



# Organisation and capacity of the South African state

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Overall, the number of public-sector employees has increased faster since 2009/10.

It is therefore not surprising that the compensation of public servants as a share of GDP has increased from about 12% in 2009/10 to about 16% in 2019/20. This is higher than the US, Japan, the UK, China, Malaysia, Singapore, Brazil, Mauritius and Botswana. The number is probably much higher when the political leadership and state-owned enterprises are included.

Countries such as Malaysia and Singapore have much higher development outcomes than South Africa. Botswana and Mauritius are said to be the only two developmental states in Africa.

Brazil is usually compared with South Africa as emerging developmental states, which are defined as states able to increase socioeconomic development, guided by a clear development agenda, which is a pursuit in partnership with social partners based on a long-term plan.

Among key issues, as we see in Malaysia and Singapore (as well as China, to some extent), the manner in which developmental states are organised and the extent of their capacities result in robust development outcomes.

Although these countries have some advantages that South Africa does not, the manner in which the South African government is organised and its capacity should help in improving development outcomes.

South Africa has had state institutions that aim at strengthening capacities in government. Linked to this are the public sector reforms that started in the mid-1990s. It might be that the said institutions have not provided appropriate training and that implemented public sector reforms have not worked.

The South African problem has little to do with lack of capacity.

For instance, public servants per 100 economically active people or public servants per 100 people in South Africa compare well with other countries. For the latest data available, public servants per 100 economically active people in South Africa is 7.43.

In Malaysia it is 7.47, in Brazil it is 7.76 and in the US it is 9.81. For public servants per 100 people, it is 4.71 for South Africa, 6.26 for the US, 8.08 for the UK, 5.18 for Malaysia, 5.43 for Brazil and 6.55 for Botswana.

This means that we have sufficient numbers of public servants to serve society, although our numbers are slightly less than those of some comparable countries. Data also suggests that South African public sector employees are well paid.

Numbers for Nigeria are disappointing, but it has overtaken South Africa to become the biggest economy in Africa. There are about 2.41 public servants per 100 people in that country. On average, with some exceptions, unit labour costs have been increasing in the South African public sector, but productivity has not.

Indeed, inflation partly accounts for the high wage bill. The increase has been higher in the provinces than other spheres. There are those who argue that the provincial sphere should be scrapped. Numbers imply that it should be reconfigured, rather than scrapped completely. The bulk of the education and health expenditure is in the provinces.

The problem of productivity cuts across the entire South African society. Many people seem not to work harder, smarter or for longer – they spend more time on social media networks, gossiping and expressing opinions that are not based on any research or application of the mind.

But I digress.

Since the mid-2000s, South Africa has consciously been working towards becoming a developmental state. It inaugurated a planning commission in 2012. It matters greatly how a planning commission is structured in any society, as it is not merely a matter of having a planning function. Long-term planning, as well as monitoring and evaluation, have not yielded the desired results.

Why have the supposed institutional architecture improvements implemented since 2009/10 failed in successfully improving social and economic development? Put differently, would socioeconomic development have suffered more if the said institutional architecture had not been in place?

Although there can be other constraints, if government is appropriately organised and has the requisite capacities, we should see improvements in wellbeing. If social and economic transformation does not improve, the implication is that we need to reorganise government and ensure that the necessary capacities are in place.

It might well be that some of the associated initiatives are either wrongly conceptualised or incorrectly implemented. It is therefore important that the various initiatives that the current administration is pursuing are responding to the correct problem. The monitoring and evaluation framework is being reviewed.

The national development plan has been reviewed. A framework for policy development is being introduced. There are new public sector reforms. Given the experience of some of the countries mentioned earlier, the organisation of government seems to matter greatly.

For instance, the planning commission should not only have necessary technical capacity, but must also be part of government. The late Malawian economist and intellectual Thandika Mkandawire regarded the training of technocrats (or Afrocrats, as he referred to them on this continent) as critical.

There have been various attempts at doing this, but perhaps the capacity-building has not been appropriate.

Arguably, there are specific skills sets that are needed at local government level that might differ from the expertise required at provincial and national levels.

This point has implications for the professionalisation of the public service that is being pursued. It is important that such professionalisation addresses the correct problem. Besides this noble initiative needing to be viewed as part of the broader public sector reforms, it should not be a mere technical exercise, but should also ensure that the correct people in terms of character, outlook and aptitude work in government.