

# Fast Facts

for Local Government

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## Local government

# DEMOCRACY MAY BE A BRIDGE TOO FAR

**A**lthough the ANC recognises that its deployment policy undermines local government, neither that party nor its trade union and communist allies will find replacing it with democracy a palatable pill to swallow.

That the African National Congress (ANC) is having second thoughts about its deployment policy is excellent news. This is one of the radical reforms identified by the Institute as necessary to fix the country's failing local government system (see *Fast Facts*, September 2009).

The ANC has correctly identified the deployment system as one of the reasons why local government is collapsing. But how far the second thoughts will go remains to be seen. The power that Luthuli House has to "deploy" party loyalists to central, provincial, and local government, as well as to other institutions of the State — known in the jargon as "democratic centralism" — is intrinsic to the Marxist-Leninist model of government that the ANC follows.

One of its advantages, from the ANC's point of view, is that it can "recall" party members who have fallen out of favour, as happened with President Thabo Mbeki last year. The premier of the Western Cape, Ebrahim Rasool, was also recalled last year. Recently, the entire mayoral executive of the Lekwa local municipality was recalled in the face of several weeks of protests in the Sakhile township near Standerton in Mpumalanga. The councillors are evidently to be "redeployed" to somewhere else.

The only real alternative to the deployment policy, in terms of which party deployees are accountable to Luthuli House, is democracy — which would make public representatives accountable to voters. Our list-based electoral system, which applies at parliamentary and provincial level, militates against this. The risk to the ANC is that if real democracy were to be introduced at the local level there might be demands for it at other levels. The balance of power would start shifting from the party to the voters. The ANC's model of government, which is shared by its trade union and communist allies, does not allow for this.

The objection of the Congress of South African Trade Unions (Cosatu) and the South African Communist Party (SACP) to the deployment policy is not that it is anti-democratic but that the ANC implements it without consulting them. Their demand is thus for a slice of the action.

Despite these reservations, any rethink is welcome. The National Party's retreat from apartheid was a reluctant affair. The retreat of the ANC and its allies from Marxism-Leninism is likely to be similarly reluctant. It will be a long time before democracy trumps deployment.

— **John Kane-Berman**

## Stop the killing talk

**I**ncitement to murder was once a key component of ANC strategy. Youthful politicians seem to think it still is. The party has yet to repudiate them strongly enough to put a stop to their killing talk.

Professor Kader Asmal, a former minister of education, was recently told by the MK Military Veterans Association “to go to the nearest cemetery and die”. Professor Asmal had criticised the deputy minister of police (and former ANC youth leader), Fikile Mbalula, for wanting to remilitarise the police. The party’s secretary general, Mr Gwede Mantashe, warned Professor Asmal that if he wished to take on issues, “self-destruction can bleed you to death”.

Mr Mbalula said Professor Asmal had been “relegated to the rubbish bin of history”. Ironically, “the dustbin of history” was where Professor Asmal said the special research director of the Institute, Dr Anthea Jeffery, belonged with her recent book on the *People’s War* (see box).

If Professor Asmal had paid a little more attention to the book rather than dismissing it out of hand, he might have a better insight into why some in the ANC wish their critics dead.

As Dr Jeffery points out, a key strand in the ANC’s revolutionary war in the 1980s and early 1990s was the murder of political opponents, policemen, local councillors, and others who stood in its way.

Many of us believed, perhaps naïvely, that once the ANC was in power, the killing talk would stop. But even though there might be less of it than in the past, that talk goes on. And the party’s attitude to it is equivocal, repudiations mealy-mouthed. Or we are told that when members of the youth league threaten violence this is just part of growing up.

One of the most notorious practitioners of incitement to murder was Peter Mokaba, one-time leader of the youth league. How many of the people who sit in the

soccer stadium in Polokwane during next year’s tournament will be aware that it is named after a man whose most memorable contribution to political discourse in South Africa was to shout “kill the farmer, kill the Boer” (clearly to some effect)? Naming the stadium after him adds insult to injury. It is also a tacit endorsement of that call by the ANC.

Last year various people threatened to “kill for Zuma”. Among the targets of this killing talk was the Judiciary. Some of it was repudiated, as when Mr Jacob Zuma repudiated Mr Julius Malema’s ‘kill for Zuma’ threats. But that has not stopped it.

Now we get people saying that Professor Jonathan Jansen (who happens to be the president of the Institute) should be killed. Of course there are the usual denials and equivocal repudiations, but who is in any doubt that the talk will continue?

Some threats of violence are referred to the Human Rights Commission or the Equality Courts. These are the wrong forums, just as describing incitement to murder as “hate speech” is a euphemism. Incitement to murder is a crime which belongs in the criminal courts.

The Cabinet should leave the national director of public prosecutions in no doubt that he must ensure that anyone threatening violence or murder is arrested and arraigned in one of those courts. The ANC for its part should expel any of its members who threaten any kind of violence. And Mr Zuma should instruct his ministers to stop telling policemen to ‘shoot to kill’ before any more bystanders and other third parties are riddled with bullets.

— **John Kane-Berman**

### PEOPLE’S WAR

- ‘Jeffery’s [book] makes chilling reading... and [is likely] to be ignored rather than attacked, for to do so would require examination of the cynicism with which “the struggle” was waged... not for liberation, but for domination’ — James Mitchell in *The Star*
  - ‘Jeffery [has written a] huge, provocative, and important tome’ — Patrick Laurence in the *Financial Mail*
  - ‘Jeffery’s thesis is persuasive, helping to explain why crime and education are such nightmares. Violence cannot be turned off like a tap. The genie of ungovernability, once unleashed, has a life of its own’ — Martin Williams in *The Citizen*
  - ‘Together with R W Johnson’s *South Africa’s Brave New World: The Beloved Country Since the End of Apartheid*, which appeared earlier this year, *People’s War* is a serious challenge to the ANC project to control not only the present but also the past and thereby secure its dominance into the future. George Orwell must be watching with interest from the farthest reaches’ — Professor Hermann Giliomee in *Rapport*
  - ‘This book by Dr Anthea Jeffery... is an objective telling of the convulsive history which paved the way for the ANC’s rise to power... It will take generations before the wounds inflicted in these years on both sides of this dreadful conflict heal. They will long serve as a historical reminder that there is no victory in violent conflict. Dr Jeffrey’s seminal work, too, will stand for all eternity as an eloquent and truthful testimony to that incontrovertible fact’ — Prince Mangosuthu Buthelezi, IFP president, *Politicsweb*
- People’s War: New Light on the Struggle for South Africa* has recently been published by Jonathan Ball Publishers and is available (at R279) from leading bookstores.

# The failing State threatens to undo the progress made since 1994

**“Will Jacob Zuma be able to fix the failing State?” was the question posed in *Fast Facts* in August last year. The question remains. And failure to fix the failing State will have implications for race relations, which so far have been a success story.**

The renewed uproar over the ‘Reitz four’ at the University of the Free State (UFS) and the new vice-chancellor’s handling of the matter show how easily racial passions in South Africa can still be inflamed. This is alarming. But it should not blind us to the overall progress that South Africa has made in race relations since 1994. Nor, of course, should acknowledgement of that progress blind us to risks ahead.

The most important success has been on the political front. The change from white minority rule to black majority rule has been successfully carried out. In the years leading up to 1994 the politically correct view — rejected by the Institute — was that white reactionaries would destabilise the new government. *Kyk hoe lyk ons nou*. White poverty and unemployment have increased in the last 15 years, but social instability and violence comes now almost exclusively from black communities, the vast majority of which are supporters of the ruling party.

## Residences

That more than half the students at the UFS are Africans is itself an achievement. Of the previously whites-only universities, only Stellenbosch has a largely white student body. The announcement by Professor Jonathan Jansen, rector and vice-chancellor of the UFS, that student residences will be 50% black and 50% white from next year shows that he believes drastic action is warranted to eliminate segregationist behaviour and attitudes. Nevertheless, incidents of the kind that occurred at the UFS do not seem to be common, there or anywhere else.

This applies also to schools. There are many successful multi-

racial schools in South Africa, both public and private. Multi-racial schooling is critically important to the country’s future, but most former Bantu Education schools are still segregated and likely to remain so for the foreseeable future. This is largely a legacy of the Group Areas Act and related laws. (The biggest tragedy in education is that of the 100 government schools who performed best in maths and science in last year’s matric exams, only three were former Bantu Education schools.)

## Ownership

The Group Areas Act also helps to explain why residential desegregation, though largely successful, has not gone much further. Like the Land Acts, the Group Areas Act put in place a pattern of property ownership and segregated living right across the country that will outlive the racial attitudes that gave rise to this legislation in the first place.

Some may argue that another dose of racial engineering is necessary to reverse the effects of previous racial engineering. In schooling that was tried by the busing policy in the United States, with disastrous consequences. In South Africa land reform is going the same way. Jansen’s decision on 50-50 black white residences is a form of racial engineering, but it is justified: his university is a multiracial institution, publicly-funded, and it is unconscionable that students there should structure themselves into segregated residences.

The UFS incident made headlines at much the same time as the shooting of black residents of the Skielik informal settlement by 18-year-old Marcel Nel. It is largely

through the media that we know of such incidents. In practice, short of very expensive field surveys, there is no other way of monitoring violence in which perpetrators and victims are of different races and where there may be a racial motive in the crime.

The Institute combs the Press on a daily basis for reports of such (and other) violence. They constitute a minuscule proportion of the total number of reports about violence and crime. It is possible that the Press misses many incidents. Against this it must be borne in mind that the Press is on the lookout for

reports of racially-motivated violence, especially when

whites may be the perpetrators. Far more prominence is thus given to assaults and murders committed by white farmers against black workers than to the murders of white farmers; the former make headlines for several days, the latter are usually buried in a paragraph or two.

Earlier this year *The Star* carried a report headlined “154 years for hot-iron torture, murder of ex-cop.” *The Citizen*, reporting on the same case, used the headline “154 years for white ‘hater’”. The report quoted the judge as having said that the man he convicted “had a special hatred of white people”. Contacted by the Institute for further detail, the judge said that evidence of all the white victims was that the accused hurled racial abuse at them, including telling one that he would have a terrible time as he watched his “fucking white bitch” of a wife being raped. Had the races of victim and perpetrator been reversed, the trial

**RISK  
ANALYSIS**

would have been splashed across the front pages.

This case highlights the fact that racism is sometimes directed at whites, contrary to the view sometimes put forward that blacks can never be racist. That said, and even allowing for what the Press may omit, South Africa's major problem is violent crime, not racial violence. The main exception to this might be murders on farms. Even then, we should be careful about jumping to conclusions: in the end only the courts can decide the extent to which racism was a motive in a crime (in which case, the Institute has previously stated, it should be regarded as an aggravating factor when the court passes sentence).

### Foreigners

The other exception is resentment of foreigners, of whom about 30 were killed last year. Part of the reason appears to be anger that people from neighbouring states or even further afield in Africa are competing for business or housing or jobs.

What of more general attitudes? The Institute found in a survey of race relations in 2001 (see *Fast Facts* September and December 2001) that race came only ninth in importance on a list of 13 major unresolved problems in society, with unemployment and crime featuring as the top two concerns.

Despite this, race is still on the agenda. Some politicians use racial rhetoric in the course of political argument. It is a healthy sign that Mr Jacob Zuma, unlike either of his predecessors, does not play the race card when talking about crime, or AIDS, or Zimbabwe.

There is of course a significant amount of government policy and legislation which in fact reaffirms racial categorisation, affirmative action and black economic empowerment being the most notable. These policies have caused resentment among white people, but also among blacks — though for different reasons: namely that they have tended to benefit an elite, without significantly increasing opportunities for the poor, the great majority of whom are black.

Some of the race-based employment policies in the public sector (including leaving posts vacant rather than fill them with whites), coupled with the ruling party's deployment policies, plus inability or unwillingness to deal with corruption, have led to the now endemic protest at local level against what has become known as poor "service delivery".

Back in 1998 President Thabo Mbeki spoke of South Africa as two nations, one rich and white and the other black and poor. To what extent is this still true?

