# "Attacking the bureaucratic Elephant" – The State of selected public administration, political and policy reforms in new democracies

## From decentralisation and partnership to the responsive citizen in the governance of the state.

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## ABSTRACT

***This article argues that there are several assumptions that guide and shape the issues of decentralisation and partnership in creating a responsible and citizen-focused public service in South Africa, in developed countries and in other developing countries. The first assumption is that decentralisation as a normative ideal ought to be pursued everywhere. The second assumption is that public administrators simply need to make decentralisation work for the citizenry and not question it at all. The third assumption is that decentralisation can work because centralisation has not. The fourth assumption is that if decentralisation is not working in the interests of the citizenry the fault lies elsewhere than with decentralisation itself – the corollary of this is to be found in the assumption where two public administrators simply need to find ways of making it work in the interests of the citizenry. And the fifth assumption is that centralisation equals bad and decentralisation equals good and the corollary of this is that states ought to pursue decentralisation both as an end and as a means to an end.***

## INTRODUCTION

Concomitant with these assumptions is the polarisation of the centralisation-decentralisation discourse which is singularly unhelpful for the issues are far more complex than the polarisation suggests. This polarisation misses a much more important debate about what kind of institutional arrangements make for efficient and effective policy development, policy implementation, service delivery and monitoring and evaluation.

## THE FRAMEWORK OF ENQUIRY

The centralisation-decentralisation debate is a red herring because in reality, nation states will engage in a mix of strategies.

### Strategy 1

Decentralisation – in its political form as democratic decentralisation has long been advocated by the left – to ensure increased citizen participation in decision making, to enhance political inclusion of those who have largely been marginalised by political processes.

### Strategy 2

Decentralisation in its economic form – as deregulation, as privatisation, and as structural adjustment has largely been advocated by neo-liberals.

### Strategy 3

With respect to the above can we accept the notion that privatisation is a form of decentralisation? Privatisation or the handing over of services and functions performed by the public sector to the private sector (completely outside of the political system) often entails, as Manor points out "a shift of power and resources from one major, centralised power centre to another" – and often without the requisite accountability (except to shareholders) (James Manor, *The Political Economy of Decentralization,* (World Bank, August 1, 1997).

### Strategy 4

Decentralisation as devolution and downsizing (of the public sector) has also been advocated by neo-liberals; however the issue of accountability of public servants and elected officials to citizens (writ large not simply as consumers or taxpayers) has historically been advocated by the left and by civil society organisations.

### Strategy 5

Democratic decentralisation attracts a panacea of distinctions. It is important therefore to distinguish democratic decentralisation (increasing citizen participation in the political

process in all spheres of governance) from fiscal decentralisation where national or provincial spheres cede influence over budgets and financial decisions to local levels. This authority may pass to de-concentrated bureaucrats who are accountable upwards and not to communities. It is equally important to distinguish both from administrative decentralisation which involves spreading and redeploying public officials from higher levels of government into lower-level arenas.

## Strategy 6

Surely there must be cause for caution when fiscal and/or administrative decentralisation occurs without deepening democracy at the lower levels? For what then likely transpires is decentralisation without the necessary and requisite transparency and accountability and the result could well be what was not intended by the advocates – greater distance from the people and no improvement and possibly even a deterioration of service delivery.

## The critique

The corollary of this is that democratic decentralisation cannot succeed unless authorities at local levels have knowledge of national development objectives and have both the financial resources as well as the administrative resources to implement development projects which further national development objectives.

There is no doubt that the centralisation-decentralisation debate has deep implications and serious policy concerns with respect to sustainable growth, macroeconomic stability, social cohesion, service delivery, and most important, poverty reduction. Democratic decentralisation, it is suggested, holds greater promise to achieve results in the fight against poverty and underdevelopment than do administrative and fiscal decentralisation.

Decisions about centralisation, decentralisation or a mix of the two are inherently political decisions. In the case of South Africa, the first democratically elected government committed itself to a strong developmental state. While at the same time, recognising that the coal face of service delivery was local government and therefore there is a need for strong local governments which engage citizens in meaningful ways. At the same time, there is substantial evidence of service delivery, capacity and fiscal challenges faced by local government (thus the need to strengthen them).

