Journal de Recherche Multidisciplinaire
ISSN : 3088-5205 https://jorep.net

JOREP Journal de recherche multidisciplinaire

Volume : 1
Numéro : 2
Année : 2025
Mois : Mars

Corporate governance and the ubuntu philosophy: a comparative analysis of divergent frameworks in the Central African Republic and South Africa

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ABSTRACT

This study examines the comparative approaches to corporate governance and the integration of Ubuntu philosophy in the Central African Republic and South Africa, two countries with shared cultural heritage but dramatically different economic and institutional trajectories. Despite their common Bantu cultural roots, the role of Ubuntu—the Nguni philosophy emphasizing collective humanity, mutual responsibility, and community solidarity—in shaping corporate governance

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frameworks differs fundamentally between these nations. The research employs a comparative case study methodology, drawing on policy documents, corporate governance codes, empirical studies, and scholarly analyses spanning 2020-2026. South Africa has developed one of Africa's most sophisticated corporate governance frameworks, with the King Reports (I-IV) establishing principles-based governance that has influenced practice globally. The King IV Report (2016) explicitly references Ubuntu as a philosophical foundation, emphasizing that "good corporate governance is not an end in itself but a means to achieve ethical and effective leadership and sustainable outcomes" (IoDSA, 2016). The report's principles of ethical leadership, corporate citizenship, and stakeholder inclusivity reflect Ubuntu values of interconnectedness and collective responsibility. Research on Ubuntu's integration into South African corporate governance reveals both promise and tension. Studies document how companies have incorporated Ubuntu principles into mission statements, codes of conduct, and stakeholder engagement strategies, particularly in sectors such as banking, telecommunications, and mining where community relationships are critical (Mbigi & Maree, 2020). However, critics argue that Ubuntu remains largely aspirational, with limited impact on actual corporate behavior in a system still dominated by shareholder primacy and global capital markets (West, 2021). The King Committee's 2025 consultation on governance in the digital age continues this evolution, seeking to balance technological innovation with ethical leadership grounded in African values (IoDSA, 2025).

The Central African Republic presents a fundamentally different picture. Plagued by decades of political instability, armed conflict, and institutional fragility, the country lacks a formal corporate governance code. The 2022-2026 National Recovery and Peacebuilding Plan acknowledges the need to improve governance and strengthen the private sector but provides limited specific guidance on corporate governance frameworks (World Bank, 2023). The OHADA Uniform Act on Commercial Companies, applicable to CAR as a member state, provides basic legal infrastructure for corporate governance, including requirements for general meetings, directors' duties, and financial reporting (OHADA, 2014). However, implementation is severely constrained by weak institutional capacity, limited enforcement mechanisms, and the dominance of informal economic activity. Research on Ubuntu in CAR's corporate context is virtually non-existent, though anthropological studies document the persistence of community-based solidarity mechanisms in rural areas and their erosion under conflict and displacement (Lombard, 2020). The

limited formal corporate sector operates largely through informal networks, with governance practices shaped more by personal relationships and ethnic ties than by codified principles or philosophical frameworks. The ongoing political and security crisis has further undermined institutional development, with the 2023 constitutional referendum and subsequent consolidation of power raising concerns about governance and accountability (International Crisis Group, 2024).

South Africa's strength lies in its sophisticated corporate governance framework, explicit integration of Ubuntu into governance discourse, and institutional capacity for implementation and enforcement. Its challenge is translating philosophical commitment into practice in a context of deep inequality and persistent shareholder primacy. The Central African Republic's advantage is the potential to build governance frameworks from the ground up, learning from both Ubuntu's communal values and international best practice, yet its reality is one of institutional fragility, conflict, and marginalization from global economic systems. Both countries demonstrate that effective corporate governance requires: (1) a coherent philosophical foundation aligned with cultural values; (2) clear legal and regulatory frameworks with effective enforcement; (3) institutional capacity for implementation and oversight; (4) stakeholder engagement that gives voice to affected communities; (5) attention to the informal sector that dominates many African economies; (6) political stability and rule of law; and (7) recognition that governance is not merely about shareholder returns but about sustainable and inclusive development.

KEYWORDS: Corporate governance, Ubuntu philosophy, Central African Republic, South Africa, King Reports, stakeholder governance, African management philosophy, business ethics, institutional development, sustainable development

RÉSUMÉ

Cette étude examine les approches comparatives de la gouvernance d'entreprise et de l'intégration de la philosophie Ubuntu en République centrafricaine et en Afrique du Sud, deux pays partageant un héritage culturel commun mais des trajectoires économiques et institutionnelles radicalement différentes. Malgré leurs racines culturelles bantoues communes, le rôle d'Ubuntu—la philosophie nguni mettant l'accent sur l'humanité collective, la responsabilité mutuelle et la solidarité communautaire—dans l'élaboration des cadres de gouvernance d'entreprise diffère

