

# South Africa needs the private sector for economic growth

 By [Nicci Botha](#)

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While redistribution has been the government's priority in righting the country's apartheid past, only economic growth will get South Africa out of the hole created by Covid-19. "Whether you like it or not, right now only the private sector can make the South African economy grow," said Jakkie Cilliers, head of African futures & innovation at the Institute for Security Studies at the PSG Think Big webinar.

## Social compact

South Africa needs a social compact, or a common vision with the buy in from all stake holders. Although this sounds simple enough but it is something we have not yet been able to achieve, except perhaps during Thabo Mbeki's [Growth, Employment and Redistribution \(Gear\)](https://www.britannica.com/topic/Growth-Employment-and-Redistribution) programme, he said.

"The reason why South Africa worked during the Gear programme was because Thabo Mbeki didn't have a list of 20 priorities, he had three or four. And that's what we need now. We need to get the fiscal situation under control and move forward on that basis. If we can do that then in 20 or 30 years we could double our GDP per capita," said Cilliers.

“Government and business are often at odds, though President Ramaphosa is better at working with the private sector. He has to undo the damage that was done by Jacob Zuma though, and that is a long process,” said Cilliers.

He believes that the devastating impact of Covid-19 may be the catalyst South Africa needs to bring about the coherent vision and commitment we need for growth.

## African potential

The African Continental Free Trade Agreement holds the most potential for growth we’ve ever seen, and that is where our future lies. “South Africa needs to grow into Africa and benefit from one of the largest markets internationally and the only one where we have a competitive advantage,” said Cilliers.

“We need to become the engine of Southern Africa. We are the industrial hub. We have the money, we have the technology, and we have the high end services that can help the rest of the continent. If we can build on that successfully then SA in 10 or 20 years will be a very different place.”

“We need to change the negative narrative around Africa, and we can change that by changing our own narratives. Those negative storylines that we share with each other about how bad it is and how bad crime is aren’t helpful. We need to get behind a vision that says South Africa can be remarkable place 10, 20, 30 years from now,” he said.

## ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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