

An Impossible Developmental State in the South African Context: A True Reflection of the Asian Tigers?

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ABSTRACT: *The advocacy for a developmental state is in most instances associated with the capitalistic ideology that the state should be at the forefront of economic development while also expediting a modern and industrial society. A developmental state is conventionally understood in terms of East Asian developmental states and of course the significant contribution of Chalmers Johnson. This paper seeks to challenge the notion that South African local government must be used as an architect in comprehending a developmental state. If South Africa was to follow the Asian developmental states model, it would necessitate a pragmatic shift in amongst others; development policies, government structures and for the state to become autocratic. With limited financial and human capital that local government have, driving such an 'impossible dream' would seem to be a nightmare for South Africa. Using a qualitative secondary data and analytical techniques, this paper interrogates the notion of a developmental state to determine the space it has in the South African environment through the employment of local government as an enabler. To successfully question the conception of South Africa becoming a developmental state through the enablement of local government using the Asian model, the paper compares the those states in an attempt to assess the compatibility in the former. The paper then concludes that there is a need for South Africa to campaign for an alternative model towards the realisation of a developmental state other than that of the Asians.*

Keywords: Developmental state, South Africa, Developmental local government, Asian developmental states

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Introduction

A developmental state has become a buzzword in the modern scholarship dispensation. As one of the most unequal countries in the world with high prevalence of slow economic growth, extreme poverty lines, inequality, unemployment, South Africa indeed needed to build a developmental state to correct these backlogs. This is a model used by Asian Tigers who successfully industrialised and led economic development and growth through the capitalism. With many states around the world having gained independence and democracy, features of a developmental state cannot practically be implemented. South Africa is such a state aspiring to become developmental using the same models of the Asian states. However, the approach is that of using local government as the 'development driver'. This is so because the country is a regulator of markets and soft in characteristic (Dassah, 2011). This paper seeks to challenge the notion that South Africa has the necessary tools such as professional and highly skilled bureaucracies amongst others to become a developmental state. This situation is weakened by the fact that local government which is almost powerless compared to national government can be able to carry such a 'load'. While the Asian Tigers were dictators and capitalist in nature. Can the approach work in the democratic state such as that of South Africa? To answer this question the paper starts by conceptualising a developmental state with a view of providing a theoretical background. The paper then briefly outlines some of the important contributions in the discourse with a view of soliciting debates in an attempt to place an informed angle of discussion. The paper then proceeds on to analyse the relationships between the model of the Asian developmental states and its viability in the South African context. This will be done through using local government as a tool to facilitate such a developmental state.

Placing a Developmental State in Context

A developmental state is one whose socio-political foundations are developmental and one that totally endeavour to deploy its administrative and political resources to the task of economic development (Mkandawire, 2001: 290). Ideologically, such a state in principle establishes legitimacy within its ability to promote sustainable economic development and steady high rates of growth. Not only that a developmental state should play a leading role in economic development, it should also be 'able and willing' to create a sustainable policy climate that promotes development by fostering productive investment, exports, growth and human welfare (Amuwo, 2010). The idea behind a developmental state as alluded by Johnson (1982) (in Gumede, 2009: 4) is that the states directly and effectively influence the direction, pace and developmental goals rather than leaving it to the uncoordinated market forces to allocate resources in the economy. A developmental state may also be defined as a state whose political have concentrated sufficient power, autonomy and capacity at the centre to shape, pursue and encourage the achievement of explicit developmental objectives, whether by establishing and promoting the conditions and direction of economic growth, or by organising directly, or a varying combination of both (Mbabazi & Taylor, 2005: 5). Most importantly, Chalmers Johnson defines a developmental state as one that is determined to influence the direction and pace of economic development by direct and active intervention to development initiatives rather than leaving the market to allocate national resources (Mejns & Musamba, 2010). In a contemporary discourse it

can be argued that dictatorship by the state to the market makes the orthodox notion that the state involvement inevitably leads to economic failure (Dassah, 2011). Ha-Joon Chang defines a developmental state as one that pursues policies focusing on coordinating investment plans with a national development vision and building institutions for growth, development and conflict resolution (Meyns & Musamba, 2010). In the South African context, a developmental state would mean a state where politics have assured that power, autonomy and capacity is centralised in order to achieve clear and measurable developmental goals. According to Taylor (2007) (in van Dijk & Croucamp, 2007) a developmental state should place its emphasis on economic growth.