fondamentalement entre ces nations. La recherche emploie une méthodologie d'étude de cas comparative, s'appuyant sur des documents politiques, des codes de gouvernance d'entreprise, des études empiriques et des analyses savantes couvrant la période 2020-2026. L'Afrique du Sud a développé l'un des cadres de gouvernance d'entreprise les plus sophistiqués d'Afrique, avec les Rapports King (I-IV) établissant une gouvernance fondée sur des principes qui a influencé les pratiques à l'échelle mondiale. Le Rapport King IV (2016) fait explicitement référence à Ubuntu comme fondement philosophique, soulignant que "la bonne gouvernance d'entreprise n'est pas une fin en soi mais un moyen d'atteindre un leadership éthique et efficace et des résultats durables" (IoDSA, 2016). Les principes du rapport concernant le leadership éthique, la citoyenneté d'entreprise et l'inclusion des parties prenantes reflètent les valeurs Ubuntu d'interconnexion et de responsabilité collective. La recherche sur l'intégration d'Ubuntu dans la gouvernance d'entreprise sud-africaine révèle à la fois des promesses et des tensions. Des études documentent comment les entreprises ont incorporé les principes Ubuntu dans leurs déclarations de mission, leurs codes de conduite et leurs stratégies d'engagement des parties prenantes, en particulier dans des secteurs tels que la banque, les télécommunications et l'exploitation minière où les relations communautaires sont critiques (Mbigi & Maree, 2020). Cependant, les critiques soutiennent qu'Ubuntu reste largement aspirationnel, avec un impact limité sur le comportement réel des entreprises dans un système toujours dominé par la primauté des actionnaires et les marchés financiers mondiaux (West, 2021). La consultation du Comité King de 2025 sur la gouvernance à l'ère numérique poursuit cette évolution, cherchant à équilibrer l'innovation technologique avec un leadership éthique ancré dans les valeurs africaines (IoDSA, 2025).

La République centrafricaine présente un tableau fondamentalement différent. En proie à des décennies d'instabilité politique, de conflit armé et de fragilité institutionnelle, le pays manque d'un code formel de gouvernance d'entreprise. Le Plan national de relèvement et de consolidation de la paix 2022-2026 reconnaît la nécessité d'améliorer la gouvernance et de renforcer le secteur privé mais fournit peu d'orientations spécifiques sur les cadres de gouvernance d'entreprise (World Bank, 2023). L'Acte uniforme OHADA sur les sociétés commerciales, applicable à la RCA en tant qu'État membre, fournit l'infrastructure juridique de base pour la gouvernance d'entreprise, y compris des exigences concernant les assemblées générales, les devoirs des administrateurs et l'information financière (OHADA, 2014). Cependant, la mise en œuvre est sévèrement contrainte

par la faiblesse des capacités institutionnelles, des mécanismes d'application limités et la domination de l'activité économique informelle. La recherche sur Ubuntu dans le contexte des entreprises centrafricaines est pratiquement inexistante, bien que des études anthropologiques documentent la persistance de mécanismes de solidarité communautaire dans les zones rurales et leur érosion sous l'effet des conflits et des déplacements (Lombard, 2020). Le secteur formel limité fonctionne largement à travers des réseaux informels, avec des pratiques de gouvernance façonnées davantage par les relations personnelles et les liens ethniques que par des principes codifiés ou des cadres philosophiques. La crise politique et sécuritaire en cours a encore miné le développement institutionnel, le référendum constitutionnel de 2023 et la consolidation ultérieure du pouvoir soulevant des préoccupations concernant la gouvernance et la responsabilité (International Crisis Group, 2024).

La force de l'Afrique du Sud réside dans son cadre sophistiqué de gouvernance d'entreprise, l'intégration explicite d'Ubuntu dans le discours sur la gouvernance et la capacité institutionnelle de mise en œuvre et d'application. Son défi consiste à traduire l'engagement philosophique en pratique dans un contexte de profondes inégalités et de persistance de la primauté des actionnaires. L'avantage de la République centrafricaine est le potentiel de construire des cadres de gouvernance à partir de zéro, en apprenant à la fois des valeurs communautaires d'Ubuntu et des meilleures pratiques internationales, mais sa réalité est celle de la fragilité institutionnelle, du conflit et de la marginalisation des systèmes économiques mondiaux. Les deux pays démontrent qu'une gouvernance d'entreprise efficace nécessite : (1) une base philosophique cohérente alignée sur les valeurs culturelles ; (2) des cadres juridiques et réglementaires clairs avec une application effective ; (3) une capacité institutionnelle de mise en œuvre et de surveillance ; (4) un engagement des parties prenantes donnant une voix aux communautés concernées ; (5) une attention au secteur informel qui domine de nombreuses économies africaines ; (6) une stabilité politique et l'état de droit ; et (7) la reconnaissance que la gouvernance ne concerne pas seulement les rendements pour les actionnaires mais le développement durable et inclusif.

MOTS-CLÉS : Gouvernance d'entreprise, philosophie Ubuntu, République centrafricaine, Afrique du Sud, Rapports King, gouvernance des parties prenantes, philosophie de gestion africaine, éthique des affaires, développement institutionnel, développement durable

Suumis le : 17 Mars , 2026
Publié le : 28 April, 2026
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1. INTRODUCTION

Corporate governance—the systems, principles, and processes by which companies are directed and controlled—has emerged as a central concern in global business discourse. The manner in which corporations balance the interests of shareholders, stakeholders, and society fundamentally shapes economic outcomes, social welfare, and environmental sustainability. In Africa, this discourse intersects with a deeper question: can governance frameworks rooted in Western legal and philosophical traditions adequately address the continent's distinctive cultural values, social structures, and developmental challenges? And what might governance look like if grounded in indigenous philosophies such as Ubuntu?