The gap has narrowed somewhat, but average white disposable income per capita is still seven times that of Africans. Since 1996, white per capita income has risen by 217% but that of Africans (off a much lower base) by 235% — which is not a great deal more. Part of the reason for this is the much higher levels of skills possessed by whites. But another part is unemployment, which among Africans has risen from 1.7 million to 3.6 million since 1996. The incomes of wage earners therefore have to be spread across more and more people who earn nothing.

Rising unemployment has affected everyone, however: white unemployment has risen over that same period from 57 000 to 99 000. The Gini coefficient tells us that inequality of incomes (including social grants and free services provided by the State) is widening among Africans but narrowing among whites.

### Trends

The implication of these trends is that although the rich=white/poor=black dichotomy is still largely true, it is changing through increasing black wealth at the top and growing white deprivation at the bottom. One example of the latter is the growth of white shack settlements around Pretoria. Another is that the proportion of Africans living in relative poverty has dropped from 51% to 49%, while that of whites has risen from 2% to 3.6%.

Though the economic black/white divide has its origins in apartheid, its continuation is to be

blamed more and more on more recent policies that have undermined the economy's job-generating potential. These range from outcomes-based education through excessive labour market regulation to allowing the country to run short of electricity.

### Progress

Despite headline-grabbing racial incidents, South Africa has made more progress on the race relations front than in dealing with problems such as crime, unemployment, land reform disasters, HIV/AIDS, poor public health care, mostly rotten public education, dysfunctional local government, leaking sewers, corruption, and squalor.

This is no reason to be complacent, however. Despite green papers, white papers, performance contracts, turn-around strategies, reshuffled cabinet clusters, presidential hot lines, and all the rest, South Africa is failing in key respects.

Grandiose new toys — Rea Vayas, Gautrans, 2010 stadiums, fat new Airbus military transports, white elephant King Shaka airports — are seen as more important than boring old maintenance of roads or sewers or making our harbours more efficient. Nor is there much sign that the Government has the wit or the will to fix failing hospitals or public schools, let alone end the tyranny of crime.

Governments that fail look for scapegoats, and since whites still own most of the land and control most of the economy, they are the obvious scapegoats. The revived Expropriation Bill is an example of this process. Even if it is enacted, it is unlikely to solve the problem of failing land reform. Whites will obviously lose if they are turned into scapegoats, but the biggest losers from a failed state will be those who are most heavily dependent on the State, who are the poor. There are signs that South Africa is now recovering from the global economic crisis, but state failure, which will have a much more serious and lasting impact, looms in its place. This is now the biggest risk facing the country.

— *John Kane-Berman*

# How the recession hammers the fiscus

## BUDGET DEFICIT/SURPLUS, 1995/96–2012/13

The table below shows how the economic recession has affected South Africa's public finances. The column headed 'Then' uses figures provided by the finance minister, Mr Trevor Manuel, in his last budget in February this year. The column headed 'Now' uses the figures given by the new finance minister, Mr Pravin Gordhan, in his medium-term budget policy statement in October. The grey line in the graph below is based on the 'Then' column and the blue line on the 'Now' column.

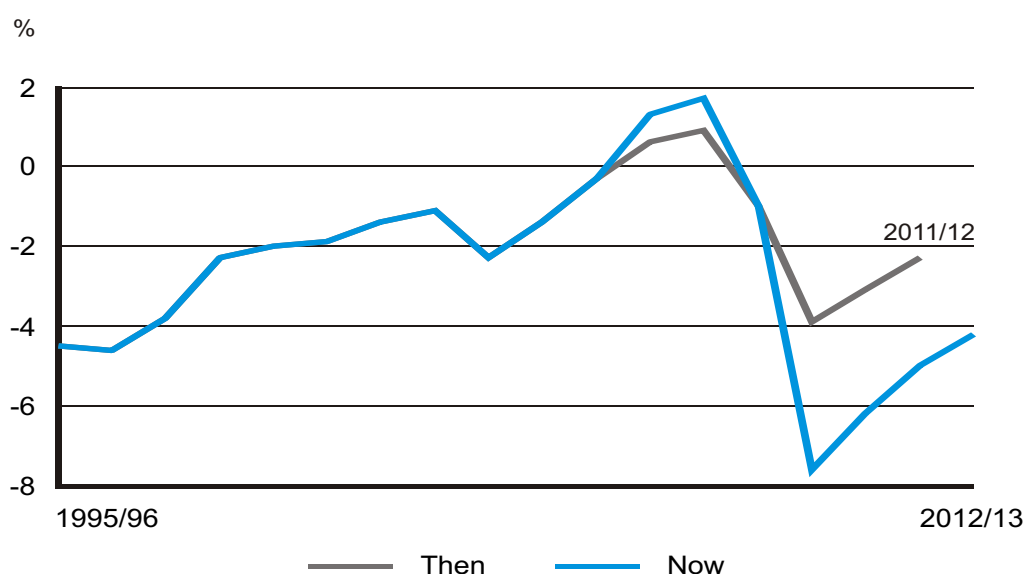
Year	Proportion of GDP	
	Then	Now
1995/96 <sup>a</sup>	-4.5%	-4.5%
<b>1996/97<sup>a</sup></b>	-4.6%	<b>-4.6%</b>
1997/98 <sup>a</sup>	-3.8%	-3.8%
<b>1998/99<sup>a</sup></b>	<b>-2.3%</b>	<b>-2.3%</b>
1999/2000 <sup>a</sup>	-2.0%	-2.0%
<b>2000/01<sup>a</sup></b>	<b>-1.9%</b>	<b>-1.9%</b>
2001/02 <sup>a</sup>	-1.4%	-1.4%
<b>2002/03<sup>a</sup></b>	<b>-1.1%</b>	<b>-1.1%</b>
2003/04 <sup>a</sup>	-2.3%	-2.3%
<b>2004/05<sup>a</sup></b>	<b>-1.4%</b>	<b>-1.4%</b>
2005/06 <sup>a</sup>	-0.3%	-0.3%
<b>2006/07<sup>a</sup></b>	<b>0.6%</b>	<b>1.3%</b>
2007/08 <sup>a</sup>	0.9%	1.7%
<b>2008/09<sup>b</sup></b>	<b>-1.0%</b>	<b>-1.0%</b>
2009/10 <sup>b</sup>	-3.9%	-7.6%
<b>2010/11<sup>b</sup></b>	<b>-3.1%</b>	<b>-6.2%</b>
2011/12 <sup>b</sup>	-2.3%	-5.0%
<b>2012/13<sup>b</sup></b>	–	<b>-4.2%</b>

Source: National Treasury, *Budget Review 2009*, February 2009, pp148–149; *Medium Term Budget Policy Statement 2009*, October 2009, p36

a Outcome.

b Budget estimate.

## BUDGET DEFICIT/SURPLUS, 1995/96–2012/13



## TOTAL DEBT OF GOVERNMENT, 1982–2012

Year <sup>a</sup>	Total debt Rbn <sup>b</sup>	Domestic debt as proportion of total	Foreign debt as proportion of total	As a proportion of GDP		
				Domestic debt	Foreign debt	Total debt
1982	21.9	94.9%	5.1%	27.9%	1.5%	29.4%
<b>1983</b>	<b>25.5</b>	<b>95.2%</b>	<b>4.8%</b>	<b>28.5%</b>	<b>1.4%</b>	<b>29.9%</b>
1984	29.5	95.1%	4.9%	28.6%	1.5%	30.1%
<b>1985</b>	<b>35.0</b>	<b>93.7%</b>	<b>6.3%</b>	<b>28.7%</b>	<b>1.9%</b>	<b>30.6%</b>
1986	39.5	94.2%	5.8%	28.3%	1.7%	30.1%
<b>1987</b>	<b>46.8</b>	<b>94.8%</b>	<b>5.2%</b>	<b>28.5%</b>	<b>1.6%</b>	<b>30.1%</b>
1988	57.5	95.8%	4.2%	30.3%	1.3%	31.6%
<b>1989</b>	<b>68.7</b>	<b>96.8%</b>	<b>3.2%</b>	<b>30.3%</b>	<b>1.0%</b>	<b>31.3%</b>
1990	81.9	97.4%	2.6%	30.6%	0.8%	31.4%
<b>1991</b>	<b>95.3</b>	<b>98.1%</b>	<b>1.9%</b>	<b>31.2%</b>	<b>0.6%</b>	<b>31.8%</b>
1992	114.1	97.4%	2.6%	32.3%	0.9%	33.2%
<b>1993</b>	<b>145.7</b>	<b>98.4%</b>	<b>1.6%</b>	<b>37.5%</b>	<b>0.6%</b>	<b>38.1%</b>
1994	190.0	97.3%	2.7%	41.8%	1.2%	43.0%
<b>1995</b>	<b>240.2</b>	<b>96.3%</b>	<b>3.7%</b>	<b>46.5%</b>	<b>1.8%</b>	<b>48.3%</b>
1996	279.5	96.1%	3.9%	47.6%	1.9%	49.5%
<b>1997</b>	<b>308.2</b>	<b>96.3%</b>	<b>3.7%</b>	<b>46.7%</b>	<b>1.8%</b>	<b>48.5%</b>
1998	336.1	95.7%	4.3%	45.9%	2.1%	48.0%
<b>1999</b>	<b>363.2</b>	<b>95.5%</b>	<b>4.5%</b>	<b>45.8%</b>	<b>2.1%</b>	<b>48.0%</b>
2000	381.5	93.2%	6.8%	42.5%	3.1%	45.6%
<b>2001</b>	<b>399.5</b>	<b>92.0%</b>	<b>8.0%</b>	<b>38.6%</b>	<b>3.4%</b>	<b>42.0%</b>
2002	432.5	81.1%	18.9%	33.5%	7.8%	41.3%
<b>2003</b>	<b>427.1</b>	<b>82.6%</b>	<b>17.4%</b>	<b>29.4%</b>	<b>6.2%</b>	<b>35.6%</b>
2004	455.0	85.8%	14.2%	30.3%	5.0%	35.3%
<b>2005</b>	<b>501.5</b>	<b>86.2%</b>	<b>13.8%</b>	<b>30.3%</b>	<b>4.9%</b>	<b>35.1%</b>
2006	528.3	87.3%	12.7%	29.1%	4.2%	33.3%
<b>2007</b>	<b>553.7</b>	<b>85.1%</b>	<b>14.9%</b>	<b>26.0%</b>	<b>4.6%</b>	<b>30.6%</b>
2008	577.0	83.3%	16.7%	23.3%	4.7%	27.9%
<b>2009<sup>c</sup></b>	<b>627.0</b>	<b>84.5%</b>	<b>15.5%</b>	<b>22.8%</b>	<b>4.2%</b>	<b>27.0%</b>
2010 <sup>c</sup>	809.5	87.6%	12.4%	29.5%	4.2%	33.7%
<b>2011<sup>c</sup></b>	<b>1 001.4</b>	<b>88.3%</b>	<b>11.7%</b>	<b>33.8%</b>	<b>4.5%</b>	<b>38.2%</b>
2012 <sup>c</sup>	1 189.7	88.2%	11.8%	36.6%	4.9%	41.5%
<b>2013<sup>c</sup></b>	<b>1 386.1</b>	<b>87.9%</b>	<b>12.1%</b>	<b>39.2%</b>	<b>5.4%</b>	<b>44.6%</b>

Source: National Treasury, *Budget Review 2009*, February 2009, Table 8, pp168–171; *Medium Term Budget Policy Statement 2009*, October 2009, pp19, 40

a Fiscal years.

b Refers to gross total loan debt; net total loan debt excludes cash balances, while total net debt includes the Gold and Foreign Exchange Contingency Reserve Account. Figures refer to central government debt excluding extra-budgetary institutions (such as libraries, museums, parks boards, research councils, technikons, universities, the National Road Fund, and Legal Aid Board) and social security funds (such as the Unemployment Insurance Fund). Figures prior to 1994 exclude the converted debt of the former homelands and are, therefore, not comparable with the ones thereafter.

c Estimate.

