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# EDITOR'S INTRODUCTION



Welcome to our new issue. We appreciate your support and hope that you will both enjoy and benefit from the articles we have been able to bring to you whether you are in public service, the academic world or an interested observer.

This issue contains six articles which are wide ranging in scope. One of them has a general theme. The others look at important issues in five different states including some on which the journal has not published any articles until now.

**Arko-Cobbah and Olivier** have explored an important topic which concerns three issues that are not often linked in academic publications: sustainable development, civil society and access to information. They demonstrate why the links between them are of strategic importance, particularly for Africa, and do so by reference to a range of sources. They raise issues which I hope will spur other researchers to undertake projects that can add to our knowledge in this area. We look forward to receiving more submissions on similar topics

**Yasin Olum** is an experienced researcher who has for some time counted Local Economic Development (LED) as one of the areas in which he has expertise. We are grateful to him for writing on this topic with reference to the Uganda case. The article adds further weight to the view that LED is a complex policy option which has to be seen in the broader context of decentralization in Uganda. He points to the challenges that arise for LED if it is decentralized to local government which is lacking in capacity. There are lessons to be learnt from the Ugandan experience; this article helps us to do so.

**Keyter** provides a comprehensive account of service delivery in Namibia over the past 25 years. He manages to compress within the confines of a single article some of the nuances of the Namibia case which have perhaps not featured as prominently in research and publication as it should. His article is full of information and analysis which can provide a valuable foundation for other researchers interested in this country which, despite its difficulties, has made significant progress and is now generally regarded as one of Africa's leading performers in development.

**Muinde and Mohamed** have written a valuable addition to the large literature on the political economy of Kenya. It meticulously records and analyses how the government of that country has managed to use policy and legislative measures to ensure that the prevalence of political crisis and uncertainty in recent years has not led to the breakdown in financial management which might have been expected. The positive note it strikes is an encouraging one, albeit seasoned by a strong element of hard-nosed realism.

**Waterman's** topic is one for which he is well qualified, having been occupied in assisting development management in South Sudan for some time. His analysis provides a detailed and very useful picture of the challenges Africa's youngest new government faces in respect of the policy area of vocational training and education, an important concern which has been rather under researched in Africa generally. He demonstrates the implications of the difficult context in which policy work has to be carried out in that country.

**Mothusi, Lekorwe and Pitso** have done us an excellent service by updating our knowledge of a long standing pre-occupation in Botswana, a country with a rich history of reform with a focus on public service productivity. In recent years, there has been renewed interest in the issues the three authors bring to our notice particularly the importance of leadership and innovation. It is a good example of academic writing which offers much to public servants looking for practical ideas to support reform initiatives.

### **Future of the Journal**

We have had recent discussions in Nairobi and by e-mail about ways to take the journal forward. Several interesting ideas have been looked at such as carrying book reviews and publishing an electronic version. However, the bottom line is that the journal is a great opportunity for African authors to publish articles which combine academic and practical merit. I very much hope that you will respond to this call and look forward to reviewing your submitted articles in the not too distant future.

Finally, I would like to thank a number of people for their support especially my co-editors Mataywa Busieka and Obuya Bagaka and the staff of the AAPAM Secretariat especially, Nancy Chiira whose administrative support role is much appreciated.

Best Wishes

**Malcolm Wallis**  
**Chief Editor.**

# Promoting Sustainable Development in Africa: The Role of Civil Society and the Importance of Access to Information Regime

By

A. Arko-Cobbah<sup>1</sup> and Basie Olivier<sup>2</sup>

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## Abstract

The quest for sustainable development in Africa has been a tortuous one due to factors such as political instability, civil and interstate wars, strangulating foreign debts, totalitarian and corrupt regimes and poor governance. The proliferation of civil society organisations (CSOs) around the continent and other parts of the world has occurred due to the successive waves of democratisation following the collapse of communism. This, coupled with global support and pressure, is gradually having an impact on Africa's developmental efforts. Democratic governance with its insistence on transparency, accountability and the rule of law has aroused the interest of CSOs to press for participation in governance. Consequently, this has led to a greater interest in access to information (ATI) legislation and various African governments are under pressure to respond accordingly. Socio-economic rights are being demanded by the marginalised under the banner of civil society, with support from the international community.

*Key Words: Sustainable Development, Policy Choice, CSO, Democratic Governance, Preference revelation, Community Participation, Access to Information (AIT)*

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## Introduction

On September 2015 the United Nations had the opportunity of adopting a set of global goals aimed at ending poverty and also protecting the planet. The underlying factor is to ensure prosperity for the world's inhabitants as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next fifteen years, a follow-up of the Millennium Development Goals. The agenda calls for poverty eradication, environmental protection, gender equality, among others. It includes, for the first time, a commitment to public access to information.

For the past decade, the right of access to information (ATI) has increasingly been recognised as *sine qua non* for democratic governance and therefore for sustainable

development. This is seen in the adoption of ATI legislation in a number of countries, including those of Africa. The development of Africa has, internally, been marred by political instability due mainly to repressive regimes, civil strife, poor economic policies and blatant corruption by government officials. Externally, too, strangulating foreign debts and an unfavourable global trading system are some of the factors that impede Africa's economic growth. Faced with decades of poverty and stagnation, African populations are increasingly becoming aware of the need to come together to take their destiny into their own hands. This is seen by the proliferation of civil society organisations (CSOs) and the pressure they exert on their governments to allow them to participate in the decisions that affect their lives and also to ensure transparency and probity in governance.

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There is widespread belief that ATI laws can ensure greater transparency and accountability, which underpin good governance. It is further believed that this, in turn, is an essential element for reducing poverty and for the achievement of the Millennium Development Goals (MDGs). As suggested by Puddephatt (2009: 3) one of the key obstacles to good governance is an asymmetry in information between public officials and the public. ATI legislation is the principal means for correcting this asymmetry and its fundamental premise is that all information held by governments and governmental institutions, in principle, belongs to the public domain and may only be withheld if there are legitimate reasons for non-disclosure. An informed and active civil society is certain to play an active role in the realisation of sustainable development. This article, therefore, argues that free access to information expands the knowledge base and resources in the policy-making process and assists in effectively monitoring and implementing policies by promoting transparency and accountability, which are essential to good governance and sustainable development.

### **Sustainable development as a concept**

Sustainable development has become a much used phrase in international circles, though it is a concept fraught with ambiguities, or even confused time frames; for example, what is a sustainable period? Zencey (2010: 1) boldly argues that the term has become so widely used that “it is in danger of meaning nothing” because it has been applied to all manner of activities in an effort to give those activities the gloss of moral imperatives and the cachet of environmental enlightenment. He further argues that ‘sustainable’ has been used variously to mean “politically feasible”, “economically feasible,” “not part of a pyramid or bubble,” “socially enlightened”, “consistent with liberal

principles of justice and fairness”, etc.

The International Institute for Sustainable Development (IISD: 1995), apparently, in a show of faith in the concept, believes that the improvement of economic efficiency, the protection and restoration of the environment and the enhancement of the social well-being of people are the basic tenets of sustainable development. This notion is taken further by the United Nations Education, Scientific and Cultural Organisation (UNESCO) as an *evolving* dynamic concept with many dimensions and many interpretations, supporting the contention that there is no need for one agreed definition but rather, sustainable development should be seen as a process of change that is heavily reliant on local contexts, needs, and priorities.

According to Bhola and Gomez (2008: 13), “There have been several quite significant developments in the theory and practice of development during the last half century”. Schwabe (2002: 1) takes a more information-centred approach of the concept, regarding it as an integrated process for decision-making that requires information for it to be accomplished. Thus, wherever and whenever humankind needs to take an informed decision on sustainable development, the importance of information is upheld. Inherent in the concept of sustainable development therefore, are aspects such as democratic values, community participation, global collaboration and strong leadership. Where democratic values are accepted, free access to information becomes the norm because democratic values are buttressed, among other things, on transparency, accountability, openness, rule of law and public participation in government.

Schwabe’s purview of sustainable development fits squarely into the context of this discussion due to its information-driven emphasis. Despite

this, it is plausible to accept the definition of the 1987 UN Brundtland Report (1987: 43) of “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” as the working definition in this discussion due to its wide acceptance and simplicity. Its focus is on the improvement of the quality of life for all people, without increasing the use of natural resources beyond the capacity of the environment to supply them inexhaustibly. As pointed out by Arko-Cobbah (2006: 11) the concept seeks to address the need to find innovative ways of changing or putting in place institutional structures, and influencing individual behaviour for the ultimate good of the present and future generations.

### ***The issue of Africa’s sustainable development***

The New Partnership for African Development (NEPAD) has embraced the need for sustainable development with vigour and with international collaboration, and has formulated actions that need to be taken to that effect. The importance of information is being accepted more and more as a critical component in being able to understand the integration of the environment and development. Information is further needed to implement and monitor sustainable development; thus the need for ATI legislation. The study of Africa’s sustainable development is, unfortunately, plagued with problems and it is worthwhile interrogating some of the basic issues.

### ***Africa’s dismal development record***

The President of Liberia has described the past 30 years as disastrous for most of the people of Africa, noting that whereas the Asian Tigers have recorded some of the fastest growth rates and reductions in poverty in world history, most of Africa has remained mired in poverty.

As a whole, almost all sub-Saharan African (SSA) countries recorded an average annual per capita growth of about zero, between 1970 and 2000 (Sirleaf & Radelet, 2008: 1). Africa’s impoverishment can mainly, be attributed to its difficult geographical circumstances, disease, the slave trade, colonialism, external political and economic factors, and poor governance or misrule.

Geographically, sixteen SSA countries are landlocked and inaccessible to the Coast, thus posing a form of barrier to international trade. Several countries have large tracts of desert making farming difficult or outright impossible due to a lack of rain and top-soil. Where there is rain, it tends to be torrential, washing nutrients out of the soil, ruining roads and damaging other infrastructure.

Secondly, African countries are susceptible to virulent diseases as compared to other regions in the world. Diseases such as HIV/AIDS, Tuberculosis, Malaria, and, of late, Ebola have taken their toll on the African population, contributing to shorter life expectancies and lower worker productivity.

Thirdly, external political and economic factors such as the slave trade in the 1700s and colonialism in the 1800s have also contributed immensely to Africa’s lack of development and sustainable growth. According to Schwabe (2002: 8) the slave trade saw the forced removal of more than 22 million people from the continent, resulting in the significant destabilisation of certain areas and, in some instances, the total disintegration of societies. Moreover, the Berlin Conference of 1884 paved the way for colonialism in Africa with nearly the whole continent partitioned off and subjugated by European countries. The colonialists then extracted massive amounts of resources from Africa and, arguably, failed in building capable political institutions that would drive economic and social development.

Whether, after more than fifty years of independence, Africa can justifiably blame colonialism for its woes is debatable.

On the economic front, Africa's dependency on raw material exports has made many countries continuously vulnerable to commodity price shocks that are beyond their control. Developed countries are very cautious about permitting African countries to export their commodities directly into their domestic markets. The use of agricultural subsidies is a good example of how the developed countries are manipulating world trade to the detriment of African countries. Moreover, success in both domestic and international trade depends heavily on market information and the capacity to utilise it. African countries, unfortunately, usually do not have timely access to market information which can be attained through a good socio-economic infrastructure and networks. Again, strangulating external debts are some of the factors impeding Africa's sustainable development, with the majority of African countries using their export earnings to service debts. It needs to be added, painfully though, that some of these debts are spurious, and tainted with corruption, with money being used for prestige projects that have no or little substantial benefit for the ordinary citizen.

Lastly, and perhaps the most important of all, is poor governance and misrule that has plagued Africa for decades. Totalitarian regimes became entrenched in most African states after independence, especially from the 1970s through the mid-1990s resulting in a vicious cycle of economic decline, reduced capacity and poor governance, with some countries experiencing prolonged and deep civil war, conflict and violence. Corruption, patronage, and the absence of the rule of law have allowed leaders to abuse their power, with resources being used to enrich a small elite and leaving most people in deep poverty (Sirleaf & Radelet, 2008: 2).

## ***Globalisation and Africa's sustainable development***

The debate on globalisation is fundamentally about who is running the global economy and in whose interest. While most economists, finance officials and central bankers agree that the benefits of global market-based integration can more than offset costs for the poorest countries and the poor within those countries, most social activists in contrast point out that so far, this potential has not been realised. This is precisely where Africa finds itself in the global debate.

The Economic Commission for Africa (ECA) has pointed out on a number of occasions that Africa's economy has largely been by-passed by the increase in global trade, investments, and financial flows and this has mainly resulted in minimising the options for increased diversification of traded goods and services (ECA, 2000: 2). Similar sentiments have been expressed by the United Nations Development Programme (UNDP, 2000).

The real challenge, therefore, is how to translate the potential benefits of globalisation into real, tangible gains for the poorest of the world. This has led some financial officials such as South Africa's former Finance Minister, Trevor Manuel (2004: 2) to conclude that the globalisation challenge can tip states in the wrong direction, away from good governance, effective regulation, pro-growth policies, among other things, resulting in the further weakening of the already inadequate social policies and institutions. How then does Africa take advantage of globalisation? Court (1998: 1) suggests the following:

- Effecting a stable macroeconomic foundation by undertaking sound fiscal and monetary policies, including realistic

exchange and interest rates, as well as maintaining an outward oriented trade and investment strategy and paying attention to social and development sectors;

- Liberalising trade, though it should be done with care to avoid worsening the economic and social situation, since certain aspects of trade liberalisation, such as lifting protectionist policies, can lead to a loss of revenue and the destruction of potentially competitive local infant industry by cheap imports;
- Mainstreaming regionalism with the hope of enlarging the economic space including the extension and connection of Africa's physical space with efficient regional infrastructures;
- The need for Africa to focus on the primary sector, where it has a competitive advantage.

However, it needs to be noted that prudent management of macroeconomic policies alone may not result in economic growth. They need to be supported by microeconomic policies that facilitate adjustment through the provision of social capital and the opening up of economic opportunity. Furthermore, trade liberalisation, if not handled with care, may become dysfunctional and even worsen the economic and social situation since certain aspects of trade liberalisation, such as lifting protectionist policies, can lead to a loss of revenue and the destruction of potentially competitive local infant industries by cheap imports. For example, the textile industries of certain African countries such as Nigeria, Mozambique, Malawi, and Tanzania have been devastated by cheap imports triggered by premature and indiscriminate free trade (Mengisteab, 2008: 2).

