

# LAUNCH OF SPATIAL ECONOMIC ACTIVITY DATA-SOUTH AFRICA (SEADsa)

## OPENING ADDRESS BY THE HSRC CEO PROF SARAH MOSOETSA

Monday, 19 June 2023

Thank you, Chairperson.

Honourable Ministers, Mayors, distinguished partners and guests, ladies & gentlemen good morning and welcome to the launch of **Spatial Economic Activity Data: South Africa**. Today we celebrate a significant milestone of a strategic initiative and collaboration led by the Human Sciences Research Council and National Treasury. We celebrate the importance of research and evidence-based planning, implementation and monitoring.

For too long there has been a poor understanding of the performance of South African cities, regions and local economies, partly because of the lack of credible data. Ignoring the 'where' of economic development poses a serious risk of misdiagnosing our problems. For instance, we have not had answers to basic questions such as:

- What is the GDP of eThekweni? How has this changed over time?
- Where are most of the jobs concentrated within the city of Cape Town? How does the performance of the City Bowl compare with Delft, Langa or Khayelitsha?
- Which industries have created the most jobs in Johannesburg? How does this compare with other municipalities in the Eastern Cape?
- How do jobs and wages compare between metros, secondary cities or rural municipalities?

Today's launch of Spatial Economic Activity Data: South Africa (SEAD-SA) is finally beginning to answer these and many other questions about the local economy of cities and the wider economic geography of the country by leveraging tax and other administrative data sources.

For the first time, the SEAD-SA programme is creating granular spatial data to help answer vital policy and research questions about urbanization, uneven development, territorial disparities, productivity and economic conditions of municipalities, cities, towns and suburbs/wards.

The creation of robust disaggregated and granular economic data, mindful of the interaction between the economy and social inclusion, is essential for monitoring changing economic conditions and sectoral and spatial shifts over time.

### **What else can we learn from the SEAD-SA initiative? 4 strategic questions for the country and continent**

1. Will we harness the potential of big data, AI and the fourth industrial revolution?
  - A number of new technologies stand as extremely disruptive forces for global economic development.
  - The workforce of the future will have to learn new skills and adapt to a rapidly changing work environment. Job security could become an issue for many more households in South Africa.
  - This demands appropriate governance and regulation by the state to ensure the welfare of all of society is balanced against new forms of production and productivity. We must find ways of spreading the gains and sharing the losses of technological progress in building an equitable economy.
  - SEAD-SA is a strong example of harnessing the potential of the data revolution in pursuing the common good.

2. Will we be mindful of the 'local' in pursuit of our economic and social objectives?
  - Across the globe, there is a growing call for institutional reforms that take the needs of local leaders and communities seriously. There has been a worrying resurgence in new forms of populism, nationalism and xenophobia in many parts of the world. This has its roots in the exclusion of marginalised groups and ignoring the plight of lagging regions.
  - Even within science, communities are demanding greater accountability and representation such as 'nothing about us, without us'. We must prioritise new methods of engaged scholarship which support devolved forms of policy-making and greater accountability with communities.
  - SEAD-SA represents such a brand of participatory research which is built on close collaboration with many stakeholders and its research outputs can help foster greater responsiveness to conditions facing communities on the ground.
  
3. Will we be prepared for Africa's urban future?
  - Africa's population of nearly 1.5 billion persons is predicted to double in number by 2050, and more than 80% of that increase will occur in cities.
  - The majority (two-thirds) of South African citizens already live in urban areas which are concentrated in the metros.
  - Hence, the success of the country and continent depends on harnessing this urban transition for economic growth and development. This demands that we prioritise investment in our cities to ensure public health and safety and that our markets remain competitive.
  - We need to move away from artificial rural-urban boundaries and instead stress the interlinkages between urban centres which stretch into rural hinterlands.
  
4. Will we innovate and break down organisational silos for improved public governance?
  - The citizens of South Africa deserve a public administration which prioritises their needs and continuously seeks to improve service delivery
  - We cannot afford a culture of risk aversion and complacency which fails to experiment, collaborate, innovate and improve.
  - The SEAD-SA initiative is a positive example of public institutions coming together to innovate for the common good. We must strive to break down organisational silos and promote collaboration and further sharing of data.

Chairperson as I conclude, allow me to thank the research team for all their solid efforts, to Dr Justine Visagie, HSRC and Karen Harrison, National Treasury.

I welcome you all to the launch of Spatial Economic Activity Data: South Africa.

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19 June 2023