Towards effective developmental states in Southern Africa

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Introduction

The debate about developmental states remains topical in Africa largely because many argue, understandably, that Africa needs effective developmental states in order to advance economic and social development. There are others who argue that Africa once had a good number of developmental states for example (Mkandawire 2001). Although there are some countries in Africa that can be viewed as (re) emerging developmental states, at least to some extent, there is still a long way in having robust developmental states in Africa (Gumede 2017). It is evident that the Structural Adjustment Programmes of the 1990s and some of 2000s have not benefitted Africans. In fact, several strategies that have been designed and implemented in African countries to promote development have not been seen to benefit the average African – social and economic inclusions and development are still very weak in Africa. Human development indicators pertaining to health, education and employment have not performed well in Africa, with some exceptions of course. There has since been recognition that development in Africa requires more than sound economic management and that building *state capacity* in the pursuit of broader human development goals requires equal priority if not more.

The effects of structural adjustment reforms demonstrated that Africa cannot leave the well-being of its people in the hands of an unregulated market; that the state has an important role to play in directing development. A successful democratic developmental state in Africa does not only address economic issues, it must also address social development issues as well. It is in this context that this paper examines the possibilities for democratic developmental states in Africa. A democratic developmental state can be viewed as a state that pursues higher levels of socio-economic development, in a participatory manner, guided by a robust long-term plan, and that the state has the requisite capacity, the elite is developmental in its approach influenced by a developmental ideology, and the state is appropriately organised for predetermined goals.

The methodology for analysis adopts two approaches to determine the extent to which countries within the Southern African Development Community (SADC) region can be viewed as developmental states or not. The first approach examines the extent to which various main attributes of developmental states, largely using the definition given above, exist or not in selected SADC countries. The second approach relates to the assessment of the levels of human development in selected SADC countries, particularly in view of the fact that development of any country is largely determined through its people. The selected SADC countries as case studies are: South Africa, Zimbabwe, Botswana, Mauritius and Lesotho. The central question that the paper deals with relates to the conditions that are necessary for creating and or strengthening democratic developmental states in Africa.

Characterizing developmental states

The East Asian Tigers have long been an inspiration on defining the developmental state and how the state power can be used to provide strategic leadership in overcoming developmental crises and achieve human development goals (Edigheji 2010). The emergence of the "developmental state" in development discourse follows the rapid rise of the East Asian Tigers (such as Japan, China, Indonesia, Malaysia, Singapore, South Korea Japan, and Taiwan) as an economic and consequent political force in the 1990s. Much of what is known to constitute the "developmental state" is, as a consequence, modelled against the East Asian Tigers: whose developmental states refer state intervention in the operation of the free market in the interests of directing socio-economic goals. In this regards, the developmental state is said to drive economic development, as well as industrialization in the interest of the "public good"

(Mhone 2004). The concept is said to be an institutional model that adopts a statist approach to account for the high patterns of economic growth of the lately industrialized nations. It affirms the contributory function(s) of the state in economic development, and in ways that are distinct from Soviet-type all-encompassing communist states; Keynesian social-democratic states where state intervention is mainly intended to accelerate social equality and fairness; and predatory states whose exploitative behaviour is in antithesis of a nation's economic development (Wai Yip So 2007).

Literary reviews are quick to point out, however, that there is no single definition of the "developmental state". As argued elsewhere, there is no single narrative that accounts for the developmental state. The main differences are attributable largely to differences in emphasis. Seemingly, the developmental is characterized by a number of features or multiple dimensions, namely: ideological (i.e. role of the state versus market force), institutional (i.e. state autonomy and capacity), cultural (collectivism versus individualism), and socio-economic attributes (i.e. economic growth, industrialization, local economies). General consensus, however, is that the "developmental state" emerges in stark contrast of neoclassical economics that has long argued that "state interference" tempers with economic growth as it disrupts market equilibrium with devastating consequences. Institutional economics have since recognized the limitations of orthodox economics, whose failure(s) to explain market 'anomalies' is largely attributable to its failure to recognize the importance of non-market related institutions (i.e. political and cultural institutions) in shaping the very same institutions required to achieve market equilibrium. Gumede (2010: 4) points out that the World Bank's "neoclassical reading of the success of the East Asian economies, with its focus on minimal state prudence and conservative macroeconomic policies, was debunked as being too simplistic. Better yet, these were disproved by analysis that confirmed that South East Asian economies have developed through the active involvement of the state in determining strategic national agendas (i.e. the thrust of macro-economic and industrial policy, trade, and labour market policies), debunking the minimal state theory of development".

Mkandawire (2001) argues that developmental states are “social constructs” by different role-players in a particular society, namely political elite, industrial elite and civil society. This perspective is, in part, shared by Johnson (1982) who conceptualised the developmental state in Japan, for instance, as epitomized by a “plan rational state” where “the politicians reign and the state bureaucrats rule” - the “plan rational state” shaped economic development as it intervened in the development process and established “substantive social and economic goals”. Similarly to Onis’ (1991) who argues that East Asian model of a developmental state is the product of political and cultural forces, (Castells 2010) also identifies three “cultural” dimensions that reinforce the conceptual makeup of the developmental state in East Asia, namely: the Japanese communitarian approach, the Korean patrimonial logic and the Taiwanese patrilineal logic. Onis (1991) also recognises the importance of historical context that sets the stage for the making of the developmental state. Onis (1991) argues that East Asian developmental states were also shaped by their historical circumstances.

Also a significant body of the literature on “developmental state” has focused on economic growth and development. Bagchi (2000), for example, defines a developmental state as “a state that puts economic development as the top priority of governmental policy and is able to design effective instruments to promote such a goal”. Critical to this perspective is that industrial policy and structural change in the production system drives economic expansion. In this instance, economic development is largely associated with industrialization and liberalisation. This perspective seems to feature prominently in definitions of developmental states by leading scholars in the field. There is a general consensus that economic growth is central to a “developmental state”. According to Bagchi (2000: 398) a developmental state is a “state that has prioritised economic development in its policies, and one that designs policies that effectively enable the promotion of such a goal.” Based on this definition of a developmental state, Bagchi further identifies instruments that can be used in the construction of a developmental state, which include forging new formal institutions, the weaving of informal and informal networks of collaborations amongst citizens and officials, as well as the utilisation of new opportunities for trade and profitable production. Therefore a developmental state is characterised by economic development.

There is however a major problem in defining a developmental state based on economic performance. The problem is that, not all countries that have good economic growth rates are developmental states. Mkandawire (2001:290) argues that this definition of a developmental state run the risk of being tautological since the evidence of a state being developmental is drawn deductively from the economy. This produces a definition of a state as being developmental if the economy is developing, and equates economic success to the states strength, while measuring the latter by the presumed outcomes of its policies, excluding situation in which exogenous structural dynamics and unforeseen factors that can torpedo genuine developmental commitments and efforts by the state. In Africa there have been many examples of states whose economic performance up until the mid-1970s would have quantified them as developmental states, but which now seem anti-developmental because the hard times and political turmoil, brought the economic performance to a standstill. Just as these factors account for a state's developmental success, they too can account for economic failure, in that, some government policies, political will and technical capacity may simply prove to be inadequate to fend off exogenous forces. The recognition of episodes and possibilities of failure lead us to a definition of a democratic developmental state as one whose ideological underpinnings are developmental and one that seriously attempts to deploy its administrative and political resources to the task of economic development (Mbabazi and Taylor 2005:02).

