

ABSTRACT

This study examines the role of State-Owned Entities in driving growth with specific focus on Denel, Eskom, Rand Water and Transnet through their infrastructure expenditure and gross value addition of the respective SOEs. The study will examine the impact of these entities on the national, industrial and provincial segments of the South African economy. The study aims to provide an understanding of which industries will benefit from each SOE that we consider, and to also have a spatial understanding to the growth benefits within the South African economy. In addition, the study aims to quantify the value added by these SOEs, determine the significance of the model and their relevance in the South African political economy in a country where there have been continuous calls for privatization due to poor performance by these entities. The study finds that the entities are significant contributors to the value added in the economy through their operational value added as well as infrastructure spending programs