Ubuntu, the Nguni philosophy often summarized as "umuntu ngumuntu ngabantu" ("a person is a person through persons"), emphasizes interconnectedness, mutual responsibility, and collective humanity. It has been invoked as a foundation for African management philosophy, stakeholder governance, and ethical business practice. Yet its translation into corporate governance—particularly in contexts of institutional fragility, economic informality, and global capital market pressures—remains contested and uneven.

The Central African Republic and South Africa, two countries sharing Bantu cultural heritage but occupying vastly different positions in the global economic order, offer a compelling comparative lens through which to examine these dynamics. South Africa has developed one of Africa's most sophisticated corporate governance frameworks. The King Reports, beginning in 1994, have established a principles-based approach that has influenced practice globally. The King IV Report explicitly references Ubuntu as a philosophical foundation, articulating a vision of governance that emphasizes ethical leadership, corporate citizenship, and stakeholder inclusivity (IoDSA, 2016).

Yet the translation of this philosophical commitment into practice occurs within a system still shaped by shareholder primacy, deep inequality, and the demands of global capital.

The Central African Republic presents a fundamentally different reality. Decades of political instability, armed conflict, and institutional fragility have left the country with virtually no formal corporate governance infrastructure. The formal private sector is minimal, the economy is dominated by informal activity, and the state's capacity to regulate or enforce is severely constrained. The OHADA Uniform Act provides basic legal architecture, but its implementation is limited. Ubuntu, as an explicit governance philosophy, is absent from policy discourse, though community-based solidarity mechanisms persist in rural areas.

This study examines the comparative approaches to corporate governance and the integration of Ubuntu philosophy in the Central African Republic and South Africa. Drawing on policy documents, corporate governance codes, empirical research, and scholarly analyses, it explores how governance frameworks are shaped by institutional capacity, cultural values, and economic context. The analysis is organized around four interconnected themes: (1) the philosophical foundations of corporate governance in each country; (2) the legal and regulatory frameworks that structure corporate behavior; (3) the institutional capacity for implementation and enforcement; and (4) the implications for sustainable and inclusive development.

The study contributes to scholarship on corporate governance in Africa, African management philosophy, and the relationship between culture and economic development. It argues that Ubuntu offers a potentially transformative vision for corporate governance—one aligned with African values and developmental imperatives—but that its realization requires institutional capacity, political stability, and sustained commitment that remain elusive in much of the continent.

2. LITERATURE REVIEW

2.1 Conceptualizing Corporate Governance: Shareholder Primacy vs. Stakeholder Approaches

Corporate governance scholarship has long been dominated by debates between shareholder primacy and stakeholder approaches. Shareholder primacy, rooted in Anglo-American legal and economic traditions, holds that corporations should be managed to maximize shareholder value (Friedman, 1970). Directors' duties are owed primarily to shareholders, and other stakeholder interests are relevant only insofar as they affect shareholder returns.

Stakeholder approaches, by contrast, argue that corporations have responsibilities to a broader range of constituencies, including employees, customers, communities, and the environment (Freeman, 1984). These approaches have gained traction in recent decades, reflected in the rise of environmental, social, and governance (ESG) investing, benefit corporation legislation, and evolving corporate governance codes.

The King Reports in South Africa have been influential in advancing stakeholder approaches within a principles-based governance framework. King I (1994) emphasized the importance of stakeholder engagement; King II (2002) introduced the concept of corporate citizenship; King III (2009) integrated sustainability into governance; and King IV (2016) articulated a philosophy of governance as "ethical and effective leadership" (IoDSA, 2016).

2.2 Ubuntu as African Management Philosophy

Ubuntu has been extensively theorized as a foundation for African management philosophy. Mbigi and Maree (2020) articulate Ubuntu values including collective solidarity, interdependence, and human dignity, arguing that these can inform organizational culture, leadership, and stakeholder relations. Letšosa (2021) explores Ubuntu's implications for business ethics, emphasizing values of reciprocity, mutual care, and community responsibility.

Critics, however, question the applicability of Ubuntu in corporate contexts. West (2021) argues that Ubuntu remains largely aspirational in South African corporate governance, with limited impact on actual practice. Matolino and Kwindingwi (2013) caution against romanticizing Ubuntu, noting its potential to obscure power relations and legitimize traditional hierarchies.

The tension between Ubuntu's communal values and the individualistic assumptions of Western corporate law remains unresolved. Some scholars advocate for "Ubuntu-inspired" governance that adapts traditional values to modern corporate contexts; others argue for more fundamental transformation of corporate structures.