Robinson and White (1998), Leftwich (1995) model, as well as Cummings and Nørgaard's (2004) all argue that "state-structure nexus" constitutes a fundamental component of the developmental state and emphasise the importance of organizational capacity of the state, as well as technical capacity (i.e. implementation capacity) in building a developmental state. Important in this regards has been the ability to develop "industrial elites"; ensure relative state autonomy; "institutional coherence"; and economic performance. In essence, developmental state regimes have, often than not, successfully undone the legacy of "closed bureaucracies", and reformed their institutional, legislative and governance arrangements in ways that have enhanced centralization, coordination and strategic planning. Institutional reforms, alongside changes in economic strategy, have definitely contributed towards planning and promotion of developmental goals.

Though much on the developmental state has been modelled on the East Asian Tigers, there are scholars who contend that the "developmental state" should be modelled against broader developmental paradigms, which include elements of democratic participation, consensus-building and cooperation within social/economic partners. The concept of "democratic participation" and "embedded autonomy" introduced by Evans (1995) highlights the centrality of cooperation, negotiation and consensus building around the developmental agenda. In this instance, the critical success factors lie in forging state formed alliances with social groups in society that help to achieve national developmental goals. Edigheji (2005), in this instance, suggests that a developmental state should, in principal, embody the following four principles: electoral democracy and popular participation in the development and governance processes; economic growth, state driven socio-economic development and "embedded autonomy".

Gumede (2008: 9), on the other hand, argues that a developmental state "is a state that is active in pursuing its agenda, working with social partners. It has the capacity and is appropriately organised for its predetermined developmental objectives." This definition is informed by research on the subject and influenced by Evans' (1995) notion of 'embedded autonomy'; Leftwich's (1995) model of a developmental state; Cummings and Nørgaard's (2004, in Gumede 2010) four dimensions of state capacity; definitions and features of developmental states by South African scholars, as well, such as Luiz (2002), Mhone (2004), Swilling et al (2006), Edigheji (2007 & 2010). As Dikeni (2012: 37) puts it, 'developmental state as a term primarily concerns itself with the ways and means of how a State governs, intervenes in the lives of its citizens, and organises and mobilises resources for itself in order to transform and effect economic and social change in society for development purposes'.

Going through literature regarding the definition of a 'developmental state' it is evident that there is no single definition of what a developmental state is. However, it is generally understood that development must involve the people that need development – the people should be able to guide the development needed and also have choices for their livelihoods. Within the African context, development must involve socio-economic progress or improvement in wellbeing of people.

Developmental states in Africa

With the exception of Liberia (although briefly colonised) and Ethiopia, African countries were colonised and the consequence was underdevelopment. To graduate from this state of underdevelopment, development had to become a top priority (Mkandawire 2001). According to Botlhale (2015) early nationalist leaders championed the cause of development through the concept of a developmental state which was intended to direct economic development.

According to Evans and Heller (2012: 5) the notion of a developmental state has evolved over the past few years. Initially the model of a developmental state was modelled on an analysis of the role of the state in the successful industrialisation strategies of Japan and the Asian Tigers. The emphasis in this analysis was on the *dirigisme* role of the state in initiating and shaping industrialisation strategies by mobilising scarce resources and focusing them on selected industrial initiatives. According to Evans (2010), more recently there has been a shift. Literature emphasises the importance of socioeconomic development as well as human development in the construction of a democratic developmental state; drawing from the experience of countries such as Mauritius, Costa Rica and Chile.

According to Nyamnjoh and Jimu, (2010: 16) a lack of development in Africa implies a denial of opportunities for living a tolerable life. As argued elsewhere, a good way of measuring development in Africa is by looking at unemployment, poverty and inequality. Unemployment, poverty and inequality are as much human development challenges as they are economic challenges. They are socio-economic challenges that have a significant bearing on human development. Africa's unemployment, poverty and inequality rates are among the highest in the world. The average income per capita in most African countries is lower than what it was in the 1960s. According to Nyamnjoh and Jimu (2010: 16) statistics indicate that the rise in the levels of unemployment, poverty and inequality in many African countries, is a manifestation that development in its broadest sense is an obscure ideal to many African states.

Case Studies: developmental states in southern Africa

BOTSWANA

From a country that was "incredibly underdeveloped" at independence in 1966 (Taylor 2002: 7), Botswana is frequently cited as an example of an African developmental state owing to its impressive economic growth, relatively low levels of corruption and crime, political stability and efficient public bureaucracy. According to Clover (2003) Botswana stands out in the SADC region, and globally, as a country that has experienced remarkable and consistent growth, "with the highest level of per-capita growth". It is one of those countries outside of Asia that have recorded phenomenal levels of economic growth. Both Botswana and Mauritius have performed well and have been recognized as developmental states- with Botswana having had the most impressive growth figures in the world (Taylor 2003).

Through fiscal discipline and proficient management, Botswana has transformed itself from one of the poorest countries in the world to a middle-income country with an estimated per capita GDP of $16 200 in 2011 (CIA 2012). Botswana is famed for its diamond resources. Diamond mining has fuelled much of the expansion and currently accounts for more than one third of GDP (accounting for between 70-80% of export earnings, and half of the government's revenues).

However, an abundance of mineral wealth on its own explains nothing in looking at Botswana's success-as the case of Sierra Leone demonstrates. According to Leith (2004: 4) "the growth of the Botswana economy is not simply a story of a mineral reserve with an ever growing government, attached to a stagnating traditional economy". In fact, in spite of the significant economic growth, a more holistic picture of Botswana reveals a country faced with numerous social challenges. Botswana was ranked 118 out of 187 countries in the 2011 human development index (HDI). According to the African Development Bank (AfDB 2009), Botswana experienced a drop in HDI ranking in recent years, and this is closely linked to the high HIV prevalence in the country (the second highest in the world). Besides the high HIV/Aids prevalence, Botswana faces other major social challenges, including high poverty rates, inequality and unemployment. The high unemployment rate largely reflects the narrow base of an economy dominated by the mining sector which has only limited linkages with other activities. Therefore, there is a major problem in defining a developmental state simply from its economic performance: not all countries with good growth rates are developmental states. Referring to Africa specifically, Mkandawire argues that:

> *In Africa, we have many examples of states whose performance up until the mid-1970s would have qualified them as 'developmental states' in the sense conveyed by current definitions, but which now seem anti-developmental because the hard times brought the economic expansion of their countries to a halt. Recognition of episodes and possibilities of failure leads us to a definition of a developmental state as one whose ideological underpinnings are developmental and one that seriously attempts to deploy its administrative and political resources to the task of economic development (Mkandawire 1998: 2).*

In Botswana, there has been a definite commitment by the state to pursue development. This goes back to the first presidency of Sir Seretse Khama who, who was conscious of developing what had been hitherto a relative backwater of the British Empire (see Parsons, Henderson and Tlou 1995). A conscious and disciplined leadership has been seen as one of its main duties the need to develop professional institutions with competent bureaucrats. This developmental philosophy was accepted and advanced by both the political and bureaucratic elites and by the institutions that they built up (Tsie 1996). This emphasises what Ha-Joon Chang's argues, that a developmental state should act as an entrepreneurial agent whilst engaging in institution and capacity building (Weiss 1998). In the year 1981 the then Minister of Finance and Development Planning, Peter Mmusi, spoke of the need for a "purposeful government which acquires the expertise to deal with companies on its own terms. 'The important word is "purposeful"-and I believe our government has been able to put together strong negotiating teams, has backed them up with well-worked-out negotiating mandates, and has then overseen the implementation of our major mining agreements with detailed care as well'" (Harvey and Lewis 1990: 119).

