

Benchmarking For Impact:

Learning from the Bureau for Economic Research (BER) to Strengthen Moses Kotane Research Institute (MKRI)'s Economic Forecasting.

Overview

The Moses Kotane Research Institute (MKRI) is mandated to provide policy relevant economic intelligence to the KwaZulu-Natal (KZN) Government. However, it faces constraints in high-frequency economic forecasting, survey-based indicator production, and structured capacity development. This study benchmarks MKRI against the Bureau for Economic Research (BER) a leading South African economic research institution to identify transferable best practices that can strengthen MKRI's capabilities and its contribution to evidence-based policy in the province.



Main Findings

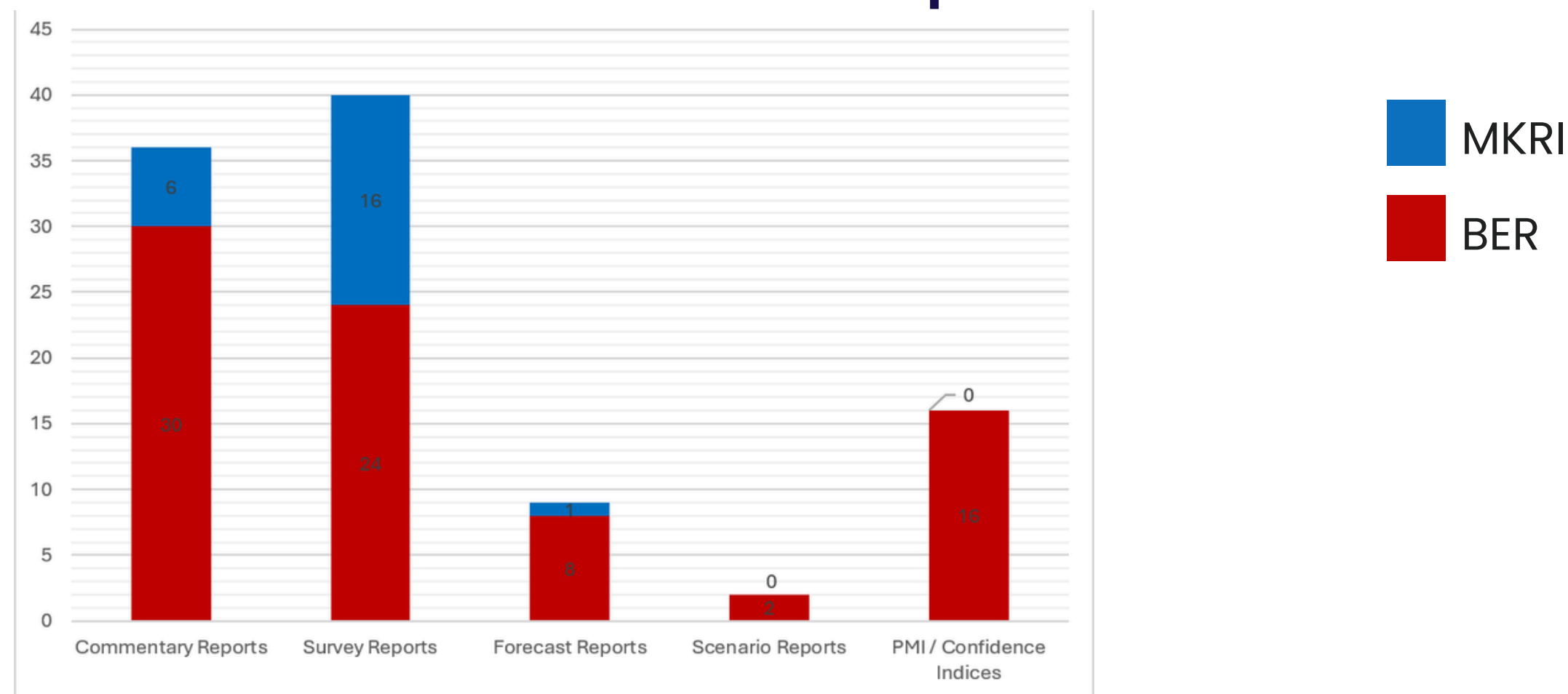
The comparative analysis revealed significant gaps and opportunities for MKRI across four key domains.



1. Research Output Comparison: MKRI vs. BER

MKRI's research output is heavily concentrated on commissioned sectoral reports and articles, while BER's output is dominated by recurring economic intelligence products like surveys, forecasts, and commentaries.

Figure: MKRI vs BER annual research outputs



Key Takeaway:

This highlights a clear opportunity for MKRI to diversify its output by including regular economic monitoring products.



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2. Comparative Analysis Of Current Capabilities

This visual clearly contrasts the current state of MKRI with the established practices of BER, making the "gap" and "opportunity" very clear

 DOMAIN	 MKRI Status	 BER Practice	 Gap Identified
Forecasting	No established forecasting capability 	Comprehensive macro-econometric model & regular forecasts	Significant Gap 
Surveys	No systematic survey-based indicators 	8 survey series, administered 4 times annually	Significant Gap 
Indices	No confidence indices 	Business, Consumer Confidence & PMI with documented methodologies	Significant Gap 
Capacity Building	No structured graduate programme 	12-month SARB/BER Economist Internship Programme	Opportunity 
Stakeholders	Focused on provincial mandate (EDTEA, universities) 	Client-focused model with extensive private/public sector engagement	Gap in Reach & Frequency 

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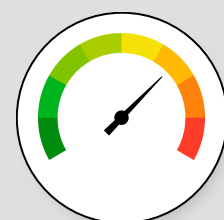
3.Strategic Products Not Produced by MKRI

BER produces a range of recurring products that MKRI does not, representing a significant area for development:



High-Frequency Surveys:

Manufacturing, Trade, Building & Construction, Consumer Confidence, Inflation Expectations.



Confidence Indices:

Purchasing Managers' Index (PMI).



Forward-Looking Analysis:

Macroeconomic Forecasts and Scenario Analyses.



Key Takeaway:

This outcome demonstrates the "missing" products and their potential value to KZN.

Key Insights



Strategic Diversification

MKRI's focus on in-depth sectoral reports is a strength, but it must be complemented with high-frequency, real-time economic intelligence to be a truly effective tool for policymakers.



Proactive Governance:

Developing a KZN Business Confidence Index and provincial economic forecasts would provide an early warning system, enabling proactive (rather than reactive) policy responses to economic shocks.



Skills Sustainability:

A structured economics internship programme, modeled on the BER's, is crucial for building a sustainable pipeline of skilled economists for the provincial public sector, reducing reliance on external consultants.



Adaptation over Imitation:

While MKRI should adopt BER's methodological rigor, it cannot replicate its commercial model. The focus must be on adapting best practices to fit MKRI's provincial mandate and unique economic context.

Recommendations

Based on the benchmarking findings, a phased implementation approach is recommended for MKRI:

Phase	Timeline	Key Activities	Expected Deliverables
 Foundation	Months 1-12	Establish regular economic monitoring products (Quarterly Economic Update), formalize stakeholder engagement, and design the internship programme.	Quarterly economic update plan, stakeholder engagement strategy, internship curriculum design.
 Development	Months 13-24	Develop & pilot the KZN Business Confidence Index (BCI), build basic forecasting capability, and launch the first intern cohort.	KZN BCI methodology & pilot data, a forecasting framework, and first intake of interns.
 Institutionalization	Months 25-36	Institutionalize the monitoring products as routine functions, establish the internship as a flagship initiative, and secure partnerships for sustainability.	Regular KZN BCI reports, established internship programme, formalized data-sharing agreements.