2.3 South Africa's Corporate Governance Framework: The King Reports

South Africa's corporate governance framework is among the most developed in the developing world. The King Reports, produced by the Institute of Directors in Southern Africa (IoDSA), have established a principles-based approach that has influenced governance codes globally (IoDSA, 2016). Key features include:

- **Apply or explain:** Unlike rules-based "comply or explain" approaches, King IV requires companies to "apply" its principles and "explain" how they have been implemented.
- **Stakeholder inclusivity:** The report emphasizes that governance should balance the interests of all stakeholders, not merely shareholders.
- **Ethical leadership:** Leadership is framed as an ethical responsibility, with emphasis on integrity, competence, responsibility, accountability, fairness, and transparency.
- **Corporate citizenship:** Companies are conceptualized as citizens with rights and responsibilities within society.
- **Ubuntu reference:** King IV explicitly references Ubuntu as a philosophical foundation, linking it to principles of interdependence, collective responsibility, and human dignity.

The King Committee's 2025 consultation on governance in the digital age continues this evolution, seeking to address challenges of technological disruption while maintaining commitment to ethical leadership and African values (IoDSA, 2025).

Research on the implementation of King principles reveals mixed results. Studies document improved governance practices among large listed companies, but persistent challenges in enforcement, compliance among smaller firms, and translation of principles into practice (Rossouw, 2020).

2.4 The Central African Republic's Governance Landscape

The Central African Republic's governance landscape is shaped by decades of political instability, armed conflict, and institutional fragility. Since independence in 1960, the country has experienced numerous coups, rebellions, and periods of state collapse. The 2013-2014 crisis, which saw the overthrow of President Bozizé and widespread sectarian violence, devastated what little institutional capacity existed (Lombard, 2020).

The 2022-2026 National Recovery and Peacebuilding Plan articulates priorities for rebuilding state capacity, restoring basic services, and promoting economic recovery (World Bank, 2023). Governance reforms are identified as critical, including strengthening the rule of law, improving public financial management, and enhancing transparency. However, specific attention to corporate governance is limited.

As a member of OHADA (Organization for the Harmonization of Business Law in Africa), the Central African Republic is subject to the Uniform Act on Commercial Companies, which provides basic legal infrastructure for corporate governance, including requirements for general meetings, directors' duties, and financial reporting (OHADA, 2014). The Uniform Act establishes a framework for company formation, governance, and dissolution applicable across member states.

However, implementation is severely constrained. Institutional capacity for regulation and enforcement is minimal. The formal private sector is tiny, with most economic activity occurring informally. Governance practices are shaped more by personal relationships, ethnic ties, and informal networks than by codified principles or legal requirements.

Research on Ubuntu in the Central African Republic's corporate context is virtually non-existent. Anthropological studies document community-based solidarity mechanisms in rural areas, including mutual aid practices, communal labor, and traditional dispute resolution (Lombard, 2020). These practices reflect Ubuntu-like values but are poorly documented and increasingly eroded by conflict and displacement.

2.5 Comparative Corporate Governance in Africa

Comparative research on corporate governance in Africa highlights the diversity of national frameworks and the challenges of developing effective governance in contexts of institutional fragility. Scholars have documented the influence of colonial legal heritage, the role of regional harmonization (e.g., OHADA), and the persistence of informal governance mechanisms (Nwogugu, 2021).

Studies of governance in fragile states emphasize the limitations of formal regulatory approaches and the importance of understanding how governance actually operates in contexts of weak institutions. Informal networks, personal relationships, and customary norms may fill gaps left by formal systems, but they also create risks of corruption, exclusion, and instability (World Bank, 2023).

3. RESEARCH QUESTIONS

This study addresses the following research questions:

1. How do the philosophical foundations of corporate governance differ between South Africa and the Central African Republic, and what role does Ubuntu play in each context?
2. What legal and regulatory frameworks structure corporate governance in each country, and how effectively are they implemented and enforced?
3. How do institutional capacity, political stability, and economic context shape the possibilities for effective corporate governance?
4. What lessons can be drawn from comparative analysis for developing culturally grounded yet effective corporate governance frameworks in Africa?

4. METHODOLOGY

This study employs a comparative case study methodology to examine corporate governance and the integration of Ubuntu philosophy in the Central African Republic and South Africa. The research design integrates document analysis of primary sources with synthesis of secondary

literature to develop a comprehensive understanding of governance frameworks, institutional contexts, and cultural dynamics in both countries.

Primary sources analyzed include: corporate governance codes and policy documents from South Africa (IoDSA, 2016, 2025); legal frameworks from OHADA (2014); national development plans from the Central African Republic (World Bank, 2023); and scholarly analyses of Ubuntu and corporate governance (Mbigi & Maree, 2020; West, 2021).

The comparative framework examines four dimensions of corporate governance: (1) philosophical foundations and cultural context; (2) legal and regulatory frameworks; (3) institutional capacity and implementation; and (4) outcomes for sustainable and inclusive development.

The analysis covers the period from approximately 2020 to 2026, capturing recent developments including the King IV implementation, the 2025 King Committee consultation, and the Central African Republic's post-conflict recovery efforts.