Furthermore, Botswana is ranked as the best credit risk in Africa. According to the UNDP (1997), Botswana "has a very low debt, with debt servicing accounting for 4% of exports and enormous foreign reserves. Botswana has a relatively small population but large resource base with a per capita income of $ 5,367". In terms of the characteristics cited, it is not clear how far small population size or low debt ratio can change a country into a Developmental State, but it may be surmised that these criteria might serve as indirect support for such a state to flourish, because if low debt and small population alone were the only criteria used to determine a country's suitability to being a Developmental State, then this would probably mean that many indebted countries on the continent with populations larger than that of Botswana would not qualify to become developmental states (Maphunye 2009).

A key characteristic of a Developmental State is the extent to which a country succeeds in reducing extreme social inequalities and abject poverty among its citizens. For example, this can be achieved through the channelling of resources towards the improvement of citizens' quality of life, capabilities, and freedoms. If this is the other core element against which a country should be measured when gauging the extent to which it is a Developmental State, then Botswana might be a pertinent example as observers argue that "it is not only the country's economic growth that is impressive" (Taylor 2002: 3). In fact, economic growth in itself, including measures such as GDP per capita, might not be a useful tool for assessing a country's development levels or serve as an indicator for a Developmental State. If anything, it might mask the levels of inequality in a country and therefore it has to be acknowledged that a country's social and human indicators, rather than its economic performance, should also be examined to determine the extent to which it might fit the above model of a Developmental State. Therefore, explanations and accounts of Botswana's development trajectory are diverse.

Touching on one of the many factors that account for Botswana's relative success, I believe that balancing the provision of public goods and social welfare against fiscal and monetary policy prudently, is one of Botswana's key strengths (Clover 2003). In fact, Botswana is one of the few sub-Saharan African countries to use its mineral rents to fund development, a reflection of the democratic manner in which the budgetary process is overseen. While Botswana's per capita income is the lowest in the "A" category, \$3600 (in the year 2002) compared with a US\$8000-US\$27000 range for its Gulf peers and US\$4000 in Chile. The provision of infrastructure has progressed substantially over the past decade. A significant proportion of the population has access to basic services, with virtually free education and health care, and there are a number of social safety nets and income transfer programmes for the poor and the disadvantaged. According to UNICEF (2012) some 97% of the population has access to safe water, immunisation coverage for children less than one year of age is over 90%, access to primary education is free and 84% of children are enrolled in schools. Poverty levels have been decreasing over time - the proportion of Batswana living in income poverty fell sharply between 1985/86 and 1993/94. According to a 1997 study on Poverty and Poverty Alleviation commissioned by the Botswana government and undertaken by the Botswana Institute for Development Policy Analysis (BIDPA), reported that the national poverty rate had declined from 59% in 1985 to only 47% in 1994, 30% and 20% respectively (Clover 2003). The proportion of poor and very poor persons declined from 59% to 47%, while the proportion of poor households fell from 49% to 38% (Harvey, Siphambe and Segosebe 2005: 7).

While Botswana has experienced phenomenal growth in GDP by world standards and a decline in poverty, this remarkable economic performance has not been accompanied by a decline in inequality (Okatch 2012). Botswana has one of the highest income inequality levels in the world, with the CIA World Factbook website ranking Botswana as the country the fourth highest Gini coefficient out of a total of 102 countries. The three countries that had higher inequality levels than Botswana were Namibia, South Africa and Lesotho. The Gini coefficient of these three countries was 70.7, 65.0 and 63.2, respectively, while that of Botswana was 63.0. Ironically, all the top 5 namely Namibia, South Africa, Lesotho and Sierra Leone, with the exception of Lesotho, are countries that are highly dependent on minerals.

The Household Income Expenditure Surveys (HIES) shows that income inequality in Botswana has worsened over the 1993/94 to 2002/03 period, with the Gini coefficient of disposable income increasing from 0.537 to 0.573, respectively. The increasing inequality among the impressive economic development can be explained by Kuznet's curves. Kuznets (1955) demonstrations that as development measured by, per capita income, increases, inequality will initially become worse than it will eventually improves. Kuznets (1955) argues that inequality rises as the economy becomes less dependent on low productive agriculture and more dependent on industrial sectors which are more productive. According to Todora and Smith (2011) the industrial sector usually has higher average income which is less uniform.

LESOTHO

Lesotho is a democratic, sovereign and independent country, totally surrounded by its neighbour, the Republic of South Africa. The former Basutoland was renamed the Kingdom of Lesotho upon independence from the UK in 1966. In the year 2011, it consisted of a population of about 1, 879, 000, with the vast majority of the population being the Basotho people with small groups of Europeans and Asians. In the SADC region the Kingdom of Lesotho falls within the category of least developed countries (LDCs), with more than half of its population living on less than $1 a day (UNDP 2007).Lesotho, like most African countries continue to face development challenges.

During the colonial era in Lesotho, very little was done to develop the country economically. Upon attaining political independence in 1966, government had to intensify efforts in building a sound economic base (Maleleka 2009).

Lesotho's Human Development Index (HDI) improved modestly from 0.397 in 1980 to 0.427 in 2010 (above the Sub-Saharan average of 0.389). The country's human development index then decreased to a lower 0.450 in the year 2011. The HDI estimates the ratio of female to male enrolment at 97.6%, 136.2% and 124.5% at primary, secondary and tertiary level education, respectively. On the other hand, the gross enrolment ratio is estimated at 103%, 46.4% and 3.5% for primary, secondary and tertiary schools, respectively. The country has also seen a sharp decline in its human development, ranking from 141 in 2010 to 160 in 2011 Therefore, the country's overall standard of living is still very low (BTI 2014).

Lesotho's greatest challenge is the unfavourable mountainous terrain which makes infrastructure development difficult and demanding. Poverty in Lesotho has a strong spatial dimension. About 66% of the country is mountainous and over 60% of the population lives in these high and rugged mountains and foothills. This therefore translates into rural areas being home to the majority of the poor and consequently, this divide further translates into various poverty indicators such as the national poverty, extreme poverty and dollar/day poverty rates. Although accurate poverty statistics are difficult to obtain, the country's National Strategic Development Plan departs from an estimated figure of 56.6% of citizens who live under the poverty line ($2 per day) (Maleleka 2009). Furthermore, income distribution in Lesotho also remains skewed towards the urban areas, which calls for urgent policies to redress this. Another area of spatial tension is unemployment and inequality (Nseera and Bhatia 2014). In the year 2013, Lesotho's unemployment rates was calculated at 33.3%.

According to Nseera and Bhatia (2014) about 75.7% of the unemployed live in rural areas. Unemployment is also high among the youth. The majority of rural workers are employed in private household activities, largely agriculture while in urban areas, manufacturing and services sectors tend to be the main employers. The government of Lesotho has adopted free market principles, yet the country's high level of unemployment and the absence of an efficient social safety net make the majority of Basotho dependent on a largely unregulated informal economy as well as remittances from family member working in South Africa according to the Lesotho Country Report 2013 (BTI 2014).According to the Lesotho Country Report (BTI 2014) remittances contributed 28% of GDP in 2011. The contribution of remittances to Lesotho's GDP is estimated to be among the highest in the world. However, with the increasing levels of poverty and inequality in South Africa, as well as an influx of other African citizens, competing for jobs in South Africa has become even more challenging.