Furthermore, the suggestion that Africa should concentrate on primary products, of which it has so-called competitive advantages, cannot easily go unchallenged. Agriculture in Africa depends mainly on the vagaries of weather. Moreover, the impunity with which the developed world dictates the market prices of agricultural produce makes it disincentive and frightening to encourage it to be the mainstay of Africa's economic growth. Moreover, land issues in a number of African states undermine large-scale commercial farming.

One of the globalising mechanisms used to address development economies' fiscal problems has been the so-called structural adjustment programme. The policy is intended to restrain the growth of money supply so as to stabilise prices and foster a climate conducive to investment. Regrettably, where the level of human development and infrastructure are woefully lacking as is in the case of Africa, reduction of public expenditures which is the main purpose of structural adjustment programmes, is likely to limit investments in human and infrastructure developments. Thus, the long-term prospects for the overall development of the economy are curtailed, as has been the case in many African economies.

Another aspect of globalisation that frustrates African politicians is the loss of sovereignty, both at the level of regional integration and in the overall global economy. The criticisms (or is it fear?) of the loss of national sovereignty for the sake of regional integration appear to be lopsided, when one considers the achievements brought about by the European Union. As Manuel (2004: 2) has rightly pointed out, globalisation can be addressed in regional global institutions in such a way as to increase the power of states and better reflect the social and economic preferences of the African peoples.

## **NEPAD and Africa's sustainable development**

The New Partnership for Africa's Sustainable Development (NEPAD) is a document for Africa's socio-economic development promulgated by African leaders. It aims to promote Africa's sustainable development, eradicate poverty, and halt the marginalisation of Africa (NEPAD, 2001: xxiv). NEPAD focuses on African ownership of its own development, whilst assuming that developed countries will provide the necessary funding. From its inception, NEPAD emphasised its goals unambiguously; that is, poverty eradication, sustainable growth and development, and an active participation in the global economy and in politics. It also recognises Africa's radical and widespread problems, such as debt and gloomy social indicators and further states the commitment of African leaders to take charge of conflict prevention, management and resolution, democracy and human rights, education and technical training, and health services, among other issues. Amuwo (2003: 1) has described NEPAD in blunt terms as "yet another initiative by Africa's Heads of State and Governments intended to reverse, for good, the beggarly and highly embarrassing image of the continent through a 'sustained engagement' with the developed world."

Various criticisms have been levelled against NEPAD, among them are the following:

- That it ignores the role the developed countries of the North have played in Africa's impoverishment and stressing to these countries the recognition of the principle of 'pay-back-time'. As argued by Ali Mazuri (1999: 3) whilst the continent helped to develop Europe through labour, territory and the extractive *imperatives* of the colonial era, "every stage of Africa's contribution to globalisation was also a stage in its own marginalisation", argued Ali Mazuri;

- NEPAD's failure, or is it unwillingness, (or is it both? ) as suggested by Amuwo (2003: 2) , to boldly account for Africa's under-development as a function of both the results of colonialism/structural imperialism and the bad governance of many of Africa's political leaders;;
- The failure of NEPAD's document to come out with practical and independent development programmes to address Africa's woes, merely resorting in rhetorical recognition and explanations of the current woes;
- NDEPAD's failure to adhere to its own promise of insisting on good governance by African leaders through its loudable African Peer Review Mechanism (APRM) as some autocratic leaders, such as Robert Mugabe, are tacitly supported one way or another.

## **The public's right to know and democratic governance**

Access to information (ATI) is, generally, regarded as the ability of the citizen to obtain government-held information. That is 'real' information useful and practical, and capable of helping citizens to have informed opinions on an issue and not be blinded by a barrage of government propaganda. Free access to information, apart from being an essential aspect of democratic governance, is also regarded as a fundamental right of the individual. Without the freedom to think one's thoughts, conceive ideas, formulate views and express them freely, there is no possibility of democratic governance, and thus good governance (Byrne, 1999). As declared in Section 1 of Article 19 of the Universal Declaration of Human Rights (1948), "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information

and ideas through any media regardless of frontiers”. There are other more compelling reasons for increasing acceptance of freedom of information as a human right and a brief look at them will suffice in this study.

### ***Utilitarian goals underpinning freedom of information***

ARTICLE 19, *Global Campaign for Free Expression* (1999: 1) rightly points out that information “is the oxygen of democracy” and thus, an essential part of good governance and laments the fact that most governments prefer to conduct their business in a shroud of secrecy. Some of the acceptable goals of ATI as stated by Mendel (2003: iii) are the following:

- Since democracy is fundamentally about the ability of citizens to participate effectively in decision-making that affects them, both through elections and after elections, the electorate must have easy access to information.
  - Democratic governance is also buttressed by accountability and good governance, with the public having a right to subject the actions of their leaders to scrutiny and to engage in full and open debate about those actions. This depends on how information is made accessible in various aspects of governance, such as the state of the economy, social systems and other matters of public concern.
  - ATI serves as a bulwark in combating corruption and malpractice in government, making it possible for CSOs and investigative journalists in particular, to place under the glare of publicity graft and wrongdoings by government officials. The proverbial “A little sunlight is the best disinfectant” of Justice Louis Brandeis (1914: 92) readily comes to mind.
- Apart from political benefits associated with ATI legislation, the right to information pertaining to the individual in his or her private capacity is equally important. It contributes to one’s basic human dignity, and helps in personal decision-making; for example, in medical treatment and financial planning.
  - ATI also facilitates effective business practices, such as tendering for public contracts.

### ***General principles underlying access to information legislation***

ARTICLE 19 (1999) has the following as the best practice standards that should underpin ATI legislation:

- The legislation should be guided by the principle of maximum disclosure;
- Public bodies should be under an obligation to publish key information;
- Public bodies must actively promote open government;
- Exceptions should be clearly and narrowly drawn and subject to strict ‘harm’ and ‘public interest’ tests;
- Requests for information should be processed rapidly and fairly and an independent review of any refusals should be available;
- Individuals should not be deterred from making requests for information by excessive costs;
- Meetings of public bodies should be open to the general public;
- Laws which are inconsistent with the principle of maximum disclosure should be amended or repealed; and

- Individuals who release information on wrongdoing—whistleblowers—should be protected.

Tension usually exists in the right of access to State-held information, while simultaneously exempting certain records on the basis of state interest, which grant limited scope of exception. In order to prevent a possible deadlock, Martin and Feldman (1998: 2) suggest the following:

- Acknowledgement in law of the need for limited access on the basis of overall state interests;
- Publication of guidelines by state agencies informing the public of details concerning the applicable rules as to how to access information from these bodies, including the official to be approached for the required information and the possible grounds for refusal;
- Respect of information with regard to individual privacy and data protection; and
- Procedure defining review and appeal with regard to refusal of access.

In spite of the apparently plausible nature of the suggested principles of Martin and Feldman which are aimed at lessening the tension between State-held information and the right of access to such information by the citizenry, problems still exist. For example, as pointed out by Arko-Cobbah (2008: 182), defining the ‘state interest’ tends to be more subjective and often evokes emotive interests, which are easily exploited by public officials who, unfortunately, regard ATI as unnecessary interference in the smooth working of government.

### **Basic conditions necessary for access to information**

For Africa to successfully promote the process of information access, certain preconditions

are necessary:

- Political stability that helps governments enjoy sufficient confidence for them not to be averse to openness or citizen participation in governmental decision-making;
- An independent judiciary system that is impartial and informed, fearless about passing judgments that may be contrary to the interests of the government; something lacking in a number of states in Africa;
- Communications infrastructure, which not only refers to physical needs being established and well maintained for both travel and telecommunications, such as information telecommunications technology (ICT), but also to personal development that takes the form of information literacy; and
- Institutions such as libraries, information services and the press media should be able to bring the activities of the government into the glare of publicity and assist information accessibility.

### **Civil society and access to information**

The Civil society concept has become prominent in political and developmental vocabulary in contemporary life. This is mainly due to successive waves of democratisation, beginning in Latin America and the Central and Eastern European countries and spreading across the developing world, including Africa. Both political theorists and practitioners have come to realise that it is not state institutions and policy that ensure good governance but the *third realm*, civil society (Arko-Cobbah, 2006: 349). The term has become a notoriously slippery concept that is used to describe different ideological persuasions, supported by deeply ambiguous evidence and coloured with many questionable assumptions, argues

Edwards (2004: vi). This article will, however, not delve into the polemics involving the concept. Nevertheless, whether civil society is classified into the associational, normative or the public sphere models as suggested by Edwards (2004), the concept plays a seminal role, especially concerning issues involving the public sphere in Africa.

### ***The watch-dog role of civil society***

The public sphere according to Salih (2003: 3) is the space where civil society strives to influence how public goods are controlled, managed and distributed. It is the domain where multiple stakeholders (social forces, interest associations, private sector operators, religious organisations, pressure groups etc.) interact to ensure that government is responsive to the concerns and legitimate demands of the governed. Of late CSOs, through the ATI legislation in particular, are taking an active interest in governance issues in a number of developing countries including Africa. For instance, CSOs have built effective capacities to analyse and influence public budgets so as to promote transparency and accountability in governance (Ramkumar & Krafchik, 2006: 3). In South Africa, for example, the Public Service Accountability Monitor (PSAM), a research and advocacy organisation, works closely with the legislature to track government agency responses to financial control weaknesses and instances of financial misconduct and corruption contained in the Auditor-General's report. Thus a vigilant civil society having free ATI can contribute to the achievement of social development programmes by limiting corruption and strengthening the accountability of responsible agencies. However, the perception by many African governments that CSOs are sympathisers of opposition political parties has, in some cases, bred mistrust and lack of cooperation on the part of government.

### ***Civil society, internet and access to information in Africa***

The internet and related new media technologies have been shown to hold possibilities for other partners in the democratic process, such as social movements, activist or minority groups (Agre, 2002: 311). The internet is also used by these groups to further their causes and empower them to play a more pertinent role in the democratic public sphere. As a globalising medium, it further affords these CSOs the opportunity to be involved in global networks and to draw support from similar groups worldwide, whilst still being used to further local issues. At the root of these performances is its veracity in giving access to information in a virtual manner. However, as observed by Wasserman and De Beer (2003), in Africa the slowness of the development of information communications technology (ICT) due to economic, cultural, social, and political factors, in general, seriously hampers its efficacy. The question is particularly pertinent in the light of the important role that civil society has to play in the formulation of policies aimed at African development. The same observation was made by the African Civil Society Organisation (ACSO) in its Maputo Declaration released in July 2003, in which it stated as its vision to have a “vital role to play in the formulation, implementation, monitoring and evaluation of policies and programmes for the advancement of development in Africa” (ACSO, 2003: 1).

One should be cautioned at this stage, as ATI legislation *per se* does not guarantee that state-held information will easily be in the public domain and in promoting an open and transparent society. Such laws, in practice, involve bureaucratic, cumbersome and, to some extent, expensive processes to be undertaken by the citizen in order to obtain information that is legally in the public domain and therefore, should be made public. As Dick (2005: 6) rightly points out “bureaucratic arrogance and hostility” is still an inhibiting factor.

## **Access to information and socio-economic justice in Africa**

Presently, the overarching priority for the United Nations (UN), African governments and the international community is focused on achieving the Millennium Development Goals (MDGs) and the difficulties in doing so. This has, therefore, broadened the discussion with regard to elements of the development process that are of seminal importance. Accordingly, the fundamental right to freedom of expression and its adjunct, ATI, has become pivotal for the achievement of sustainable and human development, poverty eradication, good governance, peace and reconciliation, environmental sustainability, and respect for human rights (UNESCO, 2008: 2).

### ***Access to information as a critical input in political participation***

At the 1992 Earth Summit in Rio de Janeiro, Principle 10 of the *Rio de Janeiro Declaration* (UN Environment Programme, 1992: 4) proclaimed the following:

- That every person should have access to information about the environment;
- Opportunities to participate in the decision-making processes affecting the environment; and
- Access to redress and remedy.

These three rights are often referred to as the 'Access Principles'. ATI requires governments to provide their people and their chosen representatives with all the relevant information concerning governmental activities and services as part of the political rights of the people. In Africa and in developing countries, the policies, practices, and institutions of political life tend to exclude the majority of citizens, especially the poor and socially marginalised from full

participation in public decision-making and other political rights.

Political rights are, generally speaking, the right and opportunity to take part in the conduct of public affairs, directly or through democratically chosen representatives. This includes the right to vote and to be voted for in a country's legislative institutions, to have views represented before decision-making bodies, and the right of equal access to justice. The lack of political rights and freedoms has, therefore, proved to be both a cause and a consequence of poverty because socially and politically excluded people are more prone to be indigent, and are therefore more vulnerable to social exclusion and political marginalisation.

In considering the participation of citizens in the decision-making process, the United Nations Educational, Scientific and Cultural Organisation's Social and Human Sciences' Freedom of Expression publication (UNESCO SHS, 2009: 4) distinguishes four stages in policy-making:

- **Preference revelation**, which is the initial stage of policy formulation where people are empowered to express their preferences, or the objectives they want to achieve;
- **Policy choice**, the stage where policies are formulated and decisions taken with regard to the allocation of resources among alternative uses;
- **Policy implementation**, the stage of putting into practice decisions made to effect the realisation of agreed policy choice(s); and
- **Monitoring and evaluation**, which is the final stage in the policy process; the stage where the State and other office-bearers are held accountable for their obligations.

It is the considered view of the author that the most critical stage in the policy-making process is the ‘policy choice’ because as different patterns of allocating resources serve the interests of different groups differently, a conflict of interests is bound to arise. The group that wins in the conflict resolution is usually the one that participates effectively in the policy formulation. It is here that the poor are likely to be marginalised, since they do not possess enough political or financial clout to champion their interests. The suggestion is for human rights advocates to ensure an institutional framework that allows the poor to effectively participate in policy formulation. If the poor are encouraged to participate in the process of setting priorities and are given the opportunity to make a case for those options that best serve their interests, the stage is set for sustainable development and the elimination of poverty. This can be achieved if there is transparency in the policy-making process with unfettered access to information as its linchpin.

Additionally, the poor should also be encouraged to participate in the process of policy implementation and monitoring, preferably through CSOs or through an active local government representation. The current lack of service delivery protests in South Africa can best be traced to a lack of policy implementation and monitoring, and the non-involvement of the poor in the process. It is even argued that at community level, the presence of the poor does not even exist, or where it exists its voice is not heard or simply ignored, leaving the poor no option but to indulge in violent protests. It is simply common sense that people affected by the desired policies are afforded the opportunity to monitor and assess its effect and to participate in the procedures for holding the implementers of the policy accountable. Certainly, this cannot take place if the intended beneficiary of the policy is denied access to information, which is the *sine qua non* in the monitoring and evaluation process.