5. RESULTS

5.1 Philosophical Foundations and Cultural Context

South Africa: South Africa's corporate governance framework is explicitly grounded in philosophical principles, including Ubuntu. Key features include:

- **King IV's Ubuntu reference:** The King IV Report explicitly invokes Ubuntu as a philosophical foundation, stating that "good corporate governance is not an end in itself but a means to achieve ethical and effective leadership and sustainable outcomes" (IoDSA, 2016). The report's principles of interconnectedness, collective responsibility, and human dignity reflect Ubuntu values.
- **Stakeholder inclusivity:** King IV emphasizes that governance should balance the interests of all stakeholders, not merely shareholders. This aligns with Ubuntu's emphasis on community and mutual responsibility.

- **Corporate citizenship:** The conceptualization of corporations as citizens with rights and responsibilities reflects Ubuntu's understanding of individuals and institutions as embedded in social relationships.
- **Ethical leadership:** King IV's emphasis on integrity, fairness, and accountability resonates with Ubuntu's focus on human dignity and ethical conduct.
- **Research on Ubuntu integration:** Studies document how companies have incorporated Ubuntu principles into mission statements, codes of conduct, and stakeholder engagement strategies (Mbigi & Maree, 2020). However, critics argue that Ubuntu remains largely aspirational, with limited impact on actual corporate behavior (West, 2021).

Central African Republic: The Central African Republic lacks an explicit philosophical framework for corporate governance. Key features include:

- **Absence of Ubuntu discourse:** Ubuntu, as an explicit governance philosophy, is absent from policy discourse. No corporate governance code or national policy references Ubuntu or similar indigenous philosophies.
- **Community-based solidarity:** Anthropological studies document the persistence of community-based solidarity mechanisms in rural areas, including mutual aid practices, communal labor, and traditional dispute resolution (Lombard, 2020). These practices reflect Ubuntu-like values but are poorly documented and increasingly eroded by conflict and displacement.
- **Informal governance:** The limited formal corporate sector operates largely through informal networks, with governance practices shaped more by personal relationships and ethnic ties than by codified principles or philosophical frameworks.
- **OHADA framework:** The OHADA Uniform Act, applicable to CAR, reflects French civil law traditions rather than indigenous African philosophies.

Table 1: Comparative Philosophical Foundations

Dimension	**South Africa**	**Central African Republic**
Explicit Ubuntu reference	King IV explicitly references Ubuntu (IoDSA, 2016)	Absent from policy discourse

Philosophical framework	Principles-based; stakeholder orientation	Not articulated
Cultural grounding	Ubuntu invoked as foundation	Community-based solidarity practices persist (Lombard, 2020)
Scholarly engagement	Extensive debate on Ubuntu's role (Mbigi & Maree, 2020; West, 2021)	Virtually non-existent
Governance discourse	Ethical leadership; corporate citizenship	Informal; shaped by personal relationships

5.2 Legal and Regulatory Frameworks

South Africa: South Africa has a comprehensive legal and regulatory framework for corporate governance. Key features include:

- **King Reports:** The King Reports (I-IV) provide a principles-based governance framework. King IV (2016) is the current iteration, organized around 17 principles and 208 practices (IoDSA, 2016).
- **Companies Act (2008):** The Companies Act provides the legal foundation for corporate governance, including provisions on directors' duties, shareholder rights, and financial reporting.
- **Johannesburg Stock Exchange (JSE) Listings Requirements:** Listed companies must comply with King IV requirements on an "apply or explain" basis, giving the principles regulatory force.
- **Sectoral regulation:** Specific sectors (banking, insurance, pensions) have additional governance requirements enforced by sectoral regulators.
- **Enforcement mechanisms:** The Companies and Intellectual Property Commission (CIPC), Financial Sector Conduct Authority (FSCA), and JSE provide enforcement oversight.

Central African Republic: The Central African Republic's legal framework is less developed and poorly implemented. Key features include:

- **OHADA Uniform Act:** As an OHADA member, CAR is subject to the Uniform Act on Commercial Companies, which provides basic legal infrastructure for corporate governance (OHADA, 2014). The Act covers company formation, general meetings, directors' duties, and financial reporting.
- **Limited national legislation:** National legislation supplementing OHADA is minimal, and coordination with the OHADA framework is weak.
- **Weak enforcement:** Institutional capacity for regulation and enforcement is minimal. The commercial courts, company registry, and regulatory agencies lack resources and capacity.
- **Informal dominance:** Most economic activity occurs informally, outside the scope of formal governance requirements.
- **Political instability:** The ongoing political and security crisis has further undermined institutional development, with the 2023 constitutional referendum and subsequent consolidation of power raising concerns about governance and accountability (International Crisis Group, 2024).

Table 2: Comparative Legal and Regulatory Frameworks

Dimension	**South Africa**	**Central African Republic**
Corporate governance code	King IV (2016) (IoDSA, 2016)	None
Company law	Companies Act (2008)	OHADA Uniform Act (OHADA, 2014)
Regulatory bodies	CIPC, FSCA, JSE	Limited capacity
Enforcement	Active; JSE listings requirements give force to King IV	Minimal
Formal sector coverage	Extensive; listed companies, large firms	Tiny; most activity informal

Political context	Stable democracy	Fragile; conflict-affected (International Crisis Group, 2024)

5.3 Institutional Capacity and Implementation

South Africa: South Africa has relatively strong institutional capacity for corporate governance implementation. Key features include:

- **Professional bodies:** The Institute of Directors in Southern Africa (IoDSA) provides training, guidance, and advocacy on corporate governance.
- **Regulatory capacity:** CIPC, FSCA, and JSE have technical capacity to monitor compliance and take enforcement action.
- **Judicial oversight:** South African courts have addressed corporate governance issues, including directors' duties and shareholder rights.
- **Corporate compliance:** Large listed companies generally comply with King IV requirements, though implementation quality varies (Rossouw, 2020).
- **Challenges:** Smaller companies often lack resources for full compliance. Enforcement against non-compliant firms is uneven. Translation of principles into practice remains contested.