South Africa has already opened a public debate about decentralisation. So this issue is very alive in the country. There are issues of access, equity and equality which deserve serious consideration in the decision to decentralise to local levels – uneven development, rural/urban considerations, financial viability, standardisation of services and especially social policy, user fees which could impact on equity and access.

Decentralisation refers to the transfer of political, fiscal and administrative powers to sub-national governments or the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organisations and/or the private sector. Undoubtedly, decentralisation has both a global and a regional reach and many developed and developing countries have and continue to experiment with it to varying degrees.

In its political manifestation, decentralisation is about citizen participation in the political and decision making processes that impact directly and indirectly on their lives. As many

have pointed out democracy and electoral processes do not automatically increase spaces for public participation in decision making. This is why political or democratic decentralisation is very much linked to public participation at the local level. Political decentralisation is also about citizens holding their elected officials accountable and expecting respectful public service delivery not simply by virtue of being tax payers but by virtue of being rights bearers in a nation state.

In the same vein, it can be said that one of the most critical prequisites to translate decentralisation from theory to practice is a clear understanding of the concept. To be able to better envision what decentralisation means, how best it can be planned and implemented, what its intricacies are, and how its challenges can be overcome, development practitioners should be equipped with appropriate tools which could provide an analytical knowledge of decentralisation from a conceptual viewpoint accompanied by real and field-tested examples of the concept in practice. (Shah 2004).

In this article, we argue that in federal systems where power is shared among different spheres of government, the local is the immediate and pressing face of government – especially as it applies to service delivery (crime prevention, refuse collection, sanitation, provision of affordable housing etc). While at another level there is the perception of the importance of national government–and all this in the context of globalisation. But it is not clear why the forms of political participation and citizen engagement advanced by the proponents of decentralisation need be located only at the local. Surely this must be an ongoing and strengthened feature of democracy at all levels of government?

### *A dialogue on the public administration – public policy debate*

The public's distemper with politics and politicians certainly finds expression in declining voter turn out but interestingly it also finds expression in alternate forms of political expression (political protest, membership in civil society organisations, the rise of advocacy groups etc). And if the data from Western countries in particular is anything to go by, this distemper is most clearly expressed in very low voter turnouts for local/municipal elections. Thus the turn away from formal/electoral forms of political participation has not meant the decline of accountability – holding both elected officials as well as administrators responsible for their actions – rather it has meant developing new forms of accountability for all levels of government. So to link contemporary efforts at democratising democracy and increasing accountability with political decentralisation is highly problematic.

Those who predict the increasing irrelevance of the central or national government in the face of competing pressures of decentralisation and globalisation, are in for a rude awakening. This kind of argument is premised on the old version of the centralisation-decentralisation discourse. The nation state is not going to wither away and national governments are not going to be displaced by decentralised sub-national entities.

Instead of putting up false dichotomies it might be more instructive to determine how centralisation and decentralisation combined in specific circumstances and how they get played out in:

- The politics-public administration interface;
- The citizen-politician interface;
- The citizen-public servant interface; and in
- Service delivery.

Aside from the political, the forms decentralisation can take are many including decentralisation of public administration and of the market – deconcentration, devolution deregulation privatisation and all in the context of the post 1980s minimalist state with its pre-occupation with organisational anorexia and the singular obsession with private appropriation of publicly delivered services in the name of greater efficiency and effectiveness. But the central issue in this move along the decentralisation continuum is accountability. As services are deregulated and even privatised can the profit motive be easily reconciled with the public interest? Put another way, when services are deregulated, outsourced and or privatised does the desire to make profit seriously compromise and outweigh other important considerations for example public safety or equity? And for countries of the South an added dimension missing from the decentralisation thesis relates to what discernable impact it can have on poverty reduction.