### **Access to information legislation and socio-economic and cultural rights**

Economic, social and cultural rights (ESCR) are considered to be positive rights because they generally require some positive action on the part of the government. The primary international treaty governing them is the International Covenant on Economic Social and Cultural Rights (ARTICLE 19 & ADC, 2007: 13). What constitute ESCR are the right to work, the right to social security, the right to adequate food, the right to adequate housing, the right to health, the right to a healthy environment, and the right to education. The combination of these can be classified as sustainable development, a major governance issue confronting African governments.

The enforcement of ESCR and consequently their justiciability have been questioned at both the international and domestic levels. Both local and global CSOs are at loggerheads with various governments on this issue. Despite the interrelationship between ESCR and civil and political rights, there is still scepticism regarding the status of ESCR as real rights. Some scholars and governments argue that ESCR are not human rights, whilst others argue that they are human rights but are non-justiciable because civil and political rights grant negative rights and thus, impose negative obligations.

ESCR, on the other hand, guarantee positive rights and impose positive obligations on governments. The imposition of positive obligations upon States, as pointed out by ARTICLE 19 & ADC (2007: 14), implies the adoption by governments of programmes to address social policy questions which, unfortunately, require government expenditure. This article does not intend to enter into any polemics over the status of ESCR. One cannot but agree with Barash and Webel (2002: 485) that “It is very difficult to be tranquil, calm, or satisfied when denied such basic needs as food,

clothing, shelter, education, and medical care... [and when people] perceive that, their economic conditions are far inferior to those of others". Archbishop Desmond Tutu of South Africa is on record as having warned that unaddressed social and economic grievances are a "powder keg of resentment and frustration" that can threaten social order (Muvingi, 2009: 163).

It is, nevertheless, instructive to realise that the right to access information is not only important in order to participate effectively in an open, public debate about issues and interests affecting people's life; it is also useful to exercise other rights, such as ESCR. Furthermore, among the varied constitutional rights, ATI imposes the most clear-cut obligations on governments both negative and positive. As a negative obligation, "the government must respect the right by not violating it directly through legislation, policies, judicial decisions or actions of its officials".

Again, as a positive obligation, the government must take direct, affirmative action, possibly to protect the right by preventing others from violating it or to fulfil the right via legislation or judicial decisions" (ARTICLE 19 & ADC, 2007: 15). ATI, therefore, is not only a right in itself, but a tool for exercising other rights. For example, if a citizen wishes to know if the government is developing policies to counter discrimination in access to education, it is necessary to have access to certain information related to those policies.

Again, in order to know if the government is initiating a campaign that aims at combating HIV/AIDS for example, it is necessary to know how public policies are being implemented. In other words, we need information to monitor the delivery of political commitments to uphold our fundamental rights. Jagwanth (2002: 13) provides a meaningful summary of how the right to access public information is related to other rights, thus:

- It is a component part of other rights (e.g. freedom of expression, administrative justice, and the right to a fair trial);
- It gives effect to and protects rights (e.g. a clean environment);
- It assists in the enforcement of rights (e.g. the right to equality); and
- It prevents further violations by opening up activity to constant scrutiny.

## Conclusion

Africa's quest for sustainable development has been a tortuous one. Political instability, totalitarian and corrupt regimes, civil and interstate wars, strangulating international debts, trade imbalances and abject poverty have characterised Africa's desire for sustainable development. The grand re-awakening of the various CSOs around the continent and global support and pressure, are gradually having an impact on its developmental efforts.

Democratic governance, with its insistence on openness, accountability and the rule of law has aroused the interest of CSOs to press for a say in governance. This has led to a greater interest in ATI legislation and various African governments are under pressure to respond accordingly. Socio-economic rights are continually being demanded by the marginalised under the banner of civil society and with the support of the international community. One can therefore say with confidence, that there is a ray of hope for Africa in its developmental efforts.

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# DECENTRALIZATION AND LOCAL ECONOMIC DEVELOPMENT IN UGANDA

By

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## Abstract

Uganda has been implementing the decentralization policy of the devolution type since 1992. One of the main objectives of decentralization is increasing incomes and expanding local revenues at the local levels. In order to achieve this particular objective, the Government of Uganda focused mainly on service delivery and not on local economic development (LED) which is crucial in enhancing service delivery. This article argues that in spite of the achievements so far registered in the implementation of LED, it is constrained by several challenges. These challenges are now adversely affecting the successful implementation of the decentralization policy itself. To address this issue, the paper is divided into four sections: explaining the meaning and objectives of LED; strategies of implementing LED including initiatives that cover Public-Private-Partnerships (PPPs), women, and the youth; challenges of implementing LED; and conclusion.

*Key Words: Local Economic Development, Decentralization, PPPs, Community Building, Economic governance, Enterprise Development, Youth and Women participation*

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## Introduction: Explaining local economic development and its objectives

LED emerged in late 1970s and attained prominence in the 1980s (Akah 2008). It is a critique of the traditional model of economic development that gives the task and privileges of producing wealth to a small segment of the population and relies on the 'trickle-down' effect to get to the poor (see Blakely 1994). The UN-HABITAT (2009: 1) defines LED as:

... a participatory process where local people from all sectors work together to stimulate local commercial activity resulting in a resilient and sustainable economy. It is a tool to help create decent jobs and improve the quality of life of everyone, including the poor and marginalized.

Swinburn (2006) identifies LED's guiding principles as: strategically planned; based on a territorial approach; locally owned, designed and delivered; best achieved through partnerships in design and implementation; re-enforced by integrated government actors; creates an enabling or conducive local business environment for all actors; integrates intervention across multiple sectors; calibrates interventions in hard and soft institutional infrastructure; promotes development and retention of local business and people; and ensures that projects are delivered by all actors such as public, private, government, donors, and Civil Society Organizations (CSOs) (see also Birkholzer 2005; Helmsing 2003; Hindson 2007; Rodriguez-Pose 2003; ).

In terms of LED's objectives, EGAT/UP (2007) and Mutabwire (2010) clarify as follows: identifying investment opportunities and

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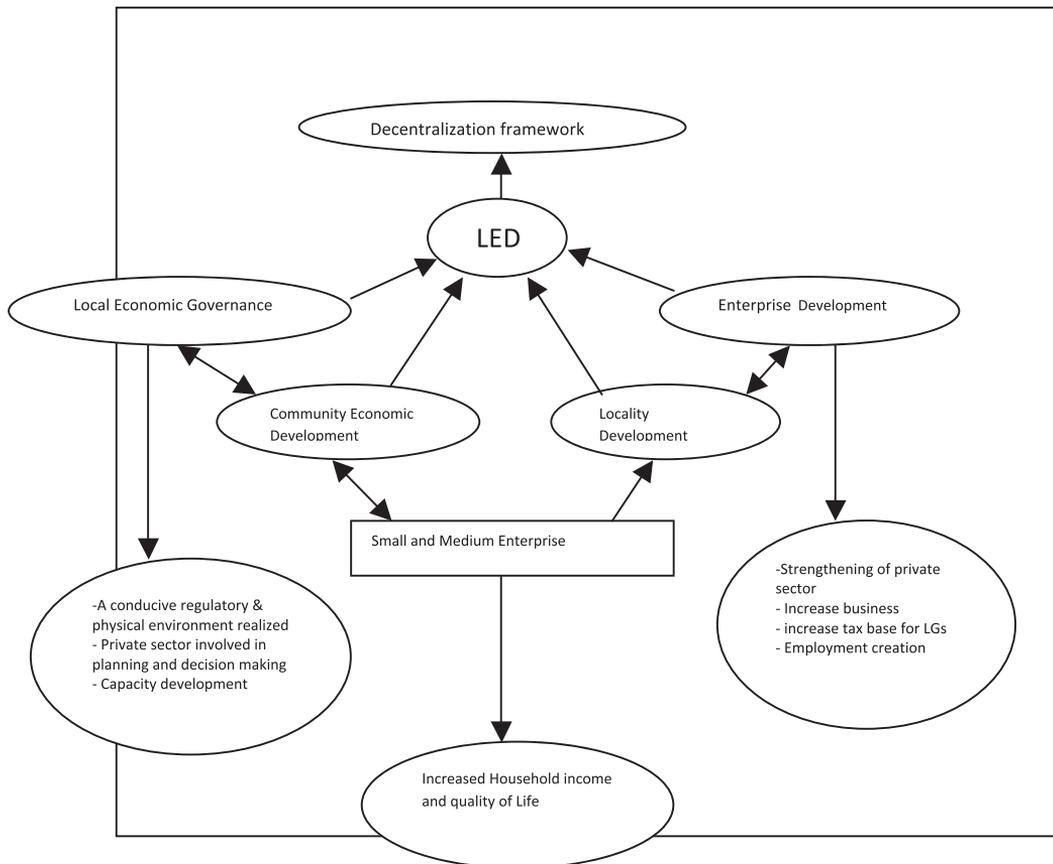
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stimulating investment that will promote sustainable high growth in the local community; assessing the community's comparative advantage; identifying new or existing market opportunities for business and reducing the obstacles to business expansion and creation; supporting entrepreneurs' activities and facilitating access to new markets; promoting and improving the living and working conditions of the communities through creation of new economic opportunities, retention of existing ones and generation of incomes; enhancing competitiveness of the local economy; achieving sustainable growth of the local economy and; ensuring equity and

inclusiveness of a local economy.

These objectives are consistent with the fight against poverty and social exclusion, and ensuring environmental safety as well as the re-orientation of economic and social policies towards 'bottom-up' development strategies (Canzanelli 2001; UNCDF 2008). In summary, therefore, LED has four main pillars: local development; strengthening competitiveness and enterprise development; promoting local economic governance; and building community conscience and improving their welfare (UNCDF Ibid.) (figure 1).

Fig 1: Local Economic Development and Decentralization Framework



Source: Mutabwire P. (2010: 7)

## Strategies for implementing Uganda's local economic development

The implementation of LED activities in Uganda is provided under the Local Government Sector Investment Plan (LGSIP) and the Decentralization Policy Strategic Framework (DPSF) (Ministry of Local Government 2006). The former incorporates LED as its sixth strategic objective while the latter, as an overarching mechanism for local government sector co-ordination, program implementation, and resource allocation, has incorporated LED as its strategic objective.

Although Uganda has not fully implemented LED, there are attempts which have positively supported the initiative. For instance, the old planning process - which include National Development Plan (NDP), Medium Term Expenditure Framework (MTEF), National Plan/Budget, District Development Plan (DDP) and Lower Local Government (LLG) Plans - have changed from the bottom upwards as follows: NDP, National Plan/Budget, DDP/ Municipal Development Plans, LLG Plans, and local economic assessment (i.e., resource endowment, investment gaps, investment opportunities, capacity gaps, and impact policy framework).

The other achievements include:

- LED's National Resource Team (NRT) has been constituted;
- Economic program to support LED has been piloted in five districts;
- The role of Local Governments in LED has been strengthened;
- An enabling environmental framework for citizens, NGOs, Community Based Organizations (CBOs) and the private sector to perform an oversight role in the way public funds are being spent by Local Governments has been created;

- The capacity of central and local leaders to internalize their roles and functions in LED has been enhanced;
- Political, administrative and fiscal accountability, vertically and downwards, have been instituted;
- Extensive civic education on rights and obligations of all stakeholders in local development has been carried out;
- The assessments of local economic and business enterprises in five districts (areas of assessment included local economy assessment, regulatory environmental assessment, economic infrastructures and social services survey, business assessment, financial services sector assessment, PPS assessment, and CSOs assessment) have been completed;
- The integration of LED in DDPs has been accomplished.

Lastly, while working closely with development partners, the GoU has undertaken several studies and produced reports and plans of action on LED, namely; production of a National Strategy for Promoting Investment and LED; development of the first LED generic inventory; designing of the Community-Driven Development (CDD) program, development of led concept paper, and the design of the Third DDP (Nuwagaba 2008). Other strategic initiatives of implementing LED in Uganda cover PPPs, women and the youth. These initiatives are briefly discussed below in turn.

### Public-Private-Partnerships

PPPs are an alternative way of financing, managing and procuring infrastructure projects to traditional government procurement. It is a long-term contract between a government entity and a private company for contributing to the provision of a public service (PPPS). It takes

three forms: build-transfer-operate (BOT); concession; and lease. The responsibilities, procedures and rules of PPPs include a capital investment requirement of greater than the local currency equivalent of USD5million, and contract duration of longer than five years.

Through decentralization, LED aims to promote PPPs in providing local government services. Given that the central government has been facing financial crises, LED was seen as the alternative strategy whereby the private sector would be integrated into the local government system to provide goods and services to the local citizenry. Some of the reasons for private sector involvement in service provision are (Muhangi 2007: 265): government's budgetary constraints require infusion of funds from the private sector to enhance efficient service provision; pressures on government to improve and maintain quality and reliable service provision; de-politicization of service provision through a reduction of the direct role of politicians, and the questioning of the government's capacity to provide certain services better than the private sector.

The implementation of decentralization, which has received support from various stakeholders including development partners, has led to a reasonable improvement in the delivery of socio-economic services. For example, there has been an increase in safe water coverage, an increase in the number of school-going children, improved healthcare; and an improved rural and urban road network. Some of the activities of PPPs are now evident in joint committees, contracting for infrastructure development, and street parking in many districts. Also, market dues are being collected by the private sector and revenue and garbage collections have been privatized. Furthermore, decentralized governance has generated rapid growth in local NGOs and private sector companies, which has, in turn, created more jobs for local residents (Okidi and Guloba 2006: 8). In the education sector, due to Universal Primary

Education (UPE), more schools have been constructed, which has, in turn, generated increased demand for secondary schools seven-fold, and, more secondary schools has led to the establishment of more universities (Ibid.).

Much as these services have been supplied better by the private sector than the central and local governments, six key bottlenecks have emerged (Muhangi Ibid.: 274). First, community members have become reluctant to contribute their labor and materials because they know that it is the private sector which has to do it. Second, at times the guideline governing the contractual relationship is unclear. Third, community members have no access to information about the obligations of the contracting parties, and cannot monitor and evaluate whether the programs are value-for-money (VFM). Fourth, some of the contracting parties, including members of the Contract Committees, are corrupt. Consequently, they either supply 'air' or substandard services. Fifth, central and local governments lack the necessary capacity, especially supervision, to effectively manage the involvement of the private sector in service provision. Sixth, the complexity of the PPP process to the communities means that sometimes there emerges a "parasitic capture" of public resources by local private entrepreneurial interests and direct involvement of some local government officials thus resulting in conflict of interest. Consequently, the private sector that was seen as capable of generating revenue more than the local government, pass on a small percentage (one-tenth) of what they have collected.