Peak

Valley

# How the recession hits GDP per head

## REAL GDP/HEAD — CONSTANT PRICES, 1946–2012

Year	GDP/head	Year	GDP/head
1946	12 149	1980	23 294
<b>1947</b>	<b>12 127</b>	<b>1981</b>	<b>23 972</b>
1948	12 736	1982	23 335
<b>1949</b>	<b>12 752</b>	<b>1983</b>	<b>22 387</b>
1950	13 121	1984	23 006
<b>1951</b>	<b>13 458</b>	<b>1985</b>	<b>22 232</b>
1952	13 528	1986	21 754
<b>1953</b>	<b>13 781</b>	<b>1987</b>	<b>21 740</b>
1954	14 317	1988	22 183
<b>1955</b>	<b>14 755</b>	<b>1989</b>	<b>22 241</b>
1956	15 198	1990	21 710
<b>1957</b>	<b>15 498</b>	<b>1991</b>	<b>21 045</b>
1958	15 543	1992	20 170
<b>1959</b>	<b>15 860</b>	<b>1993</b>	<b>19 996</b>
1960	15 938	1994	20 214
<b>1961</b>	<b>16 119</b>	<b>1995</b>	<b>20 412</b>
1962	16 662	1996	20 848
<b>1963</b>	<b>17 417</b>	<b>1997</b>	<b>20 955</b>
1964	18 291	1998	20 625
<b>1965</b>	<b>18 881</b>	<b>1999</b>	<b>20 675</b>
1966	19 178	2000	21 104
<b>1967</b>	<b>20 000</b>	<b>2001</b>	<b>21 269</b>
1968	20 274	2002	21 663
<b>1969</b>	<b>20 659</b>	<b>2003</b>	<b>21 991</b>
1970	21 167	2004	22 735
<b>1971</b>	<b>21 534</b>	<b>2005</b>	<b>23 540</b>
1972	21 365	2006	24 475
<b>1973</b>	<b>21 811</b>	<b>2007</b>	<b>25 414</b>
1974	22 613	2008	25 897
<b>1975</b>	<b>22 481</b>	<b>2009</b>	<b>25 295</b>
1976	22 467	2010	25 402
<b>1977</b>	<b>21 917</b>	<b>2011</b>	<b>25 812</b>
1978	22 036	2012	26 356
<b>1979</b>	<b>22 349</b>		

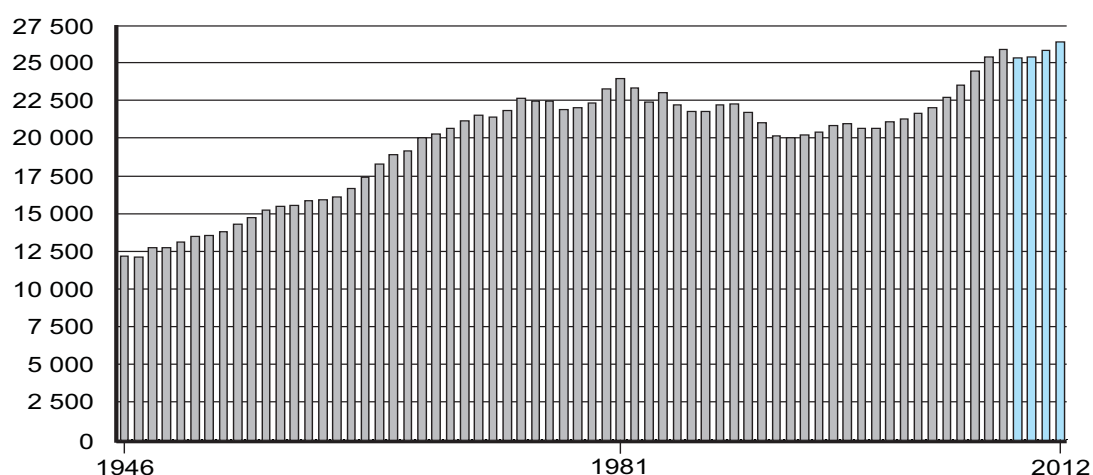
GDP per head reached its highest level ever last year at R25 897. It will drop this year before rising again next year and the year after that. Only in 2012, however, will GDP per head top the 2008 peak.

The figures in the accompanying table for 2009 to 2012 are based on GDP at constant 2000 prices for 2008, inflated by the projected real GDP growth rates for those years as contained in the *Medium Term Budget Policy Statement* of the finance minister on 27th October 2009. The Institute has divided those figures by the projected population for those years. The population projections have been done using a population growth rate of 1.07% sourced from the 2009 Mid-Year Estimates by Statistics South Africa.

Source: SARB, time series data; National Treasury *Medium Term Budget Policy Statement 2009*, October 2009, p19

Forecasts by the South African Institute of Race Relations

## REAL GDP/HEAD – CONSTANT PRICES, 1946–2012



# South Africa in the World

	THE ECONOMY									
	GDP per capita annual growth rate, 1990-2007	GDP growth 2009	CPI change 2009	Current account balance as % of GDP, 2009	3-month interest rate, 2009	Gross national income per capita, 2007		PPP <sup>a</sup> gross national income per capita, 2007		Gini index, 2007 (0-100) <sup>b</sup>
						\$	Rank	\$	Rank	
Algeria	1.4%	–	–	–	–	3 620	108	7 640	104	35.3
Australia	2.4%	0.6%	1.5%	-3.9%	3.82%	35 760	29	33 400	34	35.2
Belgium	1.8%	-3.7%	-1.2%	-2.1%	0.75%	41 110	21	35 320	26	33.0
Botswana	4.3%	–	–	–	–	6 120	84	12 880	79	61.0
Brazil	1.2%	-1.2%	4.3%	-0.8%	8.65%	5 860	86	9 270	97	55.0
Chile	3.7%	-4.5%	-1.1%	-0.3%	0.72%	8 190	76	12 330	82	52.0
China	8.9%	7.9%	-1.2%	6.1%	1.77%	2 370	132	5 420	120	41.5
Denmark	1.9%	-7.2%	0.8%	1.5%	1.58%	55 440	9	36 800	20	24.7
Egypt	2.5%	4.5%	10.7%	-1.7%	9.72%	1 580	144	5 370	121	32.1
Germany	1.4%	-5.9%	-0.3%	3.8%	0.74%	38 990	24	34 740	30	28.3
Ghana	2.1%	–	–	–	–	590	177	1 320	178	42.8
Hungary	3.3%	-7.5%	4.9%	-2.8%	7.40%	11 680	64	17 470	64	30.0
India	4.5%	6.1%	11.7%	-0.3%	3.23%	950	159	2 740	153	36.8
Indonesia	2.3%	4.0%	2.8%	1.2%	6.97%	1 650	141	3 570	144	39.4
Ireland	5.8%	–	–	–	–	47 610	13	37 700	18	34.3
Israel	1.7%	0.0%	3.1%	3.1%	0.74%	22 170	45	26 310	45	39.2
Italy	1.2%	-6.0%	0.2%	-2.9%	0.74%	33 490	30	30 190	38	36.0
Japan	1.0%	-6.4%	-2.2%	2.8%	0.39%	37 790	26	34 750	29	24.9
Kazakhstan	3.2%	–	–	–	–	5 020	94	9 600	95	33.9
Lithuania	3.0%	–	–	–	–	9 770	71	24 840	50	35.8
Mexico	1.6%	-10.3%	4.9%	-1.1%	4.51%	9 400	72	16 830	66	48.1
Mozambique	4.2%	–	–	–	–	330	194	13 910	74	47.1
Nigeria	1.1%	–	–	–	–	920	161	730	199	42.9
Pakistan	1.6%	2.0%	10.1%	-3.0%	12.62%	860	165	1 760	169	31.2
Philippines	1.7%	–	–	–	–	1 620	142	2 540	155	44.0
Poland	4.4%	1.1%	3.4%	-0.5%	4.19%	9 850	70	3 710	142	34.9
Russia	1.2%	-10.9%	10.7%	2.2%	10.00%	7 530	79	15 500	69	37.5
<b>South Africa</b>	<b>1.0%</b>	<b>-2.8%</b>	<b>6.4%</b>	<b>-5.4%</b>	<b>7.13%</b>	<b>5 720</b>	<b>88</b>	<b>14 330</b>	<b>73</b>	<b>57.8</b>
South Korea	4.5%	-2.2%	2.2%	3.8%	2.78%	19 730	48	9 450	96	31.6
Spain	2.4%	-4.2%	-1.0%	-6.5%	0.74%	29 290	36	30 750	37	34.7
Switzerland	0.8%	-2.0%	-0.9%	7.4%	0.27%	60 820	7	44 410	12	33.7
Thailand	2.9%	-4.9%	-1.0%	5.5%	1.35%	3 400	114	7 880	103	42.5
Turkey	2.2%	-7.0%	5.3%	-1.8%	7.47%	8 030	77	12 810	80	43.2
Uganda	3.5%	–	–	–	–	370	189	1 040	190	42.6
United Kingdom	2.4%	-5.5%	1.1%	-1.7%	0.69%	40 660	20	34 050	27	36.0
United States	2.0%	-3.8%	-1.5%	-3.0%	0.18%	46 040	16	45 840	11	40.8

Sources: Global Insight, *Regional eXplorer 2008*; United Nations Development Programme (UNDP), *Human Development Report 2009*; *The Economist*; The World Bank, *World Development Indicators 2009*

a Purchasing power parity.

b Zero indicates perfect equality, 100 indicates total inequality.

HUMAN DEVELOPMENT		EDUCATION							
Human development index rank, 2007	Human development index change, 1980-2007	Education expenditure		Enrolment rate		Adult literacy, 1999-2007	Combined gross enrolment ratio, <sup>a</sup> 2007	Education index, <sup>b</sup> 2007 (scale 0-1)	
		As a proportion of GDP	As a proportion of total government expenditure	Primary	Secondary				
104	20.1%	–	–	95%	–	75.4%	73.6%	0.748	Algeria
2	11.4%	4.8%	–	96%	87%	99.0%	114.2%	0.993	Australia
17	9.4%	6.0%	12.1%	97%	87%	99.0%	94.3%	0.974	Belgium
125	28.8%	8.1%	21.0%	84%	56%	82.9%	70.6%	0.788	Botswana
75	18.7%	4.5%	14.5%	94%	79%	90.0%	87.2%	0.891	Brazil
44	17.4%	3.2%	16.0%	–	–	96.5%	82.5%	0.919	Chile
92	44.8%	–	–	–	–	93.3%	68.7%	0.851	China
16	8.3%	8.3%	15.5%	96%	89%	99.0%	101.3%	0.993	Denmark
123	41.7%	3.8%	12.6%	96%	–	66.4%	76.4%	0.697	Egypt
22	9.0%	4.5%	9.7%	98%	–	99.0%	88.1%	0.954	Germany
152	6.3%	5.4%	–	72%	45%	65.0%	56.5%	0.622	Ghana
43	9.6%	5.5%	10.9%	88%	90%	98.9%	90.2%	0.960	Hungary
134	43.3%	3.2%	–	89%	–	66.0%	61.0%	0.643	India
111	40.6%	3.5%	17.5%	95%	60%	92.0%	68.2%	0.840	Indonesia
5	14.9%	4.8%	13.9%	95%	87%	99.0%	97.6%	0.985	Ireland
27	12.8%	6.3%	–	97%	89%	97.1%	89.9%	0.947	Israel
18	11.0%	4.4%	9.2%	99%	94%	98.9%	91.8%	0.965	Italy
10	8.2%	3.5%	9.5%	100%	99%	99.0%	86.6%	0.949	Japan
82	3.3%	2.9%	–	90%	86%	99.6%	91.4%	0.965	Kazakhstan
46	5.1%	5.0%	14.7%	89%	92%	99.7%	92.3%	0.968	Lithuania
53	13.0%	5.5%	–	98%	70%	92.8%	80.2%	0.886	Mexico
172	43.6%	5.2%	21.0%	70%	3%	44.4%	54.8%	0.478	Mozambique
158	16.7%	–	–	63%	–	72.0%	53.0%	0.657	Nigeria
141	42.3%	2.9%	11.2%	66%	32%	54.2%	39.3%	0.492	Pakistan
105	15.2%	2.5%	15.2%	91%	60%	93.4%	79.6%	0.888	Philippines
41	9.2%	5.5%	–	96%	94%	99.3%	87.7%	0.952	Poland
71	-0.5%	3.1%	–	–	–	99.5%	81.9%	0.933	Russia
<b>129</b>	<b>3.8%</b>	<b>5.4%</b>	<b>17.4%</b>	<b>86%</b>	<b>72%</b>	<b>88.0%</b>	<b>76.8%</b>	<b>0.843</b>	<b>South Africa</b>
26	29.8%	4.4%	15.3%	98%	96%	99.0%	98.5%	0.988	South Korea
15	11.7%	4.2%	11.0%	100%	94%	97.9%	96.5%	0.975	Spain
9	6.8%	5.8%	–	89%	82%	99.0%	82.7%	0.936	Switzerland
87	19.0%	4.3%	25.0%	94%	76%	94.1%	78.0%	0.888	Thailand
79	28.3%	–	–	91%	69%	88.7%	71.1%	0.828	Turkey
157	31.1%	–	–	–	16%	73.6%	62.3%	0.698	Uganda
21	10.0%	5.5%	12.5%	98%	92%	99.0%	89.2%	0.957	United Kingdom
13	6.9%	5.7%	13.7%	92%	88%	99.0%	92.4%	0.968	United States

Sources: The World Bank, *World Development Indicators 2009*; UNDP, *Human Development Report 2009*.

a This is calculated by dividing the number of students enrolled in primary, secondary, and tertiary levels of education by the total population in the theoretical age group. It is not a measure of the quality of education.

b This is calculated by analysing the adult literacy rate, and the combined gross enrolment rate for primary, secondary, and tertiary schools.

