, 2015:1).

This further created a platform for major public-private partnerships to shape and becoming form. One of the major PPP's formed within the education sector of South Africa was the Joint Education Trust (JET) (1990) and it constituted of 14 businesses, trade unions and black political parties. The trade unions involved are: Congress of South Africa Trade Unions (COSATU); National Council of Trade Unions (NACTU) and the South African Democratic Teachers Union (SADTU).

And the political parties involved: African National Congress (ANC); (OSAPO); Inkatha Freedom Party (IFP) and the Pan Africanist Congress of Azania (PAC). This particular partnership was established to address the challenges facing the South African educations system. It worked on educational programmes, policy advice and education research in order to refine and improve school development models. Since 1992, JET has contributed 1 billion rand in the above related initiatives (Besharati, 2015:1).

Subsequently, more PPP's were established in this realm, with the aim of channelling corporate resources in the development of education, such as the South African Grant-Makers Association (SAGA) as well as the National Business Initiative (NBI), both formed in 1995. One of the major programmes from NBI was the creation of the Education Quality Improvement Programme (EQUIP) that was initiated in 500 schools across the country (Besharati, 2015:2). In addition, Sanlam and NBI formed the Learning Partnership in order to promote collective involvement and direct impact of the private sector on education.

The Business Trust was one of the biggest partnerships initiated between an executive board having half of the Cabinet and business leaders of the country. With that said, Business Trust invested 400 million rand towards improving hundreds of schools across the country between 1999 and 2005

through the Quality of Project and Learning for Living (Besharati, 2015:2). The above initiatives and programmes have been among the major PPP's in South Africa, particularly in the education sector with the aim to improve the quality of education and schooling environment.

One the other hand, some companies have been contributing to the education sector independently through their own CSR division and some through fund-managing firms such as Tshikululu Social Investment (TSI). However, Besharati writes that "majority (70%) of private sector funding for development is channelled through non-governmental organisations (NGO's), not-for-profit organisations (NPO's), charities and affiliated schools "(2015:2). With that said, most South African companies have taken the initiative to directly influence and implement CSI in the broader community and within education sector as well.

Though it is highly difficult to measure the full extent of corporate social spending in South Africa, education continuously ranks on top of all private social spending and investments and this highlights that education remains being heavily prioritised. Trialogue, a Cape Town based consulting firm that specialises in surveying and sampling out some of the biggest South African companies regarding the corporate social investment projects they undertake. It then publishes the content and information in its yearly CSI handbooks. In 2012 alone, Trialogue (2012) reported that CSI increased to 6.9 billion rand and the companies surveyed predominantly engaged in education activities.

Moreover, between 2005 and 2012 education constituted of 35-43% in CSI South Africa, whereas the health and education sector have been below 20% (as cited in Besharati, 2015:3). In light of education programmes, Perold and Associates (2012) highlight that 1.3 billion rand has been contributed by businesses towards education programmes running from pre-primary to tertiary and adult education. Perold and Associates (2012) further highlights that it is essential to note that small to medium-size enterprises contribute towards CSI as well, with an estimated 4 billion rand a year invested in education programmes.

Overall, Besharati (2015:3) notes that "the local corporate sector financing to South Africa's basic and higher education sector surpasses by and large official development assistance (ODA) from traditional bilateral and multilateral donors, which in 2011 and 2012 was reported between 150 and

300 million rand". According to Besharati (2015), business engagement in South Africa's education sector has been through parallel provision, bursaries and scholarships awarded to learners whom predominantly come from poor socio-economic backgrounds.

Hence, corporate social investment programmes such as LEAP (science and mathematics school); Alan Gray Orbis; Metropolitan target learners who come from disadvantaged backgrounds and place them in privileged schools (predominantly private schools) and contributing towards tuition fees, learning materials, uniforms, transport, meals (if boarding) and further provide psycho-social support. This is because private schools remain being the first point of call for middle-class families due to private schools offering quality standards of teaching and learning. The DoBE (2012) reported that there are approximately 25 000 private and independent schools across South Africa, though these schools only make up 5.2% of the school population.

3.9.1 Learner-related investment

Considering the immense disparities between the private and weak public schooling systems as well as the vast financial gap regarding school fees; extra measures and initiatives had to be taken by businesses to directly contribute towards weak public schools. Thus, another form of support is given through supplementary enrichment programmes, specialising particularly in mathematics and science that is offered during weekends and school holidays.

Additionally, the programmes are run at the public schools after official hours or in the facilities provided in the neighbouring communities with transportation being provided at times (Besharati, 2015:3). However, this form of support has been questioned, particularly relating to the sustainability of such parallel private provision. This is because some schools are neglected when it comes to implementing the specialised education programmes and the role of teachers has not been fostered in the supplementary enrichment programmes.

3.9.2 Teacher-related investment

Though, in recent years, with the increasing awareness pertaining to the importance of the area there has been major private investment put towards teacher training, both pre-service and in-service. However, this form of support is channelled through established NPO's such as READ, Class Act and Sci-Bono to undertake the curriculum development and training of teachers. Thus, it

is not directly private companies that venture into the systematic school improvement in curriculum development as well school governance, only a few companies go directly undertake such form of support.

With that said, Besharati (2015:4) highlights that “some companies such as general Motors, Zennex and First Rand, have taken their education programming to higher levels of complexity by exploring alternative schools department and learner support, and playing an active role in influencing national and provincial education policy”. In addition, the Shuttleworth Foundation has developed large series of textbooks that are distributed through the country. However, only 30% of corporate spending is undertaken through government institutions (Triologue, 2011). From a government perspective, DoBE (2009) encouraged private companies to implement the ‘Adopt a School’ initiative along with providing resources and building capacity to Dineladi (‘Star’) public schools. This initiative was strongly supported by large companies as and foreign donors.

3.9.3 Resources-related investment

Along with learner and teacher related investment and support, private sector interventions have also been predominantly in the form of infrastructure and facilities improvement – therefore, building new schools and refurbishing new schools, information and communications technology (ICT) and text provision. For one, oil companies such as Sasol, Caltex and BP have been providing science laboratories to many poor schools. Similarly, McCarthy Group’s “Rally to Read” campaign has been able to furnish libraries of schools with reading books within the rural schools.

This significantly highlights that CSI interventions tend to be aligned with the companies’ core business operations. Furthermore, companies from all sectors – oil, mining, financial services, retail, telecommunications, state-owned enterprises, manufacturing - are involved in assisting schools and learners across the country, most of the time, schools that are geographically closer to their areas of operation and by particularly using the skills and expertise that the company specialises in. For an example, Cell C provides mathematics revision applications in the form of mobile phone games to learners. Another example, Study Mate (SABC), Power Your Future (*Sowetan*) and Read Right Foundation (*The Sunday Times*) provide educational support material to learners.

Considering the immense backlogs faced by poor schools across the country, particularly in the rural and poor provinces, government has outsourced private companies as ‘implementing partners’ in providing and delivering resources such as books, meals, learning material and uniforms (Besharati, 2015:5). However, this has led to cases of corruption, inefficiency and lack of delivery. This can be illustrated via the case of Limpopo Province when textbooks were not efficiently delivered in schools.

In light of the current research focus, keeping in mind the previous comprehensive chapter on the existing literature on CSR, it is essential to highlight that private sector interests, incentives and motives to engage in the education sector is twofold. One; CSI is often projecting public relations and is known to be a “window-dressing” exercise. In the sense that it is used as a mechanism to promote the company’s public image and appear to be taking responsibility for the great public. Moreover, it is majorly complying with related legislative frameworks and regulations.

Two; businesses are gradually beginning to scope the long-term benefits that come with investing in social and human development. Thus, “companies invest in education, knowing that uplifting human capital in South Africa will also produce long-term returns for their businesses” (Besharati, 2015:5). With an aim to achieve a stable, growing economy, it is crucial for businesses to start realising their role in first developing human and environmental capacity, particularly in the mining industry – as it is the leading sector contributing towards the economy and championing CSR and CSI practice.

Chapter Four: Case Study – Anglo-American Platinum

CSI EDUCATION PROGRAMMES: FINDINGS AND CRITICAL ANALYSIS

4.1 Anglo American: Brief contextual background

Today Anglo American is known as one of the largest natural resources company and the largest producer of platinum, diamonds, nickel, copper, and iron ore, metallurgical and thermal coal. The Anglo American Corporation was founded in 1917 by Sir Ernest Oppenheimer, who was a partner in Dunkelsbuhler and a prominent force in the diamond industry and established in South Africa in the East Rand of the Gauteng Province (Kubicek, 1999: 72).

