2006/02/06 12:00:00 AM

AS WE begin another year it seems appropriate to reflect on what might have been and to speculate on what might be possible in 2006. Here, at Geekonomics, reflection and speculation are confined to economic policy and analysis.

We have compiled a wish list of some changes we would like to see (or not see) over the course of the year. Christmas is a long time off but policy changes take time and Geeks are pragmatic.

We are particularly pragmatic when it comes to tariff reform and liberalisation. Sure, we would love to see our Christmas trees sparkling with the best Chinese lanterns, the most radiant Czech crystal, and plastic reindeer from Finland. But government has played Grinch with trade taxes and is unlikely to relent soon.

The 20% duty on electric lamps, 15% duty on crystal plates, and 30% duty on "articles for Christmas festivities" seem a high price to pay for some seasonal frivolity. Instead, some simplification of SA's — and hence the Southern African Customs Union's (Sacu) — external tariff schedule will have to do.

Sacu has one of the most complex tariff schedules in the world. Despite a long-standing commitment to reduce the number of tariff rate bands to six, the number of bands in 2004 was 38, exactly the same as in 1990. And while the number of product lines in SA's tariff schedule has been reduced from 11231 to 6697 between 1994 and 2004, the European Union (EU) and Southern African Development Community (SADC) agreements mean that the effective number of tariff lines in force is actually 20081 (three times 6697).

Preferential trade agreements with Mercosur and others will only add to the complexity and cost of this schedule.

Government continues to negotiate preferential trade agreements. Indeed, this is the only form of trade "liberalisation" that has taken place here this century.

Unfortunately all agreements concluded so far have imposed restrictive rules of origin that make tariff reductions virtually useless. These rules specify the amount of processing that must take place for a good to qualify for preferential treatment.

While rules in the EU deal might have been beyond our control, those in SADC were largely due to SA. In key sectors (ie any in which SA fears competition from SADC neighbours) we have insisted on rules that many of our own producers could not satisfy, let alone in our poorer neighbours.

Our second wish is for government to initiate simplification of the SADC rules of origin. This would be a gift to ourselves and the region, and would place us all on firmer ground in future preferential trade agreement negotiations with the EU and the US.

The Motor Industry Development Programme (MIDP) is widely regarded as government's flagship industrial policy programme. It is so successful that it has already been extended twice.

By its planned expiry date in 2012 it will have been in operation for 17 years, more than three times longer than originally scheduled. It is currently under review for a possible further extension.

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Our third wish is for greater transparency and accountability, and cheaper cars, of course. The sizable costs of the MIDP have never been tabulated and the benefits provided to a small number of vehicle assemblers are not publicly accounted for.

We would like to see a truly independent review of this programme with a serious analysis of its costs and benefits. And we would like the companies that have been so generously assisted by the MIDP and many other government programmes for this industry to advise when they will be able to compete without this support.

Our fourth wish is for increased competition and fair prices in resource industries. The trade and industry department promised to release its import parity pricing strategy by last November but to date only Mittal Steel has responded. Mittal's proposal is limited and self-serving but it is all we have.

Resource prices and the rand look likely to remain strong in 2006 and some relief for downstream manufacturers is well overdue.

We have kept some of our New Year's fireworks aside in hope that we might see something from government soon.

Finally, in this, the year of the dog, let us focus on the big picture and not fight over fiscal scraps. Many South African industries have grown up on handouts from government and continue to clamour for protection, subsidies and incentives.

The motor sector leads the pack but textile producers, metal, mineral and chemical companies, and more recently the film and call centre industries are no strangers to the food bowl.

Regardless of whether protection, subsidies or incentives are necessary, firms will ask for them and accept them if they are available. While the benefits might be large and concentrated, the costs are spread over a much broader group of stakeholders-taxpayers and consumers.

We would like to take this opportunity to wish all taxpayers and consumers a good 2006!

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