Walter Kalin, **www.ciesin.org.decentralization/English.General/SDC_Whyhow.html** in an article "Decentralisation – Where and How" identifies problems with centralisation including geographical distance, the lack of knowledge about local circumstances, and the psychological distance of government officials from citizens. As a result he argues central governments make policies that ignore local community needs. Kalin then argues for decentralisation noting that arguments in favour of decentralising government are that it: "… creates an efficient and reliable administration, intensifies and improves local development, better ensures the rights of the local population to have a voice in government, and better protects minorities. To accomplish this, local governments need to have a certain security in their existence, sufficient resources, and autonomy. Their actions must be credible and transparent, and they must cultivate fair relationships with higher authorities".

Kalin's argument is tautological–for decentralisation to work and for there to be efficient and reliable administration, improved local development rights and voice for the people local governments need sufficient resources, security, autonomy and they must be credible and transparent. Surely this holds true for national government as well as for sub-national governments? If national governments consult, listen instead of appropriating voice, accommodate diversity, are well resourced, are accountable and transparent, respect the power and boundaries of sub-national levels of government, respect the rule of law and the Constitution and carefully utilise their administrative, fiscal and human resources in the pursuit of national development objectives why would there be a need for decentralisation?

The evidence on whether decentralisation actually achieves the goals identified by Kalin is mixed. On the one hand Anwar Shah (Balance, Accountability, and Responsiveness: Lessons about Decentralization, World Bank, Policy Research Working Paper 2021, November 1999), argues that " … contrary to a common misconception, a developing country's institutional environment calls for a greater degree of decentralization than needed for an industrialized country. For an efficient working of a centralized bureaucracy, advanced information gathering and transmittal networks, an efficient and dedicated civil service, and well developed institutions of citizen participation and accountability are needed. This is possible in the setting of an industrialized country environment. A more primitive public sector environment is more suited to a decentralized form of governance. This is because information requirements and transaction costs are minimized by moving the decision making closer to people who are affected by those decisions. Closeness also serves to enhance better participation, preference matching for public services, transparency and greater accountability".

Weak administrative or technical capacity at local levels may result in services being delivered less efficiently and effectively in some areas of the country. Administrative responsibilities may be transferred to local levels without adequate financial resources and make equitable distribution or provision of services more difficult. Decentralisation can sometimes make coordination of national policies more complex and may allow functions to be captured by local elites. Also, distrust between public and private sectors may undermine cooperation at the local level.

### *Decentralisation of services*

Shah (1999:1) further contends that "decentralized fiscal structures are more suitable in developing countries than structures are, especially when they are supported by strengthening the rule of law in a central bank, an independent judiciary, a charter of rights… for listening and making government accountable to the citizenry".

Where national governments decentralise services and responsibilities they still need to retain important oversight and monitoring and evaluation roles. They need to provide conditions for macro-economic stability, political stability, equity, cohesion and to ensure articulation of local initiatives with national development objectives. And, there is a need for a fine balance between devolution of responsibility and accountability. In addition there is the critical role played by the bureaucracy and it is imperative that public administrators be trained technically as well as develop an understanding of the relationship between local and the national imperatives. As the World Bank *A History of Decentralisation* points out, "Centralization is in response to the need for national unity, whereas decentralization is in response to demands for diversity. Both forms of administration coexist in different political systems" **www.ciesin.org.decentralization/English.General/SDC_A History of Decentralization**.

There seems to be a consensus since the 1980s that too much centralisation or absolute local autonomy are both harmful and that it is necessary to put in place a better system of collaboration between the national, regional and local centres of decision-making."

Certainly in countries of the South the issue of decentralisation can not be abstracted from a discussion about the impact of structural adjustment policies on domestic service delivery, about the impact of globalisation on skills and capacity drain and the privatisation of previously state delivered services (e.g. health care providers from abroad; universities setting up satellite campuses on foreign soil etc). Improved citizen centred service delivery is not simply a result of decentralisation of services to sub-national entities. And the centralisation/decentralisation debate needs far more nuance and requires an understanding of history and trajectory, context and conjuncture. And this in turn requires understanding the following:

- Globalisation and integration into the global economy;
- Achievement or lack thereof of the MDGs
- A country's national development objectives;
- Level of socio-economic resources;
- The fiscal well being of the state;
- The form of the state (liberal, authoritarian, developmental);
- The capacity of the public service;
- The ethos of public service (including levels of corruption; modes of accountability)
- Training and Development (technical skill sets as well as the "developmental ethos')
- Capacity at other levels of government;

- The Constitution and the allocation of powers across the spheres of government;
- The financial viability of sub-national spheres of government;
- The commitments made by national government at supra national levels (UN, Regional bodies, International Conventions etc)
- Human Rights.