In 1922, the Corporation attained control for “CMS [content management system] and in a battle with JCI emerged to be the dominant mining house on the fast Rand” (Kubicek, 1999: 72). One of the reasons Anglo American dominated the mining industry was because the South African government legislation favoured locally registered companies, an in turn gave Oppenheimer an added advantage, in which soon controlled all the unknown diamondiferous resources (Kubicek, 1999: 72).

Though Anglo American remains being the largest natural resources company in South Africa, it is fundamentally a UK-based corporation listed on the London Stock Exchange and operating in 60 countries (War on Want Campaign, 2006:2). Its subsidiaries include AngloGold Ashanti: world’s largest gold producer; De Beers: world’s largest diamonds producer and Anglo Platinum: world’s largest platinum (War on Want Campaign, 2006:2). Moreover, Capps points out that the South African platinum production is majorly directed towards international exports in which is driven by European automotive, medical and chemical industry (as cited in Besharati, 2014:11). Benkenstein further highlights that platinum production is directed towards the growing Chinese jewellery manufacturing industry (as cited in Besharati, 2014:11)

4.2 Anglo American Platinum and CSR

As noted in chapter two, the South African government has significantly made progress in implementing legislative frameworks and guidelines with the aim to direct and promote the CSR agenda and practice in businesses in South Africa. To illustrate this, the Department of Mineral Resources grants mining rights on the basis that the mining company has considered certain socio-

economic and environmental conditions and is able to prepare SLP's demonstrating how it plans to improve those context-specific conditions.

Moreover, those improvements must aim to coincide with the BEE requirements. To illustrate this, 25% of the country's productive assets was aimed to move to black ownership and advance the lives of previously disadvantaged South Africans in the areas of skills development, shareholding management and the procurement of sub-contractors (Besharati, 2014:11). However, Trialogue (2000) reported that only 10% of South Africa's top companies engage in CSR due to abiding by the laws and regulations and not necessarily to pursue corporate citizenship. With that said, it cannot be underestimated that Anglo American Platinum has contributed more than 100 million towards CSI initiatives in the 2012 financial year alone and manages the largest CSI budget in comparison to other mining houses as well as the Anglo American Group (Besharati, 2014:7)

Subsequently, the CSR agenda and practice is addressed in three main programmes under Anglo American and they are: The Anglo American Chairman's Fund, the Socio-Economic Assessment Toolbox (SEAT) and Anglo Zimele. All three programmes are established and projected towards improving the socio-economic and environmental conditions that are aligned with SLP's of the areas of operation and further contribute greatly towards the global corporate governance agenda and its practice.

4.2.1 The Chairman's Fund

The Chairman's Fund was introduced in the 1950's and was consequently transformed into the first official structured CSI initiative in South Africa (Babarinde, 2009:360). The introduction of Sullivan Principles in 1977 required American companies doing business in South Africa to establish "trust funds, helping shape Chairman's Fund dedication to social investments" (Fourie, 2005:14). The Fund is primarily focused on CSI initiatives through the support of capital funding and infrastructural development. Though the Fund initially supported white academics, in the early 1970's it shifted focus to supporting more black education initiatives (Rajak, 2011:81). In addition, the Fund expanded its focus encompassing a range of social issues such as education, health, welfare, arts and culture, environment, policy and advocacy as well as entrepreneurial development.

4.2.2 Socio-Economic Assessment Toolbox (SEAT)

SEAT was established in 2003 to assist managers to measure the impact on the company and on the communities of Anglo's actions. The company acknowledges SEAT as the "cornerstone of our stakeholder engagement process" (as cited in Busacca, 2013:40). In addition, SEAT is put in place as way to gain trust from various stakeholders by focusing on improving management of its social and economic impacts, increase partnerships as well as environmental stewardships. Fundamentally, SEAT, as a key driver for development was mainly to secure the company's social license to operate and each SEAT Report assesses Anglo's operations' effectiveness by looking at Total Indirect Employment, CSI Employment and Total Employment Added (Marais, 2012:81).

The core objectives of SEAT include: assessing existing initiatives, providing an analytical framework that enables operations in assessing their sustainability and being a useful resource in developing a Community Engagement Plan (Marais, 2010:83). Marais further outlines the benefits of SEAT gains the company an understanding of local communities, with improved stakeholder relationships and new partnerships, an enhanced reputation for the company, availability of local suppliers and strengthened license to operate.

However, in practice the SEAT framework was primarily conforming to the minimum requirements of the framework and this subsequently led to the update of the framework with new set of benchmarks pertaining to social, economic and institutional development (SME South Africa, 2012). In 2012, the framework was further updated to continue to support a transparent relationship with stakeholders with Anglo American. In addition, the most recent version of SEAT has an increased emphasis on risk assessment with a broadened focus in communities and stakeholders and an established connection to the United Nations (UN) Framework on Business and Human Rights (Anglo American SEAT, 2012). This framework has certainly set itself apart from other mining houses.

4.2.3 Anglo Zimele

The word '*Zimele*' is derived from the Xhosa language and when translated to English it means to "to be independent" or "standing on your own two feet". This programme was established in 2003 as Anglo American's small-medium enterprise (SME) that is projected to funding and supporting young aspiring entrepreneur. Rajak (2012:105) writes that Anglo Zimele is a "commercial firm with

a 'social purpose': to empower black entrepreneurs through the provision of a supply chain fund, business start-up loans and equity, and advice on a variety of aspects of business practice from corporate governance and accounting to health, safety and environmental responsibility" In addition, the enterprise is divided into three separate funds: the Supply Chain Fund, the Anglo Khula Mining Fund and the Small Business Start-up Fund. The funds aim to provide equity, loans, mentoring, and access to value-enhancing opportunities to sustainable and economically viable enterprises. This initiative was primarily to redress the legacies of the apartheid regime and for Anglo American to further build on its good corporate citizenship.

In 2008, 228 businesses were funded by Zimele and created 10 419 jobs with a combined turnover of 1.3 billion rand (Anglo American: Report to Society, 2008:23). This is significant considering that SME's comprise a very important component of South Africa's economy with an approximation of 95% of the total business sector comprised by SME's and accounting for 46% of total South Africa economy (Hamann et al, 2004:13). However, there is lack of representation and research that is focused on SME's in South Africa. To illustrate this, 13% of small companies have an HIV/AIDS policy as opposed to 90% of large companies (Hamann et al, 2004:14)

4.3 Anglo American CSI Focus Areas

Thus, Anglo American Platinum has five key CSI focus areas and they are: thought leadership, health, policy and advocacy and sustainable community development and education. In respect of thought leadership, the company aims to be at the "forefront of global thought leadership in alleviating poverty, promoting health and education and fostering community development" (Anglo American CSI Focus Areas, 2013:5).

In light of health the company aims in working "towards the prevention of HIV/AIDS, strengthening primary healthcare and providing meaningful and effective healthcare and support to our employees and the communities" (Anglo American CSI Focus Areas, 2013:5). In terms of policy and advocacy, the company aims to underpin a moral obligation in order to contribute towards transformation of the mining industry and the country as a whole (Anglo American, 2013:5). The sustainability community development comprise of providing welfare support,

working towards sustainable livelihoods through skills training and job creation as well as supporting capacity building for enterprise development (Anglo American, 2013:5).

4.4 Anglo American Platinum: CSI in South Africa's education system

It is essential to note that Anglo American Platinum has been undertaking education initiatives since the 1990's. Within the Corporate Affairs division, the company introduced the Community Engagement Development (CED) sub-unit, that primarily facilitates the mine's stakeholders and develops, finances, implements and monitors socio-economic development programmes in local communities. Hodgson approximated that 4% of South African learners who start grade 1 finish grade 12 with a pass rate of 40% in maths (as cited in Besharati, 2014:13).

Considering the poor mathematics pass rate and poor academic performance overall in public schools, it is inevitable that it will result in poor enrolment and lack of completion of degrees in universities related to technical fields such as engineering and finance. Subsequently, this poses a difficult problem for the mining industry hence the necessary investment towards education in order to "improve the labour pool of future [local] technicians, artisans and engineers" (Besharati, 2014:13).

For the current research focus, it will utilise the education programming that is based on its 2012-2014 SLP that was negotiated with the communities, local government authorities and various other stakeholder whom are affected by mining operations in Magalakwa, Amandelbult, Union, Rustenburg Twickenham and Der Brochen. These areas included local tribal groups in North West and Limpopo such as Bafokeng, Bengwenyama and Langa Mapela (Besharati, 2014:18). Within the SLP, education and skills development initiatives play a significant role. Anglo American Platinum also runs projects for health and welfare, poverty reduction, agricultural development and job creation through the establishment of basic infrastructure.