	TRADE			LABOUR					
	<i>Growth</i>		<i>Ease of trading across borders ranking 2008</i>	<i>Highest rate of personal income tax 2009</i>	<i>Labour force participation rate (Male)</i>		<i>Labour force participation rate (Female)</i>		<i>Unemployment rate 2009</i>
	<i>Export value 2000-07</i>	<i>Import value 2000-07</i>			<i>1990</i>	<i>2007</i>	<i>1990</i>	<i>2007</i>	
Algeria	18.6%	16.3%	122	–	75%	78%	23%	37%	–
Australia	17.5%	11.8%	27	45.0%	76%	72%	52%	57%	5.7%
Belgium	6.4%	6.8%	43	50.0%	61%	60%	36%	46%	12.5%
Botswana	9.1%	6.5%	150	–	78%	63%	44%	48%	–
Brazil	18.3%	12.5%	100	27.5%	85%	82%	39%	60%	8.1%
Chile	23.2%	16.3%	56	40.0%	77%	72%	32%	39%	10.8%
China	27.5%	25.0%	44	45.0%	85%	80%	73%	71%	9.2%
Denmark	4.7%	6.2%	6	62.3%	75%	71%	62%	61%	3.7%
Egypt	22.8%	10.6%	29	20.0%	74%	71%	24%	24%	9.4%
Germany	–	–	14	45.0%	73%	76%	46%	51%	8.2%
Ghana	14.7%	17.2%	83	–	74%	73%	73%	72%	–
Hungary	19.3%	17.4%	70	36.0%	66%	59%	47%	44%	9.9%
India	21.1%	25.9%	94	30.0%	85%	82%	35%	34%	9.1%
Indonesia	10.1%	15.4%	45	30.0%	81%	86%	50%	50%	8.1%
Ireland	-0.4%	1.2%	21	46.0%	70%	73%	36%	53%	–
Israel	9.5%	7.9%	11	46.0%	62%	61%	41%	50%	8.0%
Italy	4.4%	5.5%	50	43.0%	66%	61%	36%	39%	7.4%
Japan	7.8%	9.1%	17	50.0%	77%	72%	50%	48%	5.5%
Kazakhstan	–	–	182	10.0%	78%	75%	62%	65%	–
Lithuania	–	–	28	15.0%	74%	61%	59%	51%	–
Mexico	8.3%	8.0%	74	28.0%	84%	80%	34%	41%	6.3%
Mozambique	30.1%	16.7%	136	–	84%	77%	86%	88%	–
Nigeria	19.6%	18.8%	146	–	75%	71%	37%	39%	–
Pakistan	11.6%	20.3%	78	20.0%	86%	85%	11%	21%	5.2%
Philippines	4.8%	7.3%	68	32.0%	83%	80%	47%	50%	–
Poland	24.7%	19.6%	42	32.0%	72%	61%	55%	47%	10.8%
Russia	–	–	162	13.0%	76%	69%	60%	57%	7.8%
<b>South Africa</b>	<b>14.3%</b>	<b>19.1%</b>	<b>148</b>	<b>40.0%</b>	<b>64%</b>	<b>60%</b>	<b>44%</b>	<b>47%</b>	<b>23.6%</b>
South Korea	14.2%	7.1%	8	35.0%	79%	78%	51%	58%	3.6%
Spain	5.8%	8.3%	59	43.0%	69%	68%	34%	47%	18.9%
Switzerland	14.9%	14.7%	39	40.0%	79%	75%	49%	60%	4.1%
Thailand	13.6%	14.6%	12	37.0%	87%	81%	76%	66%	1.2%
Turkey	22.0%	21.3%	67	35.0%	81%	71%	34%	24%	12.8%
Uganda	19.5%	12.6%	145	–	92%	90%	80%	82%	–
United Kingdom	9.0%	11.0%	16	40.0%	75%	70%	53%	56%	7.9%
United States	6.7%	8.7%	18	35.5%	76%	72%	57%	59%	9.8%

Sources: The World Bank, *Ease of Doing Business 2008*; World Development Indicators 2009; KPMG, *Individual Income Tax and Social Security Rate Survey 2009*; *The Economist*

HEALTH									
Public expenditure as % of total health expenditure, 2006	Out-of-pocket expenditure as % of total private health expenditure, 2006	Total health expenditure as % of GDP, 2006	Per capita health expenditure, 2006 (PPPS)	Infants immunised against measles, 2007	Infants immunised against diphtheria, pertussis and tetanus, 2007	Estimated adult <sup>a</sup> HIV prevalence rate, 2007	HIV prevalence among young <sup>b</sup> people, 2007 (Male)	HIV prevalence among young <sup>b</sup> people, 2007 (Female)	
81.1%	94.6%	4.2%	–	92%	95%	0.1%	0.1%	0.1%	Algeria
67.7%	56.4%	8.7%	4 152	94%	92%	0.2%	0.2%	<0.1%	Australia
72.5%	79.0%	9.9%	4 821	92%	99%	0.2%	0.2%	0.1%	Belgium
76.5%	27.5%	7.1%	1 054	90%	97%	23.9%	5.1%	15.3%	Botswana
47.9%	63.8%	7.5%	1 460	99%	98%	0.6%	1.0%	0.6%	Brazil
52.7%	54.8%	5.3%	1 290	91%	94%	0.3%	0.3%	0.2%	Chile
40.7%	83.1%	4.6%	1 124	94%	93%	0.1%	0.1%	0.1%	China
85.9%	90.1%	10.8%	5 165	89%	75%	0.2%	0.2%	0.1%	Denmark
41.4%	94.9%	6.3%	1 174	97%	98%	–	–	–	Egypt
76.9%	57.1%	10.6%	5 210	94%	97%	0.1%	0.1%	0.1%	Germany
34.2%	77.8%	5.1%	5 214	95%	94%	1.9%	0.4%	0.3%	Ghana
70.9%	77.6%	8.3%	2 761	99%	99%	0.1%	0.1%	<0.1%	Hungary
25.0%	91.4%	3.6%	426	67%	62%	0.3%	0.3%	0.3%	India
50.5%	70.4%	2.5%	213	80%	75%	0.2%	0.3%	0.1%	Indonesia
78.3%	57.2%	7.5%	4 270	87%	92%	0.2%	0.2%	0.1%	Ireland
56.0%	75.3%	8.0%	3 028	97%	96%	0.1%	<0.1%	0.1%	Israel
77.2%	88.5%	9.0%	3 190	87%	96%	0.4%	0.4%	0.2%	Italy
81.3%	80.8%	8.1%	4 693	98%	98%	–	–	–	Japan
64.3%	98.4%	3.6%	1 608	99%	93%	0.1%	0.2%	0.1%	Kazakhstan
70.0%	98.3%	6.2%	2 046	97%	95%	0.1%	0.1%	0.1%	Lithuania
44.2%	93.9%	6.6%	1 208	96%	98%	0.3%	0.3%	0.2%	Mexico
70.8%	40.6%	5.0%	75	77%	72%	12.5%	2.9%	8.5%	Mozambique
29.7%	90.4%	3.8%	184	62%	54%	3.1%	0.8%	2.3%	Nigeria
16.4%	97.9%	2.0%	187	80%	83%	0.1%	0.1%	0.1%	Pakistan
32.9%	83.5%	3.8%	314	92%	87%	–	–	–	Philippines
70.0%	85.4%	6.2%	2 031	98%	99%	0.1%	0.1%	0.1%	Poland
63.2%	81.5%	5.3%	2 217	99%	98%	1.1%	1.3%	0.6%	Russia
<b>37.7%</b>	<b>17.5%</b>	<b>8.0%</b>	<b>1 100</b>	<b>83%</b>	<b>97%</b>	<b>18.1%</b>	<b>4.0%</b>	<b>12.7%</b>	<b>South Africa</b>
55.7%	81.0%	6.4%	3 341	92%	91%	<0.1%	<0.1%	–	South Korea
71.2%	74.7%	8.4%	3 935	97%	96%	0.5%	0.6%	0.2%	Spain
59.1%	75.3%	10.8%	5 446	86%	93%	0.6%	0.4%	0.5%	Switzerland
64.5%	76.6%	3.5%	825	96%	98%	1.4%	1.2%	1.2%	Thailand
72.5%	84.2%	4.8%	866	96%	96%	–	–	–	Turkey
25.4%	51.0%	7.0%	165	68%	64%	5.4%	1.3%	3.9%	Uganda
87.3%	91.7%	8.2%	4 259	86%	92%	0.2%	–	–	United Kingdom
45.8%	23.5%	15.3%	6 719	93%	96%	0.6%	0.7%	0.3%	United States

Source: The World Bank, *World Development Indicators 2009*

a Ages 15-49.

b Ages 15-24.