A deduction can be made that a contradiction towards conceptualisation and the ideals of a developmental state exists. If political power needs to be centralised for the purposes of soliciting developmental goals, then coordination must be sought across all spheres of government than municipalities being the sole player. In building a developmental state, cooperative government should be tightened and developmental state being a collective responsibility (van Dijk & Croucamp, 2007). This is mostly because a developmental state places the responsibility of development as a state responsibility.

Important Contributions to the Discourse of a Developmental State

Engaging in a concept so elusive as a developmental state requires the recognition of important contribution in the development of the debates. Of course one is necessitated by nature to first bring to the fore the contributions made by Chalmers Johnson who is regarded as having been very influential in the discourse of a developmental state. The perspective towards a developmental state by Johnson is focused on rapid post-war reconstruction and industrialisation by Japan (Abe, 2006). This was viewed by a way in which the states went through the transition through a sequence of events. The idealisation of a developmental state was based on the notion that there was a need to compete with the Western economies (Beeson, 2009; Kasahara, 2013). A state that aspired to becoming a developmental state has to recognise the fact that the market cannot act in isolation from the state and its politics. However, this model could prove difficult in any economy where the private sector needs trading space at the absence of direct political control. However, a precondition for a developmental state would be to determine developmental agendas before bringing the market on board. Crucially Johnson advocated for a capitalist state which didn't necessarily have to depend on the strength of its economic policy. Features of a developmental state must be small and affordable, professional and efficient state bureaucracy (Maphunye, 2009; Meyns & Musamba, 2010) perhaps elements that states aspiring to be developmental such as South Africa cannot have. Government in South Africa is characterised by large lines of bureaucracy that also lacks capacity to carry developmental mandates as defined by policy. A developmental state in nature has to be a capitalist state which is also free from excessive forms of corruption.

Johnson asserts that an effective developmental state requires a bureaucracy directing the economy to be protected from the highest form of power including civil society for the purposes of ensuring a

successful industrial policy. Also, the contributions by Ha-Joon Chang cannot be overlooked. He differs from Johnson's approach of market intervention and identifies neo-liberalism elements such as; state, market, politics and other institutions. However consensus is made whereby he acknowledges the state dominance over the market as equally important to an effective developmental state. Ha-Joon Chang (1999) argues that free market systems and relying on regulation could prevent the construction of a developmental state and unsatisfactory development outcome. The argument made by Ha-Joon Chang differs in principle whereby he reiterates regulation between political power and industrialisation while Johnson calls for a more direct and influential domination of the state over the market. Dassah (2011) shares the same sentiments by positing that characters of a developmental state are different from a regulatory state. It must in this view be articulated that South Africa as a country thriving to be developmental applies regulatory measures to the market thus making it a free-market system. If the Asian model was to be used, the state need to develop predetermined developmental agendas while bringing the market on board. Another scholar Adrian Leftwich relates the success of a developmental state on politics dominance rather than development policies and market regulation as advocated by Johnson and Ha-Joon Chang. The analogy by Leftwich (1996) is that politicians are elites who in general are developmentally oriented. This is a matter of contention. The failure of many developmental states in Africa and elsewhere in the world is attributed to political flops characterised by highest forms of corruption. However Leftwich importantly acknowledges powerful, professional, competent and career base bureaucracy. He concurs with Johnson on the fact that a developmental state can suffice where there is a weak civil society. These however, in a democratic state as they grew to numbers in the twenty-first century could be deemed as oppression and undermining human rights.

The Asian Developmental States as an Example

In an attempt to forge-in this jungle of interrogating the possibilities if South Africa becoming a developmental state, the question is posed by Dagut (2010):

'Can South Africa become a democratic developmental state? Answer: 'almost certainly...Not'.

