

An International Comparison of Manufacturing Productivity in South Africa, 1970-1997*

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Abstract

This paper gives a quantitative interpretation of South African industrialization process in an international perspective. After a description of the development of the South African industry, a binary comparison of manufacturing output and productivity between South Africa and the US is presented. The industry-of-origin approach is used to convert US and South African input- and output data in the same currency as an alternative to the exchange rate. Comparing quantity and value data from the manufacturing censuses of both countries, unit value ratios (UVRs) are constructed for the benchmark year 1993. Subsequently, comparative labour factor productivity levels for total manufacturing and 13 manufacturing branches are estimated for 1993. Value added per person employed varies between 10 and 40 percent between industries. Finally, using national time series, the benchmark is extrapolated back- and forwards over the period 1970-1997 to study relative catch-up and/or stagnation.

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