

# *Developmental States: The Case of South Africa*

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# Presentation Outline

1. **Characterising Developmental States, the case of South Africa.**
2. **Characterising South Africa's State Institutions, Processes and Management (Strengths and Weaknesses).**
3. **Assessing Organizational and Technical Capacity.**
4. **Unpacking the State Structure Nexus: Gumede (2018:20).**
5. **The Impact of the COVID 19 Pandemic on State Capacity.**
6. **Strategic Interventions to (re)build State Capacity.**

# Characterising Developmental States, the case of South Africa

## Post Independent Africa States.

1. Thandeka Mkandawire (2001)  
Thinking about Developmental States in  
Africa
2. Omano Edigheji (2005) A Democratic  
Developmental State in Africa?

## East Asian States

1. Chalmers  
Johnson (1982)  
MITI and the  
Japanese  
Miracle...
2. Meredith Woo-  
Cummings (1990).  
The Developmental  
State.

**Economic  
Development,  
Industrialisation,  
leap frogging and  
citizen dignity**

## Colonial and Western States

1. Walter Rodney  
(How Europe  
underdeveloped  
Africa)
2. Johan Galtung  
(Structural Theory  
of Imperialism )

# Four chosen features of functional Developmental States

<ul style="list-style-type: none"><li>• <b>Function and Form the ultimate aim, not theory...answering (A) problem.</b></li></ul>	<p>“(European and American) academics, these nations, while developing, never saw themselves as developmental states or fitting into a prescribed textbook” (Turok, 2008)/ Remenyi in Kohli (2004) book State-directed development: political power and industrialization in the global periphery.</p> <p>“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” Gumede 2018.</p>
<ul style="list-style-type: none"><li>• <b>Institution building: Institutions do matter (Mohale 2017).</b></li></ul>	<p>Fritz &amp; Menocal, 2007:532; Wiesner, 2011:24.</p> <p>“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” (Gumede 2018:4).</p>
<ul style="list-style-type: none"><li>• <b>It’s the economy stupid (James Carville 1992), more correctly Economic Development.</b></li></ul>	<p>“Whether one chooses to utilise Adam Smith’s or Hayami and Godo’s explanation of what the study of ED entails is not the crux of the subject. What is critical to understand is that both these and subsequent scholars understand the study of ED to be about the historical and comparative study of why the states’ economies grow and thrive” (Pooe 2018:60).</p> <p>“economic development stems from theorists, states and institutions who strive to understand what enables cities, states and other entities to succeed with their policies and plans to address problems like unemployment, poverty and other related problems (Adedeji, 1984; Amin, 1990; Frank, 1996; Rodney, 1973; Schumacher, 1973).</p>
<ul style="list-style-type: none"><li>• <b>Creative destruction, in actual policy Joseph Schumpeter</b></li></ul>	<p>“cases. If a developmental state is not be deified into some kind of omnipotent and omniscient leviathan that always gets what it wants, then the definition must include situations in which exogenous structural dynamic and unforeseen factors can torpedo genuine developmental commitments and efforts by the state, as happened recently in some of the most successful Asian developmental” (Mkandawire 2001).</p>

# Characterising South Africa's State Institutions, Processes and Management (Strengths and Weaknesses)

- “*Sedibana pele goseikangwe*” /The well ahead is not reliable.
- **(Political class)**: The Economic Freedom Fighters & Others v the Speaker of the National Assembly & Others and the Democratic Alliance v the Speaker of the National Assembly & Others (CCT 143/15; CCT 171/15) [2016] ZACC 11; 2016 (3) SA 580 (CC). *In this case, the Constitutional Court held that head of the executive (as represented by the president) and the legislature (parliament, as represented by the speaker of the National Assembly) failed to demonstrate accountable leadership as is indispensable under democratic administration (Rapatsa 2016).* **National elections turnout / declining political participation in political parties/ court based solutions.**
- **(National institutions)**: Using, the work of Amartya Sen and Martha Nussbaum, *state need to have capacity to protect human's socio-economic entitlements, provide social security, physical security, and safeguard people's health, thereby guaranteeing development.* **Public Healthcare system (dwindling standards in Registrar and Consultant posts) / Crumbling State owned Entities / No hegemonic role in SADC.**
- **(Local government)**: 6.2.4 Training and capacity building. *The time and effort that have gone into the various training initiatives to date are acknowledged, but the results of the survey indicate that further training and capacity building at municipal level are still required (AG 2003).* **Widening gap between metropolitans and rural/township citizens/ Invisible, to no governance and government.**