One of the primary causes of such high unemployment rates in Lesotho is the very poor quality of education and training. Lesotho has a relatively high literacy rate, of 86%. The country prioritizes education in its annual budget, and, in the 2012-2013 fiscal year, education remained the single largest expenditure, at 22.61% of recurrent expenditures. However, enormous challenges remain, with particular regard to the quality of such education. The retention of pupils in the primary system, the transition rate from the primary to secondary level, and the quality of the secondary and tertiary sectors is generally poor (BTI 2014). Quality education, employment and labour force growth are one of the biggest impediments to economic growth. Therefore, if job recreation is not accelerated in the next decade, poverty is likely to rise to level leading to social tensions (Lesotho Country Proposal to the Millennium Challenge Corporation 2006).

Furthermore, the majority of the population of Lesotho lives in the rural areas. This fact clearly implies that there is a high degree of dependence on the rural economy, particularly farming and agricultural activity, to sustain many rural households in Lesotho. However the country is confronted with severe natural resources degradation and weak environmental conditions. The performance the rural economy continues to be highly affected by poor agricultural productivity and lack of infrastructure (MCC 2006). The decline in agricultural contributions was accompanied by a decline in migrant mineworkers and related remittances (Maleleka

2009).This decrease in the number of migrant mineworkers translated into a decline in income for the majority of households in Lesotho (Turner, 2003). Another threat emerged from the decline in remittances due to urban migration which presented a real threat to growth, maintenance and development of the agricultural sector. This has left the already declining agricultural sector in a state of severe weakness and lack of sustainability (Maleleka 2009).

According to Nseera and Bhatia (2014) in the past five years Lesotho has implemented significant measures to strengthen the social protection sector to fight against poverty and vulnerability. The government of Lesotho has commitment to social protection. The social protection framework comprising the National Policy for Social Development and the Social Protection Strategy was formulated and approved in December 2014. The strategy's objective is to provide support to those that are unable to construct a viable livelihood, to protect assets and improve the resilience of poor and vulnerable households and to increase the productive capacity and asset base of poor and vulnerable households. Based on the life cycle approach, the strategy focuses on expansion and diversification of social protection services to address diversity of vulnerability and poverty through: i) introduction of new interventions, such as the infant grant programme targeting 1 000 days (from pregnancy to 24 months), a disability grant and a productive safety net targeting population at working age; and ii) expansion of existing programmes, such as the Child Grant programme, Old Age Pension Grant Integration, and harmonisation of social protection programmes, as well as linking social protection with interventions in other sectors to increase efficiency and effectiveness and promote graduation from poverty and vulnerability.

From an economic point of view, income inequality is a function of high unemployment rates. Similar to South Africa, Lesotho's poverty and inequality are strongly rooted in its unemployment rates. As already acknowledged, Lesotho is a country with skew distribution of income and consequently high poverty levels for rural areas. Bhorat et al. (2012) argue that income inequality has to do with the structure of the economy. The South African economy is characterised by high unemployment rates, where the narrowest measure of unemployment stood at 25% in the year 2012 and the wage differentials in the labour market account for the high income inequality in South Africa (Narayan and Mahajan 2013). Lesotho's economy is characterised by unemployment rates, where the narrowest measure of unemployment is 33.3%. Bhorat et al. (2001) illustrate that education affects the propensity of people participating in the labour force, as well as their probability of being employed and their earnings. According to Bhorat and Hodge (1999) the South African labour market demand patterns reflect an increasing demand for higher skilled labour and decreasing demand for low-skilled workers, thus further affecting the structure of the South African economy and increasing the inequality in the labour market. Similarly, Lesotho's labour market may reflect an increasing demand for higher skilled labourers and a decreasing demand for low-skilled workers. Furthermore, spatial inclusion can also influence the levels of poverty and inequality in Lesotho. The sustained growth realised since the 1990s has not been inclusive as indicated by the rising poverty levels and inequality (Nseera & Bhatia 2014). According to the Bureau of Statistics, 2003/04 and 2014, the extreme poverty measures also substantiate this spatial exclusion as they indicate that more than 38.5% of the population in rural areas suffers extreme poverty compared to 20.4% in urban areas. Therefore, spatial inclusion may result in a change in this regard.

MAURITIUS

The Republic of Mauritius is an island country off the southeast coast of Africa, with a population of approximately 1.3 million people. Since its independence in 1968, Mauritius has developed tremendously from a low-income, agriculture-based economy to a middle-income diversified economy. The economy is principally based on tourism, textile manufacturing, sugar and financial services (Svirydzenka and Petri 2014). It has transited from being called the tiger of the Indian ocean to the cyber island and more recently to the ocean economy, but whatever be the terms chosen to describe the small resource poor island state, the focus behind those terms are the developments achieved and those planned and expected, largely the result of effective state intervention. According to Bunwaree (2015) Mauritius is a fully-fledged democratic developmental state. Mauritius is a multi-party democratic republic. The president is the head of state, and the prime minister is the head of government. The prime minister is assisted by a council of ministers (UNPAN 2004). Similar to Botswana it has “displayed certain developmental features” (Sindzingre 2004: 5). It has successfully transformed its’ economy from one that was “mainly agricultural with few manufacturing outlets”, to one that was boldly liberalised to enable the country to educate its labour force, benefit from favourable international conditions, and build an autonomous efficient bureaucracy, in short “the key ingredients of a successful developmental state” (ISS 2009, online). The country has gradually built its economy and evolved into what many regard as a developmental state.

According to the Republic of Mauritius Millennium Development Goals Status Report (UNDP 2013) the Mauritius economy has been growing at an annual rate of 4.2% from 2006 to 2012.The GDP per capita at market prices has grown by 55% during the same period. Mauritius has a long record of sustainable growth over the past 45 years of independence. Prudent macro-economic management, political stability, favourable regulatory and institutional arrangements, investment in human capital development, an entrepreneurial culture and a developed financial system have led to a resilient economy with high growth and growing affluence that have been reasonably well spread in the population.

Similar to South Africa, wealth in Mauritius is concentrated in the hands of a handful of families, however unlike in South Africa, the various governments of the post-independence period managed to get the different stakeholders to work together in the interests of the country (Bunwaree 2015). Mauritius had a GDP per capita US$7 488 in the 2010, HDI of 7.8%, and an unemployment rate of 7.8% in the year 2011. The country provides free health, free education up to tertiary level and old age pensions to all its citizens. The provision of social welfare has been an investment that has yielded positive benefits to the people for social and economic development as well as tackling poverty and reducing inequality (Mutangadura 2013).

According to the UNDP 2009 report, social development indicators in the Mauritius economy display a relatively high level of equality, balance and equitable growth impact across the different social strata. With the highest human development index in sub-Saharan Africa, the economy shows a relatively good distribution of wealth, especially when compared to other African countries such as South Africa and Botswana (which both have high GDPs but lower HDIs). According to the Mauritius Country Strategy Paper 2014-2018, less than 1% of the population is considered as poor. There is no extreme poverty in Mauritius, however relative poverty is growing slowly and the income gaps are widening as a result of diversification and structural changes in various sectors of the economy. Furthermore, growth has slowed down from an average of 4.8% during 2003-2007 to 3.9% during 2008 -2012. Unemployment has also slowly increased especially among less skilled youth and women; and in order for the government of Mauritius to achieve a HIC status, it must urgently propel the country back onto a high growth path in the Mauritius Country Strategy Paper 2014-2018 (AfDB 2014).

According to the Mauritius Country Strategy Paper 2014-2018, the Mauritius government has announced an ambitious agenda:

> *To transform Mauritius into a High Income Country (HIC) on the basis of growth that is sustainably generated and equitably distributed by 2025* (AfDB 2014: 4).

