

STRENGTHENING STATE CAPACITY TO ADVANCE SOUTH AFRICA'S DEVELOPMENTAL AGENDA AT PROVINCIAL AND LOCAL GOVERNMENT LEVELS

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Outline

- What we understand to be a developmental state
- Neglect of central-local relations
- The case for shifting focus to subnational structures
- State capacity: means to an end
- Known capacities
- Developmental functions
- Programme
- Evidence-based policy decisions and choices



What we understand to be a developmental state

- “Grand plan” (Routley, 2014) for economic growth industrialization**
- State objectives and institutional arrangements as a criteria (Knight, 2014)**
- Macro-organization of the state is very important**
- Regulatory, political, economic and social factors will either enable or disable subnational governments to perform their functions**
- People-centred and people-driven yet immune from capture**



Neglect of central-local relations

- ❑ Fine (2010) observes that its popularity notwithstanding, the literature on developmental state often relegates central-local relations into the background
- ❑ Colonising countries preferred centralization over decentralization in order to protect capital flight (Edoun, 2012)
- ❑ States also had a moral obligation to protect themselves from external threats
- ❑ However, deeper studies into East Asian miracle show that growth was “bottom-up” through building capable state institutions at local level (Bateman, 2016)
- ❑ A number of other studies confirm that localized planning system and effective system of cadre management in China are the drivers of contemporary growth
- ❑ In India, the state of Kerala has been performing better than the entire country on economic performance



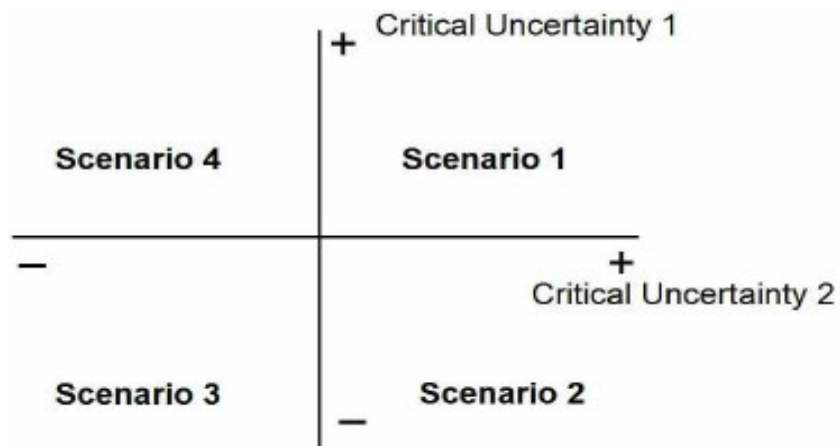
The case for shifting focus to subnational structures

- ❑ Big mental rock: capacity to unlearn, relearn, unthink and rethink dominant thought paradigms (Gumede, 2016); theories must serve and not imprison – we cannot Asianize the our policies given our unique history of CST
- ❑ For instance, how many of us genuinely believe that the influence of mayors is greater or can be greater than that of presidents? Decentralisation can be the cause for development
- ❑ Blemish of centralized developmental state: high levels of social inequality (Pempel, 1999)
- ❑ Normative value of subnational structures, particularly local government: can facilitate democratic deliberation to enhance policy responsiveness; minimize mismatch between policy intention and actual performance
- ❑ Local government is particularly the fulcrum of development; engine of the grand plan to realise the development and social justice imperatives embellished in the Constitution



State capacity: means to an end

- *First capacity: ideation/thinking capacity....do we make time to think?*



- **PLAUSIBILITY: WHAT IF?** How ready are with for exogenous shocks?



Known Capacities

- ❑ From a developmental state “in waiting” (Fine, 2010) to a developmental state becoming a “dream deferred” (Gumede, 2016) – Stillborn?
- ❑ Institutional Capacity: ability to uphold authority and regulation of economic and political interactions
- ❑ Technical Capacity: strategic direction and effective leadership to local organisations
- ❑ Administrative Capacity: ability to deliver infrastructure and other public services
- ❑ Political Capacity: ability to engage different groupings in governance processes



Developmental Functions

- ❑ Centralised coordination – Cooperative Governance and IGR
 - Singular understanding of and approach to demarcation
- ❑ Provision of the an economic vision
 - midwife role (bring new entrepreneurial actors
 - husbandry role (cultivate, nurture and prod them into production)
- ❑ Build institutions
- ❑ Manage and resolve functions between social groups
 - SA is highly divided with acrimonious vested interests



Programme

- ❑ Appreciate that knowledge economy has taken root (intangible assets, innovation than investment in machines)
- ❑ Do we work with capital or do we strangulate it? What do we do with deindustrialisation?
- ❑ Human capabilities become non-negotiable (people must live and lead the lives they desire)
- ❑ Prominence of decentralisation (does DORA takes service backlog into account?)
Authenticity of devolution of powers notwithstanding Constitutional checks and balances i.e. Section 216 of the Constitution
- ❑ Allocation of concomitant resources “to move citizens away from the despair to the age of hope and prosperity” (Binza, 2010)
- ❑ Reduce local government policy overload; strangulation
- ❑ Construct a “human developmental state” (Knight, 2014) – Section 152 seeks to uplift a human dignity
- ❑ Preconditions: visionary political leadership + meritocratic bureaucracy + values- and principled based conduct (ethics) + cohesiveness between political leadership and mainly senior bureaucrats



Evidence based policy decisions and choices

- National Policy Development Framework approved by Cabinet in November 2020
- Inculcate a culture of evidence-based policy-making towards improved service delivery
- Is Parliament holding Executive accountable: policies need to be analysed for impact, benefits, costs, risks and alignment to the NDP.

THANK YOU