DEMOGRAPHICS									
	Rate of natural population increase, 1990-1995	Rate of natural population increase, 2005-2010	Urban population as % of total, 1990	Urban population as % of total, 2010	Change in urban population, 1990-2007	Change in rural population, 1990-2007	Annual rate of immigration growth, 1960-2005	Child dependency <sup>a</sup> ratio, 1990	Child dependency <sup>a</sup> ratio, 2010
Algeria	2.3%	1.6%	52.1%	66.5%	25.0%	-27.1%	-1.3%	80.6	39.5
Australia	0.7%	0.6%	85.4%	89.1%	4.7%	-26.7%	2.1%	32.9	28.4
Belgium	0.1%	0.2%	96.4%	97.4%	1.0%	-25.0%	1.5%	27.0	25.4
Botswana	2.5%	1.3%	41.9%	61.1%	40.5%	-29.3%	5.4%	85.9	52.1
Brazil	1.6%	1.0%	74.8%	86.5%	13.0%	-40.0%	-1.6%	58.5	37.7
Chile	1.6%	1.0%	83.3%	89.0%	6.0%	-29.4%	1.8%	46.7	32.5
China	1.2%	0.7%	27.4%	44.9%	55.6%	-20.5%	1.9%	42.9	27.7
Denmark	0.1%	0.1%	84.8%	87.2%	1.2%	-6.7%	3.3%	25.3	27.6
Egypt	2.2%	1.9%	43.5%	42.8%	0.0%	0.0%	0.3%	78.4	50.8
Germany	-0.1%	-0.2%	73.1%	73.8%	1.4%	-3.7%	3.7%	23.3	20.2
Ghana	2.8%	2.1%	36.4%	51.5%	36.1%	-20.3%	2.6%	83.4	65.5
Hungary	-0.3%	-0.4%	65.8%	68.3%	1.5%	-2.9%	-1.0%	30.5	21.4
India	2.0%	1.4%	25.5%	30.1%	16.0%	-5.3%	-1.0%	64.9	47.9
Indonesia	1.6%	1.2%	30.6%	53.7%	61.3%	-27.5%	-5.8%	59.3	39.7
Ireland	0.5%	0.9%	56.9%	61.9%	7.0%	-9.3%	4.7%	44.6	30.6
Israel	1.5%	1.5%	90.4%	91.7%	2.2%	-20.0%	1.8%	52.5	44.4
Italy	0.0%	-0.1%	66.7%	68.4%	1.5%	-3.0%	4.2%	24.0	21.7
Japan	0.3%	-0.1%	63.1%	66.8%	4.8%	-8.1%	2.4%	26.3	20.5
Kazakhstan	1.1%	0.9%	56.3%	58.5%	-4.5%	3.6%	–	50.2	34.5
Lithuania	0.2%	-0.4%	67.6%	67.2%	1.5%	3.1%	–	33.9	21.2
Mexico	2.2%	1.4%	71.4%	77.8%	8.5%	-20.7%	2.2%	67.4	42.7
Mozambique	2.4%	2.3%	21.1%	38.4%	71.4%	-19.0%	8.5%	92.7	83.0
Nigeria	2.5%	2.4%	35.3%	49.8%	37.1%	-20.0%	5.2%	89.2	77.7
Pakistan	2.8%	2.3%	30.6%	37.0%	16.1%	-7.2%	-1.3%	82.1	61.7
Philippines	2.5%	2.0%	48.8%	66.4%	30.6%	-29.4%	1.2%	72.6	53.8
Poland	0.3%	0.0%	61.3%	61.2%	0.0%	0.0%	-2.4%	38.8	20.6
Russia	-0.2%	-0.4%	73.4%	72.8%	0.0%	0.0%	3.1%	34.3	20.8
<b>South Africa</b>	<b>1.9%</b>	<b>0.7%</b>	<b>52.0%</b>	<b>61.7%</b>	<b>15.4%</b>	<b>-16.7%</b>	<b>0.7%</b>	<b>67.2</b>	<b>46.6</b>
South Korea	1.0%	0.4%	73.8%	81.9%	9.5%	-26.9%	3.1%	36.9	22.3
Spain	0.1%	0.2%	75.4%	77.4%	2.7%	-8.0%	6.9%	29.8	22.0
Switzerland	0.3%	0.1%	73.2%	73.6%	0.0%	0.0%	1.9%	24.9	22.4
Thailand	1.2%	0.6%	29.4%	34.0%	13.8%	-5.6%	1.6%	45.9	30.3
Turkey	1.8%	1.2%	59.2%	69.6%	15.3%	-22.0%	0.8%	60.5	39.0
Uganda	3.2%	3.3%	11.1%	13.3%	18.2%	-2.2%	-0.4%	97.7	99.9
United Kingdom	0.2%	0.2%	88.7%	90.1%	1.1%	-9.1%	2.8%	29.1	26.3
United States	0.7%	0.6%	75.3%	82.3%	8.0%	-24.0%	2.9%	33.0	30.3

Sources: United Nations Children's Fund (UNICEF), *The State of the World's Children 2009*; UNDP, *Human Development Report 2009*; The World Bank, *World Development Indicators 2009*

a Child dependency ratio means the number of children under 15 years of age that are dependent on the working age population. The ratio refers to how many children under 15 are dependent on every 100 people between the ages of 15 and 65.

DEMOGRAPHICS					SURVIVAL				
Old age dependency <sup>a</sup> ratio, 1990	Old age dependency <sup>a</sup> ratio, 2010	Total fertility rate, (births per woman) 1990-1995	Total fertility rate, (births per woman) 2005-2010	Adolescent fertility rate, (births per 1 000 women aged 15-19 years), 2007	Infant mortality rate, (infant deaths >1 year per 1 000 live births), 1990	Infant mortality rate, (infant deaths >1 year per 1 000 live births), 2007	Under-five mortality rate, (child deaths >5 years per 1 000 live births), 1990	Under-five mortality rate, (child deaths >5 years per 1 000 live births), 2007	
6.8	6.8	4.1	2.4	7	54	33	69	37	Algeria
25.2	22.7	1.9	1.8	14	8	5	10	6	Australia
22.3	26.4	1.6	1.8	7	8	4	10	5	Belgium
5.0	6.1	4.3	2.9	52	45	33	57	40	Botswana
7.4	10.2	2.6	1.9	89	49	20	58	22	Brazil
9.6	13.5	2.6	1.9	60	18	8	21	9	Chile
8.3	11.4	2.0	1.8	8	36	19	45	22	China
23.2	25.6	1.7	1.8	6	8	4	9	4	Denmark
6.9	7.3	3.9	2.9	39	68	30	93	36	Egypt
21.7	30.9	1.3	1.3	9	7	4	9	4	Germany
5.7	6.3	5.3	4.3	55	76	73	120	115	Ghana
20.1	23.8	1.7	1.4	19	15	6	17	7	Hungary
6.6	7.7	3.9	2.8	62	80	54	117	72	India
6.3	9.0	2.9	2.2	40	60	25	91	31	Indonesia
18.5	16.7	2.0	2.0	16	8	4	9	4	Ireland
15.2	16.4	2.9	2.8	14	10	4	12	5	Israel
22.2	31.3	1.3	1.4	6	8	3	9	4	Italy
17.2	35.1	1.5	1.3	3	5	3	6	4	Japan
9.3	10.0	2.6	2.3	31	51	28	60	32	Kazakhstan
16.4	23.7	1.8	1.3	18	10	7	16	8	Lithuania
7.6	10.0	3.2	2.2	65	42	29	52	35	Mexico
6.4	6.2	6.1	5.1	149	135	115	201	168	Mozambique
5.7	5.8	6.4	5.3	126	120	97	230	189	Nigeria
7.0	6.9	5.7	4.0	36	102	73	132	90	Pakistan
5.8	6.9	4.1	3.1	47	43	23	62	28	Philippines
15.5	18.8	1.9	1.3	13	19	6	17	7	Poland
15.1	17.9	1.5	1.4	28	23	13	27	15	Russia
<b>5.5</b>	<b>7.1</b>	<b>3.3</b>	<b>2.6</b>	<b>61</b>	<b>49</b>	<b>46</b>	<b>64</b>	<b>59</b>	<b>South Africa</b>
7.2	15.2	1.7	1.2	4	8	4	9	5	South Korea
20.5	25.3	1.3	1.4	9	8	4	9	4	Spain
21.3	25.5	1.5	1.5	4	7	4	9	5	Switzerland
7.1	10.9	2.1	1.8	42	26	6	31	7	Thailand
6.8	8.8	2.9	2.1	37	67	21	82	23	Turkey
5.5	5.2	7.1	6.4	152	106	82	175	130	Uganda
24.1	25.1	1.8	1.8	24	8	5	10	6	United Kingdom
18.7	19.4	2.0	2.1	42	9	7	11	8	United States

Sources: UNICEF, *The State of the World's Children 2009*; UNDP, *Human Development Report 2009*; The World Bank, *World Development Indicators 2009*

a Old age dependency ratio means the number of elderly people that are dependent on the working age population. The ratio refers to how many adults over 65 years are dependent on every 100 people aged 15 and 65.

## SURVIVAL

	Adult mortality rate, 2005-2007 (adult deaths per 1 000 people) (Male)	Adult mortality rate, 2005-2007 (adult deaths per 1 000 people) (Female)	Life expectancy at birth, 1990	Life expectancy at birth, 2007	Healthy life expectancy at birth, (average number of healthy years of life), 2007	Unhealthy life expectancy as % of total, 2007	Probability of not surviving to age 40, 2005-2010	Survival to age 65, 2007 (Male)	Survival to age 65, 2007 (Female)
Algeria	121	102	67	72	63	13%	6.4%	78%	81%
Australia	84	48	77	81	75	8%	–	88%	93%
Belgium	111	61	76	80	74	7%	–	84%	93%
Botswana	567	567	63	51	48	10%	31.2%	32%	36%
Brazil	229	120	67	72	66	9%	8.2%	67%	80%
Chile	129	64	74	78	72	8%	3.1%	80%	89%
China	151	90	68	73	68	7%	6.2%	75%	83%
Denmark	116	69	75	78	73	7%	–	83%	89%
Egypt	155	91	62	71	62	11%	7.2%	73%	83%
Germany	107	56	75	80	75	6%	–	84%	92%
Ghana	285	281	57	60	50	12%	25.8%	57%	59%
Hungary	256	107	69	70	69	6%	3.1%	67%	86%
India	257	164	60	65	57	10%	15.5%	60%	69%
Indonesia	168	118	62	71	61	13%	6.7%	72%	80%
Ireland	88	56	75	79	74	7%	–	85%	91%
Israel	80	38	77	81	74	8%	1.9%	87%	93%
Italy	84	44	77	81	76	6%	–	86%	93%
Japan	90	44	79	83	78	6%	–	87%	94%
Kazakhstan	361	144	68	66	60	8%	11.2%	50%	77%
Lithuania	346	116	71	71	68	5%	–	63%	86%
Mexico	142	79	71	75	69	9%	5.0%	78%	86%
Mozambique	625	613	44	42	42	12%	40.6%	24%	27%
Nigeria	434	416	47	47	42	12%	37.4%	37%	39%
Pakistan	174	142	60	65	55	17%	12.6%	66%	69%
Philippines	158	104	66	72	64	11%	5.7%	73%	82%
Poland	209	80	71	75	70	7%	2.9%	72%	89%
Russia	429	158	69	68	65	2%	10.6%	43%	77%
<b>South Africa</b>	<b>623</b>	<b>598</b>	<b>62</b>	<b>50</b>	<b>48</b>	<b>7%</b>	<b>36.1%</b>	<b>27%</b>	<b>33%</b>
South Korea	109	45	71	79	74	7%	1.9%	82%	92%
Spain	106	44	77	81	76	6%	–	85%	94%
Switzerland	78	46	77	82	76	7%	–	87%	93%
Thailand	264	159	67	71	65	5%	11.3%	64%	77%
Turkey	152	85	66	72	67	7%	5.7%	73%	84%
Uganda	429	416	50	51	44	15%	31.4%	41%	44%
United Kingdom	96	60	76	79	73	8%	–	85%	91%
United States	141	82	75	78	72	9%	–	81%	88%

Sources: UNICEF, *The State of the World's Children 2009*; UNDP, *Human Development Report 2009*; The World Bank, *World Development Indicators 2009*

LIVING CONDITIONS						COMMUNICATIONS			
Average household size	Proportion of households owning their homes	Urban population with access to improved water source, 2006	Rural population with access to improved water source, 2006	Urban population with access to improved sanitation facilities, 2006	Rural population with access to improved sanitation facilities, 2006	Access to landline per 100 people, 2007	Access to cellular telephone per 100 people, 2007	Access to personal computer per 100 people, 2007	
4.9	67%	87%	81%	98%	87%	9	81	1.1	Algeria
3.8	–	100%	100%	100%	100%	46	101	–	Australia
2.6	67%	100%	–	–	–	44	101	41.7	Belgium
4.2	61%	100%	90%	60%	30%	7	61	4.8	Botswana
3.8	74%	97%	58%	84%	37%	21	63	16.1	Brazil
3.4	66%	98%	72%	97%	74%	21	84	14.1	Chile
3.4	–	98%	81%	74%	59%	28	42	5.7	China
2.2	–	100%	100%	100%	100%	52	114	54.9	Denmark
4.7	–	99%	98%	85%	52%	15	40	4.9	Egypt
2.3	43%	100%	100%	100%	100%	65	118	65.6	Germany
5.1	57%	90%	71%	15%	6%	2	32	0.6	Ghana
2.7	–	100%	100%	100%	100%	32	110	25.6	Hungary
5.3	87%	96%	86%	52%	18%	4	21	3.3	India
4.0	–	89%	71%	67%	37%	8	36	2.0	Indonesia
3.0	–	100%	–	–	–	48	114	58.2	Ireland
3.5	–	100%	100%	100%	–	43	124	–	Israel
2.8	–	100%	–	–	–	46	152	36.7	Italy
2.7	61%	100%	100%	100%	100%	40	84	–	Japan
–	–	99%	91%	97%	98%	21	80	–	Kazakhstan
2.6	–	–	–	–	–	24	146	18.3	Lithuania
4.4	78%	98%	85%	91%	48%	19	63	14.4	Mexico
4.4	92%	71%	26%	53%	19%	0	15	1.4	Mozambique
5.0	–	65%	30%	35%	25%	1	27	0.8	Nigeria
6.8	81%	95%	87%	90%	40%	3	39	–	Pakistan
5.3	83%	96%	88%	81%	72%	4	59	7.3	Philippines
3.2	–	100%	–	–	–	27	109	16.9	Poland
2.8	–	100%	88%	93%	70%	31	115	13.3	Russia
<b>3.9</b>	<b>62%</b>	<b>100%</b>	<b>82%</b>	<b>66%</b>	<b>49%</b>	<b>10</b>	<b>88</b>	<b>8.5</b>	<b>South Africa</b>
4.4	62%	97%	71%	–	–	46	90	57.6	South Korea
3.3	78%	100%	100%	100%	100%	45	108	39.3	Spain
2.4	31%	100%	100%	100%	100%	65	109	91.8	Switzerland
3.8	81%	99%	97%	95%	96%	11	124	7.0	Thailand
5.0	70%	98%	95%	96%	72%	25	84	6.0	Turkey
4.9	80%	90%	60%	29%	34%	1	14	1.7	Uganda
2.4	69%	100%	100%	–	–	55	118	80.2	United Kingdom
2.7	66%	100%	94%	100%	99%	54	85	80.5	United States