Thus, Anglo American CSI initiatives related to education are:

- supporting early childhood development,
- improving maths, science and language skills,
- teacher and learner development,
- developing infrastructure for rural primary schools and

- supporting schools for learners with special needs (Anglo American Platinum, 2013:5).

In his research report titled: *Platinum and Passes: The Impact of Mining Investments in Education Outcomes in South Africa*, Besharati (2014:13) argues that “results from the NSC examination, undertaken at the end of grade 12 in all South African secondary schools, are potentially the best indicator to measure learner achievement and the progress of schools and regions”. The NSC exams are independently assessed by the central agency of Umalusi, utilizing a universal system.

However, the weakness of using NSC examination results as the main indicator for progress in learning is that external interventions such as socio-economic conditions and schooling system affect younger children than it does older pupils (Besharati, 2014:13). Moreover, this illustrates Taylor and Yu’s argument related to how socio-economic status plays a significant role in determining educational achievement, also considering that 41% of black children lived with a single parent in comparison to 80% of white children and 89% of Indian children lived with both parents. This discrepancy further projects the weakness of using NSC examination as a main indicator for progress in learning.

4.5 2012 NSC examination results in South Africa: North West and Limpopo

Considering the overall and bachelor pass rate of the 2012 NSC examination in South Africa, there has been significant improvement from previous years [see Appendix 1]. The minimum score in order to pass grade 12 NSC examination in specific subject areas is 30% and the minimum entry score to university is 50% (Besharati, 2014:16). This illustrates an imbalance between the minimum score required to passing grade 12 and the minimum requirement for university entry. Moreover, Hunt, Ntuli, Rankin, Schoer and Sebatio (2011) write that learners who are interested in enrolling for commercial and scientific orientated degrees in university need to achieve 60% for consideration. This further highlights the immense disparity and thus demonstrates the poor quality of the South African basic education system.

Besharati (2014:13-14) recorded that, overall pass rate was: 69% and bachelor pass was: 22%. On the one hand, in North West, the overall pass rate was: 78% and bachelor pass was: 25% [see Appendix 2]. On the other hand, in Limpopo the overall pass rate was: 66% and bachelor pass was:

18%. This demonstrates that schools in North West generally perform better than the national average, while schools of Limpopo tend to perform below the national average. The results may be attributed to the similar but yet different socio-economic conditions in the rural areas. In light of mining operations in the two provinces, North West receives more CSI initiatives than Limpopo. Consequently Limpopo manages three to four more schools than North West and therefore its “limited educational resources are spread thinner” (Besharati 2014:15).

4.5.1 2012 NSC examination results: mathematics and physical science

Given that mathematics and physical science are identified as key subjects in secondary schooling and regarded as highly important in the mining industry and economy overall, it is important to observe the overall pass rates for both subjects in the country and particularly in the North West and Limpopo. According to Besharati (2014) the mathematics and physical science participation relates to the number of learners who wrote the NSC examination and subject specific excellence refers to the percentage of learners who achieved 50% and above. Besharati (2014:15) further reported that in 2012, for mathematics nationally, the pass rate was: 56% with a mathematics participation of 35% and mathematics excellence of 22%. In the area of physical science, that was 58% with a physical science participation of 33% and physical excellence of 21% Besharati (2014:15).

On the one hand in North West, mathematics pass rate was: 56% with a mathematics participation of 35% and mathematics excellence of 20% (Besharati, 2014:16). For physical science the pass rate was: 61% with participation of 32% and physical science excellence of 21%. On the other hand, Limpopo’s mathematics pass rate was: 49% with a mathematics participation of 43% and mathematics excellence of 16% (Besharati, 2014:17). In respect to physical science, Limpopo’s pass rate in 2012 was 57% with a participation of 38% and physical science excellence of 17%.

Again, the overall key subjects’ results indicate that the North West is leading in terms of pass rates, though Limpopo is leading in terms of participation in the respective subjects. In addition, North West is improving in comparison to Limpopo. Considering the NSC examination results from previous years, there has been a gradual and expected increase in the general and bachelor pass rates, nationally. However, there is still immense room for improvement and stronger academic

performance that needs to be attained in order to increase the pool of quality grade 12 learners who are interested in gaining university enrolment.

4.6 Implementation of CSI education programmes by Anglo American Platinum

After Anglo American Platinum finalised its SLP, the company together with the North West and Limpopo Department of Education signed a Memorandum of Understanding (MoU). This was completed with the North West Department of Education member of the executive (MEC) and the Limpopo head of Department (HoD) in order to proceed with the implementation of its CSI programmes in the schools. In the process of undertaking the programmes, Besharati (2014) further recorded that the Anglo American Platinum's local CED officials regularly communicated with the district and circuit managers that worked closer to the mining operations.

For the purpose of the current research the focus will be centred on the findings related to improving the quality of learner, teacher and resource issues through the CSI education programmes. Subsequently it will critically analyse the challenges faced by Anglo American Platinum in relation to the presented issues in the education system.

According to the mining legislation and the CED strategy of Anglo American Platinum, the schools that receive support from the CSI education programmes are 50km radius within the mining operation [see Appendix 3] indicating the first process of selection at the school level. This appendix is an example of application regression discontinuity design to geographic scale within mining context (Besharati, 2014:19). The second selection occurs at an individual level whereby there is a shortlisted group of learners in the selected schools. In terms of learner-focus, with the aim to improve performance in the key subjects Anglo American Platinum initiated two programmes: the first one being Supplementary Saturday Classes and the second being Winter Enrichment Camps.

4.6.1 Learner-focus CSI education programmes

The Supplementary Saturday Classes was essentially run by the Radical Math and Science Company and has been providing classes in Rustenburg district since 2003 and it expanded to areas of Atok, Polokwane, Mokopane and Swartklip. Subsequently, an initial test followed with a selection process approximating 400 grade 10, 11 and 12 learners were selected to form part of the 'A team' that took part in additional mathematics, physical science and English classes (Besharati,

2014:20). Additionally, an approximation of 40 learners were grouped in each area of operation and had half a day Saturday classes whereby they received extra lessons through additional study guides and the best performing students received prizes (Besharati, 2014:20). The contract was then given to the Star School NGO and it further trained 600 learners in grade 12 in all operations in the areas of mathematics, physical science and English.

The Winter Enrichment Camps were organised during the school winter holidays for approximately 900 learners from the schools around the mining operations. This programme included geography, adding to Mathematics, physical science and English (Besharati, 2014:20). The extra classes ran for five days and were facilitated by local teachers in order to address the some of the content gaps that are faced by the learners due to poor quality of teaching in the public schools. In addition, 2011 and 2012 the winter school camps were organised by Radical Maths and Science, in the three to five different venues across the two provinces. Accommodation, catering and transportation was organised by the various mines (Besharati, 2014:20).

4.6.2 Teacher-focus CSI education programmes

In respect of teacher oriented CSI programmes, Anglo American Platinum organised a two-week workshop that was offered by the Centre for Research and Development in Mathematics, Science and Technology Education at the University of the Witwatersrand. Essentially, the programme was initiated to give inefficiently trained teachers supplementary in-service training from a well-established teacher-training institution. This workshop was first hosted in 2012 during the winter school holidays for 60 teachers from 27 schools from across the Anglo operations (Besharati, 2014:21).

The workshop focused on developing and improving content knowledge in the mathematics, physical science and accounting subjects. This was to enable teachers to be more confident when teaching the subjects. Moreover, the workshop followed the Department of Education curriculum and Besharati (2014:21) reports that the programme was “hands on and interactive” and was followed up with a two-day follow-up session in September.

Though the programme was aimed to run for three years, it was cut short because of the Marikana occurrence and the subsequent financial crisis in the platinum industry. Considering the above CSI

education programmes – both learner and teachers focus respectively, it essential to highlight that different schools benefitted from different programmes and from different service providers. In all, from 2009-2012 137 public schools across North West and Limpopo received support from Anglo American Platinum in the different form and shape of the CSI education programmes.

4.6.3 Resource-focus CSI education programmes

As noted earlier in Anglo American's CSI education initiatives, the company aims to support and deliver on all-encompassing factors related to education. Therefore, Anglo American Platinum has contributed towards infrastructure support such as building or rehabilitating schools, extending classroom as well as construction administration blocks (Besharati, 2014:19). In addition, it has built toilets, water and sewerage facilities for education centres close to the mining areas. This further included revamping of libraries, outfitting of science labs and donating computers, photocopiers and other equipment to schools and circuit offices (Besharati, 2014:19).