His assertion is based on the fact that building a developmental state in South Africa would necessitate necessary conditions for growing the economy such as the reduction of high levels of poverty, inequality, unemployment and highly skilled bureaucracies (Dagut, 2010). Instead building a developmental state in South African using the Asian models requires dictatorship by state and the shifting focus from authoritarian top down approach to development which will see the state at the centre of development rather than the resource-less local government. Even if one was to copy and paste the East Asian state-directed industrial policy, which could prove daunting for South Africa, it wouldn't help in moving the state up the development ladder as the world has moved on. Dassah (2011) posits that the Asian Tigers example is not meant to serve as a template towards a developmental state. Mbabazi and Taylor (2005) postulate that an 'East Asian model' may appear impracticable as the forms of developmental states were shaped in different shapes. Oni (1991: 13) (in Mbabazi & Taylor, 2005: 5) argues that the developmental state is the ideology only applicable to

East Asia and nowhere else in the world as in reality they mean a 'state capitalist'. Hence the argument of the paper that instead of South Africa following the Asian Tigers model, a more pragmatic approach that seeks to alleviate poverty, grow the economy and create jobs could be viable. In the Asian developmental states, the state have a dictatorship role in forcing the market to drive the developmental agenda through predetermined goals and pace while the South African only thrives through the regulatory role to the market. Having said that, it is clear that the lessons from Asia is that government intervention play a pivotal role in propitiating the development factors facilitating participation in the global market (Mbabazi & Taylor, 2005). This paper contends that a developmental state is far-fetched in South Africa. Scholars such as Dassah (2011) may however contend that a developmental state is eminent in any African continent and particularly in South Africa with the willingness. A democratic developmental model cannot work in isolation thus a need of a combination with some elements which were detrimental to the success of the Asian developmental states. This view is supported by (Gumede, 2009; Edigheji, 2010) (in Penderis, 2011:9) in which she holds that the construction of a developmental state must not only be influenced by a local context while authoritarianism must be underpinned by democratic principles. A deduction can be made that a model that relies on the Asian Tigers template while attempts are made to befit it to the South African context is eminent and necessary.

The South African Developmental Local Government

The Constitution of the Republic of South Africa, 1996 created a notion for local government to become developmental. In terms of section 153 of such a Constitution, requires municipalities to manage and structure their budgeting and planning processes in order to give priority to the basic needs and also promote social and economic development of communities. In doing so, municipalities are expected to reverse service delivery challenges of the apartheid government while focus is also placed on previously disadvantaged communities. For the purposes of integration, municipalities in terms of section 153 are also expected to play their developmental role by participating in the planning processes of the national and provincial government. This seeks to ensure intergovernmental relations while also seeking to avoid multiplicity and confusion in delivering services. However, these developmental mandates placed on local government and municipalities in general are too limiting if South Africa is to use this sphere of government to facilitate a developmental state. The promulgation of the White Paper on Local Government in 1998 brought a new dimension and provided a different perspective of understanding a developmental state. This was to ensure that municipalities have a clear legislative mandate on what and how to conduct their affairs in an attempt to become developmental. The Whitepaper (1998) was promulgated with a view of enforcing while broadening the scope to the developmental mandates of local government as enshrined in the 1996 Constitution. It is in this notion that South Africa started to advocate for a developmental state through the facilitation of local government which should be developmental in nature. The *White Paper on Local Government* of 1998 explained that a developmental local government have the following distinguishing features:

- Maximising of social and economic growth;

- Integration and coordination;
- Democratization of development; and
- Leadership and learning, which Madumo (2012:46) refer to as the building of social capital for enabling local solutions to development challenges.

Maximising social development and economic growth

Social development related to the delivery of basic services such as water, housing, sanitation and electricity. Municipalities also need to maximise economic growth by introducing radial Local Economic Development initiatives which are linked to the economic policies of the country. Although the role of municipalities in economic development cannot be equated to that of the national government, initiatives such as supporting small businesses within their area of jurisdiction can help to curb extreme poverty while also creating job opportunities for the locals.