Source: The World Bank, *World Development Indicators 2009*

	COMMUNICATIONS				SECURITY			
	Internet users per 100 people, 2007	ICT development index 2007 Rank	IT industry competitiveness index 2009		Prisons		Military expenditure	
			Score out of 100	Rank	Prison population	Prisoners per 100 000 people	As proportion of GDP	As proportion of government expenditure
Algeria	10.3	97	19.8	64	54 000	158	2.9%	15.7%
Australia	68.1	14	68.7	7	27 615	129	2.0%	7.8%
Belgium	65.9	24	59.2	18	10 002	93	1.1%	2.6%
Botswana	5.3	109	–	–	5 917	329	2.6%	–
Brazil	35.2	60	36.6	40	440 013	227	1.6%	–
Chile	31.1	48	46.1	27	51 244	305	3.4%	19.5%
China	16.1	73	36.7	39	1 565 771	119	2.0%	17.9%
Denmark	80.7	3	68.6	8	3 448	63	1.3%	3.7%
Egypt	14.0	94	26.8	53	64 378	87	2.5%	8.4%
Germany	72.3	13	58.1	20	73 203	89	1.3%	4.4%
Ghana	3.8	114	–	–	12 736	55	0.7%	2.6%
Hungary	51.9	35	46.1	28	14 911	149	1.1%	2.6%
India	7.2	118	34.1	44	373 271	33	2.5%	16.5%
Indonesia	5.8	108	22.8	59	136 017	58	1.2%	–
Ireland	56.1	18	66.9	11	3 325	76	0.5%	1.6%
Israel	27.9	29	64.3	13	22 788	326	8.3%	19.8%
Italy	53.9	22	48.5	24	55 057	92	1.8%	4.5%
Japan	69.0	12	65.1	12	81 255	63	0.9%	–
Kazakhstan	12.3	69	26.4	54	56 012	378	1.2%	8.5%
Lithuania	49.2	33	43.3	31	7 866	234	1.2%	3.9%
Mexico	22.7	75	32.0	48	222 671	207	0.4%	–
Mozambique	0.9	148	–	–	15 000	53	0.9%	–
Nigeria	6.8	130	18.8	65	39 438	28	0.6%	–
Pakistan	10.8	127	20.0	63	90 000	55	3.5%	21.7%
Philippines	6.0	91	28.5	51	91 530	108	0.8%	4.7%
Poland	44.0	39	40.8	35	84 321	221	2.0%	5.8%
Russia	21.1	50	36.8	38	891 738	629	3.6%	15.4%
<b>South Africa</b>	<b>8.3</b>	<b>87</b>	<b>35.3</b>	<b>43</b>	<b>164 297</b>	<b>335</b>	<b>1.4%</b>	<b>4.7%</b>
South Korea	75.9	2	62.7	16	47 097	97	2.7%	13.3%
Spain	51.3	27	47.4	25	73 687	160	1.2%	4.7%
Switzerland	76.3	8	63.5	14	5 715	76	0.8%	4.4%
Thailand	21.0	63	31.8	49	166 338	257	1.4%	7.8%
Turkey	16.5	59	33.8	46	101 100	142	2.1%	8.6%
Uganda	2.5	140	–	–	26 273	88	1.7%	12.4%
United Kingdom	71.7	10	70.2	6	83 392	153	2.5%	6.2%
United States	73.5	17	78.9	1	2 293 157	756	4.2%	19.4%

Sources: The World Bank, *World Development Indicators 2009*; International Centre for Prison Studies; International Telecommunication Union, *The ICT Development Index 2009*; Economist Intelligence Unit

SECURITY		BUSINESS							
Global peace index 2009 Rank	Rule of law, index, 2008 (0-100)	Regulatory quality, <sup>a</sup> 2008 Score (0-100)	Control of corruption, <sup>b</sup> 2008 Score (0-100)	Economic Freedom of the World Rank	Score out of 100	Economic Freedom of the World, 2007 Rank	Rigidity of employment index, 2009 (0-100)	Days required to start a business, 2009	
110	26.8	21.3	40.6	107	56.6	131	41	24	Algeria
19	95.2	97.6	96.1	3	82.6	9	0	2	Australia
15	89.0	92.3	90.3	20	72.1	47	17	4	Belgium
34	68.9	67.1	80.2	34	69.5	50	13	61	Botswana
85	46.4	58.0	58.5	105	56.7	111	46	120	Brazil
20	88.0	92.8	87.0	11	78.3	5	18	27	Chile
74	45.0	46.4	41.1	132	53.2	82	31	37	China
2	99.5	98.6	99.0	8	79.6	12	7	6	Denmark
54	52.6	49.3	29.5	97	58.0	79	27	7	Egypt
52	93.3	91.3	93.2	25	70.5	27	42	18	Germany
16	52.2	54.6	56.5	96	58.1	71	27	33	Ghana
27	76.1	87.9	72.5	44	66.8	38	22	4	Hungary
122	56.5	46.9	44.4	123	54.4	86	30	30	India
67	28.7	45.4	31.4	131	53.4	93	40	60	Indonesia
12	94.3	99.0	92.3	4	82.2	7	10	13	Ireland
141	78.5	86.0	78.7	42	67.6	78	17	34	Israel
36	62.2	78.7	62.3	76	61.4	61	38	10	Italy
7	89.5	86.5	85.5	19	72.8	28	16	23	Japan
84	23.9	39.6	16.4	83	60.1	50	17	20	Kazakhstan
43	67.5	85.0	63.3	30	70.0	35	38	26	Lithuania
108	29.7	65.2	49.8	49	65.8	68	41	13	Mexico
53	28.2	35.3	34.3	113	55.7	125	40	26	Mozambique
129	11.5	29.5	17.9	117	55.1	97	7	31	Nigeria
137	19.1	34.8	24.6	102	57.0	110	43	20	Pakistan
114	39.7	51.7	26.1	104	56.8	69	29	52	Philippines
32	65.1	73.9	67.6	82	60.3	74	25	32	Poland
136	19.6	31.4	15.5	146	50.8	83	38	30	Russia
<b>123</b>	<b>56.0</b>	<b>71.5</b>	<b>65.2</b>	<b>61</b>	<b>63.8</b>	<b>57</b>	<b>35</b>	<b>22</b>	<b>South Africa</b>
33	74.2	72.9	69.6	40	68.1	32	38	14	South Korea
28	85.2	88.4	84.5	29	70.1	39	49	47	Spain
18	97.1	94.7	96.6	9	79.4	4	7	20	Switzerland
118	54.1	59.9	43.0	67	63.0	59	11	32	Thailand
121	55.5	58.9	60.4	75	61.6	88	35	6	Turkey
103	36.8	50.2	23.2	63	63.5	64	0	25	Uganda
35	92.3	98.1	92.8	10	79.0	9	10	13	United Kingdom
83	91.9	93.2	91.8	6	80.7	6	0	6	United States

Sources: The World Bank, *Worldwide Governance Indicators 1996–2008*; The World Bank, *Ease of Doing Business 2008*; The Heritage Foundation website accessed 23 April 2009; Economic Freedom Network, *Economic Freedom of the World: 2008 Annual Report*

a Regulatory quality measures the ability of the Government to formulate and implement sound policies and regulations that permit and protect private sector development.

b Control of corruption measures the extent to which public power is exercised for private gain, including petty and grand forms of corruption, as well as 'capture' of the State by elites and private interests.

## BUSINESS

	Days required to register a property, 2009	Days required to enforce a contract, 2009	Strength of legal rights index, <sup>a</sup> 2009 (0-10)	Strength of investor protection index (0-10)	Years required to solve insolvency	Networked Readiness Index, 2008-2009		Global E-readiness 2008-2009	
						Rank	Score out of 10	Rank	Score out of 10
Algeria	47	630	3	5.3	2.5	108	3.14	67	3.59
Australia	5	395	9	5.7	1.0	14	5.29	4	8.83
Belgium	79	505	7	7.0	0.9	24	5.02	20	8.04
Botswana	16	687	7	6.0	1.7	77	3.72	–	–
Brazil	42	616	3	5.3	4.0	59	3.94	42	5.65
Chile	31	480	4	6.0	4.5	39	4.32	32	6.57
China	29	406	6	5.0	1.7	46	4.15	56	4.85
Denmark	42	380	9	6.3	1.1	1	5.85	5	8.83
Egypt	72	1 010	3	5.3	4.2	76	3.76	57	4.81
Germany	40	394	7	5.0	1.2	20	5.17	14	8.39
Ghana	34	487	7	6.0	1.9	103	3.25	–	–
Hungary	17	395	7	4.3	2.0	41	4.28	33	6.30
India	44	1 420	8	6.0	7.0	54	4.03	54	4.96
Indonesia	22	570	3	6.0	5.5	83	3.62	68	3.59
Ireland	38	515	8	8.3	0.4	23	5.03	21	8.03
Israel	144	890	9	8.3	4.0	25	4.98	24	7.61
Italy	27	1 210	3	5.7	1.8	45	4.16	25	7.55
Japan	14	360	7	7.0	0.6	17	5.19	18	8.08
Kazakhstan	40	390	5	5.7	1.5	73	3.79	66	3.89
Lithuania	3	275	5	5.0	1.5	35	4.40	38	6.03
Mexico	74	415	4	6.0	1.8	67	3.84	40	5.88
Mozambique	42	730	2	6.0	5.0	124	2.91	–	–
Nigeria	82	457	8	5.7	2.0	90	3.45	62	4.25
Pakistan	50	976	6	6.3	2.8	98	3.31	64	4.10
Philippines	33	842	3	4.0	5.7	85	3.60	55	4.90
Poland	197	830	9	6.0	3.0	69	3.80	41	5.83
Russia	43	281	3	5.0	3.8	74	3.77	59	4.42
<b>South Africa</b>	<b>24</b>	<b>600</b>	<b>9</b>	<b>8.0</b>	<b>2.0</b>	<b>52</b>	<b>4.07</b>	<b>39</b>	<b>5.95</b>
South Korea	11	230	7	5.3	1.5	11	5.37	15	8.34
Spain	18	515	6	5.0	1.0	34	4.50	26	7.46
Switzerland	16	417	8	3.0	3.0	5	5.58	9	8.67
Thailand	2	479	4	7.7	2.7	47	4.14	47	5.22
Turkey	6	420	4	5.7	3.3	61	3.91	43	5.64
Uganda	77	510	7	4.0	2.2	120	2.98	–	–
United Kingdom	8	399	9	8.0	1.0	15	5.27	8	8.68
United States	12	300	8	8.3	1.5	3	5.68	1	8.95

Sources: The World Bank, *Ease of Doing Business 2008*; World Economic Forum *Network Readiness Index 2008-2009*; The Economist and IBM, *E-readiness Rankings: Raising the Bar*

a This measures the degree to which collateral and bankruptcy laws facilitate lending, and is scored between 0 and 10, with 10 being the highest.