To illustrate this, the company has spent over 25 million rand on infrastructure projects that have been implemented between 2009 -2012. As mentioned, the company's education programme is all-encompassing and extends to supporting adult education literacy (ABET), early childhood development, primary and general education training, special needs schools, bursaries for university students, apprenticeships, and technical and professional development for young professionals in the mining industry (Besharati, 2014:19).

4.7 Discussion and Critical Analysis

4.7.1 Key challenges faced by Anglo American Platinum in implementing CSI education programmes:

4.7.1.1 Learner-focus

Though the selected schools are the ones situated closest to the mining operations and therefore suffer the most from negative externalities of mining operations, it is also evident [see Appendix 3] that the schools not particularly close to the mining operations face similar education challenges as discussed in chapter three. The selection of schools and learners that participate in the education programmes may be restricted and this is due to limited resources as well as difficulties for service providers to accommodate large group of learners in the above discussed programmes.

However, in practice the selection processes for schools and learners was not applied effectively across the two provinces. More active district and circuit managers and school principals advocated for the inclusion of all learners that were outside the 50km radius and this was achieved through making photocopies of the materials offered in the programmes as well asking learners who participated in the programmes to share their knowledge with the peers that did not participate, particularly in the winter school programme.

On the one hand, Besharati (2014:37) reported that one of the school principals viewed the CSI education programmes as “just a drop in a big ocean” and thus relating it to the schools and learners that were not part of the programmes. Therefore, this can be viewed as discriminatory because the children that need the most help are excluded from the programmes and the learners that perform well receive even more academic support. Moreover, Besharati (2014:37) continues to observe and raises an interesting point that “there is a strong correlation between interventions and the increase in the number of ‘bachelor passes’, but less correlation between interventions and the ‘overall pass rates’ of schools. This is then affecting the subsequent impact that is made within the broader education system in reference to overall pass rates.

On the other hand, it can be argued from a practical perspective that in consideration of the limited funds and resources it would be feasible to focus on the few learners that are showing potential and therefore reap the rewards from the programmes in order to provide “good returns on investment for the company’s human development and future business operations” Besharati (2014:37).

This illustrates the one side of the two-fold argument of the current research study and that the company’s interests, incentives and motives have gradually been related to long-term benefits that will be established once investment has been put in human and social development, such as education. With that said, it is important for the service providers of the various programmes to consider ethical, financial and political factors in the selection process and this can be highly “complex and sensitive for any donor or service provider” Besharati (2014:37).

4.7.1.2 Teacher-focus

Besharati’s report (2014:42) notes that among the schools that were visited, the best performing schools were those that were managed very well and had strong, dedicated and competent school

principal. Additionally, it was assessed from the presentation of the school via the cleanliness, order and neatness of the facilities. Therefore, “strongly linked to the quality and performance of educators is the issue of the school principal’s leadership and commitment” (Besharati, 2014:42). However, in both the North West and Limpopo – it is highly rare to find schools that are well maintained with strong leadership and management.

In the two provinces, Besharati reports that there was a large number of Indian, Zimbabwean and other foreign teachers due to the lack of adequately qualified and trained South African teachers in the system. Consequently, the issue of Zimbabwean teachers is highly politicised and controversial considering the socio-political landscape of South Africa and the impact of the migration policy. Besharati (2014:41) further highlights that “on the one hand, some education officials would like to curb the employment of foreign teachers in order to give more jobs to South Africans. On the other hand, it is clear that many school principals prefer hiring foreign educators, who appear to perform better than South African educators, despite having to deal with considerable red tape to so”.

Though there are a number of teacher development programmes, models and approaches initiated in the North West and Limpopo such as Radmaste (Anglo American Platinum), RBI, Mastec (Limpopo Department of Education), Dinaledi (national Department of Education) and Mpower (Kumba) (Besharati, 2014:42) there is still a lack of adequately trained and qualified teachers.

Considering that the Winter Enrichment Classes is aimed to fill in subject specific content gaps and are run by local teachers, it questions the processes of the selection of teachers and the quality of the lessons that they teach. To illustrate this point, Besharati notes that “education authorities and circuit managers complained that facilitators chosen by the service provider were already performing badly in the schools from which they came” (2014:40). Thus the selection process of the teachers was “not very clear or transparent and at times lacked credibility” (Besharati, 2014:38).

4.7.1.3 Resources-focus

In general, most of the schools found in North West and Limpopo were not easily accessible considering the underdevelopment nature of the areas. Meaning that the schools are accessible via dirt roads and lack basic infrastructure and facilities that are not conducive for a good learning environment (Besharati, 2014:38). Anglo American Platinum among other mining companies,

contributed immensely toward various infrastructure projects in the two provinces and these included construction, refurbishment and renovation of schools. Once the company has undertaken an infrastructure project in the school; “signboards and plaques had been erected at many schools acknowledging corporate donations and support” (Besharati, 2014:38).

Therefore, this demonstrates one of the sides of the twofold argument that is presented in the research study and that is: CSI programmes are often projecting public relations and used to promote the company’s public image in order to appear to be taking responsibility for the great public. However, in some cases there had been infrastructure projects that have not been completed and thus illustrating that they have not been thought through properly. Subsequently, the new structures and facilities were not functioning (Besharati, 2014:38). Moreover, Besharati noted that some school toilets and science laboratories did not have provision of water.

The above challenge opens a platform for greater critical analysis related to the involvement and role of government regarding the implementation of CSI education programmes particularly in North West and Limpopo. It is essential to note that in order for effective and efficient implementation of the CSI education programme to be achieved –coordination and cooperation from stakeholders is highly imperative.

Moreover, the local municipality is responsible for providing water to the schools, though at times local municipalities lack the capacity to carry through their own key functions such as providing water and electricity to communities (Rajak, 2011:). In light of the above, interactions from district and circuit managers in the various mining areas had not seen the MoU signed between the company and the provincial department of Education and the subsequent impact was that most schools became unclear about the strategy, purpose and principles of the company’s education programmes (Besharati, 2014:40).

Therefore, this illustrates poor coordination and cooperation among the relevant stakeholders. In addition, it highlights poor strategic planning and consultation with the provincial departments of education and local municipalities. Once Anglo American CSI education objectives and initiatives are juxtaposed with the objectives of the provincial education departments for both provinces as discussed in chapter three; it becomes evident that difficulties of achieving effective and efficient

coordination and cooperation among the departments and Anglo American Platinum will prevail. Subsequently, this hinders further alignment with NEPA (1996).

Considering the selection process of facilitators to assist in the winter school camps, it is essential to take local teachers that are adequately qualified and trained to provide the extra lessons in the specific subjects. However, as noted above: the selection of teachers by the service providers contracted out to run the winter school camps are not the most suitable teachers to fill in the content gaps that the normal schools is failing to do.

This illustrates lack of monitoring and evaluation in relation to the progress of teacher training that is offered by service providers, for an example the Centre for Research and Development in Mathematics, Science and Technology Education at Wits University. Subsequently, poor monitoring and evaluation negatively impacts the selection of better trained local teachers to facilitate at the winter school camps in order to fill in the content gaps for key subjects that are offered.

Moreover, when the service provider educator training initiatives are juxtaposed with the *Integrated Strategic Planning Framework for Teacher Education and Development in South Africa 2011-2025*, there is lack of coordination and strategic planning. Though, fundamentally both plans aim to improve the quality of education and promote teacher development; the plans appear to be vague with no explicit annual targets put in place. Lastly, the *Integrated Strategic Planning Framework for Teacher Education and Development in South Africa 2011-2025* does not fully acknowledge the significant role the private sector could play in contributing towards fulfilling its mandate and fundamentally improving the state of teacher training and development.

Chapter Five: Conclusion

This research study has thoroughly discussed and analysed the evolution of CSR agenda and practice as well as the significant role that it has contributed towards the global debate in viewing CSR as a fundamental vehicle to drive socio-economic development in developing countries. It is essential to highlight that the differing perspectives related to how CSR engagement is guided and applied can be attributed to the following schools of thought: neoliberal perspective; neo-Keynesian perspective and radical political economy perspective. All three schools offer a distinct understanding and application of CSR practice.

