

Prof Raymond Parsons**Cell: 083 225 6642****MEDIA STATEMENT - IMMEDIATE RELEASE****10 October 2019****'SOUTH AFRICA MUST BUILD ON THE POSITIVE FACTORS IN THE WORLD ECONOMIC FORUM'S LATEST BETTER GLOBAL COMPETITIVENESS RANKING FOR SOUTH AFRICA', SAYS NWU BUSINESS SCHOOL ECONOMIST PROF RAYMOND PARSONS.**

'The rise in SA's ranking from 67th to 60th out of 141 countries in the 2019 World Economic Forum (WEF) Global Competitiveness Report is welcome news at a time when SA's economic performance is at a low ebb and the economy is in a 'low growth trap'. The positive developments regarding SA reflected in the WEF's latest survey confirm that recent progress with governance issues and institutional quality in both the public and private sectors have already started to gradually reap early dividends.

The WEF report nonetheless highlights the 'unfinished business' on SA's economic agenda, citing security, excessive business costs and weak labour market flexibility as among the serious constraints on long term growth. These and other structural obstacles remain to be overcome. Improving economic competitiveness is therefore still one of the three major pillars on which the National Treasury's recent growth strategy is based. Structural reforms are thus still needed to reignite the SA economy, says the WEF.

The conclusion from the WEF survey is that, for SA to successfully mobilize the drivers of job-rich growth, it must visibly build on its strengths and urgently address its weaknesses. The WEF analysis refers to continued 'low business dynamism'. If we believe SA is poised on the cusp of turning the economy around and in seizing new opportunities, we must now tangibly demonstrate that we are able to generate the leverage required to exploit them. These will be the ways to rebuild confidence in the way ahead for the SA economy.'

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