Thus, first, the PPP framework does not promote infrastructure consistent with the objective as outlined above and other policy priorities of the central government. Second, local governments do not use PPP for sustainability of their activities to achieve VFM either for the government or the users. Third, the PPPs are poorly structured hence

causing risks to contracting parties. Fourth, PPPs are not procured competitively because information is not provided appropriately to bidders at each procurement stage. Finally, PPPs are not developed and implemented efficiently.

## **Women and local economic development**

Is the situation on LED different with regard to women?

Women constitute a sizeable percentage of Uganda's population; there are 16,935,456 million males to 17,921,357 million females (Sunday Vision 2016: 1) Yet they have been excluded in the political, economic and governance processes due to male dominance for a long time. Given the patriarchal nature of the Ugandan society, women suffer from oppression which limits not only their access to and control over economic resources but education and political participation. The fact is that women in Uganda make up three-quarters of the informal non-wage and unskilled labor-force; 80% of Ugandan women produce food crops, and 60% cash crops. In education, 43% of women are uneducated compared to 26% men. Even the UPE program has not encouraged girls to be sent to school.

Decentralization, therefore, makes it possible for women, especially in the rural areas, to engage in the socio-political, economic, and governance spheres (Ahikire 2007; Lakwo 2009: 6). Through decentralization, the NRM government made it legal to eliminate all forms of discrimination of women in all spheres. For instance, in article 180 of the 1995 Constitution, the GoU ensured that one-third of the membership of each local government is reserved for women. It did this for Members of Parliament whereby every constituency elects one woman who represents the women seat.

These measures have advanced the struggle for political equality between women and men.

Thus, women have been involved in the country's political development which, indirectly, is beginning to have some positive impact on various LED activities that have not only enhanced their household incomes and living standards but have enabled them to contribute to the economic development of their local areas. For example, over the last two or so decades, women in Uganda have shifted from traditional agricultural production and the informal economy to the more formal market economy; about 30% of women in Uganda are now engaged in some form of entrepreneurial activity such as in small and medium-size enterprises (SMEs) in both urban and rural areas. The GoU and the local governments are intricately supporting their business ventures. Expressing his strong 'political will' to support women's economic activities, President Museveni (1980: 233) said:

Our policy aims at strengthening the position of women in the economy by raising the value and productivity of their labor and by giving them access to, and control over, productive resources ... land, capital, seeds, fertilizers, tools, water, energy, education, information ...

Given this vehement political support, women now number about 2.3 million (about 20%) in the SMEs which comprise of farmers, retailers, food processors, petty traders, hotel and restaurant owners, liquor makers, and repair-shop owners. Unfortunately, most of them have had only primary leaving education and are unskilled; they learn on-the-job. Indeed, most women are either self-employed (e.g., as market and street vendors) or work in family businesses. Other constraints that women in Uganda face in the economic and business spheres include: lack of clear legal and policy frameworks to promote women's activities

at the local level; poor business development services; poorly developed and inadequate socio-economic infrastructure; difficulty in balancing family workload with public and business activities; and negative disposition by some senior policymakers and implementers towards women and their micro-economic activities.

## **Youth and local economic development**

What of the situation of LED and the youth? The youth in Uganda constitute about 70% of the population. However, they suffer from chronic unemployment. To ensure that they are gainfully employed, the GoU has undertaken two fundamental measures. First, through the UPE and Universal Secondary Education (USE) policies, the GoU is ensuring that all school-going boys and girls acquire formal education. In addition, the GoU aims to overhaul the education system which tends to create job-seekers rather than job-creators. It is also focusing on science-oriented education policy and enhancement of salaries for science teachers and support to innovative students and programs, and teacher training and retraining. The idea of targeted skills development programs known as “skilling Uganda” – e.g., vocational training programs in technical institutions supported by NGOs and development partners, and apprenticeships by the Ministry of Gender, Labor and Social Development (MGLSD) and the Ministry of Education, Science, Technology and Sports (MoESTS) – aims at encouraging tertiary institutions to support internships and field studies and Information, Communication and Technology (ICT) training. Although UPE and USE have led to the enrolment of many school-going children, the quality of its graduates is low. The skills focus is hampered by lack of a sound package.

The second key measure that the GoU is pursuing to ensure that the youth are gainfully employed is to improve on its policies and programs towards the youth. Access to start-up funds for SMEs and private-led economic growth strategies for job creation as well as encouraging and supporting job searches and placement outside the country – e.g., in Iraq and some Middle Eastern countries - are meant to achieve this strategic measure. However, the manner in which the start-up funds are being managed and disbursed by the responsible authorities to the deserving youth and youth groups is raising serious consternation among the latter; it is sometimes difficult to know which youth or youth groups have accessed the funds and how. As regards job searches and placement outside the country, the general feedback that is relayed in the newspapers and television programs depicts serious maltreatment – e.g., cruelty and non-payment of wages - of Ugandans in some of the countries in the Middle East. This maltreatment certainly discourages other Ugandans who would have wanted to take up such initiatives.

It should be underscored that there are other specific constraints that hinder these two measures adopted by the GoU to support the youth to acquire gainful employment, namely: lack of clear youth development policy; inadequate funding (sometimes funding is misdirected or difficult for the youth to access in order to start their own businesses); lack of human resources to clearly map-out youth needs; disorganized youth leadership and organizations; and lack of sufficient control over the external drivers of job creation. Apart from the challenges that are faced in the specific initiatives discussed above regarding PPPs, women and youth, there are other broad and severe challenges that greatly interfere with the implementation of LED in Uganda.

## **Challenges of implementing Uganda's local economic development**

Much as LED activities have registered some noticeable achievements, its implementation is facing several broad challenges, namely: limited understanding of LED; failure to formulate laws and policies to embed LED; failure by local governments to change their attitude on how to relate with the private sector; inadequate and unclear guidance by relevant authorities on LED; absence of a deliberate policy by local governments to create partnerships with key stakeholders to deliver LED; poor design of decentralization; and lack of capacity and tools in many local governments that are essential for driving LED successfully. Each of these challenges will be tackled in turn.

During the formulation of the Draft National Local Economic Development Strategy it was observed that there is limited common understanding of the meaning of LED and how to promote it among the local governments. This is the first serious challenge (see Mutabwire 2008: 12-13). For instance, some local government officials think it is a strategy that should be implemented by the private sector. Others in the private sector think that some politicians will interfere with their business decisions and therefore they want nothing to do with them. This deficiency leaves the actors at the local levels confused and unable to design and implement effective and efficient LED strategy. Indeed, the inability by actors to understand a given concept, or strategy or policy and the method of how to promote it simply means that its output and outcome is bound to be a failure.

The failure to formulate requisite laws and policies for embedding LED is the second serious challenge. Central government and local governments have failed to formulate enabling laws and regulations that facilitate business and local economic activities. The National

Development Plan and DDPs have never been reviewed to take into account business and economic assessments. Consequently, business in the local governments is being conducted as usual in spite of the PPPs initiative.

Furthermore, the failure by local governments to change their attitude on how to relate with the private sector is the third challenge. If the private sector is to interface with the public sector (or specifically local governments) in order to generate profits (because this is the sole goal of the private sector), then the overly bureaucratic practice that characterizes the way the public sector does business is going to hamper rather than facilitate this goal. Local governments lack bureaucrats who can focus more on the development of their local economies by understanding how to create a favorable environment to deliver prosperity through business development. Yet this is the major way in which the capabilities and strengths of PPPs and NGOs can yield the anticipated LED outcomes (Isaacs 2006). This problem is further aggravated by the failure on the part of some political and administrative leaders to exert their effort more towards local development rather than satisfying their own personal and group interests.

Inadequate and unclear guidance by relevant authorities that tend to slow down LED's initiatives is the fourth challenge. There is widespread ambiguity on the role of central and local governments in promoting economic growth especially in supporting SMEs to avoid wastage and duplicity. Although at the macro (i.e., national) level the role of central government in stimulating economic growth may be clear, that of local governments and the relationship between the central and the local governments remain vague (Gebre-Egziabher 2011). In fact, the unfolding centre-local relation under the multiparty political dispensation is aggravating the situation. For

instance, in some Local Government Councils, Councilors who belong to different political parties do not see eye to eye. Consequently, service delivery suffers as Councilors squabble over petty political differences.

Lack of a deliberate policy by local governments to create partnerships with the private sector, the community, and CSOs for the provision of social services and the creation of employment opportunities through investment promotion within the poverty eradication framework is the fifth challenge. In addition to this failure to create partnerships is the fact that local governments do not enhance sufficiently the badly needed co-operation and synergy among stakeholders within their jurisdictions (Ssewankambo 2006). Each stakeholder is still preoccupied with the old ways of going it alone without due regard to the would-be favorable input of other stakeholders.

The design of decentralization which has taken its toll on LED is the sixth challenge. For instance, competing demands placed upon decentralized local governments amidst the endemic scarce resources they face causes them to be over-loaded. Indeed, the low local revenues which constitute about 5% of local governments' budgets affect the operation and maintenance of investments. In addition, most of the funds available to local governments are conditional grants and are on a sectoral basis. The situation is aggravated by the creation of new and unviable districts by the national political leadership whose goal, it would seem, is to reap political capital; many of the voters in these new districts see the creator of their district as a person who should be rewarded with votes during elections.

The final challenge is that many local governments lack capacity and tools to drive LED successfully (MOLG 2006a, 2006b, 2007, 2010). Capacity is the ability of individuals and organizations to perform their functions

efficiently, effectively and sustainably (United Nations Development Group 2008). Capacity building intervention takes into account three levels - individual, organization and broader environment - in a systematic and reinforcing manner. Some (these are quite many) local governments cannot attract and retain key personnel to provide basic services especially in education, water, health and roads which, in turn, affect LED. Local government personnel are the least motivated in part because of the low budget allocations (Therkildsen and Tiderman 2007: 47-49). Hence, some districts find it difficult to attract, let alone retain, staff because they are remote and under-resourced (MoPS 2010). In addition, the MoLG does not undertake regular capacity assessment to appraise the existing skills, competences and knowledge of local government personnel to establish the extent to which they can perform their functions to deliver expected results (UNDP 2005: 7-8)).

## Conclusion

Decentralization is being implemented in Uganda to enhance local development, among other critical objectives. LED was seen as a strategy to mobilize local resources to broaden the low revenue bases of many local governments. Some of the anticipated benefits have been achieved such as constitution of NRT, piloting of LED, adoption of strategies by the GoU to strengthen the role of local governments in LED, creating an enabling environment for stakeholders to oversee public expenditure by local governments, promoting PPPs in service delivery, enhancing the capacity of political and technical leaders to internalize their roles in LED, providing extensive civic education on rights and obligations of all stakeholders in LED, completion of the assessments of local and economic business enterprises, and integration of LED in DDPs.

However, LED is encountering several challenges, namely; limited common understanding of the meaning of LED and how it can be promoted by local governments, central and local governments' failure to formulate enabling laws and regulations that facilitate local economic activities, failure by many local governments to change their attitude on how to engage in business and economic activities, inadequate and vague guidelines by relevant authorities on LED, lack of a deliberate policy by local governments to create partnerships with the key local actors for the successful

delivery of qualitative social services and the creation of employment opportunities, too many competing demands that overload local governments, low local revenue and inadequate funding generally affects not only the operation and maintenance of local business investments but the development of infrastructure to sustain their activities, and lack of capacity and tools to drive LED successfully. These challenges have to be addressed if LED is to create wealth and increase household incomes thus embedding financial and fiscal decentralization and local development.

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# ENHANCING SERVICE DELIVERY IN NAMIBIA THROUGH PUBLIC SECTOR REFORM OVER THE LAST 25 YEARS: A CASE STUDY OF NAMIBIA

By

Charles Keyter<sup>1</sup>

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## Abstract

In 2015 Namibia celebrated 25 years of independence; the people of Namibia also witnessed a smooth transition of presidential power in a peaceful, democratic and constitutional manner. The newly elected President H.E. Hage Geingob committed himself and his government to accelerated service delivery. Despite positive developments within Namibia, the country has witnessed an increase in corruption, maladministration and poor service delivery over the last few years. This article will briefly focus on service delivery within Namibia, as well as the positive and negative developments regarding service delivery that has taken place over the last 25 years. A brief discussion will follow thereafter focusing on the measures the government of Namibia has taken on an institutional level to address these maladies to ensure accelerated service delivery. The measures put in place are; the principle of ministerial accountability- addressing corruption, ensuring public enterprises operate effectively and efficiently; establishing sound labour relations; enhancing professionalism within the Namibian Public Service and ensuring transparency in service delivery.

*Key words: Good governance, NIPAM, Transparency, Performance management, economic progress, Health Sector, Education sector, National Development plans, Vision 2030*

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## Introduction

On 21<sup>st</sup> March 2015, Namibia witnessed an historic event in its relative short existence as an independent and sovereign Republic. Not only did Namibia celebrate 25 years of freedom, peace, progress and social stability, but the people of Namibia also witnessed a smooth transition of presidential power in a peaceful, democratic and constitutional manner. This smooth transition has demonstrated that Namibia has moved from the stage of the consolidation of democracy towards its institutionalization. Despite all the positive developments within Namibia, the country has also witnessed an increase in corruption, maladministration and poor service delivery over the past years. Various commissions

of inquiry were set up to investigate these maladies in the state. However, until now the people of Namibia have not seen most of the recommendations of these commissions implemented or actions taken against culprits within Namibia. The newly elected President H.E Hage Geingob has committed himself and his government to deal with these issues, and ensure that the citizens of Namibia get value for money.

## Public service delivery in Namibia

Du Toit et al., (2002) states that evidence exists to support that that service delivery to citizens originated thousands of years before the birth of Christ. The fact that people lived in close

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proximity to each other, and were subject to a governing body, gave rise to public service delivery. This development not only resulted in the need for service delivery, but also required effective, efficient and economic accelerated service delivery.

The Constitution of the Republic of Namibia, 1990 (Act No. 1 of 1990) sets the statutory framework for service delivery in Namibia. At the highest level is the National government. At the regional level fourteen regional authorities have been established. Each of these regional authorities have jurisdiction over a specific area of the country. Closer to the inhabitants of the country are a large number of local authorities that provide service to the local inhabitants under their jurisdiction. Although the Namibian Constitution determines the physical structure of the three levels of government, it is important to note that the statutory frameworks are more comprehensive than just the physical structural framework. Other legislation also contributes towards the statutory framework for service delivery.