In brief, the neo-liberal view is that businesses are responsible for making money for their shareholders and increase profits; social development is the responsibility of government agencies. Contrary to neo-Keynesian, this school believes that businesses ought to have ethical and social responsibility given that businesses do not economically grow in isolation of the broader society and environment. Therefore, the neo-Keynesian perspective argues that stakeholders' interests should be as equally important as shareholders' interests. Lastly, the radically radical political economy is very critical in its assessment of CSR and therefore believes that voluntary CSR lacks political economy analysis and subsequently falls short in addressing a realistic view of power structures.

In light of South Africa's mining industry and education system prior 1994, the level of discrepancies and marginalisation had a negative impact on predominantly non-white South Africans. This was illustrated through the disparities of the Bantu Education Act of 1953 that controlled the sub-education system, curriculum development, teacher training and financing of education into the classified ethnic groups. Subsequently, the levels of racial and social inequalities created socio-economic developmental challenges that needed urgent redress and transformation prior 1994.

Thus, the introduction of public-private partnerships was aimed to address the developmental challenges together with the CSR agenda and practice. The focus areas for CSR engagement in South Africa continue to be in the area of health and education. Through careful reading and analysis it

became evident that private sector interests, incentives and motives to engage in CSR was directed and guided by different views, particularly in the education system.

Thus one argues that company's interest and motives to engage in the education sector is twofold: one; CSI is often projecting public relations and it is known to be a "window-dressing exercise". To illustrate this, a school in the Limpopo province had a placard in front of it that signifies that Anglo American Platinum undertook renovations and infrastructure projects in the school.

Two; companies are gradually seeing that there are long-term benefits that come in social and human development. To illustrate this, the companies are decisively uplifting human capital in South Africa in order to produce long-term returns for their businesses. In addition, this is evident in the selection processes of learners who partake in the Supplementary Saturday Classes and winter enrichment camps. The targeted learners are those that are already excelling in mathematics and physical sciences and they are further given the opportunity to receive tertiary bursaries and scholarships to study science and engineering related degrees in order to subsequently become engineers and technicians in the mining industry.

With that said, the key challenges faced by the education sector are all-encompassing and therefore cannot be viewed in isolation to each other, particularly in Limpopo and North West; two rural provinces that are living under immense poverty and unemployment. The key challenges include: learner-related issues such as substance abuse in school premises; poor family structures and poor socio-economic conditions that are not conducive for a learning and studying. Teacher-related issues include: lack of adequately qualified teachers; loss of skilled teachers in the teaching profession due to the [Teacher] Rationalisation Policy of 1996 and lack of motivation and confidence in teaching and providing academic support. Resources-related issues include: lack of basic facilities such as libraries; toilets; science labs and computer rooms. This further perpetuates the teaching and learning environment prior 1994, particularly in the non-white schooling systems.

It is without doubt that Anglo American Platinum, among other mining houses have the financial means to contribute towards socio-economic development as well as the uplifting human capital. However, through careful observation and analysis; there is poor coordination and cooperation; poor consultation and strategic planning and lack of monitoring and evaluation with relevant

stakeholders such as the provincial education departments; local municipalities and service providers that offer additional teaching and training to both learners and teachers. Again, challenges that are faced by Anglo American Platinum in its implementation of their CSI education programmes cannot be viewed in isolation. Therefore, it is all-encompassing of all the relevant stakeholders and it is necessary for each stakeholder to play its pivotal role to ensure the effective and efficient execution of the CSI education programmes.

In closing, the proposed set of recommendations include better coordination and cooperation that is related to the prioritised objectives from the respective provincial education departments; improved consultation with the local municipalities regarding the provision of water and electricity once infrastructure projects are underway and consistent review related to monitoring and evaluation of CSI education programmes as well as the service provider who offer the additional teaching and training. This will ensure an effective and efficient implementation of CSI education programmes, in South Africa's mining industry.

Bibliography

- Anglo American SEAT. 2012. SEAT Toolbox: Socio-Economic Assessment Toolbox Version 3. Anglo American. Available: <http://www.angloamerican.com/~media/Files/A/Anglo-American-Plc/docs/seat-toolbox-v3.pdf> [28 January 2016].
- Anglo American. 2008. Anglo American Report to Society 2008. Available: <http://www.investis.com/aa/docs/RTS-08-final.pdf> [28 January 2016].
- Anglo American. 2013. Anglo American CSI Focus Areas. Available: <http://southafrica.angloamerican.com/~media/Files/A/Anglo-American-South-Africa-V2/Attachments/media/mining-lekgotla-brochure/corporate-social-investment-mining-lekgotla-brochure.pdf> [30 January, 2016].
- Australian Government, Parliamentary Joint Committee on Corporations and Financial Services. 2006. *Corporate Responsibility: Managing Risk and Creating Value*. Canberra: Commonwealth of Australia.
- Babarinde, O. A. 2009. Bridging the Economic Divide in the Republic of South Africa: A Corporate Social Responsibility Perspective. *Thunderbird International Business Review*. Vol, 51. No. 4: 355-368.
- Babiak, K. and Wolfe, R. 2013. Perspective on Social Responsibility in Sport: Approaches in CSR in Paramio-Salcines, J. L., Babiak, K. and Walters (Eds.). *Routledge Handbook of Sport and Corporate Social Responsibility*. USA: Routledge.
- Beck, R. B. 2000. *The Greenwood Histories of the Modern Nations: The History of South Africa*. United States of America: Greenwood Press.
- Besharati, N. 2015. *Private sector investment in South Africa's education sector: nature, extent and incentives*. JET Education Services.
- Besharati, N. A. 2014. *Platinum and Passes: The Impact of Mining Investments on Education Outcomes in South Africa*. South African Institute of International Affairs Research Report. Johannesburg.
- Blowfield, M and J. G, Frynas. 2005. *Setting new agendas: Critical perspectives on corporate social responsibility in the developing world*. The Royal Institute of International Affairs. Vol. 81: No. 3: 499-513.

- Broomhill, R. 2007. *Corporate Social Responsibility: Key Issues and Debates*. Don Dunstan Foundation: Dunstan Papers Series.
- Busacca, M. 2013. *Corporate Social Responsibility in South Africa's Mining Industry: Redressing the Legacy of Apartheid*. CMC Senior Theses. Paper 632.
- Carroll, A. B. 1979. *A three-dimensional model of corporate social performance*. The Academy of Management Review. Vol. 4. No. 4: 497-505.
- Certified General Accountants' Association of Canada. 2005. *Measuring Up: A Study on Corporate Sustainability Reporting in Canada*. Canada: Certified General Accountants' Association of Canada.
- Chamber of Mines of South Africa. 2013. *Facts and Figures, 2013*. Johannesburg: Chamber of Mines of South Africa.
- Child, K. 2012. iPads for elite schools. The Time Live. Available: <http://www.timeslive.co.za/scitech/2012/01/26/ipads-for-elite-schools> Accessed: [25 January 2015.].
- Chisholm, L., Soudien, C., Vally, S., & Gilmour, D. 1999. *Teachers and Structural Adjustment in South Africa*. Educational Policy.
- Christian, A., Lindstrom, S., Mikkila, S., Pitulia, C., Tenfalt, A and Thunstorm, S. 2010. *A Comparative Study Regarding Corporate Social Responsibility in Swedish and South African Companies*. Bachelor Thesis. Chalmers University of Technology.
- Department of Basic Education, Department of Higher Education and Training. 2011. *Integrated Strategic Planning Framework for Teacher Education and Development in South Africa – 2011-2015*. Pretoria: DBE and DHET.
- Department of Basic Education. 2009. *School Funding and Management in South Africa*. Pretoria: Government of South Africa.
- Department of Education. 2003. *North West Province: Strategic Plan 2003/04 to 2005/06*. North West: Department of Education.
- Department of Education. 2012. *Limpopo Province: Annual Performance Plan 2012/13*. Limpopo: Department of Education.