Integrating and coordinating development

Coordination relates to the alignment of departmental plans and other sectoral organisations and ensuring integration for the purposes of enhancing local development activities. Service delivery sectors such as Eskom and the Department of Water Affairs must be taken into account during the local government planning processes. This seeks to ensure that tasks which are planned by each sector are clearly demarcated as such to avoid wasteful expenditures and unclear mandates. Municipalities that do not take into cognisance plans of the other sectoral service providers risks to being disintegrated and thus not becoming developmental.

Democratising development

This developmental objective relates to the involvement and engaging municipal communities on matters affecting their municipalities. Public participation is one of the democratic principles as promoted by the 1996 Constitution where government is encouraged to involve municipal citizenry in the planning processes and decision making. Although literature suggest that municipalities are not consultative and only subject communities to passive engagement. Public participation in local government is essential in ensuring that the citizenry are part of their own development. In ensuring this, members of communities have a sense of belonging and trust to the municipal council.

Leading and learning

A learning organisation with leadership prepared to engage in research is most of the times progressive. Workshops, short managerial courses and seminars will serve as a tool towards ensuring learning in municipalities. The South African local government is criticised for lack of capacity. Capacity building in a developmental local government is necessary in ensuring that municipal employees understand what to do to realise the developmental mandates they are expected to carry out. This seeks to also ensure the knowledge and understanding of how municipalities can facilitate a developmental state.

If South African municipalities could work towards realising the developmental mandate as requires through various pieces of legislation, South Africa as a country could make strides in answering the question posed by Nkuna (2011) earlier.

Local Government in South Africa: A Facilitator of a Developmental State

In terms of the *White Paper on Local Government* (1998), a developmental local government is a local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives (de Visser, 2009: 9). The developmental characteristics are maximising social development and economic growth, integrating and coordinating development planning, promoting a democratic development, and building social capital at the local level to enable local solutions to development challenges (de Visser, 2009; Madumo, 2012). It is without doubt that local government have a developmental role as envisaged by the Constitution of the Republic of South Africa, 1996 and the *White Paper on Local Government* (1998). Such a developmental role by local government play in the construction of a developmental state. Hence Nkuna (2011) posed a question: "if municipalities within the whole country fulfil the requirements of being developmental, why would it be impossible for South Africa to contextualise its notion of being a developmental state"? With South African municipalities facing challenges to fulfil their developmental mandate, calling them to facilitate the realisation of a developmental state is rather too ambitious, simplistic and a superficial notion. The Constitution of the Republic of South Africa, 1996 in terms of section 153 requires all municipalities to promote developmental duties through the execution of a developmental mandate to ensure effective and efficient management of its administration, budgeting and planning in order to promote socio-economic development. The primary focus should be on correcting the ills existing within the realm of municipalities such as corruption, service delivery backlogs, unemployment, economic growth and rural development. According to Madumo (2012), this can be achieved by arming municipal human capital with the tools to enhance personal development. That would ensure that employees can play a role in encouraging municipalities to implement particular characteristics associated with the developmental state theory. However, the challenge confronting South Africa towards the realisation of a developmental state according to Nkuna (2011) is the emulation where attempts are always made to compare developmental states to the successes of Asian countries while the South African contextualisation is ignored. As a sphere closer to the people, the role of local government should focus on the delivery of quality services to the citizenry.

The most pressing challenge in a ploy to ensuring South Africa becomes a developmental state through local government is the anomaly and little understanding of the institutional and societal requirements of building such a state. In a constitutional democratic state such as that of society, elements of a democratic state particularly those ushered through local government will infringe constitutional rights (van Dijk & Croucamp, 2007). This would require authoritarian, silent, and weak civil society in an era where the country has experienced an alarming rates of social protests commonly labelled service delivery protests. There still exist a lot of inconsistencies on the advocacy

of a developmental state through local government due to the failure of municipalities to execute their developmental mandates. Pushing a developmental state in South Africa is contradictory as it calls for active and influential intervention of the state to the market and the requirements of powerful and insulated bureaucracies.