### *The South African Scenario*

In 1994, South Africa inherited a nation that was racially fractured. The first democratically elected government inherited a country beset with an immense legacy of material depravation faced by the vast majority of the people. This legacy included racialised and feminised poverty, racial segregation, and a huge unequal division of land, wealth and income based on race, and legalised, institutionalised and systemic racial disability and gender discrimination in all walks of life.

Democratic South Africa had a dual imperative to rapidly deal with the legacy of apartheid and transform a system regarded as a crime against humanity into one that was democratic, socially just and politically and economically stable. These were the objective demands, and the objective conditions in 1994.

The first democratically elected government had to act but it was also constrained by the reality of an economy in disarray, the pressures of trade liberalisation, the need for macro economic stability and the need to delivery on a transformation project embedded in the Constitution.

The Constitution of South Africa (1996) prescribes that the democratic state has to pursue such objectives as:

- healing the divisions of the past;
- ensuring our unity in diversity;
- guaranteeing the equality of all our people across racial, gender and other divides;
- protecting the dignity and freeing the potential of each person;
- improving the quality of life of our people; and,
- ensuring social justice for all (including the progressive realisation of rights).

The question that any assessment about centralisation and decentralisation in South Africa and of the functioning of the democratic state must assess is whether the state and its administrative arm is organised and has the capacity to carry out the Constitutional mandate. Success in this regard is fundamental to the very stability and viability of the democratic state and is one of its most critical challenges. South Africa therefore consciously eschewed the neo-liberal state in favour of the developmental state with its responsibility of realising the mandate given the first democratically elected government in South Africa's transformation and the progressive realisation of social justice for all.

### *The Developmental state*

The developmental state in South Africa is defined by its objectives and institutional and administrative configuration which promotes pro-poor economic growth and development and ensures that the well being of all the people and in particular the well being of vulnerable and marginalised groups is improved. And this requires ensuring that local governments have the capacity to deliver services. South Africa's Integrated Development Plans (IDPs)

are precisely about the appropriate mix of decentralisation in the context of national development priorities which simultaneously require strong developmental state and strong local governments.

The central task of the democratic developmental state in the contemporary period which is characterised by globalisation centres on wealth creation and distribution and social protection impacts on crucial issues for the democratic developmental state to maintain and increase its expansionary fiscal and social protection strategies.

On the other hand developing countries do not need structural adjustment policies which result in an anorexic administration and a minimalist state which sheds its responsibilities to its citizenry and only acts in the interests of the dominant national and international economic class.

The developmental state utilises its institutions and marshals both its administrative capacity and its human resources in a strategic fight to eradicate poverty, unemployment and underdevelopment. The developmental state therefore is the most effective instrument at the disposal of progressives and progressive forces to deal concretely with the most pressing challenges of underdevelopment; growing inequalities globally, regionally and nationally; poverty and unemployment; and integration into the global economy as equal partners.

### *Interventionist approach or creative public administration*

In a developmental state, government leads a strong, concerted drive for economic growth and development through forging partnerships with key stakeholders in civil society to pursue national development objectives. The developmental state pursues proactive interventions in economic development; ensuring that the fruits of growth and development are more equitably shared (through progressive taxation and redistributive policies), and mobilises national resources towards the attainment of clearly articulated national development objectives.

In the case of South Africa, there remains a need to articulate and affirm a clear role for the developmental state in this fight to eradicate poverty, unemployment and underdevelopment. The developmental state, operating in an environment of democracy and political stability has to deal with market related and market induced inequalities, provide equality of opportunity to all citizens, work to develop social cohesion; promote peace and stability regionally and globally, promote sustainable growth and development, ensure ecological and environmental sustainability.

