

Programmes

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The EDGE Institute research incorporates the following broad themes:

- Private sector development
 - 'Win-win' links between equity and growth
 - Managed engagement with globalisation
 - South-South economic relations with a focus on India and China
 - Information and Communication Technologies
- Sustainable economic growth and employment creation depend on a vibrant private sector, with competitive markets providing incentives for firm innovation and growth, and firms keen to invest to expand their workforce and to raise their productivity. The EDGE Institute's research programme analyses firm behavior and market evolution, investigating crucial aspects of firms' operating environment, such as the competitive milieu, the macroeconomic and socio-political context, infrastructure services and market regulation.

The EDGE Institute believes that improved national economic performance and greater quality are interdependent goals, which should be addressed simultaneously by economic policymakers, rather than independent objectives. Economic polarisation and inequality, and the widespread poverty associated with these conditions, are significant determinants of poor economic performance. Inequality and poverty limit market size and contribute to social instability and to the fiscal burden. At the same time, inequality and poverty impact directly on private investment through their negative influence on firms' expectations about the future. The EDGE Institute investigates the dimensions and modalities of inequality and poverty in South Africa, and their impact on economic performance. We will elaborate strategic frameworks and policies which will make possible increased employment and improved distribution, and produce a 'win-win' relationship between efficiency and growth on the one hand, and equality on the other.

In the age of globalisation, sustainable economic growth depends increasingly on the ability of national economies to compete in global markets for capital and skilled labour, and on the ability of domestic producers to integrate into internationally diversified supply chains for goods and services. At the same time, increased international integration increases the risk facing decision makers in government and business – greater economic volatility, more rapid transmission of shocks and the high-skill bias of labour demand all impact on market outlook, while also sharpening inequality and raising unemployment. EDGE Institute projects elaborate upon the benefits and risks of 'managed openness', in other words, engaging with globalisation while paying careful attention to both the scope, speed and sequencing of opening up to international market pressures, as well as to the additional demands on government capacity which result from globalisation.

South Africa cannot engage with globalisation without taking full account of its location in Africa – there is an imperative for South Africa to actively lead in encouraging development across the continent. President Mbeki is spearheading the collective efforts of African governments to promote growth recovery and poverty reduction. The EDGE Institute examines the impact of South Africa's relations with the rest of the continent, as well as development and equity issues elsewhere in Africa.

The EDGE Institute initiates its own research projects and develops projects in partnership with academic institutions, with other research institutes and with non-government organizations. Funds are raised to finance projects initiated by the institute and its partners, but we also undertake projects commissioned by public sector organisations and donor institutions, with which collaborative projects are undertaken.

The Institute specializes in firm-level surveys as a means of obtaining primary data about firm attitudes, motivations and decisions, as well as their characteristics and behavior. The survey method makes possible the evaluation of broad economic, institutional and policy issues affecting firms and households, which is especially important in the risk environment in which economic agents operate, given South Africa's own political transition and the international context of globalisation.

The EDGE Institute is strongly committed to building capacity in economic policy analysis, especially amongst previously disadvantaged groups. The Institute's firm surveys and related research projects offer not only employment, but also vital research experience and exposure to the 'real world' to a number of social science graduate students across South Africa.