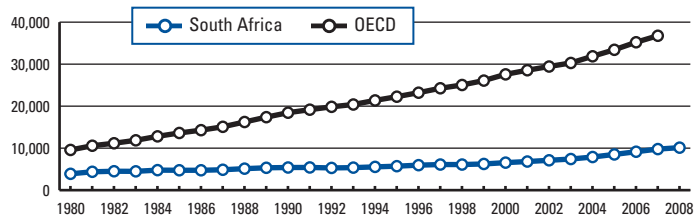


# South Africa

## Key indicators

Population (millions), 2008.....	48.8
GDP (US\$ billions), 2008.....	277.2
GDP per capita (US\$), 2008.....	5,693.3
GDP (PPP) as share (%) of world total, 2008.....	0.72

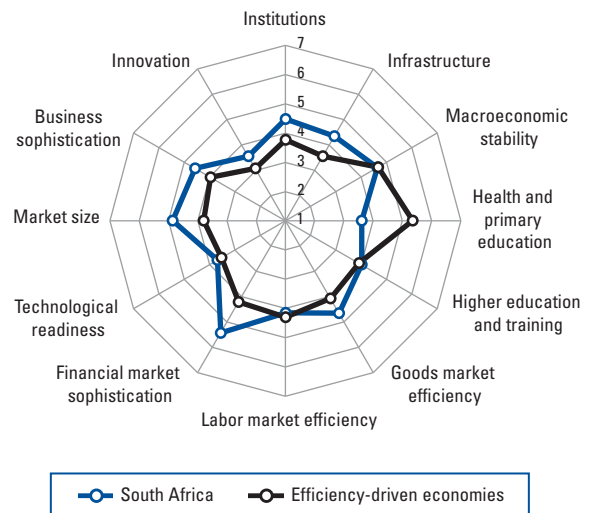
GDP (PPP int'l \$) per capita, 1980–2008