Central African Republic: The Central African Republic's institutional capacity is severely limited. Key features include:

- **Weak regulatory agencies:** The commercial court, company registry, and regulatory agencies lack staff, funding, and technical capacity.
- **Limited professional bodies:** Professional associations for directors, accountants, and lawyers are weak or non-existent.
- **Judicial constraints:** The judiciary is under-resourced, corruption is widespread, and enforcement of commercial law is minimal.
- **Informal governance:** In the absence of formal institutions, governance is shaped by personal relationships, ethnic networks, and informal norms.

- **Conflict and displacement:** The ongoing crisis has displaced populations, destroyed infrastructure, and further eroded institutional capacity.

5.4 Ubuntu in Practice: Promise and Tension

South Africa: The translation of Ubuntu philosophy into corporate governance practice in South Africa reveals both promise and tension. Key findings from research include:

- **Mission statements and values:** Many South African companies, particularly in banking, telecommunications, and mining, have incorporated Ubuntu principles into mission statements and corporate values (Mbigi & Maree, 2020).
- **Stakeholder engagement:** Companies in sectors with significant community impacts have developed stakeholder engagement strategies that reflect Ubuntu's emphasis on relationships and mutual responsibility.
- **Black Economic Empowerment (BEE):** BEE policies, while contested, reflect Ubuntu-influenced commitments to redressing historical exclusion and promoting economic inclusion.
- **Tensions with shareholder primacy:** Critics argue that Ubuntu's communal values are fundamentally at odds with the shareholder primacy that still dominates corporate law and capital markets. Ubuntu remains largely aspirational, with limited impact on actual corporate behavior (West, 2021).
- **Selective adoption:** Companies may adopt Ubuntu rhetoric while maintaining practices that contradict its values—exploiting workers, damaging communities, or avoiding taxes.
- **Elite capture:** Ubuntu may be invoked to legitimize traditional hierarchies or obscure power relations within organizations (Matolino & Kwindingwi, 2013).

Central African Republic: Research on Ubuntu in CAR's corporate context is virtually non-existent, but anthropological studies offer insights. Key findings include:

- **Community solidarity:** Rural communities maintain practices of mutual aid, communal labor, and collective decision-making that reflect Ubuntu-like values (Lombard, 2020).
- **Erosion under conflict:** These practices have been eroded by decades of conflict, displacement, and state collapse.

- **Informal economic networks:** In the absence of formal institutions, economic activity is organized through personal relationships and ethnic networks that may embody both Ubuntu values (mutual support) and their opposites (exclusion, exploitation).
- **Absence from formal sector:** Ubuntu plays no explicit role in the limited formal corporate sector, which operates through imported legal frameworks and informal personal networks.

5.5 Summary of Comparative Findings

Table 3: Comprehensive Comparative Analysis

Dimension	**South Africa**	**Central African Republic**
Philosophical framework	Explicit Ubuntu reference; stakeholder orientation (IoDSA, 2016)	Not articulated; community solidarity practices persist (Lombard, 2020)
Corporate governance code	King IV (2016)	None
Company law	Companies Act (2008)	OHADA Uniform Act (OHADA, 2014)
Regulatory capacity	Relatively strong; CIPC, FSCA, JSE	Severely limited
Enforcement	Active for listed companies; uneven for smaller firms	Minimal
Formal sector coverage	Extensive; sophisticated capital markets	Tiny; economy dominated by informality
Ubuntu in practice	Incorporated in mission statements; stakeholder engagement; tensions with shareholder primacy (Mbigi & Maree, 2020; West, 2021)	Community solidarity practices; absent from formal sector (Lombard, 2020)

Institutional challenges	Translation of principles into practice; enforcement against non-compliant firms	Weak institutions; conflict; displacement (International Crisis Group, 2024)
Political context	Stable democracy; rule of law	Fragile; post-conflict; governance concerns

6. DISCUSSION OF RESULTS

6.1 Explaining Divergent Pathways: Institutional Development and State Capacity

The dramatic differences between South Africa's and the Central African Republic's corporate governance frameworks reflect fundamentally different trajectories of institutional development and state capacity.

South Africa's sophisticated governance architecture emerged from decades of institutional evolution, building on a relatively strong state, vibrant civil society, and integration into global financial systems. The King Reports, beginning in 1994, coincided with the democratic transition and reflected a commitment to rebuilding governance on ethical foundations. The presence of a large formal corporate sector, sophisticated capital markets, and professional bodies created demand for governance frameworks and capacity for their implementation.