## THE GLOBAL COMPETITIVENESS INDEX IN DETAIL

<i>Indicator</i>	<i>SA rank out of 133</i>	<i>Indicator</i>	<i>SA rank out of 133</i>
<b>Institutions</b>		<b>Goods market efficiency</b>	
Property rights	20	No. of procedures required to start a business	26
<b>Intellectual property protection</b>	<b>24</b>	<b>Time required to start a business</b>	<b>64</b>
Diversion of public funds	56	Agricultural policy costs	34
<b>Public trust of politicians</b>	<b>65</b>	<b>Prevalence of trade barriers</b>	<b>58</b>
Judicial independence	38	Tariff barriers	73
<b>Favouritism in decisions of government officials</b>	<b>69</b>	<b>Prevalence of foreign ownership</b>	<b>45</b>
Wastefulness of government spending	38	Business impact of rules on FDI	80
<b>Burden of government regulation</b>	<b>65</b>	<b>Burden of customs procedures</b>	<b>51</b>
Efficiency of legal framework in settling disputes	18	Degree of customer orientation	81
<b>Efficiency of legal framework in challenging regulations</b>	<b>22</b>	<b>Buyer sophistication</b>	<b>23</b>
Transparency of government policymaking	24	<b>Labour market efficiency</b>	
<b>Business costs of terrorism</b>	<b>36</b>	Cooperation in labour-employer relations	121
Business costs of crime and violence	133	<b>Flexibility of wage determination</b>	<b>123</b>
<b>Organised crime</b>	<b>119</b>	Rigidity of employment	84
Reliability of police services	106	<b>Hiring and firing practices</b>	<b>125</b>
<b>Ethical behaviour of firms</b>	<b>43</b>	Firing costs	40
Strength of auditing and reporting standards	2	<b>Pay and productivity</b>	<b>105</b>
<b>Efficacy of corporate boards</b>	<b>3</b>	Reliance on professional management	21
Protection of minority shareholders	9	<b>Brain drain</b>	<b>79</b>
<b>Infrastructure</b>		Female participation in labour force	61
Quality of overall infrastructure	43	<b>Financial market sophistication</b>	
<b>Quality of roads</b>	<b>40</b>	Financial market sophistication	6
Quality of railroad infrastructure	40	<b>Financing through local equity market</b>	<b>4</b>
<b>Quality of port infrastructure</b>	<b>49</b>	Ease of access to loans	31
Quality of air transport infrastructure	23	<b>Venture capital availability</b>	<b>33</b>
<b>Available seat kilometres</b>	<b>23</b>	Restriction on capital flows	111
Quality of electricity supply	100	<b>Strength of investor protection</b>	<b>9</b>
<b>Telephone lines</b>	<b>91</b>	Soundness of banks	6
<b>Macroeconomic stability</b>		<b>Regulation of securities exchanges</b>	<b>2</b>
Government surplus/deficit	58	Legal rights index	5
<b>National savings rate</b>	<b>91</b>	<b>Technological readiness</b>	
Inflation	99	Availability of latest technologies	37
<b>Interest rate spread</b>	<b>34</b>	<b>Firm-level technology absorption</b>	<b>33</b>
Government debt	57	Laws relating to ICT	31
<b>Health and primary education</b>		<b>FDI and technology transfer</b>	<b>45</b>
Business impact of malaria	99	Mobile telephone subscriptions	64
<b>Malaria incidence</b>	<b>85</b>	<b>Internet users</b>	<b>98</b>
Business impact of tuberculosis	131	Personal computers	69
<b>Tuberculosis incidence</b>	<b>133</b>	<b>Broadband internet subscribers</b>	<b>84</b>
Business impact of HIV/AIDS	133	<b>Market size</b>	
<b>HIV prevalence</b>	<b>131</b>	Domestic market size index	23
Infant mortality	106	<b>Foreign market size index</b>	<b>34</b>
<b>Life expectancy</b>	<b>118</b>	<b>Business sophistication</b>	
Quality of primary education	107	Local supplier quantity	45
<b>Primary enrollment</b>	<b>107</b>	<b>Local supplier quality</b>	<b>22</b>
Education expenditure	32	State of cluster development	33
<b>Higher education and training</b>		<b>Nature of competitive advantage</b>	<b>80</b>
Secondary enrollment	39	Value chain breadth	85
<b>Tertiary enrollment</b>	<b>94</b>	<b>Control of international distribution</b>	<b>38</b>
Quality of the education system	119	Production process sophistication	41
<b>Quality of maths and science education</b>	<b>133</b>	<b>Extent of marketing</b>	<b>17</b>
Quality of management of schools	30	Willingness to delegate authority	25
<b>Internet access in schools</b>	<b>100</b>	<b>Innovation</b>	
Local availability of research and training services	40	Capacity for innovation	36
<b>Extent of staff training</b>	<b>21</b>	<b>Quality of scientific research institutions</b>	<b>29</b>
<b>Goods market efficiency</b>		Company spending on R&D	35
Intensity of local competition	60	<b>University-industry collaboration in R&amp;D</b>	<b>25</b>
<b>Extent of market dominance</b>	<b>40</b>	Government procurement of advanced tech products	78
Effectiveness of anti-monopoly policy	15	<b>Availability of scientists and engineers</b>	<b>123</b>
<b>Extent and effect of taxation</b>	<b>27</b>	Utility patents	39
Total tax rate	39		

Source: World Economic Forum, *The Global Competitiveness Report 2009–2010*

# Fast stats

## PROPERTY PAGE

<i>House Price Index (nominal) Sep</i>	down 0.3%	compared to Sep 2008	Absa
<i>House Price Index (real) Aug</i>	down 7.1%	compared to Aug 2008	Absa
<i>Mortgage advances Aug</i>	up 5.6%	compared to Aug 2008	SARB
<b>House price trends (nominal) (average) 3Q 2009</b>			
<i>Affordable houses (40–79m<sup>2</sup>/priced at under R430 000)</i>	up 2.1%	compared to 3Q 2008	Absa
<i>Small houses (80–140m<sup>2</sup>/R651 953) (average price)</i>	down 4.4%		Absa
<i>Medium houses (141–220m<sup>2</sup>/R905 020)</i>	down 4.7%		Absa
<i>Large houses (221–400m<sup>2</sup>/R1 407 279)</i>	up 1.9%		Absa
<i>All houses (80–400m<sup>2</sup>/R957 865)</i>	down 1.1%		Absa
<i>Luxury housing (costing more than R3.1m)</i>	down 4.0%		Absa
<i>Greater Johannesburg (80–400m<sup>2</sup>/R1 088 049)</i>	up 5.1%		Absa
<i>Cape Town metro (80–400m<sup>2</sup>/R1 096 049)</i>	up 0.1%		Absa
<i>Durban metro (80–400m<sup>2</sup>/R895 044)</i>	down 10.9%		Absa
<i>PE/Uitenhage metro (80–400m<sup>2</sup>/R765 969)</i>	down 15.3%		Absa
<i>Cost of building a new house (average)</i>	up 7.8%		Absa
<b>CBD office vacancy rate 3Q 2009</b>			
<i>Johannesburg</i>	11.0%	nine months before: 8.2%	SAPOA <sup>a</sup>
<i>Sandton</i>	6.1%	5.7%	SAPOA
<i>Cape Town</i>	8.6%	5.2%	SAPOA
<i>Durban</i>	20.6%	15.9%	SAPOA
<i>Pretoria</i>	4.1%	2.8%	SAPOA
<b>CBD office rental rate (A-grade) R/m<sup>2</sup> 2Q 2009</b>			
<i>Johannesburg</i>	up 9.0%	compared to 2Q 2008	R&A <sup>b</sup>
<i>Sandton</i>	up 6.6%		R&A
<i>Cape Town</i>	up 6.9%		R&A
<i>Durban</i>	down 27.3%		R&A
<i>Pretoria</i>	up 3.1%		R&A
<b>Industrial rental rates R/m<sup>2</sup> for 1 000m<sup>2</sup> 2Q 2009</b>			
<i>Central Wits</i>	up 4.4%	compared to 2Q 2008	R&A
<i>Durban</i>	down 0.9%		R&A
<i>Cape Peninsula</i>	up 2.4%		R&A
<i>Port Elizabeth</i>	up 4.7%		R&A
<b>Shopping centre rental index 2008</b>			
<i>Regional</i>	up 8.0%	compared to 2007	R&A

a South African Property Owners' Association

b Rode and Associates

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# Fast stats

## BUSINESS INDICATORS

<i>Use of manufacturing production capacity (May)</i>	78.0%	May 2008: 84.4%	Stats SA
<i>Manufacturing production (volume) (this year to Aug)</i>	down 15.6%	on same period last year	Stats SA
<i>Total vehicles sold (this year to Sept): 294 481</i>	down 30.3%	on same period last year	NAAMSA
<i>Vehicles exported (this year to Sept): 114 666</i>	down 45.0%	on same period last year	NAAMSA
<i>Tractors sold (this year to Sept): 4 219</i>	down 24.5%	on same period last year	SAAMA
<i>Electricity consumed (this year to Aug)</i>	down 4.8%	on same period last year	Stats SA
<i>Total building plans passed (value) (this year to Aug)</i>	down 29.2%	on same period last year	Stats SA
<i>Total buildings completed (value) (this year to Aug)</i>	down 11.7%	on same period last year	Stats SA
<i>All building costs (average) 3Q 2009</i>	down 4.1%	on same period last year	BER
<i>Mining production (volume) (this year to Aug)</i>	down 7.7%	on same period last year	Stats SA
<i>Cement sales (tonnes) (this year to Sept)</i>	down 11.6%	on same period last year	CCI
<i>Retail sales (value) (this year to Aug)</i>	down 4.8%	on same period last year	Stats SA
<i>Current adspend (this year to July): R13.1bn</i>	down 0.1%	on same period last year	A C Nielsen
<i>Number of liquidations (this year to Sept): 2 977</i>	up 25.9%	on same period last year	Stats SA
<i>Judgements for debt (this year to Aug): 468 049</i>	up 6.7%	on same period last year	Stats SA
<i>Tourism accommodation occupancy rate (July)</i>	46.5%	July 2008: 50.4%	Stats SA
<i>Overseas tourists (Aug): 152 187</i>	down 3.0%	compared to previous month	Stats SA

## SOCIO-ECONOMIC AND LABOUR INDICATORS

<i>Total population (mid 2009 estimates) (average)</i>	49.32m	2008: 48.69m	Stats SA
<i>GDP per head (2Q annualised, adjusted)</i>	R46 985	current prices	SAIRR/SARB
<i>Real growth in GDP per head 2008</i>	1.9%	2007: 3.8%	SARB
<i>Household saving to disposable income 2Q 2009</i>	-0.1%	2Q 2008: -0.5%	SARB
<i>Household debt to disposable income 2Q 2009</i>	76.3%	2Q 2008: 76.4%	SARB
<i>Average wage settlements (this year to Sept)<sup>a</sup></i>	9.4%	Jan-Sept 2008: 9.6%	Andrew Levy
<i>Number of strike mandays lost (this year to Sept)</i>	2.8m	Jan-Sept 2008: 607 000	Andrew Levy
<i>Unemployment rate 3Q 2009 (strict definition)<sup>b</sup></i>	24.5%	3Q 2008: 23.2%	Number: 4.2 million
<i>Unemployment rate 3Q 2009 (wide definition)<sup>b</sup></i>	31.1%	3Q 2008: 27.6%	Number: 5.8 million
<i>Decrease in total employment<sup>b</sup></i>	770 000	3Q 2009 vs 3Q 2008	Stats SA/QLFS
<i>Employees in enterprises registered for income tax<sup>c</sup> down 2.3%</i>		June 2009 vs June 2008	Stats SA/QES
<i>Number of such employees<sup>c</sup></i>	down 198 000	to 8 259 000	Stats SA/QES
<i>Nominal wages per worker 1Q 2009<sup>c</sup></i>	up 11.2%	compared to 1Q 2008	SARB
<i>Real wages per worker 1Q 2009<sup>c</sup></i>	up 2.1%	compared to 1Q 2008	SARB
<i>Labour productivity 1Q 2009<sup>c</sup></i>	up 0.1%	compared to 1Q 2008	SARB
<i>Nominal unit labour costs 1Q 2009<sup>c</sup></i>	up 11.2%	compared to 1Q 2008	SARB
<i>Average monthly earnings May 2009<sup>c</sup></i>	R9 730	May 2008: R9 142	Stats SA/QES
<i>Houses built smaller than 81m<sup>2</sup> (this year to Aug)</i>	up 4.0%	on same period last year	Stats SA
<i>Houses built/being built (government subsidy)<sup>d</sup></i>	2 807 595	Apr 1994–Mar 2009	up 9.3% from Apr 2009
<i>Government housing delivery (Apr 2008–Mar 2009)<sup>d</sup></i>	239 533	down 3.7%	on same period previous year

a Excluding farms and homes b Stats SA. All sectors. *Quarterly Labour Force Survey* c Non Agricultural sector. *Quarterly Employment Statistics* d Housing Dept.