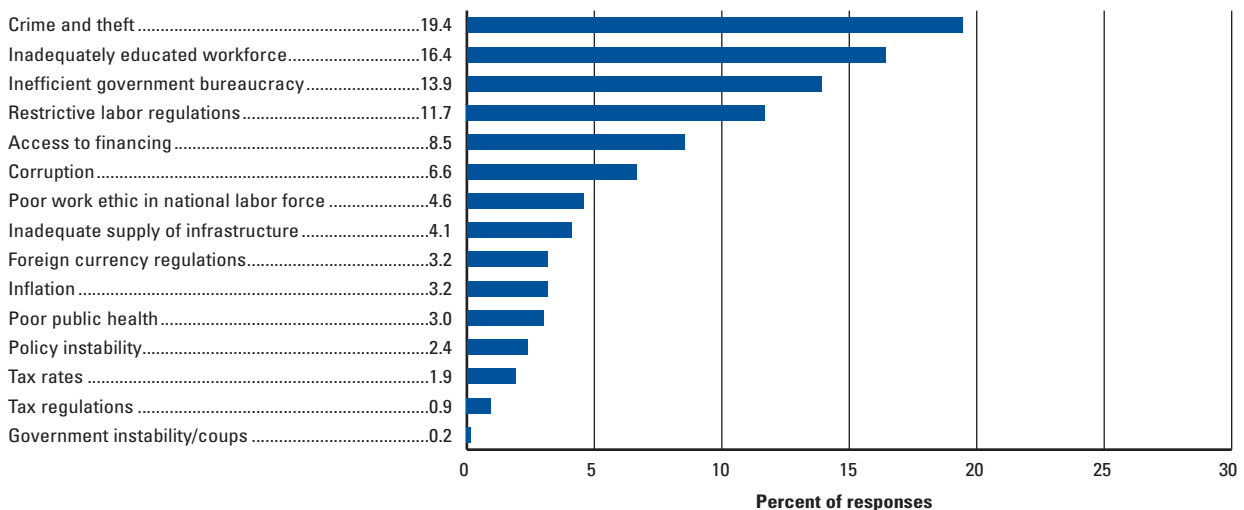
## Global Competitiveness Index

	Rank (out of 133)	Score (1–7)
<b>GCI 2009–2010</b> .....	<b>45</b>	<b>4.3</b>
GCI 2008–2009 (out of 134).....	45	4.4
GCI 2007–2008 (out of 131).....	44	4.4
<b>Basic requirements</b> .....	<b>77</b>	<b>4.3</b>
1st pillar: Institutions.....	45	4.5
2nd pillar: Infrastructure.....	45	4.3
3rd pillar: Macroeconomic stability.....	68	4.6
4th pillar: Health and primary education.....	125	3.6
<b>Efficiency enhancers</b> .....	<b>39</b>	<b>4.5</b>
5th pillar: Higher education and training.....	65	4.0
6th pillar: Goods market efficiency.....	35	4.7
7th pillar: Labor market efficiency.....	90	4.2
8th pillar: Financial market sophistication.....	5	5.4
9th pillar: Technological readiness.....	65	3.7
10th pillar: Market size.....	24	4.9
<b>Innovation and sophistication factors</b> .....	<b>39</b>	<b>4.1</b>
11th pillar: Business sophistication.....	36	4.6
12th pillar: Innovation.....	41	3.5

## Stage of development



## The most problematic factors for doing business



Note: From a list of 15 factors, respondents were asked to select the five most problematic for doing business in their country/economy and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