This goal is highly attainable. Even though Mauritius experienced an increase in the country's Gini coefficient from 0.388 in 2006 to 0.413 in 2012- which is an indication that growth is was less inclusive during the period- and the share of total income going to 20% of households at the lower end of the income range decreasing from 6.1% in 2006/07 to 5.4% in 2012, while the share of the upper 20% of households increased from 45.6% to 47.4%. Mauritius is classified with less than 1% extreme poverty as defined by the World Bank. This increase in inequality is a direct result of the shift of the economy from agriculture and primary production to a more services driven economy, resulting in less demand for unskilled labour, combined with persistent labour market imperfections making it more difficult even for skilled persons to enter the labour market. However the Mauritius government has taken the necessary step to redress this issue and had advanced its poverty eradication strategy through the National Empowerment Foundation (NEF), which was created in 2008. The NEF runs a Child and Family

Development Programme to ensure children of vulnerable families receive adequate support to attend pre-primary and primary schooling. A dedicated Ministry of Social Integration and Economic Empowerment was set up in 2010 to economically empower vulnerable families, so that they can integrate into mainstream society (UNESCO 2015). Furthermore, in 2009 the Mauritius government also introduced a Corporate Social Responsibility (CSR) programme. This programmes has mandated companies to pay 2% of their book profits to contribute to poverty alleviation, human development and environment protection. Since the introduction of the programmes, the government has taken steps for improving targeting of social assistance.

SOUTH AFRICA

There have been many on-going debates in South Africa as to whether or not South Africa is a democratic developmental state. Some of these debates have concluded that South Africa is a developmental state, while others have concluded that South Africa is not a developmental state. According to Mkandawire (2001: 291) good economic performance and social transformation are positive outcomes of development, which implies that a developmental state is about institutions, processes and their management. Since the dawn of democracy, significant amount of effort by the state and other sectors of the society have gone into devising policies and programmes that seek to bring to life the nobles ideals of human dignity, equality, human rights and freedom (Constitution of South Africa 1996: 30). The public policies that have been implemented since 1994 can be said to have been deliberate attempts to engender human progress and socio-economic justices (Gumede 2016).

As Onis (1991) argued in the case of East Asian developmental states, that they were shaped by their historical circumstances, the African National Congress (the ruling political party in government currently) aspires to "build a developmental state that is shaped by the history and socio-economic dynamics of South African society" within the "National Democratic Revolution" paradigm (ANC, 2007: 5). The ANC's ideology (i.e. the national democratic revolution[1]) is clear in many government documents and political discourse (i.e. ANC Strategy and Tactics 2007, National General Council 2005, 52nd National Conference, ANC manifesto for 2009 general elections). This is one aspect of a developmental state that Mkandawire (2001) alludes to. The ANC's policy discussion documents, for example, highlights that South Africa's developmental state will be informed by and customized to respond to local realities, such as South Africa's history of colonialism. These emphasize state capacity to intervene in the economy in the interests of national development, higher rates of growth and social inclusion.

The second aspect, the structure, is clear in the detail of what the ANC deems a developmental state to be. The revised *Strategy and Tactics* (ANC 2007) says that the developmental state would have the capacity to intervene in the economy; implement social programmes that address unemployment, poverty and underdevelopment and also have the capacity to mobilize the people. With some exceptions, the ANC seems to be adopting Leftwich's (1995) model of developmental states and combining that with Evans' (1995) "embedded autonomy" recommendation and trying to ensure the "ideology-structure nexus" of Mkandawire (2001).

From Leftwich's model, the following components seem to feature in the South African case: determined developmental elite; relative autonomy; the effective management of non-state economic interests; and legitimacy and performance. With regard to "ideology-structure nexus", the attributes that the ANC lists as the main attributes of the (envisaged) South African developmental state include issues such as the proposed strategic orientation (which emphasizes people-centered and people-driven development) and capacity to lead the definition of an overarching developmental agenda and the mobilization of people around it. The ANC appears to also draw from Cummings and Nørgaard's (2004) dimensions of state capacity. It highlights organizational capacity (i.e. organization of the state) and technical capacity (i.e. implementation capacity). It seems to have also tried to apply notions of "state-structure nexus" and "institutional coherence" that Robinson and White (1998) see as important institutional attributes of a democratic developmental state.

[1] The gist of the "national democratic revolution" is the creation of a "national democratic society"; a society where all citizens have equal rights, access and responsibilities – a society free of poverty and underdevelopment.

From Weiss's (2000) model of a developmental state three factors that determine the extent to which the state is developmental are also common features of the South African case study. Firstly, it remains uncontested that South Africa has demonstrated impeccable commitment to creating a developmental state. The various documentation of the ruling African National Congress and reports of the government were explicit about the plans to create a developmental state in South Africa. It could be argued that the political and technocratic elite have maintained their independence and have been relatively insulated from external influence, particularly under the Mbeki regime. Thirdly, that the government, the Mbeki administrations in particular, appeared connected, to some extent, to the private sector. Government has employed various strategies to promote economic development, including forging a synergistic and co-operative relationship with business through NEDLAC, in which business followed the directives of the government (i.e. corporate social responsibility, the collective global recession pact etc.). The success of South Africa can also be attributed to progressive trade policies, as well as direct foreign investment (FDI), and access for exports into U.S. and European markets.

Lastly, public policies in South Africa have largely been influenced by the commitments of the "national democratic revolution" alluded to above. These commitments are elaborated in many policy documents of the ANC (i.e. ANC Strategy and Tactics 2007, National General Council 2005, 52nd National Conference, ANC manifesto for 2009 general elections). Government, through respective structures and policy instruments, translates those noble ideals into implementable programmes of action within respective policy (and political) platform (i.e. Parliament's Budget processes, Medium Term Strategic Framework processes). Always at the core of that programme of action is explicit sense of trade-offs that are being made, almost always reprioritizing human development within an economic growth "construct". This is a correct approach and we see a case of "politics" positively influencing public policy making. Leftwich (1995) emphasized the importance of "politics" in the analysis of whether a country has a developmental state or not. According to his definition, South Africa's policy making appears to be sufficiently influenced by political dynamics and it can be argued that the South African state's "politics" has amassed sufficient authority, autonomy and capacity in its pursuit of its developmental objectives. So certainly, South Africa is arguably way on its way there.

Edigheji (2005) suggests that a democratic developmental state is a state that principally embodies the following four principles: electoral democracy and popular participation in the development and governance processes; economic growth, state driven socio-economic development and "embedded autonomy" as coined by Evans (1995). All of these seem to obtain in South Africa. Edigheji further emphasizes prevailing institutional arrangements as an important variable to the success of a democratic developmental state, and the South African policy making institutional mechanisms seem sound.

Even with regard to perspectives of leading scholars on developmental states (of East Asia), South Africa seems to have been trying prioritize economic development. There have been various attempts to get the industrial policy off the ground and it could be argued that the "industrial elites" are under the guidance of the state. The guidance of "industrial elites" has taken various forms, including Presidential Working Groups on business matters. There are elements in the South African state, in the manner in which it determines the developmental agenda and mobilizes society, that resembles to some extent Japan as described by Johnson (1982) and Korea as described by Amsden (1989) and Taiwan as described by Evans (1995).

Also drawing from Robinson and White (1998), some salient characteristics – such as "institutional coherence" – of a democratic developmental state seem visible in the South African state. Also, Evan's (1995) concept of "embedded autonomy" which is central to the effectiveness on a developmental state seems to play itself out in the South African context. Evans (1995) point is that state institutions have to be *autonomous* in so far as that facilitates the identification and promotion of strategic developmental objectives, while *embedded* in a sense that the state would be able to establish and sustain working partnerships with key social groups that would add much needed impetus to the achievement of development goals. In the

South African context, this appears to be a case in point through the role of the state and its partners. Linked to this is the state's commitment to "meritocratic" recruitment; the appointment of skilled bureaucrats that would ensure the important political "neutrality" which would in turn facilitate sound networks and delivery on developmental goals. This, however, remains a matter subject to much debate, whether top civil servants are appointed on merit and whether they are insulated from political maneuvers.

