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CGF HONORARY PATRONSHIP: RUSSELL LOUBSER'S LEADERSHIP UNDERPINNED BY EXEMPLARY GOVERNANCE

South Africa's democracy in 1994 signaled a new beginning for all its citizens, and through the iconic leadership of the late Nelson Mandela, together with FW de Klerk, the world welcomed our racially divided country back to the international arena. So great was their vision and thinking for a united South Africa – that these extraordinary leaders were jointly awarded the 1993 Nobel Peace Prize for their work *"for the peaceful termination of the apartheid regime, and for laying the foundations for a new democratic South Africa."*

However since this period, the vision of a 'rainbow nation' appears now more of an illusion than ever before. Regrettably the rights enshrined in our constitution have not served all the people of South Africa in the manner that it was intended by Nelson Mandela, Walter Sisulu, Govan Mbeki, Oliver Tambo and their compatriots. Moreover, the growing chasms between racial groups and the economic disparities between the rich and the poor has been exacerbated by the country's poor leadership.

Whilst many leaders who claim their allegiance to the goals of South Africa, will glibly recite questionable statistics regarding South Africa's progress against the Millennium Development Goals (and now the Sustainable Development Goals which should be attained by 2030); one has to question their performance against the mounting and more basic problems twenty two years into our democracy. There is of course no question regarding the devastation of the past apartheid system, which was responsible for the reprehensible and completely unjust manner in which black people were treated by a white government. And this is precisely why a leader such as Mandela was necessary, and pivotal for the anticipated change South Africa so desperately required.



Russell Loubser accepts an Honorary Patronship from Terrance Booyesen, CEO of CGF Research Institute

Most commentators today -- be they in the media, politics, business, trade unions as well as civil society -- have understood the critical importance of *proper* leadership planning and succession, and this has been an elusive challenge for South Africa's governing party and the country's number one position. If the country does not have a clear successor, neither an agreed economic strategy to uplift the plight of the millions of people who are unemployed, then it can be safe to say that the country is in some form of meandering 'economic drift'. No matter how good our constitution may be; if the country does not have the correct leadership and vision where South Africa and her citizens are considered as the first priority, then the fight for individual freedom and economic emancipation will simply continue to fade.

Whilst South Africa has made some great strides since the ANC (African National Congress) was elected as the governing party post 1994, seemingly more could have been achieved had there been more leaders who were properly groomed to fulfil these important leadership positions. This being said, one should not underestimate the immense pressure that was placed upon the ANC when they took the reins of leadership in South Africa; from essentially being underground freedom fighters for decades they were suddenly expected to lay down their

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military uniforms and take control of a country mired with massive social inequalities, not least also an ailing economy that needed global re-introductions. There is no argument that this task was not a light one, not then and still not today. And even if there had been more 'normal' circumstances at the time of South Africa's transition, extraordinary leadership is required now, more than previously, in order to stabilize all facets of our turbulent country.

When one ponders upon the talent of South Africa, including some of its iconic leaders that could play a leading role to assist the political landscape to regain confidence in the country, there are a number of names that resonate. Interestingly these people are not media attention seekers; and they have the power and the means to assist reshape the strategic direction of our country. One such name is *Russell Loubser*, and who is best known for the role he fulfilled as the former Johannesburg Stock Exchange (JSE) Chief Executive Officer; a position he held for fifteen years.

Besides the incredible leadership Russell provided the JSE, including South African listed businesses at large, he also conceptualised and steered the JSE through a demutualisation and converted the JSE into a public company which was listed in June 2006. The initial tradable value of the JSE on 01 July 2005 was approximately R250 million, and when Russell embarked upon an early 'retirement' in December 2011, the market capitalisation of the JSE was estimated at approximately R6 billion, with zero borrowings and approximately R1 billion in cash on the balance sheet. Described simply as a person who "tells it like it is", Russell is exactly the type of no nonsense leader -- who is firmly rooted in ethical governance practices -- which South Africa is in desperate need of.

