



**The 11th Archbishop Thabo Makgoba Development Trust Annual Lecture,
Delivered by Unathi Kamlana, Commissioner – Financial Sector Conduct Authority, at
Rhodes University, Makhanda
11 September 2025**

Thank you, Professor Skae, for the kind and generous introduction.

Acting Vice-Chancellor, Prof Monnapula-Mapesela,
The Archbishop Thabo Makgoba,
Distinguished guests,
Ladies and gentlemen.

It is my honour and privilege to deliver the 11th **Archbishop Thabo Makgoba Development Trust Annual Lecture** on Values-Based Leadership.

It is a pleasure for me to return to my alma mater, Rhodes University - an institution with a well-established reputation for academic excellence and innovation, whose very heartbeat is captured in the motto '*where leaders learn*'. Indeed, I spent the best years of my early life on this campus. I remember my time here fondly, and I have more than just a degree show for it, I also met my wife of 21 years just outside this building. She was a first-year student, I was a final year student, and she looked a bit lost, and I offered to help – and a few minutes later she was no longer lost but found. The rest, as they say, is history.

Let me thank the Archbishop Thabo Makgoba Development Trust and the Rhodes Business School for the invitation and congratulate the Business School on its 25th anniversary this year.

I follow to this podium several distinguished South Africans, women and men who have helped shape some of this country's important institutions, including those in the broader financial sector. And I hope that, like them, I may contribute in a way that honours this platform - by reflecting honestly on the challenges we face, and by affirming the values that must guide us as leaders. In essence, I stand here this evening, not just as a regulator, but as a South African who believes

that the moment requires us to interrogate what it truly means to lead – and I want to suggest that what is required is more than mere titles, but rather leaders with conviction, anchored in values. This moment comes at a time when the world is undergoing profound change. Geopolitical tensions, global economic uncertainty, and societal shifts are testing not only our economic structures and institutional arrangements, but the very core and essence of leadership in our societies.

Here at home, South Africa faces deep and persistent socio-economic challenges. These realities demand vision, integrity, and courage from those entrusted with the responsibility and privilege of leadership. Among the many sectors that carry this weight, the financial sector stands out. The sector is both a reflection of these challenges and a powerful lever for addressing them, shaping how resources are allocated, how opportunities are expanded, and how trust is built within society. The financial sector – which includes banks, insurance companies, retirement funds, asset managers and financial markets - is at the heart of the South African economy, touching the lives of every citizen.

Through financial services, we make daily economic transactions, save for the future and preserve wealth across generations. The sector is also one of the largest contributors to the country's economy as measured in terms of GDP (Gross Domestic Product). It plays a vital role in job creation and bolsters government revenues through taxation. This makes the financial sector's growth and stability crucial to the success of our nation.

But, as history has taught us, this same sector can also be a source of profound socio-economic misery. The 2008/09 Global Financial Crisis remains a stark reminder of this. The collapse of major financial institutions in the United States triggered a series of events that effectively froze economic activity in the US and many other countries. It also eroded the livelihoods of millions. In fact, the total number of jobless people around the world increased by 27 million by the end of 2009, compared to two years earlier.¹

In South Africa, we responded by revamping our financial sector regulatory framework and strengthening our regulatory architecture through the introduction of the twin peaks model of

¹ United Nations Department of Economic and Social Affairs, Division for Social Policy and Development. (2011). The global social crisis—Chapter 2: The great recession and the jobs crisis (Chapter 2). In World social report 2011. United Nations. <https://www.un.org/esa/socdev/rwss/docs/2011/chapter2.pdf>

regulation. We established institutions designed to safeguard the integrity of the financial system and protect South Africans from the kinds of excesses that triggered the financial crisis.

One of the bodies created in the aftermath of the crisis is the Financial Sector Conduct Authority. As the market conduct regulator of the South African financial sector, the FSCA is mandated to enhance and support the efficiency and integrity of financial markets and ensure that financial customers are treated fairly by the financial institutions that serve them.

The twin concepts of efficiency and integrity – which are at the heart of leadership - may appear to be opposites, yet, I submit that they are in fact two inseparable twins.

To understand why, we must consider the distinction between value and values. Value in financial and economic terms, is relatively easy to measure - it shows up in price, profit and growth. If a business with a R100 billion valuation today, grows into an enterprise worth R500 billion in five years' time, we say it has increased in value.

But values are of a different order altogether, they are principles that guide behaviour, and the moral compass that distinguishes right from wrong. They are the internalised cognitive structures that guide choices by evoking a sense of basic principles of what is right and what is wrong.

Values can't be measured in the same way as economic or financial value and yet they're worth so much more. As history has shown, the pursuit of value divorced from values, leads to excess, misconduct, and systemic harm.