The role of the state in the domestic accumulation regime is definitely an important indicator of a trajectory towards a development state. The Reconstruction and Development Program of 1994, the Accelerated Shared Growth Initiative of South Africa (ASGISA) 2006, Joint Initiative on Priority Skills Acquisition (JIPSA) 2006, the Growth and Development Summit Agreement (GDSA) of 2003, the National Industrial Policy Framework of 2007, and the various strategic plans and policy action plans (economic, industrial, international trade and labor) are among many policy instruments that demonstrate political will and dedicated leadership towards building a developmental state. These policy instruments have played a central role in posturing and shaping the interventionist role of the state.

Overall, however, South Africa has been drifting further away from becoming a democratic developmental state. Take for instance the issue of state capacity, von Holdt (2010) has argued that policy reforms are likely to fail if the deficiencies in the institutional architecture of the state bureaucracy are not addressed. However, this argument does not take into account that transformative institutions can be established to overcome inherent institutional deficiencies. However, many challenges remain. Amongst which is poverty and inequality that effectively translate to social and economic exclusion of certain groups. These two development issues are primarily linked the legacy of apartheid colonialism, as well as the structure of the economy.

ZIMBABWE

According to Shumba (2015: 9), Zimbabwe (at political independence in 1980) inherited an economy that was more industrialized than most of countries in Africa. It was classified as a middle-income country. In 1980, Zimbabwe's Gross Domestic Product (GDP) per capita stood at US$1,105.39 almost equal that to China at US$1,551.9. The country's diversified economy was anchored on extensive agricultural production and an advanced manufacturing sector contributing almost 25% of GDP and 17% employment by 1981. Cross (2014, in Shumba 2016) says that "Zimbabwe came to life with everything; a good climate, well-educated elite, a balanced, mixed economy with abundant mineral resources and the full support of a global community that wanted us to succeed in every way" (Cross 2014, in Shumba 2016). For a very long time the economy performed well, with improved living standards and strong growth. However over the past few years the Zimbabwean economy has witnessed a significant socio-economic downturn for the last decade or more. The wider impact of the land reform programme, poor macro management, political violence and inequality along racial lines has led to economic decline.

Underdevelopment and inequalities in present-day Zimbabwe can be best explained in three broad dimensions: the first is the historical colonial discrimination (Moyo 2013), whose effects on both the society and economy continue to be felt in the post-independence dispensation, notwithstanding the various corrective policy measures implemented in the first decade of independence; the second is the dimension that largely relates to the social consequences of neo-liberal policies and subsequent macro-economic frameworks; and the third is the broad dimension is the land reform programme which subsequently resulted in the collapse of the economy (Mazingi and Kamidza 2009).

According to Mazingi and Kamidza (2009) the most contentious issues in the economic history of Zimbabwe is the complicated link between the land resource and inequality. The issue of land has not only been at the centre stage of Zimbabwe's development, since the economy is agro-based, but also at the heart of Zimbabwean politics. The land reform programme was targeted towards racially-based land inequalities. They managed to change the political landscape in Zimbabwe with ramifications on both the economy and society.

Furthermore, similar to South Africa, inequality on the basis of historical racial discrimination remains an unresolved factor in Zimbabwe which has, and continues to fuel intergenerational poverty on the part of poor blacks. Whites continue to dominate in the economy, especially through their inheritances which includes factories, commercial farms, and houses in the upper-market suburbs as well as money in offshore accounts. As a group, they have access to financial resources for the education of their children thereby guaranteeing their dominance in the economic affairs of the country. They have also access to better medical facilities and hold influential positions, particularly in the private sector. Black Zimbabweans on the other hand, continue to blatant discriminatory practices, and at independence very few we able to occupy influential positions in both the public and private sectors (Hill & Katarere 2002). They also had no control over the means of production, something that only began to change under the fast-track land reform programme. Therefore racial discrimination against Black Zimbabweans remains one of the factors that strongly influence inequalities in Zimbabwe (Mazingi & Kamidza 2009). However, even though racial discrimination is a critical factor in explaining inequality in Zimbabwe, it would be unfair to leave out the fact that black Zimbabweans are also not coherent in terms of socio-economic standing. In fact, in addition to inequality along racial lines, class division, which consist of a small group of wealthy elite black Zimbabweans, have continues to stretch under development Zimbabwe (Hawkins 2009).

One cannot talk about inequality without talking about income inequality. According to PASS II (Government of Zimbabwe 2003), lack of income is one of the most important indicators of poverty in Zimbabwe. Income inequalities can be explained by the collapsing formal economy, the growth of the informal sector as well as the emergence of new forms of income groups and the cash flows (Mazingi & Kamidza 2009). Over the past ten years Zimbabwe has experienced a pervasive economic collapse. The crisis can largely be attributed to economic mismanagement and poor governance. The collapse was caused by a decision made by government in the year 1997, to ignore financial restrictions in making large payments to veterans of the Independence struggle. In addition to this, in the wake of political setbacks in 1998, the government announced the seizure of white-owned farms, which worsened the instability. Another critical event was the controversial *Fast Track Land Reform* scheme for involuntary land redistribution in 2000, which led to a hasty decline in productivity and output in agriculture, formerly the mainstay of the economy (Matondi 2012). This resulted in a huge number of people losing their jobs.

ZimStat (2011) reflected that unemployment in Zimbabwe was at 10.7% (Saungweme, Matsvai & Sakuhuni 2014). Saungweme, Matsvai and Sakuhuni (2014) indicate that this was proven untrue by most economists and industrialists, who believe that unemployment is between 70% and 85%, thus further implying that “formal unemployment” in Zimbabwe is more than 89%. With such an unfavourable economic environment, exacerbated unemployment rates and the continual contraction of the formal sector, the economically unemployed people were forced to join the informal sector.

In Southern Africa, there is a collapsed formal sector and growing secondary economy. However, informal sector activities are characterised by none contribution to both the fiscal and national output. Thus, the growth of an unstructured informal sector translates into loss of government revenues, since most small entrepreneurs of this sector evade taxes and other legal obligations.

The ZimStat Labour force Surveys (2004 & 2011) expertly explains this situation. The survey showed that from 1993 to 2011 the formal employment population sector dropped from 1,136 900 to 606 163. This represents a drop of 530 737 in the employment population of a State that has vast formal sector prospects due to having a highly educated populous and known financial and mining services sectors (Hawkins 2009 & RBZ 2015). It is important to note that this drop in the formal sector is linked to the broader socioeconomic and political problem, which the State of Zimbabwe has found itself in post-2000.

The majority of Zimbabwean citizens have had to therefore, according to the ZimStat Labour Force Surveys (2004 & 2011), enter the informal employment sector. The survey articulates the fact that the informal sector in 1993 stood around 335 250. Yet in 2011 the employment population stands around 4 572 771, this represents an increase of 4 237521 from 1993 in the informal sector. However, it is important to note that informal sector activities are characterised by none contribution to both the fiscal and national output. Thus, the growth of an unstructured informal sector translates into loss of government revenues, since most small entrepreneurs of this sector evade taxes and other legal obligations.