The efficiency of the Namibian public service is integral to the country's economic, social and ecological progress. Equal participation by all Namibian citizens, economic stability, effectively poverty management, independent and just judicial systems, and excellent performance in the educational and health sectors can only become a reality if all public officials on all levels of government fulfil their duties and responsibilities according to the principles of good governance (The NamCode, 2014). The Namibian Constitution, 1990, made an important contribution to a new attitude amongst public officials and citizens regarding service delivery. The intention of certain sections in the Constitution is to emphasize the importance of the narrative guidelines according to which public officials must deal with their clients. The origins of

these narrative guidelines are the body politics, societal value systems and legal rules. Apart from the Namibian Constitution the principles of good governance have been laid down in the Public Service Charter of the Republic of Namibia, the Customers Service Charter for each government office, agency or ministry and the Public service code of conduct.

### **Positive developments in service delivery within the Namibian public sector**

With reference to the positive developments of service delivery within Namibia over the past 25 years, this article will briefly focus on the three main areas for successful service delivery, namely; the economy, the health and educational sectors. Since independence in 1990, the Namibian economy has registered a positive economic growth. From 2010, Namibia grew positively with the GDP trending at more than 5% and 6 %, annually. However, the economy recorded growth of only 5.1 % and 4.5 % in 2013 and 2014, respectively, below the targeted 6% annual growth of NDP4 and Vision 2030. (National Planning Commission, 2014/5: 25)

Namibia is currently classified as an upper-middle income country as a result of the continued increase in per capita GDP; as a result of sustained positive economic growth and slow population growth. However, it should be noted that the growth in per capita income masks income inequality or disparities. Growth in total investments was driven by an expansion in production activities in sectors such as construction, mining and transport, and an increase in assets investment, i.e. equipment for mineral exploration, construction and transport on the production side of the economy., Namibia's absorption capacity has shown that the economy has unlimited abilities to increase production through additional

investment because the economy consumes more than it produces. Namibia is expected to grow above 5% in 2015 reaching 6% in 2016 before tapering off (National Planning Commission, 2014/5: 26). The performance of the economy is vital in the efforts of the Government of the Republic of Namibia (GRN) to improve the living standards of Namibians and to place the country on a steady path towards the realisation of Vision 2030 and meeting the United Nations Millennium Development goals.

Namibia's projected population growth rate is 1.7% per annum (2001-2031) and the government anticipates increased demand for health and other social services due to a growing population. The health sector receives the second highest portion of public budget after the education sector. Investing in the health sector significantly contributes to the overall well-being of its citizens. Overall life expectancy increased with 7.9 years over a ten-year period between 2001 and 2011, from 49.0 years to 56.9 years, respectively. Furthermore, there is a decline in the infant mortality rate from 46 deaths per 1000 live births during 2006-07 periods to 39 deaths per 1000 live births during the 2013 Namibia Demographic and Health Survey (NDHS). The under-5 mortality rate has also recorded a decline during the same periods from 69 deaths per 1000 live births to 54 deaths per 1000 live births. The results of the 2011 census show that life expectancy for both males and females in Namibia increased by 5 and 11 years, respectively. This means people are now expected to live longer than in 2001. This also means that despite a high death rate in the population, quality of life has improved between 2001 and 2011 in lieu of life expectancy (National Planning Commission, 2014/5: 63 -64). The HIV /AIDS pandemic however remains a major challenge for the country as it affects all other sectors and sections of the Namibian society. Despite

a relative small population of 2.2 million, Namibia is ranked amongst the countries with the highest infection rates in the world. HIV/AIDS is a leading cause of hospitalization and deaths in the country.

With reference to the educational sector, notable progress has been made over the last 25 years, Currently more than 83% of Namibians between the ages of 15 and 24 are literate and more than 110% of eligible children are in primary school. Enrolments in vocational and technical education has increased drastically since 1992, and 6.96% of the population is currently enrolled in higher education institutions. Despite these efforts and related gains, many challenges still remain, including lack of sufficiently skilled and educated citizens for the workforce and lack of quality education. Due to these reasons, the educational sector undertook a comprehensive analysis of the education system currently in place, The analysis identified the need for sector-wide reforms to improve quality, responsiveness, effectiveness, internal efficiency, and to address the lingering inequalities within the educational sector. This has led to the development of the Education and Training Sector Improvement Programme (ESTIP). The strategic framework and road map for the period 2005 to 2020 was adopted by Cabinet in 2006 (Republic of Namibia, 2006a).

Namibia is experiencing a serious problem with unemployment, especially amongst school leavers. According to current statistics the unemployment rates is 29.9% (NSA, 2011). As a result, the Presidential Commission on Education, Culture and Training Report recommended that entrepreneurship should be strengthened in the school curriculum in order to equip the Namibian youth with the necessary skills. The Ministry of Education, therefore, decided to introduce Entrepreneurship as a subject in the Junior Secondary phase as from 2007 (Republic of Namibia, 2006a).

## Negative developments in terms of service delivery within the Namibian public sector

In spite of all the positive developments that have taken place since independence in 1990, Namibian citizens continue to experience ineffective and poor service delivery. Two major concerns raised by citizens are the management of Public Enterprises (PEs) and the increase of corruption and unethical behavior by public officials within the Namibian public sector.

PEs are set up with state funds/monies are often misallocated because of lack of timely reporting, monitoring and scrutiny, this is often due to the limited enforcement of basic corporate governance principles. At independence in 1990 Namibia had only 12 PEs. However, at the beginning of 2015 there were 89 PEs. Whilst the number of PEs is rising, sound financial performance and adherence to good corporate governance principles remain elusive for most of them.

Currently, a dual governance model exists in the Namibian Public Enterprise sector, namely the State Owned Governance Council (SOEGC) and the different line ministries. While the SOEGC will be replaced by a new Ministry of Public Enterprises, there still remains a dual mode model. The failures of PEs can be attributed to the dual governance model. In Namibia 74% of the 89 PEs are non-commercial and are mostly regulated bodies and service rendering institutions. The main problem lays with the non-performing commercial PEs which cost the government a lot of money in bailouts such as TransNamib and Air Namibia. Also noted is the lack of synchronization with other laws. In the case of PEs, some of the PEs do not have legislation to regulate them, such as NamPower. There is a need to create legislation to govern PEs. Other PEs such as the Social Security Commission,

the Roads Authority, the Off shore Development Corporation, and others, lack consistent, regular reporting and monitoring of performance and activities. During a study conducted by Deloitte and Touche (2001:45) on the functions and performances of PEs it revealed the following negative trends:

- Increasingly high state financial allocations mainly to sustain the high current expenditures related to the over-sized organizational and personnel structures of state owned enterprises;
- Monopolistic practices that have resulted in uncontrollable prices which are the concern of the general public;
- Low productivity and contribution towards the achievement of rational development goals;
- High exposure to unsustainable debt;
- Poor leadership at both board and management levels;
- Lack of intra-agency co-ordination, planning and linkages, including promotion of local industries through preferential procurement of goods and services;
- Remuneration at both management and board levels not linked to productivity and the ability of the enterprises to carry the expenditure burden.

These findings confirm the concerns of the public at large that urgent remedial action is needed. The study also confirmed that the Namibians learned about corrupt practices in some PEs from different commissions of inquiry. These commissions have revealed disturbing and shocking malpractices, misuse of funds, corruption and misappropriation of assets in some PEs.

The second major concern raised by Namibians is the increase in corruption and unethical behavior amongst public officials within the Namibian Public Sector. According to Transparency International Corruption Perceptions Index (CPI) Namibia was ranked as the 54<sup>th</sup> most corrupt country in the world out of a total of 175 countries in 2001. In 2013 Namibia was ranked as the 48<sup>th</sup> most corrupt country in the world out of a total of 175 countries. Although Namibia's ranking has improved over the last 12 years, it still remains a source of concern. Concerted efforts are needed to improve the situation. Namibia's current CPI score is 4.3. According to the CPI ranking, 0 implies highly corrupt while 10 implies highly effective. These scores indicate that Namibia currently has a corruption problem, corruption has a damaging impact on the human and economic development of the country.

Over the last 25 years, Namibians have seen the destructive impact corruption had on the economy, the welfare of the Namibian citizens and the international image of the country. Namibians have seen and heard about officials who are engaged in corrupt practices to enrich themselves or benefit only a few individuals at the expense of the majority of the people. These culprits use and abuse public resources for personal and private gain. The end result is the diminished ability of the state to deliver crucial services to the public. It also leads to the erosion of public confidence and trust, as well as public contempt for state and public institutions. Various reports from the Public Service Commission, the Office of the Auditor-General, the Office of the Ombudsman and commissions of inquiry reveal an increase in corrupt practices amongst Namibian public officials. The public saw little action taken by the GRN, thus feeding the perception that corruption was positively condoned. The public has never experienced a serious effort by the GRN to root out corruption.

Namibian political analysts, Tangeni and Sherborne (2005) suggest that politics have a major role to play in the growth of corruption. They blame the GRN for the appointment of poorly qualified people, the saturation of boards of directors of PEs with the same faces, and a lack of transparency at state institutions have all created an atmosphere for corruption to flourish. They argue that in Namibia corruption is politically connected and induced. In this regard they argue that under the Nujoma government, the ruling political elite developed a network with the business and economic elite. Many cases that should be classified as corruption involving the elites have then developed into a "culture" that came to be regarded as legitimate and was tolerated as empowerment. This shows that corruption is detrimental to the goals of socio-economic progress and therefore should be fought at all levels and in all spheres of the Namibian society including the private sector.

### **Measures to enhance service delivery within the Namibian public sector**

The next section will briefly focus on some of the measures the GRN has implemented to address the problems identified.

#### **Enhancing ministerial accountability**

The public financial resources at the disposal of the GRN are limited. Therefore, in order to effectively, efficiently and economically use the resources at its disposal, it is imperative that public officials, who use these resources on behalf of the citizens, are guided by prudent financial management guidelines. This means that strict financial discipline will be enforced. In order to achieve this objective the President mandated the Prime Minister to coordinate and supervise all activities of ministries, offices and agencies in order to minimize and eventually abolish overlap, duplication and wastage

of public resources. In future, the principle of ministerial accountability will be strictly enforced in accordance with the Namibian Constitution. In this regard, Article 41 of the Namibian Constitution, clearly states that all ministers shall be accountable individually for the administration of their own ministries and collectively for the administration of the work of the Cabinet, to both the President and Parliament in the management and performance of their portfolios and execution of their duties. This implies that all members of Cabinet must become fully versed with the affairs, responsibilities and functions of their respective ministries, offices and agencies. This will enable them to supervise and monitor the implementation of government programmes and projects as contained in the ruling party election manifesto (SWAPO Party Election Manifesto, 2004).

### **Dealing with corruption**

Former president Hifikepunye Pohamba in his address at the opening of Cabinet on 28 March 2006 indicated that the GRN is fully committed to addressing corruption with a sledge hammer (Republic of Namibia, 2006). He further committed his government towards a zero tolerance approach towards corruption and unethical behavior. The Anti-Corruption Commission (ACC) which is provided for by the Anti-Corruption Act, 2003, (Act No.8 of 2003) was established and has become functional. The anti-corruption machinery, in liaison with existing structures, such as the Namibian Police, the courts, the Ombudsman and the Parliament, dealt with rooting out corruption in the Namibian society. The ACC does not report to any ministry, it is only accountable to Parliament in terms of the annual report submitted. Therefore, there is no interference from any ministry as far as the functions of the Commission are concerned. One of the concerns raised regarding the rooting

out of corruption is the absence of legislation that provides for the protection of whistleblowers - so that when people report they can do so with confidence. Another concern raised is that there is no legislation currently in place on the access of information. When there is no legislation on the access to information, this may hamper some sectors from doing work that could assist the ACC. However, the ACC has committed itself to work as a team with the public and the media in order to address the concerns raised.

### **Improvement of the management of public enterprises**

Article 98 of the Namibian Constitution prescribes the economic order of Namibia which shall be based on the principles of a mixed economy. This type of economic order has as its main objectives securing of economic growth, prosperity and human dignity of all Namibians. In terms of the Namibian GDP the state and Pes is the biggest single actor because of other significant buying and spending power. Such is the importance of this sector to the Namibian economy, that it must be managed in the most professional and efficient manner. PEs have reduced the GRN workload in terms of diversified responsibilities, which are now the responsibility of different PEs on behalf of the GRN.

The Deloitte and Touche's Report on a Governance Policy Framework for SOEs in Namibia (2001), as adopted by Parliament, set in motion the establishment of the State Owned Enterprises Governance Council (SOEGC), with its Secretariat, the Central Governance Agency (CGA). The SOEGC with its CGA became operational with the adoption of the State-Owned Enterprises Governance Act, 2006 (Act No. 2 of 2006). Under the leadership of the newly elected President Hage Geingob, as from 2015, the SOEGC will be replaced by

a Ministry of Public Enterprises. In this regard the current legislation has been amended to facilitate the formation of a new ministry based upon sound principles.

The Management Boards of PEs will in future consist of not only diligent and dedicated individuals but also members with technical know-how and professional acumen. They must also have distinguished themselves in areas connected with the activities of the PEs of which they are board members. Chief Executive Officers (CEOs) and top management cadres of PEs will in future be individuals who have attained the requisite technical and professional knowledge and experience. The CEOs who do not possess the requisite academic qualification and who have little or no experience in the activities of the PEs in question will be unable to lead, control, supervise and direct their subordinates to achieve the goals of the PEs. The training of key role-players in the PEs sector will be enhanced through the Namibian Institute of Public Administration and Management. To further improve performance, performance agreements will be undertaken between the shareholders and the boards as well as between boards and management, which has never happened before.

The issue of individuals serving on numerous boards has been a point of concern whereby some individuals with the right political clout have been able to serve on more than one board. The newly appointed Minister of Public Enterprises has indicated that there is political appetite to change the status quo for the greater good.