The development goals of the state give state's institutional and administrative characteristics their coherence (the channels of political participation, the popular forms of participation and consultation, the separation of powers, the distribution and use of political power, the relations between and among Departments and the form of democracy and the party political system). In this sense, in South Africa, there is a mutually reinforcing relationship between democracy and its institutional and administrative arrangements and the developmental state and its goals and objectives.

The democratic developmental state has to ensure among other things that:

- Democracy is respected and advanced;
- The Constitution and the rule of law are safeguarded;
- Transformation, non-sexism and non-racism are promoted;
- The market in key and critical sectors is regulated;

- Integration into the global economy is on the basis of advancing national development objectives (no Structural Adjustment Policies, no unregulated, non-phased in opening of domestic markets to foreign investors);
- Market generated inequalities are redressed;
- Investing in people is as essential as investing in roads, water, sanitation, electricity and stadiums;
- Dealing with the legacy of apartheid which includes massive socio-economic inequality and mal-distribution of ownership and resources is prioritised through for example promoting pro-poor growth, rural development, women centred development.
- The economic development models being advanced should not focus on fast economic growth as the end in itself, but rather the goal should be that of poverty eradication, human and social development.

### *Public administration reform – dialogues for consideration*

In order to accomplish these objectives, South Africa has embarked on a different path with respect to institutional and public administrative arrangements. Rather than administrative decentralisation, South Africa continues to reflect on the proposition as to the efficacy of creating a single public service which will enhance service delivery.

The concept of the single system of public administration embraces government in the national, provincial and local spheres. The work on a single system of public administration recognises that the spheres of government are distinctive, interdependent and interrelated, and that a system of intergovernmental relations has been established to improve coordination between them. The overarching goal of establishing a "single public service" is to create seamless, integrated service delivery through integration of the service delivery institutions of government.

A second important objective of the establishment of a single system of public administration is to facilitate mobility between the spheres of government, and ultimately between public entities and the spheres. The transfer of functions in certain instances is required in terms of the Constitution and legislation, and a general constitutional provision requires that national and provincial governments must assign to a municipality, by agreement, functions which necessarily relate to local government, that would be most effectively administered locally and where the municipality has the capacity to administer it. Where functions are transferred or assigned, resources including human resources must also be transferred. The single public service project must also develop mechanisms to facilitate the deployment of managers and other skilled persons to where they are most needed.

Integrated service delivery requires that as many government services as possible are concentrated in a single location, and that the single location is as close to the people as possible. This work includes the establishment of Multi-Purpose Community Centres (MPCCs); the launch of the Batho Pele Gateway and call centre, which provide information on government services; the development of Gateway access channels, including MPCCs and Post Offices; and the deployment of community development workers to municipalities where access to services has been limited.

The exercise of power in the name of the people and with their consent takes two primary forms in our country – political and administrative and it is our responsibility to exercise it judiciously and with a view to realising our national development objectives. We need civil servants who are professional who practice the principles of *Batho Pele (People First)*.

The South African Constitution (1995) is one of the very few which actually identifies basic democratic values and principles governing public administration – including:

- A high standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- Public administration must be development-oriented.
- Services must be provided impartially, fairly, equitably and without bias.
- People's needs must be responded to, and the public must be encouraged to participate in policy-making.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human-resource management and career-development practices, to maximise human potential, must be cultivated.
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the past to achieve broad representation.

## CONCLUSION

The evidence on the pro-poor benefits of decentralisation is mixed at best. Increasingly, there is the need for an effective democratic developmental state without which sustainable development and social justice efforts would not be possible. This is not to suggest that decentralisation ought to be eschewed. Rather seeing decentralisation as a normative ideal is problematic.

The state ought not to *a priori* undermine its capacity to meet its national objectives by pursuing decentralisation at all costs. The reality is that in the contemporary era different mixes of decentralisation and the continuing role of a strong state committed to poverty eradication, the realisation of MDGs, political and economic stability and sustainable development are likely the most promising routes to follow.

In summation, across the globe, there are a series of democratic reforms taking place which in most cases could provide the basis and foundation for public accountability. The issues of decentralisation and centralisations are focus hotbeds for a continuous dialogue.

## NOTE

1 Equal contributions of both authors in this special article to the theory and practice in the governance of the state.

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