Synthesis: Human Development in Southern Africa

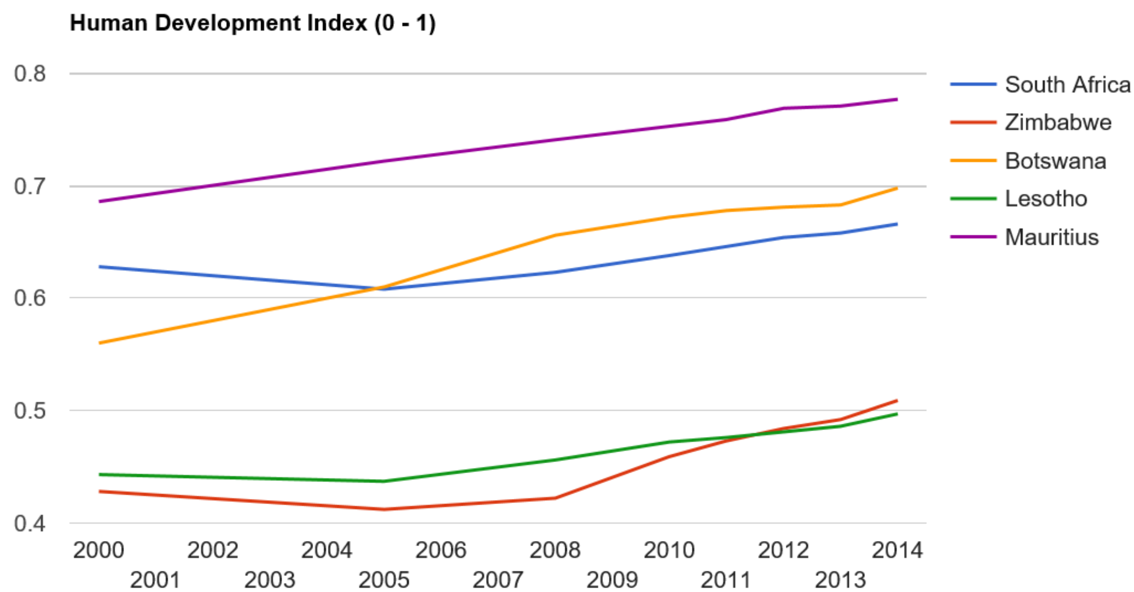
Because of the challenges relating to healthcare, education and the labour market, Southern Africa's human development has not improved much since about year 2000 as discussed below. Human development refers to the general wellbeing of society or the quality of life in a particular society. The Human Development Index (HDI) measures human development as a composite indicator made up of life expectancy, literacy and per capita income. Human Development Index (HDI) is also a composite index measuring average achievement in three basic dimensions of human development—a long and healthy life, knowledge and a decent standard of living. The Human Poverty Index (HPI), on the other hand, is an attempt to bring together in a composite index the different features of deprivation in the quality of life to arrive at an aggregate judgment on the extent of poverty in a community. The HPI combines measures of life expectancy, child nutrition status and access to improved water sources, and income. Both the HDI and HPI are discussed below.

The Human Development Index (HDI) "is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living"[2]. Therefore, the higher the number the better the HDI indicator of a State. As the Table below shows, Mauritius has the highest HDI followed by Botswana then South Africa – at the bottom is Lesotho, while Zimbabwe is slightly above Lesotho. As discussed, human development, as quantified by the HDI, in Southern Africa is actually doing relatively

[2]United Nations Development Programme (UNDP) (2016) Human Development Index (HDI). Online. www.hdr.undp.org/en/content/human-development-index-hdi.

well when compared to similar countries although South Africa's HDI has remained unchanged since 2009.

Graph 1 below shows an improvement of human development in Southern Africa from the year 2000. Mauritius appears to have the highest HDI, whilst Lesotho and Zimbabwe have the lowest. All countries show an upward trajectory of HDI, which is good, proving that developmental states in Southern Africa have been impactful.



Source: Based on United Nations data

With regard to HDI, what is interesting about the three leading HDI States is that they have all been associated with the concept of Developmental States, especially Mauritius and Botswana. Moreover, it is fascinating to ponder that both Botswana and Mauritius have small populations in relation to their larger neighbor South Africa. This then would mean that they were at a public policy level formulate and implement particular health, educational and interrelated policies to have their high respective HDIs numbers. It is for this reason the following discussions will focus on matters of education and literacy.

Table 1: HDI Indicators – Selected Countries

Country	HDI (2013)	Gross enrolment (2005-2012)		Literacy rate (2005-2012)			Life expectancy (2013)		Gender inequality index (2013)	Unemployment rate (2013)	GDP per capita (PPP $) (2012)
		Primary	Secondary	Adult	Youth	Av. Years of School	Female	Male			
Botswana	0.684	106	82	85.1	95.2	6.3	72.9	68.8	0.486	17.6	14,443
Lesotho	0.486	111	52	75.8	83.2	4.2	49.5	49.2	0.557	24.4	2,368
Mauritius	0.771	108	96	88.8	96.8	6	77.1	70.3	0.375	8.1	16,194
South Africa	0.658	102	102	90.3	98.8	6.1	58.8	54.7	0.461	25.1	11,989
Zimbabwe	0.492	100	38	83.6	90.9	5.4	60.8	58.8	0.516	5.4	1,337

Source: Various sources

The Gross Enrolment Ratio (GER) refers to "the number of children enrolled in a level (primary or secondary), regardless of age, divided by the population of the age group that officially corresponds to the same level"[3]. Using the time period 2003 to 2012 in Primary schooling it is

[3] The United Nations Children's Fund (UNICEF) (2016) Definitions Education. Online. www.unicef.org/infobycountry/stats_popup5.html.

seen that the selected SADC States GER is Botswana (106), Lesotho (111), Mauritius (108), South Africa (102) and Zimbabwe (100). While a high GER is encouraged, it is also important to notice that a high GER like the one Lesotho could represent a large or over large amount of students in the class. What is seen though is that all four observed States have positively high enrolment ration. The key focus then should be to find out whether these high primary schooling numbers translates to secondary education levels. This is sometimes referred to as the Net Enrolment Ratio (NER). But for the purposes of this paper GER in secondary education is used: South Africa (102) and Mauritius (96) have the highest secondary numbers followed by Botswana is (82), Lesotho (52) and Zimbabwe (38).

These two indicators have meant that from 2005 to 2012 adult literacy is highest in South Africa (90.3), Mauritius (88.8), Botswana (85.1), Zimbabwe (83.6) and Lesotho (75.8). It can then be argued that the high adult literacy rates in South Africa, Mauritius and Botswana stems from having high GER numbers. Interestingly though when looking at Youth literacy rates Botswana stands at (95.2), Lesotho (83.2), Mauritius (96.8), South Africa and (98.8) for Zimbabwe (90.9). These numbers represent a positive correlation with the work currently being down by governments in the enrollment of young people in these States. When these aforementioned indicators are moving in the right and positive direction it can be hoped that in the coming decades the income per capita of these States will improve.

Income per capita "refers to income per head of the total population"[4], this respect Mauritius (16.777), Botswana (14.792) and South Africa (11.788) have the largest Income per Capita incomes in the four selected SADC States. This is then followed by Lesotho (2.798) and Zimbabwe (1.307). The three leading States Mauritius, Botswana and South Africa's large Income per Capita though a positive development, also highlights the inequality that exist in the region when Lesotho and Zimbabwe are brought into the equation[5]. Therefore, the key points

[4] Easterlin R (1960) Interregional Differences in Per Capita Income, Population, and Total Income, 1840-1950. The Conference on Research in Income and Wealth Trends in the American Economy in the Nineteenth Century. Princeton: Princeton University Press

[5] Kumo L (2011) Growth and Macroeconomic Convergence in Southern Africa. The Working Paper Series (WPS) is produced by the Development Research Department of the African Development Bank

to gain from this Income per Capita is that more work can be done to ensure all other SADC states improve in this regard.