### **Establishing sound labor relations**

The SWAPO Party Election Manifesto (2004) stipulates that the GRN appreciates the importance of sound labor relations in

Namibia and the need to maintain sound communication lines between all social partners in labor relations. These are essential for economic development. In this connection the GRN promised to set up alternative dispute resolution mechanisms to ensure a harmonious relationship between the government, trade unions and the business and industrial sectors in order to avoid unnecessary confrontation. In this regard the GRN has promulgated a new Labor Act, 2004(Act No. 15 of 2004). The main reason why a new act was approved by Parliament is because the Labor Act, 1992 (Act No. 6 of 1992) makes provision for a cumbersome process in dealing with labor disputes. In this regard it has taken time, energy and resources to deal with labor disputes. Furthermore, the District Labor Courts were flooded with labor disputes they neither had the human resources nor the position to deal with these cases in an effective and efficient manner. In terms of the new Labour Act, 2004(Act No. 15 of 2004), the District Labor Courts have been replaced by trained arbiters and mediators to speed up the process of labor disputes. The new approach has ensured affordability, equity and accessibility to the majority of Namibians. This will ensure that the tax payers money will not be wasted.

### **Amendment of the Public Service Act, 1995 (Act No. 13 of 1995)**

The Public Service Act, 1995 (Act No. 13 of 1995), Part 1, Section 2, clearly states... a Public Service for the Republic of Namibia should be impartial and professional in its effective and efficient service to the government in policy formulation and evaluation and in the prompt execution of government policy and directives so as to serve the people of the Republic of Namibia, promote their welfare and lawful interests. Section 26 (2) (a) of the Public Service Act, 1995 (Act No.13 of 1995) states that the Permanent Secretary concerned

may, on the recommendation of the Public Service Commission (PSC) suspend any staff member at any time before or after he or she is charged with misconduct. The Public Service staff rules state that the purpose of charging a staff member with misconduct and ensuing disciplinary action is to maintain good standard of work and proper behaviour required from staff members. It also serves to ensure that the rules and regulations of the public service are adhered to. However, in practice the procedures to take disciplinary action against culprits have taken too long. There is also the tendency to suspend public officials on paid leave for years while disciplinary procedures are taken care of. However, changes have been made to the Public Service Act, 1995 (Act No. 13 of 1995) aimed at streamlining and shortening the disciplinary procedures. This implies that disciplinary measures can be taken in the shortest possible time without disrupting the work of offices, ministries, agencies. It further ensures that public officials who are alleged to have misconduct get to know their fate in the shortest possible time. Those public officials who feel aggrieved by decisions of disciplinary committees can take advantage of the dispute resolution mechanisms provide by the new Labor Act, 2004 (Act No. 15 of 2004).

### **Enhancing training and professionalism in the Namibian public service**

The Namibia Institute of Public Administration and Management (NIPAM) was established by an Act of Parliament, namely, the Namibia Institute of Public Administration and Management Act, 2010 (Act No. 10 of 2010). NIPAM functions as a Public Enterprise as per the provisions of the State-Owned Enterprise Governance Act, 2006 (Act No. 2 of 2006). NIPAM was officially launched in February 2011 with a mandate to provide administrative and management training, and to serve as a

think tank for the Namibian Public Sector. NIPAM was charged with creating a public sector culture that values good governance, cooperation and coordination, the building of partnerships, the conducting of operational research and capacity evaluation that provides for learning (NIPAM, 2015).

NIPAM has developed a capacity building framework which provides a platform for systems-wide learning to facilitate the development of common values, ethos, culture and practice. Underpinned by several flagship programmes, NIPAM promotes the concept of a life-long learning experience which will become a critical element of an individual's personal development path. All programmes and courses will eventually be linked to the public sector performance management system to ensure that training and capacity building respond to actual performance challenges in the public service. The training strategy and capacity building initiatives are well researched, grounded in local reality and underpinned by best practice. Research findings are fed into training programmes and the development of new products and services. To ensure that the programmes offered by NIPAM meets international standards as well as being both professional and accountable, NIPAM has signed agreements with other reputable training institutions in Namibia and abroad

Training interventions for NIPAM are targeting public servants in the Namibian Public Sector including Central Government Offices, Ministries and Agencies (OMAs), Regional and Local Government institutions and Public Enterprises. NIPAM's approach in teaching and training is to ensure that the elements of "experiential, participatory, life-long learning and transformation" be embedded in the approach to capacity development (NIPAM, 2012: 34). NIPAM strives to do this within the broader context of achieving the goals of both the National Development Plans and Vision 2030 for Namibia.

## Transparency

The current administration under H.E. President Hage Geingob has shown an admirable commitment to transparency. The President's voluntary asset declaration was a great example that was heralded across the continent. The National Assembly is also currently debating a code of conduct that would require members to declare their assets and conflicts of interests. Transparency is much needed in the realm of good governance, where news of shady dealings makes headlines on a regular basis.

The President further emphasized the importance of all ministers and senior government officials to abide to the approved performance management system. The performance management system is designed with one purpose, namely to transform the Public Service of Namibia into an efficient and performing organization in order to realize the objectives of the national development agenda and Vision 2030. The President made it clear that the performance management system should not be viewed as punitive instruments, but as management tools for monitoring performance and providing timely corrective

interventions and capacity building, whenever necessary. He further stated that it is the role and responsibility of all ministers to effectively undertake their responsibilities and contribute to the achievement of the shared vision of a Namibian House where effective governance, improved delivery of goods and services, reduction of income disparity, job creation, poverty eradication and eventually prosperity will follow (Republic of Namibia, 2015).

## Conclusion

Although the above mentioned measures are being put in place by the GRN at the institutional level to ensure that resources are utilized economically, effectively, efficiently and ethically to the benefit of all Namibian citizens, the question still remains whether public officials are committed to implement these measures successfully. Lack of professionalism, dedication, commitment, initiative and poor leadership amongst political leaders and public officials might hamper the success of the implementation of these measures. Only the future will tell whether these measures will ensure that proper service rendering has been achieved.

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# Harnessing Resource Capacity to Finance Growth and Development in Africa: The Kenyan Experience between 2003 -2012<sup>1</sup>

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## Abstract

This article investigates the reasons behind Kenya's increased economic activity, resource mobilization strategy and documents her experience that other African states can learn from. The study objectives were to investigate the strategies used by the Kenyan government to mobilize resources to finance economic growth and transformation in the 10 year period 2003-2012, document legal and institutional framework that has supported this growth momentum and document her experiences over the period under review. Qualitative data was sought through desk reviews of publications, reforms, performance reports, and studies from key institutions. Interviews were conducted with senior government officials and policy makers who have had key roles in the relevant Ministries. The study concludes that sustained tax policy and administrative reforms, growth in government borrowing from the domestic debt and capital markets, and strengthening of key institutions with the support of the necessary legal framework have been instrumental in mobilizing resources to support growth over the 10 year period. As policy options, the article proposes sustained reforms of tax policies and administration, a focus on domestic debt and capital markets with structured finance instruments to harness within country resource potential and committed leadership at the top of African governments to sustain the transformation agenda.

**Keywords:** *Taxation, Internally Generated Funds, Donor Dependency, Economic Growth, flagship projects, policies*

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## Introduction

This article analyzes Kenya's economic performance in the ten-year period between 2003 and 2012. In the first part a review of literature is presented. It points to some salient characteristics of the country's recent economic history and provides an overview of the government's management of the economy. The second part of the article presents the results of a survey, based on open ended discussions, which profiles the views of key officials with responsibilities pertaining to economic management and policy.

## Milestones and achievements for period under review

In the 10 year period between 2003 - 2012 (here referred to as President Kibaki's legacy), Kenya experienced a tremendous and sustained improvement in both physical and soft infrastructure development that has supported moderate economic growth. The real Gross Domestic Product (GDP) growth rose from 0.8 percent in 2002 to 7.1 percent in 2007, but declined to 1.7 percent in 2008 due to Post-Election Violence (PEV) in 2007 and rose to a moderate growth of 5.4 percent in 2012/13.

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Over this period, Kenya has enjoyed a relatively predictable financing through internally generated funds and borrowing from both the domestic and external debt markets. As a result, there are key developmental successes including the increase of school going children from 5.9 million in 2003 to 10 million in 2012 under Free Primary Education (FPE); 2 million students covered for tuition under Subsidized Secondary Education (SSE); over 2,700 kilometers of road built to bitumen standards and another over 4,000 rehabilitated; over 1.7 million Kenyans connected to the electric grid, up from 700,000 in 2002; and over Ksh. 100 billion devolved to grassroots through the Constituency Development Fund (CDF) (Republic of Kenya 2012).

## **Background of economic transformation in Kenya**

The introduction of a cash economy by British colonial rule set the first steps toward economic change by evoking new wants and capacities (Government of Kenya, 1962). Ever since, the fortunes of the Kenyan economy have been cyclical, enjoying a rapid sustained growth between the 1960s to mid-1980s, then a period of stagnation and decline through 1990s to early 2000s. The growth trend began again around 2002, with the coming to power of a new government when Kibaki succeeded Moi, and has been sustained except for the economic shocks of 2007/08 due to PEV after the 2007 general elections and the global melt down beginning 2008/09.

A comparative review of the 1970s will highlight striking similarities with the 10 years under review. For instance, the yield of taxation increased nearly seven times between 1964/5 and 1976/7, compared to about a five times increase in recurrent expenditure. The balance of recurrent revenue over expenditure made a substantial contribution to the finance of

government capital expenditure (Hazlewood, 1979). In the period under review, revenue collections by Kenya Revenue Authority (KRA) grew by almost five times from Ksh. 218 billion in 2002/3 to Ksh. 1 trillion in 2012/13 budget (\$1 = Ksh 100). About 30 percent (Ksh. 451 billion) of the total budget estimates (Ksh. 1,459.9 billion) was provided for development expenditure in the budget cycle 2012/13 (Republic of Kenya, Budget Statement 2012/13).

Saitoti (2002) argues that governments play crucial functions in facilitating the smooth functioning of markets. However, care must be taken since government involvement in the economy could be a barrier to the development of the private sector and economic growth in general. Taking a historical perspective, Saitoti observes that common to all Sub-Saharan Africa (SSA) countries, economic policies after Kenya's independence leaned towards heavy government intervention in the private sector. The government, as well as the provision of public goods and services, controlled exchange rates, prices, interest rates, set import and export quotas, and regulated investment and marketing by private agents.

The outcome of the interventionist policies was the creation of large public sectors that effectively removed the level playing field for competition (Saitoti, 2002). Although several reasons have been advanced for the heavy reliance on the state in SSA, Foroutan (1993) attributes government intervention to the prevalence of political rather than economic logic in the then newly independent countries. Quoting the World Bank (1994), Saitoti (2002) points out that state intervention was also undertaken as a consequence of encouragement from donors and many development economists who believed in the virtues of planned development strategies.

Sadly however, the interventionist policies

did not work and the resultant effects were heavy burdens on public finances. Worried by the excessive burden on the exchequer from unprofitable state corporations and interventionist programs, the Government of Kenya commissioned two reviews: one on Enterprise Performance of State Corporations in 1979, and a Working Party on Government Expenditures in 1982 (Privatization Commission of Kenya (PCK), 2013).

These commissions found that nationalization and growth of parastatals were not accompanied by efficient systems to ensure they played their role. They adduced evidence of prolonged inefficiency, financial mismanagement, waste, malpractice and duplication of objectives. The cumulative effect was a bloated public sector that had become a principal cause of long-term fiscal problems (PCK, 2013). As a result of these reports, the government initiated a reform process to liberalize its markets, allowing the private sector to thrive and market forces to determine the prices for goods and services in the late 80s. A divestiture process through privatization of non-strategic enterprises was started in 1992. Out of the 240 state corporations in existence then, 207 were earmarked for privatization and only 33 were considered strategic enough to be retained by the government. The process has since raised over Ksh. 80 billion to date to finance different development programs.

In 1994/95, with the advice of the World Bank and the International Monetary Fund (IMF), and as a conditionality for funding, the government undertook a Structural Adjustment Programme (SAP) aimed at controlling the recurrent expenditure in the budget and provide more for development programmes. SAP's target was on the public wage bill that the development partners felt was both unsustainable and crowded out development expenditure. The result was a retrenchment

exercise and a freeze on new employment. The long-term impact of the 1994/95 SAP on the economic development of the country is a subject for debate by development economists and experts. But what is clear 15 years later is that key sectors for economic growth including education, health and public works are critically deficient of the necessary skills and have severe capacity gaps created by the decade long employment freeze.

Key reform initiatives have been undertaken in these years in an effort to align development plans and the budgetary process, and enhance transparency and accountability in the management of public resources for economic growth and development. Some of the initiatives undertaken include the adoption of the Medium Term Expenditure Framework (MTEF) in 2000/01; introduction of Performance Contracting (PC) in 2003/04; legal reforms including the Government Financial Management Act of 2004 (now repealed by the adoption of the Public Financial Management Act of 2012), the Public Procurement Act of 2005 and the Constitution of 2010; the adoption of Programme Based Budgets (PBB) to align national budgets with the Vision 2030; and the establishment of a Public Financial Management Reform secretariat to spearhead financial reforms in the country.

While the exact impacts of these reforms on the economy are yet to be documented, a keen observer will note that during the Kibaki presidency, Kenya experienced a tremendous and sustained improvement in both physical and soft infrastructure development that supported slight economic growth over the ten year period. Viewed from a historical perspective, this growth and development is preceded by nearly two and half decades of economic stagnation and declining donor support. Therefore, questions abound as to what factors triggered this sudden change in the course of the country's economic fortunes.

## **Role of democracy in public resource management and economic transformation in Kenya**

With increased democratization and public awareness among many nations of the world, governments of the 21st century have to contend with more scrutiny from citizens on how they exercise their stewardship responsibilities. In Kenya, citizen demands for a more open and transparent government in the administration of public funds picked up momentum with the agitation for multiparty democracy in 1990. After the 1992 general elections, opposition parties in the National Assembly (NA) put pressure on the executive to account for the use of public funds. However, despite the existence of the opposition in the NA, political tradeoffs between the executive and opposition where questions of accountability on public funds have arisen remain.

In the Kenyan scenario, things took a dramatic turn for the worse with the formation of a Government of National Unity (GNU) in 2005, after the government side lost a referendum for a new constitution. This was later to be followed by a Coalition government after the 2007 elections. These events effectively meant the absence of effective official opposition party in the NA, a weakness in the public funds accountability equation.

As a consequence, the civil society and other pressure groups advocated a more direct engagement of the citizens in the budgetary process in the current constitution. While the constitution now allows for public presentations during the sittings of the NA to review budget estimates, the practicality of ensuring the views of the real “Wanjiku” (ordinary citizens) are taken into account remain in doubt.

## **History of economic reforms in Kenya**

Since her independence, Kenya has had three

long – term and several five year development plans that have guided planning and investment for economic growth. The long-term plans include the Sessional Paper No. 10 of 1965: African Socialism and its Application to Kenya; Sessional Paper No.1 of 1986: Economic Management for Renewed Growth; and currently the Vision 2030 – a 25 year plan to transform Kenya into a middle income economy by the year 2030 (National Economic and Social Council (NESC), April 2013).

