



Dakalo Munyai



University of the Witwatersrand



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More about Dakalo

Favourite subjects: Econometrics, Development Economics and Mathematical Economics.

Interests: Economic policy analysis, reading comic books/graphic novels and gaming.

Community activity: Academic tutor for high-school students in mathematics and science.

Inspired by: My mom, my grandmother and my uncles.

Main achievements: JSE bursary recipient, Wits entrance scholarship and Grade 12 top learner.

What I love/hate about South Africa: I love the resilience of our people; I hate the gap between policy ideas and actual implementation.

In 10 years' time I see myself... as a senior quantitative analyst or policy analyst shaping trade and industrial policy to actively reduce unemployment.

ESSAY SYNOPSIS

Dakalo examines whether trade protectionism, specifically higher import tariffs, can be a legitimate tool for job creation in South Africa, a country facing one of the highest unemployment rates in the world.

South Africa's long-term employment and growth trends have been uneven, shaped by domestic crises, sanctions, the 1985 foreign debt standstill and underperformance in the post-1994 period. These trends make it difficult to isolate the effect of trade policy from broader economic dynamics.

The "infant industry" argument proposes that young industries need temporary shielding from foreign competitors until they achieve maturity. In practice, however, such protection often becomes politically entrenched and difficult to remove. While tariffs can offer breathing room to struggling industries, indefinite protection risks inefficiency, higher costs and delayed structural reform.

The long-term downwards trajectory in South Africa's manufacturing sector (from 20% of GDP in 1960 to under 13% today, and 2.1 million jobs in 2008 to around 1.6 million in 2023) reflects deeper structural challenges: unreliable electricity, logistics failures, weaker mining linkages, skills shortages and policy uncertainty. Tariffs alone cannot address these constraints.

Overall, the relationship between tariffs and job creation in South Africa is mixed. Some short-term employment stabilisation may occur, but long-term trends remain negative. Protection may preserve existing jobs temporarily, but it risks undermining efficiency and downstream industry competitiveness.

South Africa's experience highlights that tariffs may support job creation only when embedded in a broader reform strategy, not when used in isolation.