

INTERNATIONAL PERSPECTIVE OF SOUTH AFRICA

| The ECONOMIST | 1995 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|----------------------|---|-----------------------------|---|--|--|--|--|---|---|---|--|--|---|---|
| GDP US\$ | 121.7 | 101 | 154 | 193 | 237 | 256 | 261 | 282 | 275 | 346 | 418 | 7580 | 7140 | 7480 |
| GDP Per Head \$ | 2940 | 2200 | 3310 | 46.4 | 4110 | 5600 | 6090 | 5870 | 5610 | 7050 | 8460 | 48.6 | 53.1 | 53.5 |
| Population | 41.4 | 45.9 | 46.4 | 47.1 | 47.1 | 47.1 | 47.8 | 48 | 49.1 | 49 | 48.8 | 48.6 | 48.6 | 48.6 |
| Growth | 4% | 3.40% | 3.50% | 3.30% | 4.00% | 4.50% | 5.10% | 2.70% | 3.10% | 3.70% | 3.60% | 3.00% | 3.30% | 3.40% |
| Inflation | 11% | 6.00% | 4.90% | 4.70% | 5.50% | 4.70% | 5.70% | 7.30% | 5.70% | 5.70% | 5.20% | 4.20% | 5.20% | 5.40% |
| Exchange Rate ZAR/\$ | R 3.98 | R 11.50 | R 7.57 | R 6.20 | R 6.27 | R 6.26 | R 7.78 | R 9.54 | R 7.41 | R 6.80 | R 7.80 | R 8.98 | R 10.44 | R 12.04 |
| COMMENT | A year of ANC | Leadership of Mr Mbeki | Re-election of Thabo Mbeki | Over the next 5 years, 25% of banking, mining and farming transferred to Black hands | The government will focus on job-creating public works projects, without risking its record of fiscal prudence | The economy will grow by 4.5-5% for the fourth straight year, powered by public spending on infrastructure and foreign direct investment | Economic policy will remain pragmatic and fiscally conservative. The construction and investment boom shows no sign of slowing | Kgalema Motlanthe, the deputy leader of the ANC replaces Thabo Mbeki. Jacob Zuma will be the next president. Economy will remain firmly on boosting growth and investment, especially with regard to electricity generation | Preparations for soccer World Cup have given a boost to the economy through infrastructure spending. Maintaining living standards will remain a challenge. | In the first half of his presidency, Jacob Zuma faces a challenge uniting the various factions of his administration. | At the mid-point of his 5 year term, Jacob Zuma, the President, will face rising tensions between and within the three parties of his ruling coalition | The African National Congress at the end of 2012 was expected to test Jacob Zuma's standing as party leader and national president | The president Jacob Zuma is on course for re-election in 2014 presidential elections. | Jacob Zuma's re-election to a second presidential term in May 2014 guarantees continuity of policy. |
| | Friction - Ramaphosa Mbeki | Job Creation | High Consumer spending due to reduced taxes | High spending continues | Higher inflation | Lower inflation | Higher inflation | High interest rates. Weak global economy | There is more as football fans from around the world descend on the country's big cities | Policy will drift and there is little progress on corruption, inequality and unemployment | Opposition to his pro-market platform from leftist allies risks disruptive strikes. | Competition of interests between moderates and leftists is likely to favour moderates, although poor and the landless will keep protesting | An authoritarian drift will be watched with care from outside the country and merge living standards will bring some protests | The economy is rallying up from a slow patch. |
| | Balancing Act Expenditure vs. Improve Standards Rand Depreciates Inflation double digit Liberalisation of Exchange Control | Nepad | Lower Inflation | Inflation in check | Election of ANC presidential candidate | | | Jacob Zuma next president | Unemployment will stay alarmingly high, above 20% causing a lot of social unrest | Poor result in Municipal Elections, scheduled | No clear challenger to the Presidency | Growth will get a boost from government stimulus | Expanding black middle class will help growth | Planned pro-business reforms resisted by unions and their political allies. |
| WARNING | | The volatility of the rand. | Black empowerment | Strengthening of ANC's power following 2004 elections | Trial of strength within the ANC between Mbeki and Zuma | Fighting within the ANC | Election of a new president in 2009 | | | | | | | |
| TO WATCH | | | | Relations with Zimbabwe Credibility of Thabo Mbeki A one party state? | | | Jacob Zuma unanimously elected in this leftist move by the ANC. This may force an early change in horses. | Sub-Saharan growth forecast at 4.8%. It will be the year of the map in Africa. With 21 coups on the continent in the 60's and 18 in the 80's, the continent has many more democracies. | Rounders? If the FIFA World Cup does not appeal, try the International Fellowship of Cricket-loving Rotarians World Festivals, to be held in Durban in March. | Wheel deal. The Maloof Money Cup is set for Kimberley in September, outside America for the first time | | | Authoritarian drift will be watched by outside countries | |

Source: Economist, The World in... A SPECIALIST PUBLICATION PUBLISHED IN 95 COUNTRIES AND 17 LANGUAGES