African Socialism described a political and economic system that was African in nature and not imported from any other country. The focus was on the Africanisation of agricultural land and mobilization of Africans to contribute to the growth of the economy (Saitoti, 2002). Over the period of this plan (1964 -1980), the country achieved an average economic growth of 6 per cent (NESC, April 2013).

The Economic Management for Renewed Growth policy emphasized the removal of structural and administrative constraints, promotion of rural development, creation of employment and agricultural expansion. The strategy considered economic growth as the most important factor for poverty alleviation (Awange & Ong’ang’a, 2006). The period between 1980 -1990 achieved an average economic growth of 4.1 per cent before declining to an average of 1.9 per cent over the period between 1990 -2002 (NESC, April 2013). Despite the poor economic growth of the 1990s, the government initiated reforms by way of removing state control in various areas of economic activity including reform of the agricultural sector, the financial sector, trade liberalization and the civil service (Saitoti, 2002).

The Vision 2030 development plan was preceded by a 5 years development plan: The Economic Recovery Strategy for Wealth Creation (ERSWC) adopted in 2003. Through

this strategy, the economy was able to get back to the growth path again achieving a high of 7.1 per cent in 2007. A NESC, chaired by the president, was established in 2004 to fast-track the economic recovery process (NESC, April 2013). This council was tasked with the responsibility of consolidating and sustaining the gains of the ERSWC, and to conceptualize a long – term development plan to transform the socio-economic structure from a situation where agriculture still accounted for 23 percent of the GDP and 56 per cent of employment, while manufacturing accounted for a paltry 9.9 percent of the GDP and less than 2 percent of employment in the country (NESC, April 2013).

The Vision 2030 was cast in 2008 and seeks to transform Kenya into a newly industrializing, “middle-income country providing high quality life to all citizens by the year 2030”. The plan is based on three pillars: economic, social and political transformation. The economic pillar aims for the prosperity of all Kenyans through an economic development programme that targets an average GDP growth rate of 10 percent per annum from the year 2012. The social pillar seeks to build a just and cohesive society with social equity in a clean and secure environment, while the political pillar aims to realize a democratic political system founded on issue-based politics that respects the rule of law, and protects the rights and freedoms of every individual (Government of Kenya, 2007).

To implement the plan, all government planning and policy, budgeting and performance contracting are aligned to the vision. The plan is broken down into 5 year medium term plans, with shorter regular performance reports prepared to appraise the progression towards the vision goals.

## **Tax and budget reforms in Kenya**

Tax reform can be described as the process of changing the way taxes are collected or managed by a government (Moyi & Ronge, 2006). Quoting Mahon (1997), they point out that this process could involve the adoption of Value Added Tax (VAT) or the expansion of the same, the elimination of stamp duty or other minor duties, the simplification and broadening of personal or corporate or asset taxes, or the revision of the tax code to enact comprehensive administration and penalties for tax evasion. It could also include institutional reforms that involve the semi-autonomous Revenue Authority Model. Further, tax reforms could involve broad issues of economic policy as well as specific problems of tax design structure and administration (Musgrave, 1987 as quoted by Moyi & Ronge 2006). In Kenya, tax is the largest source of government revenue and accounts for 80.4 percent of the total government revenue between 1995 and 2004.

A budget has been defined as a quantitative plan of action by which an organization or individual identifies sources and allocates scarce resources among competing needs/wants. In the public sector, budgeting can be said to be a set of procedures by which a government or a public entity rations among claimants and controls the amount each of them spends. Within this context, a budget can be used as an instrument of economic policy; as a tool for economic management; and as an instrument of accountability (Karingai and West, 2002). Faced with diminishing resources due to maturing economies up against complex and increasing needs of the public, modern governments are under pressure to maximize the contribution of public expenditure to national welfare.

Traditionally, Kenya’s budgeting approach has focused on aggregate expenditure with little concern given to national growth and

long-term developmental goals. Based on line annual budgets, the budgeting process presumed an accounting activity approach by concentrating on the generation of detailed financial statements on resource utilization, with no reference to the planning process (Karingai and West, 2002). Other budget management problems that have confronted the process over the years include disparities between revenue and expenditure patterns, cash based accounting systems, procurement systems, contract management, alignment with performance management systems, and budget release cycles.

Thus, budget management has been the target for reforms in Kenya. Success in various countries, notably Australia and New Zealand in introducing and sustaining new approaches to the budget system and budget management has encouraged managers to push for these reforms with support from international financing institutions.

### **Specific tax reforms and resource mobilization initiatives in Kenya**

Tax reforms were started in the mid 1980s due to chronic fiscal deficits experienced from the late 1970s as a result of both internal and external shocks. This came after an extended period of minimal fiscal deficits from independence in 1964 to 1977. Muriithi and Moyo (2003) argue that neither tax policy nor tax administration was able to mobilize additional resources on a sustainable basis, thus the pressure to improve domestic revenue mobilization while keeping public expenditure under control. Over the last 25 years, however, there has been a series of tax reform and resource mobilization initiatives meant to counter the fiscal deficits.

The first was in 1986 with the approval of the Tax Modernization Programme (TMP) aimed at broadening the tax base, and the adoption of

the Budget Rationalization Programme (BRP) in 1987 intended to control public spending (Eissa & Jack, 2009; Muriithi & Moyo, 2003; Moyo & Ronge, 2006). TMP sought to raise the tax revenue to GDP ratio from 22 per cent to 24 per cent by mid 1990s; reduce compliance and administrative costs; improve tax administration; and enhance institutional capacity to manage tax policy. These were later expanded in 1992 to include invigorating the growth of the capital markets; emphasize self-assessment systems; strengthen the taxpayer education system and service; and implement organizational reforms (Muriithi & Moyo, 2003; Moyo & Ronge, 2006).

In 1996, the Central Bank of Kenya (CBK) Act was amended to limit CBK direct credit to the government, allow the bank more autonomy in controlling money supply, and limit government spending within its budgetary limits or risk borrowing expensively from the open market. Given the constraints in foreign borrowing in the 1990s, the logical reaction of the government was to mobilize greater resources internally through the tax system.

The second reform was the incorporation of KRA in 1995. The newly created institution was given autonomy to govern itself through a Board of Directors (BOG), finance its affairs and recruit its personnel. As a semi-autonomous body it operates on business principles, thus less vulnerable to political interference and has leverage to recruit, retain, dismiss and promote quality staff by paying higher salaries than the civil service. It amalgamated the former Customs Duty, Excise Duty, Sales Tax, Income Tax and Corporate Tax departments of the Ministry of Finance (Moyo & Ronge, 2006).

Also, TMP included specific tax reforms like a shift from specific tax to ad valorem tax on certain excise duties like cigarettes and alcohol in 1990/91, before reverting back in 2003/04 in an effort to harmonize with other East African

Community (EAC) member states; reviews of tariffs on custom duties; introduction of VAT in place of Sales tax in 1989/90; reduction of Corporate Income Tax (CIT) from 45 percent in 1989/90 to 30 percent to combat stiff global competition; reduction of the marginal tax rate of Personal Income Tax (PIT) from 65 percent in 1989/90 to 30 percent, regular adjustments to counter inflation, reduction of the number of tax brackets, unification of tax relief and introduction of self-assessment on PIT (Karingi & Wanjala, 2005).

Structural tax reforms have targeted the overall tax yield and use of differential tax instruments. In aggregate, Kenya has moved from a low tax yield country to a high tax yield, raising the tax revenue to GDP from an average of 10.6 percent in 1975 to 19.7 percent in early 1980s. TMP sought to raise the average to 28 percent of the GDP, but only peaked at 24.4 in 1997/98 (Karingi & Wanjala, 2005; Muriithi & Moyi, 2003). However, while the tax yield target under the TMP was not achieved, the tax revenue to GDP ratio averaged 19.3 percent between 1985 -87 consistent with Africa's 19.6 percent average and slightly above 18 percent for developing countries. Over the reform period, Kenya managed to improve its tax yield ratio to average 24 percent of the GDP, while other developing nations and Africa stagnated (Karingi & Wanjala, 2005; Muriithi & Moyi, 2003).

Since the reforms, Kenya maintained the same tax instruments save for the abolishment of sales tax in favour of VAT. While there are advantages of using multiple tax instruments, there are disadvantages associated with such a tax structure. The advantages include provision of insulation against economic or cyclical changes, lower rates at any one particular tax base, it is often politically feasible to have a larger group of taxes with low rates than to have few taxes of high rates, and finally, multiple tax

bases may reduce evasion or avoidance since it's unlikely for taxpayers to sidestep all taxes. The disadvantages are that the administrative costs may be high; depending on taxes used, their cumulative distortion effects may be more than for few higher taxes; and it is often difficult to determine the distribution of individual tax burdens (Karingi & Wanjala, 2005).

Administrative reforms include adoption of Information and Communication technologies (ICT) and business reforms, revision of the organizational structure, introduction of performance management and launch of a website as a source of information. Automation efforts include the Simba 2005 systems for custom services, Vehicle Management System (VMS), creation of Document Processing Centre (DPC), Implementation of direct banking for all customs payments, Cargo Management Information System (CAMIS), Customs Oil Stocks Information System (COSIS), Revenue Authorities Digital Data Exchange (RADDEx), the introduction of Electronic Tax Registers (ETR) in 2005, online application for VAT and PIN registration, online tax returns and self-assessment for Income tax (KRA, 2010).

Organizational reforms include tax payer segmentation, creation of a One-Stop Border Post (OSBP), a customer call centre, establishment of Complaints and Information Center (CIC) and enhancement of Kenya Revenue Training Institute (KRTI) among others (KRA, 2010). However, while there have been efforts to computerize the tax administration process, KRA as an institution has failed to leverage on computerization and thus to date taxpayers use multiple identifications to comply with tax returns (Karingi & Wanjala, 2005).

## Specific budget reform initiatives in Kenya

The budget reform process in Kenya can be classified into five main reform initiatives from independence. First, there is the Programme Review and Forward Budget (PRFB) in the early 1970s. PRFB intended to provide a link between planning and budgeting in response to emerging weaknesses in the resource allocation process (Karingai and West, 2002). The implementation began with Treasury Circular No. 12 of 1973, to guide the 1974/75 budget cycle. The overall aim of this initiative was to relate the annual development and recurrent budgets more closely with the five-year development plan (GoK, Budget Rationalization Seminar, Vol. II, 1986).

Secondly the Budget Rationalization Programme (BRP) in mid 1980s was introduced in response to poor economic performance and prospects. It meant to address low revenue collections versus high public expenditure, high public debt vis a vis GDP, crowding out of the private sector and low productivity of public expenditure. Its aim was to ensure that limited resources were spent on high priority areas with immediate impact on promoting growth prospects, increasing productivity, creating employment and increasing revenue base (GoK, Budget Rationalization Seminar, Vol. 1, pg.1, 1986). Its thrust was allocative efficiency and co-opted districts in the budgetary process. Relevant sections of District Development Plans (DDP) were adopted by spending agencies and District Development Committees (DDCs) gave comments on draft forward budgets.

Third is the Public Investment Programme (PIP) introduced in 1990 to ensure that capital resources addressed national development priorities in an efficient manner. Focus is to strengthen the planning, selection and management of public financed capital investments and therefore assure the

achievement of BRP objectives. It involves rigorous project selection criteria, links sectoral strategies to capital formation, assist coordination of external assistance, strengthen public expenditure management, monitor investment plans of state corporations, and improve the forecasting of recurrent expenditure demands (Wheeler and Cohen, 1994). In their conclusions, Wheeler and Cohen found that PIP had recorded genuine progress in preparing a project list, projects briefs and ministerial policy statements including project and programme priority ratings. However, despite these achievements, Karingai and West (2002) note that many projects were developed for political reasons and lacked transparency and accountability.

Despite these reform efforts, there remained outstanding problems in macro-economic management, the budget process had little credibility, and public sector productivity was very low (Karingai and West, 2002; KIPPRA Policy Brief, No. 7/2006). This led to the introduction of the Medium Term Expenditure Framework (MTEF) approach to budgeting, establishment of the Budget Management Unit (BMU) and introduction of Integrated Financial Management and Information System (IFMIS) in 2000/01. Within the wider public service, the government introduced Performance Management Systems (PMS) to improve service delivery. PMS include Performance Contracting (PC), Performance Appraisal System (PAS), Rapid Results Initiative (RRI), Programme Based Budgets (PBB) among others.

The adoption of MTEF in budgeting in 2000/01 is the fourth initiative. It has three main objectives: to ensure fiscal discipline, provide allocative efficiency and provide operational/technical efficiency (Karingai and West, 2002). The final reform initiative is embodied in the constitution adopted in August 2010. This institutes far reaching reforms in the management of public funds and the budgeting

process in particular. It entrenches public participation in the budgeting process, first through representation by elected members of the legislature, and secondly by direct engagement of the citizens, civil society and other interest groups. The constitution further creates important institutions to govern public funds and the budgeting process. These include the Commission for Revenue Allocation (CRA), Section 215; the Controller of Budgets (CoB), Section 228; and the Auditor –General, Section 229.

The CRA mandate is to ensure equitable allocation of revenues among the national and county governments while the CoB shall oversee the successful implementation of budgets. The Auditor–General shall assure accountability in the application of public funds. Further, the NA now has mandate to review budget estimates and conduct a public participation exercise before they are tabled in the Assembly. Also, the legislature has powers to prescribe the legislation for development plans and budgets of the counties (section 220 (2) (a)).

### **Challenges of tax and budget reform initiatives in Kenya**

Karingi & Wanjala (2005) argue that despite Kenya being a high tax yield country, it still faces the same common problems facing other developing nations on tax reforms. These includes rates and structures that are difficult to administer and comply with, tax systems that are unresponsive to growth and discretionary to the extent of low productivity, raise little revenue but cause serious economic distortions, provide opportunities for differential treatment of individuals and people facing similar circumstances and are selective with regard to tax administration and enforcement.

Other challenges to tax reforms are a relative

large untaxed informal sector; high levels of revenue leakage; failure to reform local government taxation and; externally induced, ambitious and changing tax to GDP targets (Moyi & Ronge, 2006). Administrative challenges have included failure of KRA to utilize a single identification number, which is attributable to inability to leverage on ICT to interact with taxpayers through an integrated computer interface.