We saw this most clearly in the Steinhoff scandal - one of the largest corporate failures in South African history. What was once hailed as a R200-billion global retail empire collapsed almost overnight when massive accounting irregularities and fraud were exposed, leaving pension funds, employees, and investors in ruin. We saw the same thing play out in the VBS Mutual Bank debacle, where greed and mismanagement robbed some of the most vulnerable South Africans of their savings and left municipalities unable to deliver essential services. Both Steinhoff and VBS illustrate the dangers of leadership that chases short-term gain while abandoning ethical responsibility. The cost is borne not by the few who profited, but by the many who lost.

And sadly, there are many such examples, both here at home and across the globe, where short-term gains have been quickly overshadowed by long-term harm and devastation for households, communities, and even entire economies.

This insatiable greed and desire for quick gains is not just a private sector scourge; it is a disease that has permeated our society at large. It requires all of us to reflect on the value system and incentive structures that produce this malady of greed we often observe. The truth is, this is not going to change until the leaders in all spheres of society, go back to what leadership is really about, and the people start demanding more from their leaders. Because leaders are in a sense a reflection of the character of the society they lead. They are a representation of what the people they lead celebrate, reward or tolerate. *We get the leaders we deserve.*

Hence the contradiction we sometimes face as a nation - a nation rich in visionaries. You don't need to look too far to find South Africans who've led movements, built incredible institutions, and shaped global conversations. But we also at times battle a crisis of credibility, where leadership actions are too often synonymous with self-interest, and a lack of accountability. The rule of law is central to the question of accountability, and as such critical for market integrity.

Over time we've seen the erosion of public trust — not just in government, but in corporate institutions, and civil society. This trust deficit challenges the legitimacy of the very institutions tasked with making the lives of citizens better.

In too many spaces, leadership has become performative, just a title that is not tethered to any values.

In his book, *Faith, Courage, and Praying with Mandela*, Archbishop Makgoba makes the poignant point that despite all the talk about how to fix what is broken in our country; and despite the policies we advocate for; the levels of inequality in our society remain shocking. South Africa has the highest Gini co-efficient in the world. This means that the gap between the rich and the poor in our country is wider than it is anywhere else in the world. Our persistently high Gini co-efficient is not just a measure of inequality — it's a mirror reflecting the absence of values-driven leadership.

Ladies and gentlemen, we must remember that values are not born in a vacuum. They are instilled, nurtured, and reinforced through the institutions that shape our lives. Though we talk about values at an individual level, they have their genesis in groupings and institutions.

Faith institutions, like the churches that Archbishop Makgoba leads, continue to be anchors of these moral teachings. If we draw from the Holy Scriptures, we find many examples of the importance of values in how we live our lives, and in how we lead. Proverbs 16:8, for example, says *“It is far better to be right and poor than to be wrong and rich”*. This is a reminder that integrity outweighs material gain, and its benefits stand the test of time.

Schools and universities are also among the critical institutions for shaping values. Teachers and lecturers play a key role, not only by imparting knowledge, but by modelling ethical behaviour and framing questions of purpose alongside questions of profit. This is why those who teach future business executives, such as the Rhodes Business School, bear the responsibility of ensuring that their graduates and students understand and appreciate the symbiotic relationship between values and value.

And this brings us directly to the world of markets themselves, where the tension between value and values is most visible. This tension plays out in real economies, in boardrooms, and in the daily lives of citizens. Markets are powerful engines of growth, but they can also be blind to principles such as fairness, justice, and dignity. Left unchecked, they can reward behaviour that undermines trust and destabilises society. This is precisely the tension that Mark Carney, the former Governor of the Bank of England and now the Prime Minister of Canada, reflects on in his book – *“Values: An Economist’s Guide to Everything That Matters”* when he writes about how market fundamentalism *“corrodes social values and fosters the crises of our age”*.²

Carney makes the point that markets don’t have values, people do. He cautions that *“... we must close the gap between what we value and what the market prices. After all, we’re living in a time that confuses market value with human values – a world where we know the price of Amazon the company but not the value of the Amazon region, a world where technology threatens to replace our jobs rather than improve them.”*³

² Values, An Economist’s Guide to Everything That Matters, Mark Carney.

³ Values, An Economist’s Guide to Everything That Matters, Mark Carney.

Indeed, we see this reality unfolding before us. We often see headlines talking about how artificial intelligence and other new technological innovations will replace certain job categories. On the one hand, these tools promise to make businesses, and even governments, more efficient in delivering products and services. Let's take the financial sector as an example. Technology has expanded access, enhanced efficiency, and increased profits. But on the other hand, these advances raise difficult questions about customer protection and the broader human impact of technological change.

None of this is to suggest that technology is inherently harmful or that progress should be resisted. I'm not advocating for luddism – the movement of advocates against new technologies. I am fully in favour of embracing technology and innovation. But - and this is an important but - it must be done responsibly. By that I mean technology must be adopted in a way that protects jobs where possible, ensures inclusion rather than exclusion, guards against exploitation, and places fairness and integrity at the centre of innovation. Yes, technology brings enormous benefits, but we must remain mindful of these risks and address them as adoption increases.