- Department of Minerals and Energy in the Republic of South Africa. 2002. The Mineral and Petroleum Resources Development Act 28 of 2002. Government Gazette.
- Department of Minerals and Energy. 2012. Social and Labour Plan Guidelines for the Mining and Production Industries. Government Gazette.
- European Commission. 2002. *Communication from the Commission concerning Corporate Social Responsibility: A business contribution to sustainable development*, COM (2002) 347(01), July 2002. Brussels: European Commission.
- European Commission. 2011. *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee of the Regions*. Brussels: European Commission.
- Eweje, G. 2006. The role of MNEs in Community Development Initiatives in Developing Countries. *Business and Society*.
- Field, J. 2007. *Mining Corporate Social Investment in South Africa*. Kellogg School of Management.
- Finance and Accounting Services Sector Education and Training Authority (FASSET). 2012. *Corporate Social Responsibility Course Handbook*. FASSET.
- Fiske, E.B. & Ladd, H.F. 2004. *Elusive Equity: Education Reform post-apartheid South Africa*. Washington, D.C: Brookings Institution Press.
- Flisher, A. J., Parry, C. D. H., Evans, J., Muller and Lombard, C, 2003. Substance use by adolescents in Cape Town: Prevalence and correlates. *Journal of Adolescent Health*. Vol, 32. No. 1: 58-65.
- Flores-Araoz, M. 2011. *Corporate Social Responsibility in South Africa: More than a Nice Intention*. Consultancy Africa Intelligence. Available: <http://www.polity.org.za/article/corporate-social-responsibility-in-south-africa-more-than-a-nice-intention-2011-09-12> [2015, September. 12]
- Fourie, N. 2005. *Corporate Social Responsibility – Evaluating Three South African Companies’ Initiatives*. MBA Thesis, Nelson Mandela Metropolitan University Business School.
- Fox, T. 2004. *Corporate Social Responsibility and development: in quest of an agenda*. Development. Vol. 37. No 3: 29-36.

- Freeman, R. E and Reed, D. 1983. Stockholders and Stakeholders: A New Perspective on Corporate Governance in Huizinga, C. Eds. *Corporate Governance: A Definitive Exploration of the Issues*. Los Angeles: UCLA Extension Press.
- Freeman, R. E. 2001. Stakeholder Theory of the Modern Corporation. *Perspectives in Business Ethics*. Vol. 3. Thesis Paper.
- Frynas, J. G. 2005. The false developmental promise of Corporate Social Responsibility: evidence from multinational oil companies. *International Affairs*. Vol. 81. No. 3: 581-598.
- Gardiner, M. 2008. *Education in Rural Areas*. Issues in Education Policy Number 4. Braamfontein. Centre for Education Development.
- Hamann, R. 2004. *Corporate social responsibility, partnerships and institutional change: the case of mining companies in South Africa*. Natural Resources Forum 28. Blackwell Publishing.
- Hamann, R., and Kapelus, P. 2004. *Corporate Social Responsibility in Mining in Southern Africa: Fair Accountability or Just Greenwash?* Society for International Development. Vol. 47. No. 3: 85-92.
- Harvey, D. 2005. *A Brief History of Neo-liberalism*. Oxford: Oxford University Press.
- Henriques, A and Richardson, J. 2004. Enter the Triple Bottom Line: *The Triple Bottom Line: Does It all Add Up?* London: Earthscan.
- Hoogvelt, A. 1976. *The Sociology of Developing Societies*. London: Macmillan.
- Hunt, K., Ntuli, M., Rankin, N., Schoer, V and Sebatiao, C. 2011. A blurred signal? Comparability of NSC mathematics scores and former SC mathematics scores: How consistent is the signal across time? *Education as Change*. Vol, 15. No. 1: 3-16.
- Jansen, J & Taylor, N. 2003. *Educational Change in South Africa 1994 – 2003: Case Studies in Large-Scale Education Reform*. South Africa: Education Reform and Management Publication Series. Vol, 11. No. 1: 1- 51.
- Jenkins, H and Yakovleva, N. 2006. *Corporate Social Responsibility in the Mining Industry: Exploring Trends in Social and Environmental Disclosure*. Journal of Cleaner Production.
- Jenkins, H. 2004. *Corporate Social Responsibility and the Mining Industry: Conflicts and Constructs*. Corporate Social Responsibility and Environmental Management.

- Jo, T. H. 2011. Heterodox Critiques of Corporate Social Responsibility. Munich Personal RePEc Archive. SUNY Buffalo State College. MPRA Paper No. 35367.
- Kloppers, H and du Plessis, W. 2008. Corporate Social Responsibility, Legislative Reforms and Mining in South Africa. *Journal of Energy and Natural Resources Law*.
- Kubicek, R. V. 1991. Mining: Patterns of Dependence and Development in Konczacki, Z. A., Partpart, J. L and Shaw, T. M. *Studies in the Economic History of Southern Africa*. USA: Frank Cass & Co. Ltd.
- Legotla, M. W. 2014. Chapter One: Challenges Facing the School System in South Africa in Legotla, M. W. *Challenges and Issues facing South Africa's Education System*. Pretoria: Africa Institute of South Africa.
- Lehohla, P. 2013. *Education Series I: Focusing on schooling in Limpopo*. Report No. 92-01-01. Pretoria: Statistics South Africa.
- Mabuza, L., Msezane, N., and Kwata, M. 2010. *Mining and Corporate Social Responsibility Partnerships in South Africa*. Africa Institute of South Africa.
- Magdi, R. I and Nadereh, C. 2000. *Corporate Governance: A Framework for Implementation*. Washington DC: The World Bank Group.
- Mahomole, M. J. 2008. *A Historical Investigation into School Governing Structures in Limpopo Province of South Africa*. Masters Dissertation: University of South Africa.
- Marais, A. 2010. *Assessing Corporate Social Responsibility in Terms of its Impact on Sustainable Community Development*. Master of Philosophy in Community and Development Thesis. University of Stellenbosch.
- Mariri, T and Chipunza, C. 2011. *Corporate Governance, Corporate Social Responsibility and Sustainability*. *Journal of Human Ecology*.
- Matthews, I., Griggs, R., and Caine, G. 1999. *The experience review of interventions and programmes dealing with youth violence in urban schools in South Africa. An undertaking of the Independent Projects Trust*. Available: <http://partner.org.za/wp-content/uploads/2014/03/Review-of-Interventions-Programmes-dealing-with-Youth-Violence-in-Urban-Schools.pdf> [26 January 2015].

- Mayet, G. H. 1997. *Transforming Education: From Racial Separation and Inequality to Integration and Equality*. Education On-Line. Available: <http://www.leeds.ac.uk/educol/documents/000000099.htm> [2016, January 25].
- Mitnick, B. M. 2006. *Origin of the Theory of Agency: An Account by One of the Theory's Originators*. Katz Graduate School of Business: University of Pittsburgh.
- Morojele, N. K, Parry, C., Brook, J and Kekwaletswe, C. 2004. *Alcohol and Drug Use 14*. Alcohol and Drug Abuse Unit. Medical Research Council. Pretoria: Medical Research Council.
- Morojele, N. K., Parry, C.D.H., Ziervogel, C. F., and Robertson, B.A. 2001. Adolescent alcohol abuse misuse: Correlates and implications. *African Journal of Drug and Alcohol Studies*. Vol, 1. No. 2:110-124.
- Mothata, S. M. 2000. *The Provision of Education to minorities: Critical Issues in South Africa Education after 1994* in Mda, T.V &Mothata, M.S. (Ed.). South Africa: Juta.
- Mthethwa, T. 2005. Chapter Two: Limpopo Province Case Study in Aliber, M. (Ed). *Trends and Policy Challenges in the Rural Economy: Four Provincial Case Studies*. Cape Town: Human Sciences Research Council.
- National Treasury of the Republic of South Africa. 2012. *Estimates of National Expenditure 2012*. Pretoria: National Treasury.
- Ndandani, M. 2014. *Rural Schools in South Africa: Issues and Challenges* in Legotla, M. W. *Challenges and Issues facing the Education System in South Africa*. Pretoria: Africa Institute of South Africa.
- Onya, H. E and Flisher, A. J. 2008. Prevalence of Substance Use among Rural High School Students in Limpopo Province. *African Journal of Drug and Alcohol Studies*. Vol. 7 No. 2: 71-79.
- Parliament of the Republic of South Africa. 1996. National Education Act 27 of 1996. Government Gazette.
- Parliament of the Republic of South Africa. 1996. South African Schools Act 84 of 1996. Government Gazette.
- Parliament of the Republic of South Africa. 2009. Companies Act 71 of 2008. Government Gazette.