Identified Trend	Example of Trend
<b>1. Rise of Zombie Municipalities</b>	<p>Naming, defining (Constitutional buzzwords) without giving content on state of issues e.g. Emfuleni Local Municipality 2020/21 IDP, mentions Ward Committees 22 times, but never gives insight into what they have foretold about the disaster it is.</p>
<b>2. Community leadership rising outside formal political parties</b>	<p>Study by Penny Parenzee, 'Lessons from community-based initiatives to prevent violence' shows that as small as it may be community leadership is going to transverse political parties.</p>
<b>3. No, LED means leaking buckets phenomena</b>	<p>As of 2019, approximately 18 million South Africans vulnerable to poverty or in need of state support received social grants, relief assistance or social relief paid by the government. The number of social grant recipients was proportionally high in Kwazulu-Natal, amounting to just over four million people (statista.com).</p>
<b>4. Non-consequence for poor performance/leader: Stuff-U moves or movements</b>	<p>So, by 2019 less than half of all eligible South Africans cast a vote. Moreover, voter turnout has dropped no less than 37 percentage points in the twenty-five years between the first democratic election in 1994 and 2019 (kas.de).</p>
<b>5. Reetsa ka tsebe kappa Letlalo</b>	<p>'COVID-19 Crisis Could Trigger Protests In Some Countries, Warns IMF' 2020 (ndtv.com). ..Covid-19 effect on most municipalities Metro or otherwise, Auditor-General low expectations.</p>

# Strengths and Weaknesses

- PFMA, MFMA, Treasury Regulations and policy-political interface.

Low Contestation spaces, allowing for inertia

- *Legal routes and governance Acts .e.g. rates, taxes,*

*Visible Governance Processes*

- SA Constitution, chapters 5,6 and 7.

*Too many dispersed macro-responsibilities*

- HSRC, Auditor-General, South Africa, Statistics

*Value add institutions*

## ...the case of South Africa???

- I think an apt starting point after going over the above is to arrive at, **John 8:32 (The Voice) “you will know the truth, and that truth will give you freedom”**. And the truth is we are not a functional, standard or even hybrid Developmental State. Mkandawire, Gumede great arguments notwithstanding.
- What the South African State, is needs greater exploration and discussion points which time does not allow. But we can situate where the State currently is and possibly what it should be focusing on. If this truth is accepted we can then like Ophelia from the play Hamlet, state, **“Lord, we know what we are, but not what we may be” (Act 4, Scene 5)**.

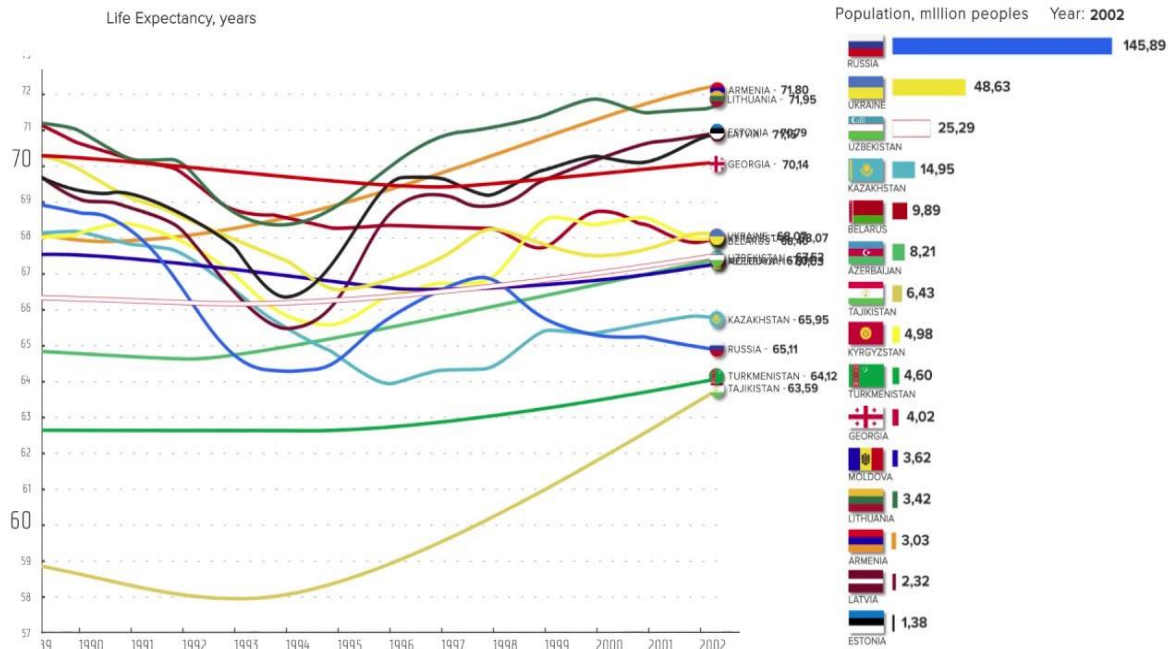


# 'SA The Quasi-Fragile State'



Former USSR countries population and life expectancy 1960 - 2019

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# Assessing Organizational and Technical Capacity

- Is the issue high levels skills or re-orientation of institutions and their practices, slash leadership?



