

SA National Development Plan

Is it for a democratic developmental state?

Will the National Development Plan (NDP) bring in a democratic developmental state for South Africa? **Tatenda G. Mukwede** assesses the prospects.

The South African government launched the NDP in August 2012. Since then, the plan has been paraded as the new silver bullet for the country's developmental stagnation characterised by increasing poverty, inequality and unemployment. As the government has sought to cultivate support for the plan, there have been mixed feelings amongst different stakeholders. The most dramatic being from the National Union of Metalworkers of South Africa (Numsa) which rejected the plan. Nonetheless, the plan has been well received by other stakeholders including the South African Communist Party (SACP) and partly by some sections the Congress of South African Trade Unions (Cosatu).

Nonetheless, the African National Congress (ANC) used the NDP as part of its 2014 general elections campaign and set it as the blueprint for South Africa's development path which was in sync with the party's election manifesto. Government portrayed the NDP as testament to its commitment to establishing a democratic developmental state. However, what prospects does the plan have in achieving such an endeavour?

This article points out that the main weakness of the NDP will likely be external to the plan itself - unforeseen in the plan and therefore not catered for. The political landscape in which the plan is attempting to find

life is characterised by one party dominance which many scholars have warned is susceptible to collapsing the party and state divide.

Consequently, this divide undermines the autonomy of the state crucial for a developmental state. It is then recommended that more attention should be placed in the party-state relationship to ensure that enough institutional mechanisms are in place to avoid infringement and protect the autonomy of each as a modest effort towards the realisation of a democratic developmental state in South Africa. Such lessons are also useful for other African governments that aspire for a democratic developmental state.

AFRICAN DEBATES

Following the development achievements of the East Asian tiger economies of South Korea, Taiwan, Hong Kong and Singapore between the 1960s and 1990s, the concept of the 'developmental state' arose to highlight their success. During this period, these countries had maintained high growth rates in excess of 7% a year and rapid industrialisation and resultantly all four developed into advanced and high-income economies.

During the same period, since gaining their independence in the 1960s African countries adopted state-led development approaches which yielded economic growth and expanded social services in the short term. As Meyns and Musamba note,

sustainable progress failed due to the changes on the world markets and to the predatory nature of the state.

In the 1980s and 1990s, many African countries were facing mounting debt accumulated in the earlier phase and had to embark on structural adjustment programmes (SAPs) in order to access credit from the International Monetary Fund (IMF) and the World Bank. The regrettable outcomes of SAPs are well documented and today the period is frequently referred to as the 'lost decades'.

The search for a more suitable development model in the 1990s then led to the rise of the developmental state debate as it began to be seen as a suitable alternative. At this time, the East Asian success story was a given yet some of them had in the 1960s been at comparable development levels with African countries. Several African countries have since then showed their desire to establish developmental states whilst some have actively sought to establish themselves such as Botswana, Mauritius and South Africa. However, before digging into the South African experience, it is important to explain what a developmental state means.

DEVELOPMENTAL STATE

The concept of a developmental state is very broad and this article is by no means exhaustive of all the debates. However, it focuses on its early ideas and highlights important

elements that are important for the South African case. A developmental state is one in which states play a strategic role in taming domestic and international market forces and harnessing them to national ends. Therefore, instead of proposing market-oriented and state-led development as alternatives, the developmental state perspective is concerned with finding the appropriate mixture of market orientation and government intervention consistent with rapid and efficient industrialisation, writes Onis.

This is in line with Chalmers Johnson who is credited for coining the developmental state concept based on his analysis of Japan where he highlights that it is neither based on Soviet-type command economies nor free-market economies, but on market conforming methods of state intervention. The problem, therefore, is to find the appropriate mixture of market orientation and government intervention consistent with rapid and efficient industrialisation.

Some of the characteristics of a developmental state are a state that performs a key role in the promotion of cooperative labour-management relations and undertakes a leading role in the creation of comparative advantage. Importantly, the state should be directly involved in the process of building up economic infrastructure through education, training, and research. However, it must be noted that whilst different scholars of the developmental state such as Chalmers Johnson, Peter Evans, Adrian Leftwich and others stress different aspects, a common thread that cuts across them is the importance of a key institutional feature pertaining to the state bureaucracy. A developmental state has a small but inexpensive, professional and efficient state bureaucracy.

In other words, it should be managed by a powerful, professional, highly competent, and insulated and career-based bureaucracy. However,

it is Peter Evans with his notion of embedded autonomy that is important to highlight.

According to Evans, the state is autonomous insofar as its bureaucracy cannot be instrumentally manipulated by powerful rent-seeking groups outside the state, but also embedded insofar as it is able to maintain close contact with dominant interests in society for the purpose of negotiating and soliciting necessary resource inputs required in the transformation process. Failure to achieve this institutional feature will be the main challenge of South Africa's developmental state prospects.

SOUTH AFRICA'S DEVELOPMENT TRAJECTORY

In June 1996, the government adopted a trickle-down approach to economic development called the Growth, Employment and Redistribution (Gear) strategy. Ten years later, a heavy price was paid in the persistence of inequality, unemployment, poverty and the consequent problems like crime, HIV and AIDS and disease. Alternative development models began to be discussed. The developmental state model emerged during the run-up to the national elections of 2004. Later development programmes such as the 2006 Accelerated and Shared Growth Initiative for SA (Asgi-SA) and the 2010 New Growth Path (NGP) were seen as steps towards the developmental state framework. However, according to Ben Turok, at a national conference on the developmental state held in Pretoria in 2007 it was concluded that 'in the absence of a comprehensive development strategy, South Africa could not presently be characterised as a developmental state'. That was the case given the persistence of unemployment, poverty and inequality in the country. Therefore, a developmental state was needed to address these problems and that South Africa had taken several steps in that direction

The establishment of the National Planning Commission in 2010 and its production of the NDP in 2012 represent the strongest attempt to establish a South African developmental state. In Chapter 13 of the plan titled, *Building a capable and developmental state* the NDP notes that 'building state capacity is the most important step to achieve a developmental state'. This is in line with Peter Evans' idea of embedded autonomy mentioned earlier.

With the political dominance of the ANC and its evident influence on various organs of the state, what are the consequences for bureaucratic autonomy? The ANCs dominance has extended to all levels of the state especially more explicitly through the party's policy of cadre deployment and through other implicit mechanisms that have ensured excessive political influence on the state. Thus a state managed by a powerful, professional, highly competent, meritocratic and insulated and career-based bureaucracy has been questionable in South Africa. It would be futile to assume that countries with dominant parties cannot facilitate a developmental state. Rather, the important point to note is that certain political realities such as one-party dominance and party-state collapse can undermine development states if they are not appropriately institutionalised.

CONCLUSION

A developmental state in South Africa is possible but further debate is needed on the party-state interface to make sure that party politics or officials do not infringe on the state's mandate. A developmentally oriented and committed political elite with the will to attain development is also necessary. ^{LB}

Tatenda G. Mukwedeya is a sociology doctoral student at the University of the Witwatersrand and is based at the Society, Work and Development Institute (SWOP).