- Perold and Associates. 2012. *Business in Support of Basic Education in South Africa*. Johannesburg: National Business Initiative and Sanlam.
- Porter, M.E and Kramer, M. R. 2006. *Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility*. *Harvard Business Review*.
- Rajak, D. 2011. In *Good Company: An Anatomy of Corporate Social Responsibility*. Stanford, CA: Stanford University Press.
- Report of the Work Committee: *Curriculum Development: Investigation into Education*. 1981. Human Sciences Research Council. Pretoria: Blitskopie.
- Report of the Work Committee: *Education Financing: Investigation into Education*. 1981. Human Sciences Research Council. Pretoria: Blitskopie.
- Report of the Work Committee: *Education System Planning: Investigation into Education*. 1981. Human Sciences Research Council. Pretoria: Blitskopie.
- Report of the Work Committee: *Recruitment and Training of Teachers: Investigation into Education*. 1981. Human Sciences Research Council. Pretoria: Blitskopie.
- Rossouw, G. J., van der Watt, A. and Malan, D.P. 2002. *Corporate Governance in South Africa*. *Journal of Business Ethics*.
- SME South Africa. 2012. Anglo American SEAT Process Helps Effect Real Socio-Economic Change in Communities. SME South Africa. 21 November 2012. Available: <http://www.smesouthafrica.co.za/November-2012/Anglo-American-SEAT-process-helps-effect-real-socio-economic-change-in-communities/> [28 January 2016].
- Taylor, S and Yu, D. 2009. *The importance of socio-economic status in determining educational achievement in South Africa*. Stellenbosch Economic Working Papers: 01/09. Stellenbosch: Department of Economics and the Bureau for Economic Research at the University of Stellenbosch.
- The Centre for Development and Enterprise. 2015. Executive Summary: *Teachers in South Africa: Supply and Demand 2013-2025*. Johannesburg: The Centre for Development and Enterprise. Available: <http://www.cde.org.za/wp-content/uploads/2015/03/Final-Revised-ES-TeacherSupplyandDemand2025.pdf> [26 January 2016].
- Trialogue. 2006. *The CSI Handbook*. Edition 9. Cape Town: Trialogue.

- Trialogue. 2012. *The CSI Handbook*. Edition 15. Cape Town: Trialogue.
 - Visser, W. 2006. *Revisiting Carroll's CSR Pyramid. Corporate Citizenship in Developing Countries: New Partnership Perspective*.
 - Walmsley, D. and Walmsley, J. 2002. The North West Province At A Glance in Mangold, S. and Kalule-Sabiti, M. *North West Province of the Environment Report 2002*. Directorate Environment and Conservation Management: North West Department of Agriculture, Conservation and Environment. Available: http://soer.deat.gov.za/dm_documents/19_Full_Overview_Print_zWCET.pdf [2016, January, 25].
 - War on Want Campaign. 2006. *Anglo American: The Alternative Report*. Available: <http://www.curtisresearch.org/Anglo%20American%20%20The%20Alternative%20Report.pdf> [29 January 2016].
 - Ward, H. 2004. *Public Sector Roles in Strengthening Corporate Social Responsibility: Taking stock*. Washington, DC: World Bank Group.
 - Webster, A. 1995. *Modernisation Theory. In Development Studies: An Introduction Through Selected Readings*. Ayres, R. Eds. Dartford, UK: Greenwich University Press.
 - Younkings, E. 2000. *Individual rights, social responsibilities and corporations*. The Free Radical. Available: <http://www.quebecoislibre.org/younkins22.html> [2016, January, 26].
 - Zulu, B. M., Urbani, G., van der Merwe, A., and van der Walt, J.L. 2004. Violence as an impediment to a culture of teaching and learning in some South African schools. *South African Journal of Education*. Vol, 24. No. 2:170-175.
-

Appendices

Appendix 1

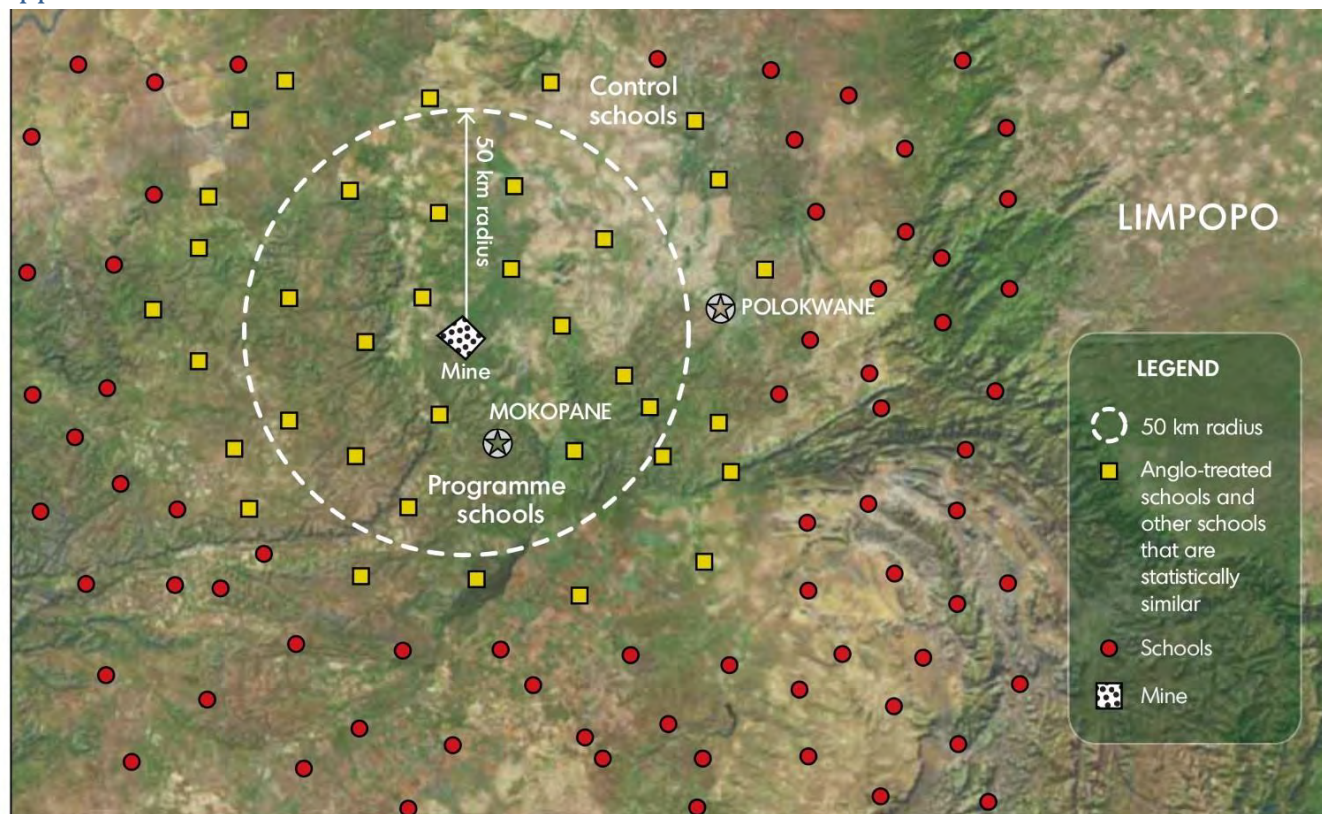


Figure 1.1) Example of application of regression discontinuity design to geographic scale within mining context (Besharati, 2014: 13)