At the FSCA this is exactly what we strive to do: to embrace technology as an enabler, while ensuring that it is applied in ways that protect consumers, strengthen trust, and keep people, not just profits at the heart of the financial system. In fact, the FSCA is currently undertaking the largest digital transformation in its history. The large-scale investment in supervisory technologies (SupTech) involves building future fit ICT systems to strengthen our supervisory and enforcement capabilities, turning data into insights that drive regulatory effectiveness in the digital age. This will help us regulate better and protect consumers against unfair treatment by financial institutions and exposure to scams and other forms of online harm. That is, enhanced efficiencies in the execution of our public mandate. The point is, while we can and should adopt technology, the adoption must be grounded in a value system that puts the people we serve at the forefront.

This balance between innovation and responsibility points us back to Carney's point, with which I agree, we must bring a dose of humanity – our values – into the equation.

This is not something we can legislate into existence or force through regulation and enforcement actions alone. And this is precisely what complicates the life of a regulator. Unlike financial ratios or capital requirements, values cannot simply be prescribed and measured. Regulators are not a Tom Cruise character in the 2002 Steven Spielberg movie, *Minority Report*. Unlike in that movie,

we cannot see crime or misconduct before it is committed, nor can we anticipate and regulate for all circumstances. We would have loved to be the Tom Cruise character, identifying misconduct before it happens and dealing with the perpetrators to be. But real life does not allow that luxury. The best we can do is to build frameworks that deter misconduct and respond decisively when it occurs.

So, our first line of defence is nurture, meaning the hope that people who work in and lead our institutions have been shaped by the right kind of values: honesty, fairness, and integrity. We have to hope that the families and communities that raised them instilled a sense of accountability in them, and that their institution of faith imbued in them the ability to tell the difference between what's right and what's wrong. For as Proverbs 22:6 reminds us: *"If you train up a child in the way they should go, when they are older, they will not depart from it."* Values formed early in life become the guardrails that no regulation can substitute for.

Even so, nurture alone is not enough. Values must also be reinforced within the very institutions that hold positions of trust. This is where governance becomes critical. Governance bodies of financial institutions - and by this, I mean, Boards of directors, audit committees, and executive leaders - must be the frontline enforcers of ethical behaviour and guide the basic principles of right and wrong. In short, governance bodies are called to lead by example, showing through their choices that long-term trust and sustainability matter more than short-term gains. Taken together, nurture, education, governance, and regulation form the lines of defence that uphold integrity in our financial system. Families and communities shape character, faith institutions ground morality, schools and universities refine judgment, governance structures embed ethics into institutions. Regulators act as the final safeguard when all else fails - the last line of defence. For in the end, the strength of our financial system rests not only on the soundness of its balance sheets or the sophistication of its technology, but on the depth of the values that guide its leaders. This is the foundation on which trust is built - and without trust, no financial system, no matter how efficient or sophisticated, can endure.

As I draw to a close, let me underscore the sentiment that we cannot be content to live in an endless cycle of chasing quick gains. That is not what will secure the future of our institutions or our society. Those who are in leadership must make integrity-driven choices even when faced with pressure, or in times of crisis. This is the only way we will build lasting trust and not leave broken institutions for future generations to inherit. History has shown us time and again, from

financial crises to corporate scandals here at home, that when value is pursued without values, the outcome is not prosperity but destruction.

Our changing world is testing leadership more than ever before. The challenges are vast: geopolitical tensions, technological disruption, climate risk, social inequality, political instability. In such a context, leadership cannot be reduced to chasing profits. It must be anchored on something deeper, and that is, putting people first, and balancing innovation with inclusion, efficiency with fairness, and growth with sustainability.

As Dr Reuel Khoza reminds us in his 2011 book, *Attuned Leadership: "Probity is the ethical imperative to remain upright and honest in the service of others..."*. It is this concept of probity that reminds us that leadership is not about self, but essentially about service.

Tonight, then, I leave you with this call: let us recommit ourselves to ensuring that our pursuit of value is always guided by our values. And let us lead in such a way that future generations will say: in a time of great disruption and uncertainty, we chose the harder path - the path of integrity, of justice, of humility, of hope.

And so, may we as leaders strive to embody these timeless principles: to honour our word, to reject corruption, and to act with integrity even when it costs us. For it is only through such leadership that our institutions will thrive, our economy will endure, and our nation will rise.

To the future leaders sitting in this room — and those watching online — I say this: South Africa does not need more titles. What we need is more leaders who walk in truth. When you take up leadership positions, focus not just on how skilled you are, but on what anchors you. Find a way to marry your skills with the values that anchor who you are, so that you can give respite to a country and a people that so desperately need it. Let us not expect this kind of leadership to come from others but from ourselves. Remember the words of the poet and activist June Jordan, who in her 1978 Poem for South African Women said: *"we are the ones we've been waiting for"*.

Thank you.