The Central African Republic's institutional fragility is the product of decades of political instability, conflict, and state collapse. The formal corporate sector is minimal, capital markets are non-existent, and professional bodies are weak. In this context, corporate governance codes are irrelevant—the challenge is not improving governance within an existing system but building the basic institutions of a market economy. The OHADA framework provides legal architecture, but without implementation capacity, it remains paper.

The contrast illustrates that corporate governance frameworks cannot be transplanted into institutional vacuums. Effective governance requires a foundation of state capacity, rule of law, and functioning markets.

6.2 Ubuntu: Aspiration vs. Reality

South Africa's experience with Ubuntu in corporate governance reveals the gap between philosophical aspiration and practical reality. Ubuntu is invoked in the King Reports, incorporated into mission statements, and cited in stakeholder engagement strategies. Yet critics argue that it remains largely rhetorical, with limited impact on corporate behavior (West, 2021).

Several factors explain this gap. First, corporate governance in South Africa operates within a global system dominated by shareholder primacy. Companies must satisfy international investors, compete in global markets, and generate returns. Ubuntu's communal values are difficult to reconcile with these pressures.

Second, Ubuntu's translation into governance principles is contested. What does Ubuntu require of a corporation? How should competing claims of stakeholders be balanced? The King Reports provide principles but not operational guidance, leaving companies to interpret Ubuntu for themselves.

Third, inequality and exclusion persist in South Africa despite Ubuntu rhetoric. The gap between Ubuntu's vision of collective humanity and the reality of deep inequality, racialized economic structures, and corporate power is stark.

The Central African Republic's experience, while undocumented in corporate contexts, raises different questions. Community-based solidarity practices persist in rural areas, but they are eroded by conflict and displacement. Ubuntu-like values may be more alive in these informal settings than in South Africa's corporate boardrooms, but they are disconnected from formal economic institutions.

6.3 The Limits of Legal Transplantation

The Central African Republic's experience with OHADA illustrates the limits of legal transplantation. The OHADA Uniform Act provides a modern, harmonized legal framework for corporate governance. Yet its implementation is minimal because the institutional infrastructure for its application—courts, regulators, professionals, companies—does not exist.

This is not a failure of OHADA but a recognition that law cannot create institutions where none exist. Legal frameworks require enforcement capacity, which requires state capacity, which requires political stability. In the Central African Republic's context, building basic state institutions is a precondition for, not a consequence of, corporate governance reform.

The lesson for other fragile states is that corporate governance reform must be sequenced. Initial priorities should be building basic legal and regulatory institutions, strengthening the rule of law, and creating conditions for formal economic activity. Corporate governance codes can follow once these foundations are in place.

6.4 Implications for Sustainable and Inclusive Development

The findings have significant implications for sustainable and inclusive development.

First, corporate governance matters for development. The way companies are governed shapes investment, employment, innovation, and social outcomes. South Africa's sophisticated framework has contributed to a relatively well-functioning corporate sector, though benefits remain unevenly distributed.

Second, culture matters. Ubuntu offers a philosophical foundation for governance that resonates with African values and addresses the limitations of shareholder primacy. Yet its translation into practice requires attention to power, inequality, and the realities of global capitalism.

Third, institutions matter most. South Africa's governance framework rests on a foundation of state capacity, rule of law, and functioning markets. The Central African Republic's challenges are not primarily about governance codes but about building these foundational institutions.

Fourth, context matters. Governance frameworks must be adapted to local conditions. What works in South Africa cannot be transplanted to the Central African Republic; what works in the formal sector cannot be applied to the informal economy.

Fifth, informality matters. In most African countries, the majority of economic activity occurs informally. Corporate governance frameworks that focus solely on formal sector companies miss most of the economy. Attention to governance in informal enterprises—through business associations, cooperatives, and value chain relationships—is essential.

Sixth, conflict matters. The Central African Republic's experience underscores that corporate governance reform is impossible without peace and stability. Security is a precondition for all other development.

7. CONCLUSION

This comparative analysis of corporate governance and the integration of Ubuntu philosophy in the Central African Republic and South Africa reveals two radically different realities united by the challenge of building governance frameworks that serve sustainable and inclusive development. South Africa, with its sophisticated corporate governance architecture, explicit integration of Ubuntu into policy discourse, and relatively strong institutional capacity, demonstrates both the promise and limitations of culturally grounded governance. The King Reports have established a principles-based framework that has influenced practice globally, and Ubuntu provides a philosophical foundation that resonates with African values of interconnectedness, collective responsibility, and human dignity (IoDSA, 2016). Yet the translation of Ubuntu into practice remains contested, constrained by shareholder primacy, global capital market pressures, and persistent inequality (West, 2021).

The Central African Republic presents a fundamentally different picture. Decades of conflict, institutional fragility, and state collapse have left the country without a formal corporate governance framework. The OHADA Uniform Act provides basic legal architecture, but implementation is minimal (OHADA, 2014). The formal corporate sector is tiny, most economic activity occurs informally, and governance is shaped by personal relationships and ethnic networks

rather than codified principles. Ubuntu-like values persist in community solidarity practices but are eroded by conflict and displacement and disconnected from formal economic institutions (Lombard, 2020).

Several cross-cutting conclusions emerge from this analysis.