The National Development Plan (NDP) Aiming for a Developmental, Capable and Ethical State

The National Development Plan (NDP) as a policy to move South Africa foresees the accomplishment of a capable and developmental state. Developmental states are usually related with high economic growth, poverty reduction, and job creation. One of the questions that this paper can pose is; whether the ambitions of the NDP should be driven by local governments using the bottom-up approach? Or whether the NDP for the realisation of a developmental state should be a bigger project of the national government? Developmental states in the East Asia are seen as replicas for South Africa to imitate. The notion of the developmental state is protruding in policy deliberations regarding unemployment, inequality and poverty. In the African National Congress (ANC) led government the crucial guiding impression in debating the character of government in addressing these problems. In 2012 the NDP proposed the intent to transmute the South African state into a “capable and developmental state able to intervene to correct our historical inequities...” (Minister Manuel, foreword to the NDP).

It was necessary that the ANC and government through the National Planning Commission (NPC) came up with a different approach in the form of the NDP. The plan was therefore launched as a proposal for future socio-economic development policy for South Africa. The NDP bids for a long-term vision for a country to be realised by the year 2030 and aims to ensure amongst other things; safe and reliable public transport. A capable and a developmental state is only to be realised through the willingness and commitment by government to dedicate resources towards the course. Through the plan the government further aim for infrastructure investment to assist in the realisation of a developmental, capable and ethical state that treats the citizens with dignity.

The NDP which was presented in 2012 by the NPC aimed at addressing poverty and inequalities aimed amongst others; public transport infrastructure investment which is viewed as imperative in achieving the 2030 developmental objectives. The NDP in this regard realises the important of accessing economic opportunities and social services to previously disadvantaged groups. Massive government spending in an attempt to address the South African transport infrastructure backlogs by the NDP should explicitly identify role players and funding methodologies instead of reliance on the private sector and taxpayer's money.

A Shift towards a Progressive Model

South Africa is undoubtedly a major actor in the global economy with substantial industrial capacity but fails to grow performance particularly in the 21st century democratic dispensation (Evans, 2011: 13). With the country having an industrial capacity necessary as a critical element in a developmental state, the bottom-up approach where municipalities are seen as facilitators, the state could not

succeed. This is on the basis that industries are controlled by the market with government that could be capitalist in nature only playing a regulatory role rather than direct influence, thus hindering progress towards development. However it should be acknowledged that not all state-led development succeed (Dassah, 2011). A developmental state in South Africa as Penderis (2012) puts it; should strive for a bottom-up or grass roots approach of inclusivity. A developmental state driven through local government needs power that is bequeathed to local communities so that they participate in decision making. This allows the citizenry to take charge and have a sense of belonging and ownership over developmental programmes of their government. Although a progressive model could be a capitalist and autocratic form of government (Amowa, 2010), South Africa only focused on remedying the historical injustices and inequality (Evans, 2011) rather than focusing on growing the economy.

Although scholars can see it as controversial, Gumede (2010) does not see any relationship between democracy and lack thereof and a developmental state. The fact that local government must play a developmental role for the facilitation of a developmental state connotes that democratic principles such as participation by citizens, human rights and social inclusion must be inculcated. However, a democratic state should one which have state dominance and a disobedient civil society (Penderis, 2012). Many scholars posit that for South Africa to become a developmental state, they should aim for a democratic developmental state. Is this an approach way too different from the Asian Tigers? The answer could be yes since the Asian developmental states were autocratic and dictators. Of course many scholars caution against the use of the Asian template as the model for attaining a developmental state. Johnson also cautioned that the path the Asian Tigers took is not a mirror of true reflection but merely guidelines in reflection. Dassah (2011) claims that Botswana is one of the developmental states in Africa that did not necessarily follow an Asian model. A deduction can be made that Botswana is referred to as a developmental state merely because of a steady growth and consistency in economic growth. However, that should not be enough because challenges such as poverty, unemployment and better governance need to be curtailed first.

Conclusion

It can therefore be concluded that a developmental state through local government is certain. However, the adoption of a distinct or combined model with that of the Asian developmental states is not far-fetched. It must be acknowledged that a strong-tie relationship between the South African three tiers of government present another possibility in an attempt to constructing a capable developmental state. The relationship is necessary because local government in South Africa is tormented by both structural and institutional challenges which could curb it from playing the facilitating role. Of course without a developmental template from Asia, South Africa can become a developmental state under the conditions of a democratic society.

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