# Fast stats

## INVESTMENT INDEX

<i>Real gross fixed capital formation (GFCF) 2Q 2009</i>	R74.13bn	up 5.7% compared to 2Q 2008	
<i>GFCF ÷ GDP 2Q 2009 (annualised, adjusted)</i>	24.9%	2Q 2008: 22.8%	(Target: 25%)
<i>Gross domestic saving ÷ GDP 2Q 2009</i>	16.5%	2Q 2008: 15.2%	
<i>Real GFCF by public authorities</i>	up 2.5%	2Q 2009 vs 2Q 2008	
<i>by public corporations</i>	up 54.1%		
<i>by private business</i>	down 4.4%		
<i>Real GFCF in mining and quarrying</i>	up 12.1%		
<i>in manufacturing</i>	down 17.8%		
<i>in electricity, gas and water</i>	up 104.3%		
<i>in transport and communication</i>	up 9.7%		
<i>in finance etc</i>	down 7.8%		
<i>in community, social and personal services</i>	up 1.8%		
<i>Real GFCF in residential buildings</i>	down 7.7%		
<i>in non-residential buildings</i>	up 6.8%		
<i>in construction works</i>	up 44.5%		
<i>in transport equipment</i>	down 0.8%		
<i>in machinery and equipment</i>	down 7.9%		
<i>Foreign investment into SA 2Q 2009</i>			
<i>direct (FDI)</i>	R23.89bn	2Q 2008	R6.17bn
<i>portfolio</i>	R29.04bn		R17.18bn
<i>other</i>	-R26.03bn		R2.53bn
<i>SA investment abroad 2Q 2009</i>			
<i>direct</i>	-R3.70bn		-R2.80bn
<i>portfolio</i>	-R0.26bn		-R6.45bn
<i>other</i>	R16.36bn		R7.87bn
<i>Balance on financial account 2Q 2009</i>	R39.31bn		R24.50bn

## CONFIDENCE COUNT

<i>RMB/BER business confidence index 3Q 2009</i>	down 3 points	to 23 since 2Q 2009	(scale 0–100)
<i>BER/DTI manufacturing confidence index 3Q 2009</i>	up 11 points	to 22 since 2Q 2009	(scale 0–100)
<i>BER building contractors confidence index 3Q 2009</i>	up 1 point	to 24 since 2Q 2009	(scale 0–100)
<i>FNB/BER consumer confidence index 3Q 2009</i>	down 3 points	to 1 since 2Q 2009	(scale minus 100–100)
— <i>black consumer confidence index 3Q 2009</i>	down 6 points	to 6 since 2Q 2009	(scale minus 100–100)
— <i>white consumer confidence index 3Q 2009</i>	up 4 points	to -5 since 2Q 2009	(scale minus 100–100)
— <i>high-income household confidence index 3Q 2009</i>	up 9 points	to 7 since 2Q 2009	(scale minus 100–100)
— <i>low-income household confidence index 3Q 2009</i>	down 16 points	to -11 since 2Q 2009	(scale minus 100–100)
<i>Kagiso purchasing managers index (PMI) (Sep)</i>	up 8.7 points	to 48.0 since Aug	(2000 = 100) BER
<i>Sacci business confidence index (Sep)</i>	up 2.5 points	to 85.5 since Aug	(2005 = 100) Sacci
<i>Vehicle sales confidence indicator 3Q 2009</i>	up 0.1 points	to 4.3 since 2Q 2009	(scale 1–10) WesBank
<i>Agricultural business confidence index 3Q 2009</i>	down 37.46 points	to 69.24 from 3Q 2008	(2001=100) ABC/IDC

# Fast stats

## ECONOMIC BAROMETER

<b>GDP 2Q 2009 (basic prices)</b>	R534.13bn		
<b>GDP growth at market prices (2Q annualised, adjusted)</b>	-3.0%	2Q 2008: 5.0%	
<b>GDP growth at market prices (2Q 2009 vs 2Q 2008)</b>	-2.8%	2Q 2008: 4.5%	
<b>Agriculture (4.6% of GDP)</b>	-0.6%	<b>Trade etc (12.2%)</b>	-3.5%
<b>Mining (9.4%)</b>	-9.5%	<b>Transport and communication (7.9%)</b>	0.9%
<b>Manufacturing (16.8%)</b>	-15.1%	<b>Finance etc (21.4%)</b>	-0.1%
<b>Electricity and water (2.5%)</b>	-2.6%	<b>Community services (6.1%)</b>	3.4%
<b>Construction (3.6%)</b>	13.2%	<b>Government (15.6%)</b>	3.7%
<b>Exports (this year to Sept)</b>	R382.38bn	down 21.9% on same period in 2008	
<b>Imports (this year to Sept)</b>	R399.87bn	down 26.6% on same period in 2008	
<b>Trade balance (this year to Sept)</b>	-R17.49bn	Jan-Sept 2008: -R55.26bn	
<b>Gold and forex reserves (Sept)</b>	R290.90bn	Sept 2008: R284.39bn	
<b>Reserves/imports (Sept)</b>	7.0 to 1	Sept 2008: 4.2 to 1	
<b>Current account deficit 2Q 2009</b>	R19.72bn	2Q 2008: R40.38bn	
<b>— as proportion of GDP</b>	3.2%	2Q 2008: 7.3%	
<b>Capital account surplus 2Q 2009</b>	R26.79bn	2Q 2008: R46.03bn	
<b>Gold price per ounce (average)(Oct)</b>	\$1 043.34	Oct 2008: \$809.72	
<b>Crude oil price (dated Brent/barrel) 3/11/09</b>	\$76.08	year ago: \$63.12	(Increase: 20.5%)
<b>Petrol (premium pump price per litre Gauteng) 3/11/09</b>	R 7.65	year ago: R9.41	(Decrease: 18.7%)
<b>Prime overdraft rate (average) 3/11/09</b>	10.5%	year ago: 15.5%	
<b>Real prime overdraft rate (average) (Sept)</b>	4.11%	year ago: 4.0% (based on headline inflation)	
<b>Repo rate (average) 3/11/09</b>	7.0%	year ago: 12%	
<b>€/R 0.0855    £/R 0.0773    \$/R 0.1264    ¥/R 11.39</b>	<b>€/€ 0.6768    ¥/\$ 90.17</b>	at 3/11/09	
<b>R/€ 11.693    R/£ 12.941    R/\$ 7.914    R/¥ 0.0878</b>	<b>\$/€ 1.4776    \$/¥ 0.0111</b>	at 3/11/09	
<b>Appreciation of rand against euro last 12 months</b>	6.83%	(Lowest: R/€ 14.65	Highest: R/€ 1.80)
<b>Appreciation of rand against dollar last 12 months</b>	19.21%	(Lowest: R/\$ 13.00	Highest: R/\$ 0.67)
<b>Appreciation of rand against basket last 12 months</b>	15.48%		

## INFLATION INDEX

<b>Headline inflation rate (Sept 2009 vs Sept 2008)</b>	6.1%	Aug 2009 vs Aug 2008	6.4%
<b>— Housing and utilities (22.56%)*</b>	7.6%		7.8%
<b>— Transport (18.80%)*</b>	-1.3%		-2.7%
<b>— Food and non-alcoholic beverages (15.68%)*</b>	5.6%		6.8%
<b>— Insurance and other services (13.56%)*</b>	11.6%		12.4%
<b>— Household contents and services (5.86%)*</b>	5.2%		6.1%
<b>— Alcohol and tobacco (5.58%)*</b>	11.8%		12.6%
<b>— Recreation and culture (4.19%)*</b>	11.3%		11.6%
<b>— Clothing and footwear (4.11%)*</b>	5.0%		5.1%
<b>— Communication (3.22%)*</b>	0.9%		1.3%
<b>— Restaurants and hotels (2.78%)*</b>	10.0%		9.6%
<b>— Education (2.19%)*</b>	10.5%		10.5%
<b>— Health (1.47%)*</b>	11.3%		11.1%
<b>Rise in administered (non-market) prices</b>	3.2%		0.2%
<b>Producer price rise (PPI)</b>	-3.7%	Sept 2008 vs Sept 2007	16.0%
<b>Imported producer inflation</b>	-16.2%		19.9%

\* Weight

# Fast stats

## LATEST FORECASTS

<b>GDP growth 2009</b>	-1.9%	National Treasury: revised downwards from 1.2%
	-2.2%	Nedbank: no change
<b>GDP growth 2010</b>	3.0%	Standard Bank: no change
	1.5%	National Treasury: revised downwards from 3%
<b>Headline inflation rate (CPI) 2010 (average)</b>	6.3%	National Treasury: revised upwards from 5.3%
	5.6%	Barnard Jacobs Mellet: revised upwards from 5.5%
<b>Expected CPI (business) 2010 (average)</b>	8.7%	BER: revised upwards from 8.6%
	8.2%	BER: revised downwards from 10.1%
<b>Producer price inflation 2010 (average)</b>	7.5%	Standard Bank: no change
	6.5%	BER: no change
<b>Imported producer inflation 2010 (average)</b>	1.0%	Absa: revised downwards from 1.4%
<b>Gross fixed capital formation 2010</b>	up 4.4%	National Treasury: revised downwards from 5.7%
	down 0.2%	BER: revised downwards from 2.6%
<b>Final consumption expenditure by households 2010</b>	up 3.0%	BER: revised upwards from 2.9%
	up 0.9%	National Treasury: revised downwards from 1.9%
<b>Government consumption expenditure 2010</b>	up 4.7%	National Treasury: revised upwards from 4%
	up 3.5%	Barnard Jacobs Mellet: revised downwards from 3.7%
<b>Gross domestic expenditure 2010</b>	up 4.5%	BER: revised upwards from 3.8%
	up 1.7%	National Treasury: revised downwards from 4%
<b>Exports 2010</b>	up 3.8%	National Treasury: revised upwards from 3.3%
	up 0.7%	Barnard Jacobs Mellet: revised upwards from 0.6%
<b>Imports 2010</b>	up 10.3%	BER: revised upwards from 9.9%
	up 4.2%	National Treasury: revised downwards from 6.7%
<b>Current account deficit 2010</b>	R171.4bn	BER: revised upwards from R142.6bn
	R117.0bn	Nedbank: revised upwards from R111.2bn
<b>— as proportion of GDP 2010</b>	5.7%	National Treasury: revised downwards from -6.9%
	4.6%	Nedbank: revised upwards from 4.9%
<b>Capital account surplus 2010</b>	R210.0bn	Nedbank: no change
<b>Prime overdraft rate 2010 (year end)</b>	12.0%	Standard Bank: revised downwards from 12.5%
	10.5%	Nedbank: no change; Barnard Jacobs Mellet
<b>R/€ exchange rate 2010 (average)</b>	12.37	Standard Bank: revised from 12.23
	11.43	Barnard Jacobs Mellet: revised from 11.89
<b>R/\$ exchange rate 2010 (average)</b>	8.28	BER: revised from 8.65
	7.41	Nedbank: revised from 8.01
<b>Gold price per ounce 2010 (average)</b>	\$1 010	Nedbank: revised downwards from \$1 019
	\$931	BER: revised upwards from \$881
<b>Nominal wage rise 2010</b>	7.9%	BER: revised upwards from 7.8%

**These forecasts contain the highest and lowest estimates available to us.**

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