## Pain of a failed municipality

Residents of Emfuleni, in the Vaal, have had to put up with a life of non-existent services such as uncollected refuse, power outages and sewage in backyards and increasingly potholed streets



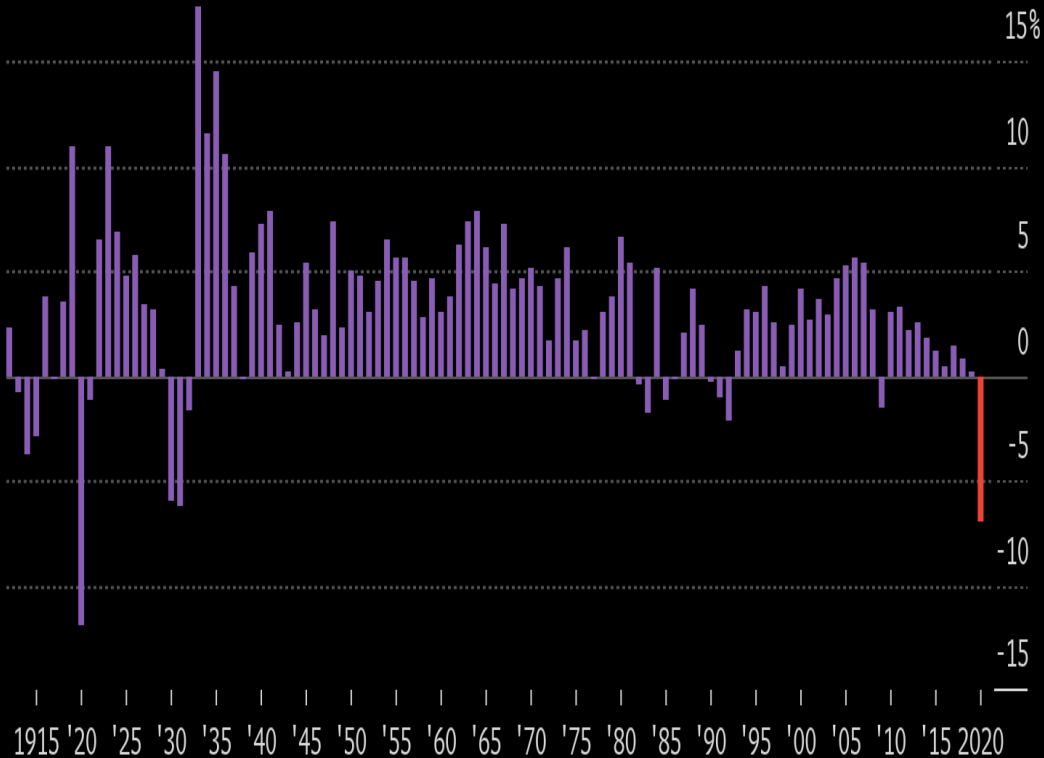
# The Impact of the COVID 19 Pandemic on State Capacity.



## Steep Decline

South Africa's economy contracted the most in 100 years in 2020

■ Change in gross domestic product (YoY)



Source: South African Reserve Bank, Statistics South Africa

Bloomberg





# Strategic Interventions to (re)build State Capacity

- I would put it to you the solutions, aren't unfortunately going to make two decades of poor performance and challenges disappear in one to two terms.
1. ***Recalibrating and refining National government and key institutions:*** if it does not make Rands, it does not make sense.
  2. ***Reforming and re-equipping local government:*** fast-tracking and decimating provincial government and focusing Schedules to local government.
  3. ***Macro-embedded autonomy and political principles:*** picking winning policies (even if unpopular and anti-constitutional) and appoint political principles in line with performance and skill.
  4. ***Designate rural and township regions, as States of disasters and new sites of Spatial Economic Zones:*** for any development to be serious it needs to start in rural and township South Africa.
  5. ***Joint Public sector, private sector public good policy offerings:*** let best skills and practice lead and inform public offering.

*Ke a leboga,*

*Ngiyabonga,*

*Thank you,*

*Gràcies and Danke.*