First, institutional capacity is foundational. South Africa's governance framework rests on a foundation of state capacity, rule of law, and functioning markets. The Central African Republic's challenges are not primarily about governance codes but about building these foundational institutions. Corporate governance reform cannot succeed in institutional vacuums.

Second, culture matters but cannot substitute for institutions. Ubuntu offers a valuable philosophical foundation for governance, but it cannot replace the basic legal and regulatory infrastructure that enables markets to function. South Africa's experience shows that Ubuntu rhetoric without institutional power to enforce accountability remains aspirational.

Third, governance frameworks must be context-appropriate. What works in South Africa cannot be transplanted to the Central African Republic. Fragile states require sequenced approaches that prioritize basic institutional building before corporate governance codes.

Fourth, informality must be addressed. Corporate governance frameworks that focus solely on formal sector companies miss most of the African economy. Attention to governance in informal enterprises—through business associations, cooperatives, and value chain relationships—is essential.

Fifth, conflict resolution is a precondition for governance reform. The Central African Republic's experience underscores that peace and stability are prerequisites for all other development. Corporate governance cannot flourish amid violence and displacement.

For South Africa, the path forward involves deepening the translation of Ubuntu principles into practice, addressing persistent inequality, and ensuring that governance frameworks serve inclusive development. The King Committee's 2025 consultation on governance in the digital age offers an opportunity to reaffirm commitment to ethical leadership and African values while adapting to technological change (IoDSA, 2025).

For the Central African Republic, the priority is not corporate governance codes but building the foundational institutions of a market economy: peace and security, rule of law, basic regulatory capacity, and conditions for formal economic activity. The 2022-2026 National Recovery and Peacebuilding Plan articulates these priorities, but implementation requires sustained international support and political commitment (World Bank, 2023).

For the broader community of scholars and policymakers, this comparison underscores that corporate governance is not a technical fix that can be transplanted across contexts. It is deeply embedded in institutional, cultural, and political realities. Ubuntu offers a vision of governance aligned with African values, but realizing that vision requires building the institutions that give it force—courts that enforce accountability, regulators that monitor compliance, and markets that reward ethical behavior. In the absence of these institutions, Ubuntu remains a beautiful idea without power to transform corporate practice.

8. LIMITATIONS OF THE STUDY

This study has several limitations that should be acknowledged. First, the comparative analysis relies primarily on secondary sources and published research rather than primary data collection. Direct fieldwork in both countries, including interviews with corporate directors, regulators, and community members, would strengthen comparative insights.

Second, data availability differs dramatically between the two countries. South Africa benefits from extensive academic research, corporate disclosures, and policy documentation. The Central African Republic's data is severely limited, with minimal research on corporate governance and virtually none on Ubuntu's role in business.

Third, the study of Ubuntu in corporate contexts is complicated by the contested nature of the concept itself. Ubuntu means different things to different people, and its invocation in corporate discourse may be rhetorical rather than substantive.

Fourth, the study focuses on formal corporate governance with limited attention to informal economic activity, which dominates the Central African Republic's economy and remains significant in South Africa.

Fifth, the voice of corporate stakeholders—particularly workers, communities, and small business owners—is mediated through reports rather than captured directly.

9. ACKNOWLEDGMENTS

The author acknowledges the foundational contributions of institutions and researchers whose work enables this comparative analysis. The Institute of Directors in Southern Africa's King Reports (2016, 2025) provide essential documentation of South Africa's governance framework. Mbigi and Maree's (2020) work on Ubuntu and management philosophy, West's (2021) critical analysis of Ubuntu in corporate governance, and Letšosa's (2021) exploration of Ubuntu and business ethics illuminate the philosophical dimensions. Lombard's (2020) anthropological research on the Central African Republic provides essential context on community solidarity and institutional fragility. OHADA's Uniform Act (2014) documents the legal framework applicable to CAR. The World Bank's (2023) analysis of CAR's recovery and peacebuilding priorities and the International Crisis Group's (2024) reporting on political developments provide essential context. The author also acknowledges the corporate directors, regulators, and community members whose daily practices shape governance in both countries.

10. AUTHOR CONTRIBUTIONS

The author conceived the study, designed the comparative framework, conducted the literature review and document analysis, synthesized findings across countries, and drafted the complete manuscript. The author takes full responsibility for the accuracy of information presented and interpretations offered.

11. COMPETING INTERESTS

The author declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential competing interest.

12. AUTHORS' CONTRIBUTIONS

As sole author, I performed all roles including conceptualization, methodology development, investigation, formal analysis, writing, review, editing, and project administration.

13. FUNDING INFORMATION

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

14. DATA AVAILABILITY

All sources analyzed in this study are publicly available documents, including corporate governance codes, legal texts, research publications, and policy reports. Primary sources are cited in the references and accessible through the referenced publications and organizations.

15. DISCLAIMER

The views expressed in this article are solely those of the author and do not necessarily reflect the views of any institution or organization with which the author may be affiliated. The analysis is provided for scholarly purposes and should not be construed as legal advice or policy guidance. Corporate governance frameworks are subject to change, and readers should consult current official sources for specific information about South Africa, the Central African Republic, and corporate governance.

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