■ Competitive Advantage ■ Competitive Disadvantage

INDICATOR	RANK/133	INDICATOR	RANK/133
<b>1st pillar: Institutions</b>		<b>6th pillar: Goods market efficiency</b>	
1.01 Property rights .....	20 .....	6.01 Intensity of local competition .....	60 .....
1.02 Intellectual property protection .....	24 .....	6.02 Extent of market dominance .....	40 .....
1.03 Diversion of public funds .....	56 .....	6.03 Effectiveness of anti-monopoly policy .....	15 .....
1.04 Public trust of politicians .....	65 .....	6.04 Extent and effect of taxation .....	27 .....
1.05 Judicial independence .....	38 .....	6.05 Total tax rate* .....	39 .....
1.06 Favoritism in decisions of government officials .....	69 .....	6.06 No. of procedures required to start a business* .....	26 .....
1.07 Wastefulness of government spending .....	38 .....	6.07 Time required to start a business* .....	64 .....
1.08 Burden of government regulation .....	65 .....	6.08 Agricultural policy costs .....	34 .....
1.09 Efficiency of legal framework in settling disputes .....	18 .....	6.09 Prevalence of trade barriers .....	58 .....
1.10 Efficiency of legal framework in challenging regs .....	22 .....	6.10 Tariff barriers* .....	73 .....
1.11 Transparency of government policymaking .....	24 .....	6.11 Prevalence of foreign ownership .....	45 .....
1.12 Business costs of terrorism .....	36 .....	6.12 Business impact of rules on FDI .....	80 .....
1.13 Business costs of crime and violence .....	133 .....	6.13 Burden of customs procedures .....	51 .....
1.14 Organized crime .....	119 .....	6.14 Degree of customer orientation .....	81 .....
1.15 Reliability of police services .....	106 .....	6.15 Buyer sophistication .....	23 .....
1.16 Ethical behavior of firms .....	43 .....	<b>7th pillar: Labor market efficiency</b>	
1.17 Strength of auditing and reporting standards .....	2 .....	7.01 Cooperation in labor-employer relations .....	121 .....
1.18 Efficacy of corporate boards .....	3 .....	7.02 Flexibility of wage determination .....	123 .....
1.19 Protection of minority shareholders' interests .....	9 .....	7.03 Rigidity of employment* .....	84 .....
<b>2nd pillar: Infrastructure</b>		7.04 Hiring and firing practices .....	125 .....
2.01 Quality of overall infrastructure .....	43 .....	7.05 Firing costs* .....	40 .....
2.02 Quality of roads .....	40 .....	7.06 Pay and productivity .....	105 .....
2.03 Quality of railroad infrastructure .....	40 .....	7.07 Reliance on professional management .....	21 .....
2.04 Quality of port infrastructure .....	49 .....	7.08 Brain drain .....	79 .....
2.05 Quality of air transport infrastructure .....	23 .....	7.09 Female participation in labor force* .....	61 .....
2.06 Available seat kilometers* .....	23 .....	<b>8th pillar: Financial market sophistication</b>	
2.07 Quality of electricity supply .....	100 .....	8.01 Financial market sophistication .....	6 .....
2.08 Telephone lines* .....	91 .....	8.02 Financing through local equity market .....	4 .....
<b>3rd pillar: Macroeconomic stability</b>		8.03 Ease of access to loans .....	31 .....
3.01 Government surplus/deficit* .....	58 .....	8.04 Venture capital availability .....	33 .....
3.02 National savings rate* .....	91 .....	8.05 Restriction on capital flows .....	111 .....
3.03 Inflation* .....	99 .....	8.06 Strength of investor protection* .....	9 .....
3.04 Interest rate spread* .....	34 .....	8.07 Soundness of banks .....	6 .....
3.05 Government debt* .....	57 .....	8.08 Regulation of securities exchanges .....	2 .....
<b>4th pillar: Health and primary education</b>		8.09 Legal rights index* .....	5 .....
4.01 Business impact of malaria .....	99 .....	<b>9th pillar: Technological readiness</b>	
4.02 Malaria incidence* .....	85 .....	9.01 Availability of latest technologies .....	37 .....
4.03 Business impact of tuberculosis .....	131 .....	9.02 Firm-level technology absorption .....	33 .....
4.04 Tuberculosis incidence* .....	133 .....	9.03 Laws relating to ICT .....	31 .....
4.05 Business impact of HIV/AIDS .....	133 .....	9.04 FDI and technology transfer .....	45 .....
4.06 HIV prevalence* .....	131 .....	9.05 Mobile telephone subscriptions* .....	64 .....
4.07 Infant mortality* .....	106 .....	9.06 Internet users* .....	98 .....
4.08 Life expectancy* .....	118 .....	9.07 Personal computers* .....	69 .....
4.09 Quality of primary education .....	107 .....	9.08 Broadband Internet subscribers* .....	84 .....
4.10 Primary enrollment* .....	107 .....	<b>10th pillar: Market size</b>	
4.11 Education expenditure* .....	32 .....	10.01 Domestic market size index* .....	23 .....
<b>5th pillar: Higher education and training</b>		10.02 Foreign market size index* .....	34 .....
5.01 Secondary enrollment* .....	39 .....	<b>11th pillar: Business sophistication</b>	
5.02 Tertiary enrollment* .....	94 .....	11.01 Local supplier quantity .....	45 .....
5.03 Quality of the educational system .....	119 .....	11.02 Local supplier quality .....	22 .....
5.04 Quality of math and science education .....	133 .....	11.03 State of cluster development .....	33 .....
5.05 Quality of management schools .....	30 .....	11.04 Nature of competitive advantage .....	80 .....
5.06 Internet access in schools .....	100 .....	11.05 Value chain breadth .....	85 .....
5.07 Local availability of research and training services .....	40 .....	11.06 Control of international distribution .....	38 .....
5.08 Extent of staff training .....	21 .....	11.07 Production process sophistication .....	41 .....
		11.08 Extent of marketing .....	17 .....
		11.09 Willingness to delegate authority .....	25 .....
		<b>12th pillar: Innovation</b>	
		12.01 Capacity for innovation .....	36 .....
		12.02 Quality of scientific research institutions .....	29 .....
		12.03 Company spending on R&D .....	35 .....
		12.04 University-industry collaboration in R&D .....	25 .....
		12.05 Gov't procurement of advanced tech products .....	78 .....
		12.06 Availability of scientists and engineers .....	123 .....
		12.07 Utility patents* .....	39 .....

\* Hard data

Note: For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" at the beginning of this chapter.