Under Russell's leadership, the improvements produced by the JSE to the South African financial markets were recognised on an international scale. In the World Economic Forum's (WEF) annual Global Competitiveness Report for 2010-2011, 2011-2012 and 2012-2013; South Africa was rated the best in the world for "Regulation of securities exchanges". In the WEF's 2009-2010 Global Competitiveness Report, SA was rated number two in the world, and number five in the world in the 2007-2008 WEF Report in the same category. Without the necessary leadership, including the vision which was shared by a team of employees who supported their leader, these remarkable achievements would never have been possible.

Russell's unfaltering career in South Africa has truly been remarkable; each position he occupied found a common thread to mutually fulfil the various functions that were expected of Russell. Besides his years at the JSE, he was also the kingpin behind the JSE acquiring two other licensed securities exchanges in South Africa, namely the South African Futures Exchange (Safex) and the Bond Exchange of South Africa. This transaction totally transformed the equity settlement process in South Africa by computerising the entire process. Indeed, the success of this massive undertaking was achieved by the JSE being integrally involved in funding and creating Strate Limited -- the SA Central Securities Depository (CSD) -- which has been rated as a world-class CSD.

Expectedly, Russell has occupied a number of board and advisory positions through the years, some of these include being a member of the King Committee on Corporate Governance for fifteen years, as well as being a member of the Securities Regulation Panel in South Africa for the same period of time. He also served on the Board of Directors of the World Federation of Exchanges (WFE) for approximately thirteen years as well as chaired their Working Committee for two years. Prior to Russell's tenure at the JSE, he fulfilled various directorships in the South African financial services sector; and so it comes as no surprise that his current non-executive directorships are held with Strate, FirstRand, Rand Merchant Bank and First National Bank. He is also

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a Council Member of the University of Pretoria and an extraordinary Professor in Mercantile Law (University of Pretoria).

Accordingly, it gives CGF great pleasure to announce that Russell Loubser (M.Com (Statistics), CA (SA)) has agreed to join the prestigious ranks of CGF's Honorary Patrons. It is these unique people -- who are extraordinary leaders -- whom CGF selects as its Honorary Patrons. There is no doubt regarding the incredible insight and value Russell brings to CGF's leadership and this will reinforce the business of good governance. But more importantly -- through his presence -- and with the additional support of all CGF's patrons, an even stronger and more united force is at work to improve the South African socio-economic landscape and its ongoing sustainability.

Similar to all our esteemed Honorary Patrons, who include Christine Ramon, Edward Chr. Kieswetter, Advocate Thuli Madonsela, Professor Steven Friedman, Amy Kleinhans-Curd, Professor Jonathan Jansen, Wendy Luhabe, Tina Eboka, Bernard Peter Agulhas, Michael Judin, Devi Sankaree Govender, Professor Shirley Zinn and Dr Mathews Phosa; they are carefully selected not only because they are exceptional leaders with great depth, knowledge and wisdom, but also because they act as a sounding board for our clients and for CGF when difficult matters or decisions need to be considered within our company.

The Honorary Patron appointments -- which are rotated every two years -- have expectedly had a positive effect upon the governance services being offered by CGF to its broad range of clients, which extends well beyond our customary research and reporting. To this extent, the additional value Russell brings to CGF is vital, especially considering his role in the King Committee on Corporate Governance and his ability to analyse and advise on complex governance issues.

CGF is honoured to have Russell join the ranks of our professional team. We look forward to assisting more organisations and its leadership to build a new generation of admirable, ethical leaders whose aspirations are nothing less than placing the legitimate interests of their country and their organisation's above their own.

With the world having become far more demanding for better practices of governance, including activists and informed stakeholders increasing the call for ethical leadership and more transparent reporting; Russell's acceptance of a CGF Honorary Patronship makes perfect sense.

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About CGF Research Institute (Pty) Ltd

CGF began its business in March 2004 and the company is grounded upon delivering a variety of professional corporate governance consulting services, ultimately aimed for addressing and improving the leadership of organisations and their governance practices.

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