In doing this the Life Expectancy should improve overall. As of 2013 Life Expectancy for females was highest in Mauritius (77.1), Botswana (72.9), Zimbabwe (60.8), South Africa (58.8) and Lesotho (49.5). In males Mauritius (70.3), Botswana (68.8), Zimbabwe (58.8), South Africa (54.7) and Lesotho (49.2). While these Life Expectancy numbers are encouraging it is crucial to remember that they can be improved upon by having better healthcare institutions and a quality of life. It is interesting to note that despite South Africa having good Income per Capita and education indicators its Life Expectancy trails a State like Zimbabwe. This could be as a result of South Africa's racially skewed economy, and history.

Regarding the Gender Inequality Index (GII), all the studied countries have high GII: Lesotho (0.557), Zimbabwe (0.516), Botswana (0.486), South Africa (0.461) and Mauritius (0.375). The GII explains that States that have a positive environment for females are those that are closer to the number 1. Therefore, these SADC States are moving in the right direction for providing conducive environments for females to flourish. However, the non-attainment of the number 1, illustrates the fact that more work is needed to ensure females have an equal and equitable environment for their economic and social development (UNDP 2010)[6].

Evidently, the main point in Table 1 is that poverty remains high in Southern Africa. Figures might have increased due to the recent global economic recession and the general poor state of the economy and the labour market. Another key measure of poverty in Southern Africa is access to basic services. Basic services in this instance are taken to mean water, sanitation, refuse removal, and electricity. Based on the individual countries' constitutions, the countries' policies and legislation recognise the need to prioritise access to basic services by the poor. However, in practice this has not proved to be the case. It goes without saying that the groups that suffer this lack of access are Africans, and generally mostly female.

[6] United Nations Development Programme (UNDP) (2010) Human Development Report 2010: 20th Anniversary Edition. New York

Ensuring Developmental States in Southern Africa

Addressing historical issues

Following the economic crisis particularly in the late 1970s and in the 1980s, external influence remained prevalent in most parts of Africa in the form of imposed Bretton Woods Institutions' Structural Adjustment Programmes (SAPs) – as for political interference, it has been going on the start of colonization. The neo-liberal paradigm intensified as a strand of development thinking. Spearheaded by the major economies (the USA and UK) and the Bretton Woods Institutions (World Bank and International Monetary Fund), a market based economic system in tune with economic liberalization was imposed developing countries as part of their lending conditionalities. The assumption underpinning SAP in Africa was that the state and state intervention were the sources of economic distortions and underdevelopment of African economies. A set of policy reforms aiming at, among others, reductions in government spending and privatization of state-owned enterprises were introduced. The role and the capacity of the state were significantly reduced and the market reigned. It is now generally agreed that SAPs and the prominence of the market are (or were) inappropriate approaches to the advancement of African economies (or economies in Africa).

It is therefore important that wrong policies imposed on Africa should be reversed. The ramifications of SAPs and other similar interventions imply that home-grown economic policies are critical. As argued elsewhere, economic development in Africa was progressing well until the economic crisis which did not originate from within Africa – this resulted to wrong policies in the form of SAP and similar ones which have caused more problems for Africa. Africa needs its own approach to economic development if it is to achieve democratic developmental states.

Promoting Economic Transformation

Part of the major challenge about economies in Africa relates to the structure of the economies. Restructuring economies in Africa, in all aspects of transforming the structure of economies, would go a long way in improving economic performance and also in ensuring that democratic developmental states become reality in Africa. As argued in the case of South Africa, Southern Africa should have a vision for the economy. In other words, Southern Africa needs an explicit economic model that would be agreed upon by all relevant role players.

Bearing in mind that Bagchi (2000), for example, defines a developmental state as "a state that puts economic development as the top priority of governmental policy and is able to design effective instruments to promote such a goal", critical to this perspective is that African states need to make sure that economic policy addresses industrial expansion and structural change in the production system. In this instance, economic development is largely associated with industrialization and liberalisation. This perspective seems to feature prominently in definitions of developmental states by leading scholars in the field. Whilst the period of rapid economic growth of most developmental states teaches Southern Africa that economic growth is a necessary precursor for development, experiences also teach us that this is not a sufficient condition for human development. Southern African countries should pursue policies that create jobs, protect workers' rights to a living wage and extend social security nets to the most vulnerable. In addition, the land question should be addressed in tandem with agrarian reforms that can advance socio-economic development in (southern) Africa.

Promoting Embeddedness

Whilst the East Asian Tigers have been used to model the best characteristics of the developmental states, as others have argued, Africa's "developmental states" should be modelled against broader complimentary developmental paradigms. These include democratic elements of democratic participation, consensus building and consultation with socio-economic partners. The concept of "democratic participation" and "embedded autonomy" introduced by

Evans (1995) highlights the centrality of consultations, cooperation, negotiation and consensus building around any country's developmental agenda. In this instance, the critical success factors lie in forging state formed alliances with social groups in society that help to achieve national developmental goals. Edigheji (2005) suggests that a developmental state should, in principal, embody the following four principles: electoral democracy and popular participation in the development and governance processes; economic growth, state driven socio-economic development and "embedded autonomy". It is a given that developmental states in Africa have to be democratic, given the ugly history of colonization, oppression and imperialism.

Promotion of Regional Integration

The Organisation of African Unity (OAU), now transformed into the African Union (AU), has invested considerable amounts of energy in the task of promoting inter-state and cross-regional cooperation among African states, particularly in the fields of foreign policy, science and technology, culture, education, and economic affairs. Many initiatives and programmes have been attempted.

More needs to be done to strengthen the continental integration. Among the approaches to this is improving regional bodies such as SADC. Indeed, there are numerous efforts on this. One issue that is not receiving sufficient attention is the challenge of language. It is important that a common language is ensured so as to make doing business more manageable but also to ensure effective people-to-people integration. Indeed, peoples in southern Africa are already integrating through inter-marriages, cross-border trading, labour migration etc. To become fully fledged developmental states, countries in southern Africa need to integrate more, especially in economic terms. Regional industrial policy should assist in curving a niche for southern Africa, and have southern Africa lead in producing a particular product or select products then trade with the rest of the continent or with other regional economies.

Conclusion

The East Asian Tigers have already illustrated how state power can be used to provide strategic leadership in overcoming developmental crises, and achieve human development goals (Edigheji 2010). The paper defined the developmental state based on its historic and cultural impetus, institutional attributes, as well as state capacity to deliver on growth and development. This paper also assessed the extent to which Southern Africa can learn from other developmental states in their efforts to becoming democratic developmental states.

The paper demonstrates the importance of the relationship between effective and capable state and strong institutions and achieving sustainable economic growth and human development goals in Southern Africa. It unpacked the institutional mechanisms and associated “outcomes” of developmental states in general, drawing important lessons for (re)building state capacity for Southern African states.

The conclusion reached is that Southern Africa, as argued in the case of South Africa in particular elsewhere, needs a good new mix of social and economic policy instruments that will give meaningful expression to equitable economic growth. It is Southern Africa’s urgent task to shift its policy perspective and to innovate towards addressing both the underlying and structural causes and their distressing consequences in order to reduce uncertainty and insecurity in the lives of Africans in Southern Africa. Of critical importance is that southern African countries, or as a bloc, need own socio-economic development approach/es instead of policies imposed from outside.

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