Appendix 2

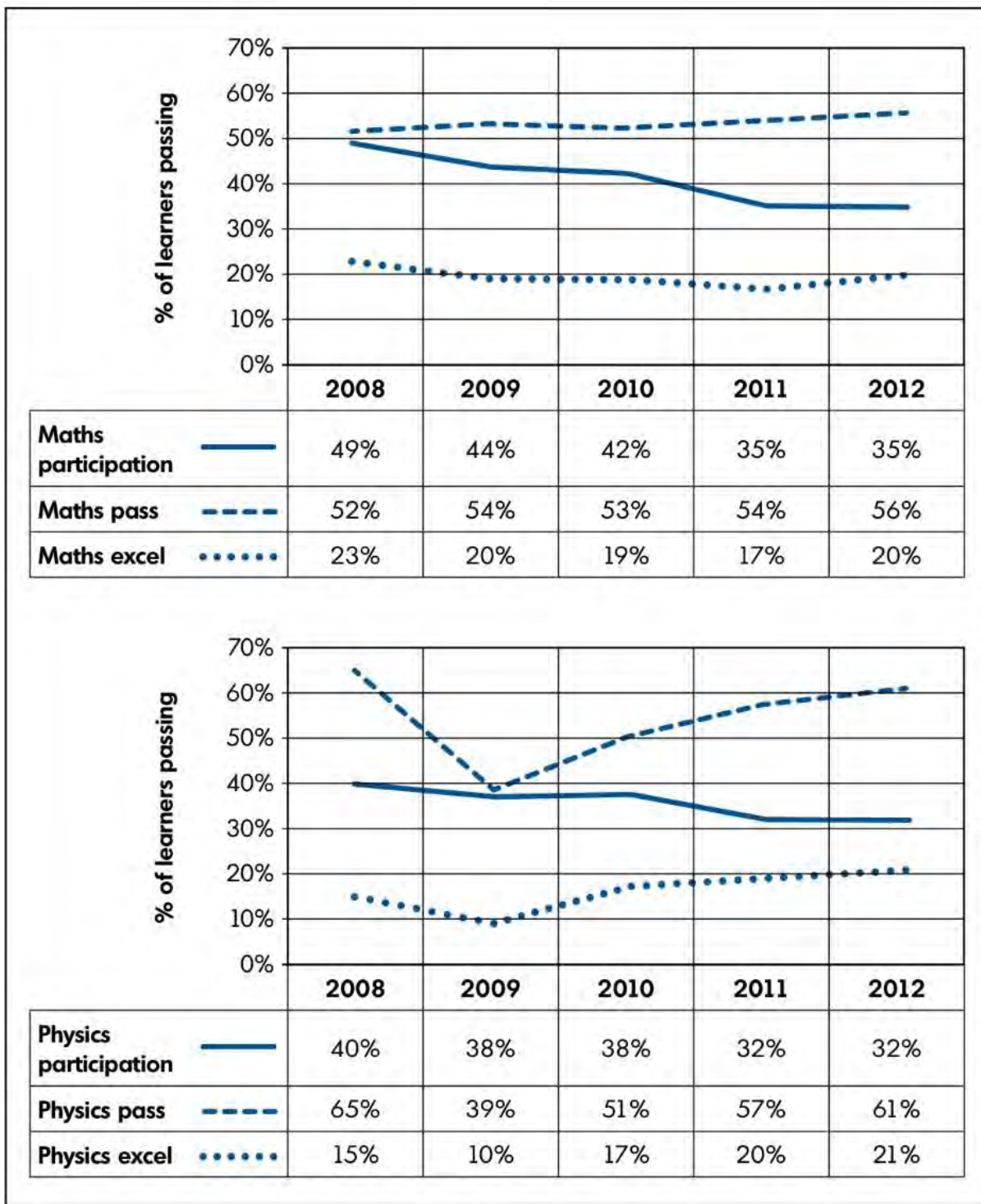


Figure 1.2) Subject Specific (maths & physics) pass rates for NSC exam in North West (Besharati,2014: 16)

Appendix 3

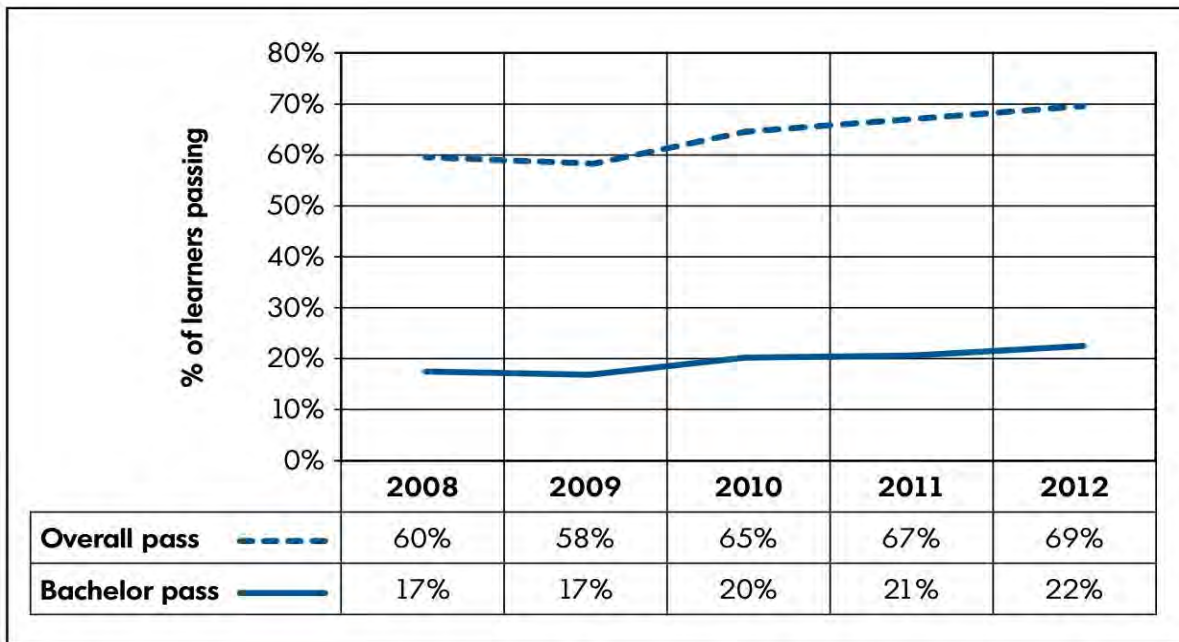


Figure 1.3) Overall and bachelor pass rates for NSC examination in South Africa (Besharati,2014: 13)

Appendix 4

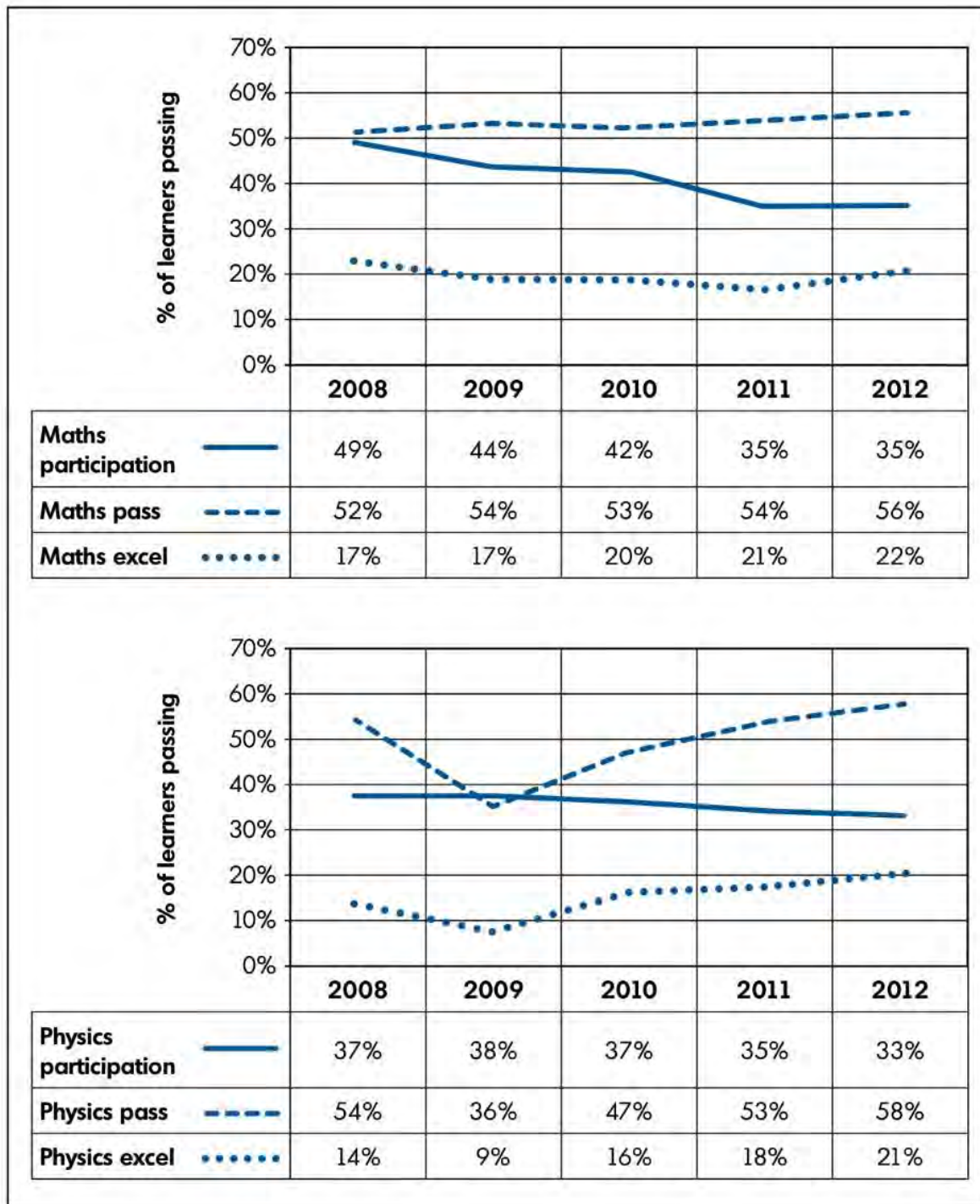


Figure 1.4) Subject Specific (maths & physics) pass rates for NSC exam in South Africa (Besharati, 2014: 15)