### **Findings and discussion**

A survey of senior officials and similar informants was carried out by the authors. It set out to investigate their perceptions of the strategies used by the Kenyan government to mobilize resources to finance her economic growth and transformation in the 2003-2012 period. The findings have been presented along the following classification: resource mobilization strategies, the political climate/goodwill, the institutional and legal framework. The account given summarises the perceptions derived from the study, reflecting the predominant reflections of the participants in the survey.

### **Resource mobilization strategies**

The implementation of the Vision 2030 goals is being tracked through successive 5 year MTPs. However, the biggest question that has remained unanswered is how the government will finance these ambitious development targets. The three main outstanding strategies have focused on expanding the tax base and reforming tax administration, growing use of the domestic debt market to finance public projects and shift on policy for sources of external debt.

Key successes from these strategies include growth of government revenue collection from about 218 billion in 2002/03 to about 1 trillion in the 2012/13 financial year; successful

issues of long term debt and infrastructure instruments of maturities ranging from 5 to 30 years and high profile privatization initiatives, with the most notable ones being the KENGEN and Safaricom Initial Public Offerings (IPOs).

However, despite the success of mobilizing resources from the domestic debt market to finance development in Kenya, there has been a growing concern over the huge public debt level, currently standing at about Ksh. 1.8 trillion. Of this public debt about Ksh. 1 trillion is from the domestic market while the rest is external debt. There are fears that these debt levels are not sustainable and may crowd out resources for development in the long term. Efforts should be made to reduce the debt levels.

The third strategy has focused on a shift on government policy on external debt. For the period under review, the Government of Kenya has consistently shifted from overreliance on the traditional western development partners for foreign debt to the East and African affiliated development institutions. Notable actors in recent infrastructure developments in Kenya include China, Japan, the African Development Bank (AfDB) and the East African Development Bank (EADB), in addition to direct government funding. While it is not clear why there is a sustained shift to the Far East for funding, there is a general perception that financing from the East comes with less conditionalities, giving the government freedom to align financing with unique developmental needs of the country. This could also be attributed to the general growing focus of Eastern nations on Africa for business and partnerships.

### **Political climate**

Over the period under review, there has been a sustained effort from the political class to create an enabling environment for

business to grow, drive economic growth and eventually grow revenues from taxation. This is demonstrable by the formation of NESC in 2004 that was chaired by the president and the full implementation of the Public Financial Management Reform Strategy (PFMRS) 2006. A new 5 year PFMRS (2013 -18) is under implementation.

The new strategy proposes significant reforms on the management of the budget process, financial reporting, internal controls and risk management. Specifically, it proposes a complete transition from itemized budgets to PBBs by 2014/15, review of procurement to allow for higher absorption of development expenditure, reconstitution of audit and risk assurance committees, and integration of the financial management process through a computer interface –IFMIS.

Other initiatives implemented include the Integrated Personnel and Payroll Database (IPPD) to computerize the public payroll system, the Pension Management Information System (PMIS) for management of pensions, introduction of Electronic Project Management Information System (E-ProMIS) for management of public projects and the G-pay for payment of public transactions. The challenge however, remains that these information systems are “Silos” although they are performing related functions. These systems could easily be connected through a computer interface to a shared database.

### **Institutional and legal framework**

Resource mobilization and reforms must be backed by a strong legal and institutional framework. In the Kenyan case, a new Constitution in 2010 provided the legal impetus to drive the reform agenda. Chapter 12 of the constitution specifically addresses the principles that will govern public financial

management and proposes the enactment of several pieces of legislation and creation of key institutions to operationalize the individual clauses in the chapter. Legislation enacted as a result of this chapter includes the CRA Act 2011, the CoB Act 2011, the Salaries and Remuneration Commission (SRC) 2011, the Independent Office (Appointment) Act 2011, Transition to Devolved Government Authority (TDGA) Act 2012 and the PFM Act 2012.

Effectively, these legislative measures created the following institutions in the public financial management in Kenya: CRA; Office of Controller of Budget (OCB); Office of Auditor General (OAG); Transition Authority (TA) and the SRC. Another institution that existed prior to the constitution was the Public Procurement Oversight Authority (PPOA). These institutions have fundamentally changed the traditional PFM framework. These institutions and legislation have enhanced mobilization and allocation of resources.

First, the constitution provides for allocation of national revenues of at least 30 percent to developmental vote, at least 15 percent to fund county governments and 0.5 percent to an Equalization Fund (EF) for a 20 year period from 2010 to upgrade infrastructure in marginalized counties. Effectively therefore, the constitution caps recurrent expenditure and deliberately provides for resources to finance economic growth.

Secondly, the PFMR Strategy (2013-18) and PFM Act 2012 establishes key fiscal responsibility principles, creates for the appointment of receivers and collectors of revenue for national and county governments in line with Article (209) (1) (2) and (4) of the constitution and establishes stringent reporting requirements. The act also provides for the establishment of a Public Debt Management Office (PDMO) to coordinate national and county governments' debt management strategies, and the Public Sector Accounting

Standards Board (PSASB) to set standards, guidelines and templates for spending units in both national and county governments.

The Act further provides legal backing for the establishment of Audit and Risk Assurance Committees to strengthen internal controls, Internal Audit and Risk Management among public institutions. This enhances fiscal discipline in management of public finances, creates a platform for comprehensive tax policy and administrative reforms to enhance service delivery, improve tax compliance, broaden the tax base and reduce tax evasion and arbitrary exemptions.

The institutions created have different roles in resource mobilization and allocation. CRA has the responsibility to recommend an equitable revenue sharing framework for national and county governments. It will also make recommendations on the sharing of the EF amongst marginalized areas. Thus, CRA provides an independent constitutional oversight on the allocation of national revenue to assure equitable economic growth and transformation of the country.

The CoB has a constitutional mandate to monitor the implementation of the budget both at the national and county government levels, to approve withdrawal from the Consolidated and County Revenue Funds (CRF), and from the EF. The office provides quarterly reports on budget implementation to the legislature. This has enhanced the oversight authority of the NA in the management of public resources and provides a platform for identifying bottlenecks in budget utilization on a continuous basis. The Auditor General has an enhanced constitutional independence to ensure it provides its oversight responsibilities effectively. The Auditor General must do an independent audit on the financial reports, prepared in a manner prescribed by the PSASB, within 6 months after the end of the financial year for all public institutions.

SRC has a mandate to review the public wage bill and advise the government accordingly to ensure fiscal sustainability. The commission has completed a job evaluation and audit for constitutional office holders and the legislature, and advised the government to cap their salaries. It is in the process of evaluating and auditing other public offices to advise accordingly. The PPOA assures the credibility of the public procurement process to ensure that government gets value for money in a fair and transparent process.

### Conclusions and lessons learned

In the 10 year period reviewed, Kenya has instituted a series of reforms in tax policy and administration to mobilize internal resources to finance her growth. There has been a shift in government policy from over reliance on the traditional external debt sources to explore new opportunities from emerging markets of the East. In addition, the past 10 years have proved that domestic debt and capital markets have matured enough to support the next phase of growth and transformation. It is the onus

of the governments now to develop more long term debt instruments and tap this new and reliable source of funding. This would not only provide a source of funding for government projects, but also make these markets more robust to support economic growth.

### Lessons learned

1. With a comprehensive and effective tax policy, Kenya and Africa in general can mobilize sufficient resources internally to drive their economic growth and transformation.
2. The domestic debt markets have matured enough in Africa to support government needs for long term financing to finance future growth and development.
3. To sustain growth and development, African governments must deliberately create strong institutions, backed by an adequate legal framework that can withstand short term interests of the political class.

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# REVIEWING AND RE-VISIONING VOCATIONAL TRAINING POLICY IN A FRAGILE AND CONFLICT-AFFECTED STATE: THE CASE FOR MOBILE TRAINING IN SOUTH SUDAN

By

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## ABSTRACT

Vocational training is seen as engendering social stability through equitable access to relevant skills development and gainful employment opportunities, as well as broadly contributing to socio-economic development. This paper reviews vocational training policy in South Sudan as a case study of a fragile and conflict-affected state in Africa, using the 5C model proposed by Brynard which identifies key factors in the policy space. The review concludes that despite the importance of the draft South Sudan Vocational Training policy, there is lack of service delivery to marginalised youth. Given the recent conflict and fragility in South Sudan this article also concludes that whilst the approach to policy formulation and implementation was an aspect of post-conflict resolution, an additional training approach is required to help sustain social stability and obviate further dislocation. This article recommends the implementation of mobile training approaches within a sustainable livelihoods paradigm to engage disaffected youth in particular.

*Key Words: Policy analysis; TVET and development; mobile training; fragile and conflict-affected states; South Sudan*

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## Introduction

In 2005 Africa's longest-running civil war between Sudan and what subsequently became South Sudan officially ended with the signing of the Comprehensive Peace Agreement (CPA). As a consequence of the protracted conflict, South Sudan's political, physical and socio-economic infrastructure, including vocational training centres, was either severely weakened or destroyed. During the war migration occurred on a massive scale as the population fled violence and hunger. This resulted in the highest number of internally displaced persons in the world, estimated at over four million at the time of the CPA. In addition, nearly one

million people fled to neighbouring countries and became refugees. This migration often created a vacuum in rural areas and destroyed established economic structures pushing the remaining population into marginal work. South Sudan youth were often separated from families and communities, deprived of basic education and vocational skills required for sustainable livelihoods.

Large scale unemployment, particularly among the youth, and inadequate social protection, potentially breeds despair and desperation which consequently entices participation in anti-social activities. More than 70% of the

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repatriated population was below 30 years of age. Young people, once back home, are often trapped in a vicious cycle of poverty, unemployment, illiteracy and social exclusion. The lack of livelihood opportunities puts them at a high risk of being involved in illegal and violent acts. The majority of the country's population of approximately 10 million people comprises youth, that is, persons aged between 15 and 35 years. Therefore, there is a clear need to develop the youth's capacities to upgrade their employability to help ensure access to work and self-reliance. Meaningful participation in the community and society as a whole contributes to the building of social capital and reconciliation. This in turn enhances individual self-esteem and fosters a sense of personal worth. These factors are especially important for those who, due to recent upheavals and the challenges in addressing them, suffer from being rootless, disorientation, de-motivation, lack of connection to social networks, pessimism, and limited perceptions of positive future possibilities.

Policy development contributes to integration and reintegration of marginalised and vulnerable groups, such as ex-combatants, migrants, displaced persons, and unemployed youth (Twigger and Azzoni in International Labour Organisation, 2008). By facilitating the prospect of productive work for the unemployed and underemployed, particularly amongst economically and socially excluded groups; vocational training contributes to a sense of purpose and direction, and also greater social cohesion which is an important integrative measure in a fragile and conflict-affected state (Barcia and Date-Bah, 2003). It was with the objective of contributing to stability in the country, and increasing economic benefits for one of the world's poorest countries, that the draft South Sudan Vocational Training Policy (SSVTP) was developed under the aegis of the Ministry of Labour, Public Service and Human

Resource Development (MOLPSHRD, 2012b), with technical support from the International Labour Organization. However, the re-igniting of large-scale fighting now emphasises the need to consider what additional measures may be appropriate vis-à-vis vocational training.

Since Independence in 2011, South Sudan has remained a fragile and conflict-affected state. In addition to the uneasy relationship with its northern neighbour from which it seceded from, ethnic tensions invariably involving armed youth, and renegade army commanders have created instability in a number of geographical areas. The spread of armed conflict in the country in late 2013 between Sudan People's Liberation Army loyalists and breakaway elements and other armed groups, allegedly due to an attempted coup by the former Vice-President, wrought havoc in large areas of the country. Many of the armed groups comprised substantial numbers of youth, particularly the so-called 'White Army'. Thousands of people, mainly civilians, have been killed, with tens of thousands seeking refuge in UN bases and hundreds of thousands displaced including those fleeing to neighbouring countries. The UN states that military forces on both sides of the conflict have committed gross human rights violations. Continued mediation efforts by the regional Inter-Governmental Authority on Development and others resulted in the signing of the latest peace agreement in late 2015 (IGAD, 2015). However, the situation between the various parties remains tense and is prone to volatility.

The causes of the insurgency were arguably rooted in tribal, political and personal antagonisms that pre-date South Sudan's Independence. However, the involvement of thousands of disaffected armed youth in the violence signals not only inadequate policy to address lack of training and employment opportunities, but also presents a portent for the

future unless appropriate action is taken. The virtual absence of vocational training in some remote and rural areas is both a consequence and a cause of insecurity (Waterman, 2012). Specifically, there is a lack of employable skills and employment opportunities; unemployment is a causal factor in inter-tribal and intra-tribal conflict (Waterman, 2012). A culture of conflict due to protracted years of civil war has arguably contributed to a situation where a 'culture of work' has been displaced by a 'culture of war'. Weaponisation of conflict, with military-style armed responses and counter-responses, has increasingly made conflict more lethal on a wider scale.

The section below reviews vocational training policy in South Sudan with regard to its contribution to social stability. This is followed by a discussion of the merits of mobile training in adding value to that contribution.

## **Review of vocational training policy in South Sudan**

Policy development includes policy formulation and policy implementation (Mutahaba et al., 1993 in De Coning and Cloete 2000). Policy formulation may refer to the crafting of policy options to address an identified policy problem. Policy implementation may be regarded as 'the accomplishment of policy objectives through the planning and programming of operations and projects so that agreed outcomes and desired impacts are achieved', (Brynard, 2007:31).

This review of vocational training policy examines the formulation of the draft SSVTP. It also provides examples of its activation based on the Policy's Implementation Strategy (Waterman, 2009b) and Action Plan (Waterman, 2009a). The review is undertaken within the conceptual framework of Brynard (2007), who refers to what he terms the "5C Protocol", which provides a comprehensive

and relevant template through identification of key aspects of the policy space. The Protocol consists of the following aspects: commitment; clients and coalitions; content; capacity; context. These aspects are discussed below, in the aforementioned order.

### **Commitment**

Policy development involves change. Change at individual, organisational and systemic levels, however desirable it may be, is often perceived as threatening to professional status, income, promotion prospects and even livelihoods. Such negative perceptions undermine the propensity of stakeholders, opinion-influencers and decision-makers to buy-in to change with solid commitment to the change process. The purpose of change and the strategies to achieve it need to be clearly communicated to all stakeholders on a regular basis, who should also be provided with the opportunity for their voices to be heard, their contributions made and feedback provided. In order to achieve consensus-building and adequate understanding, regular progress reports on the change process including progress delivery on implementation are required. Effective communication needs to occur at individual, institutional and systemic levels, involving managers and policy-makers, training centres and ministries.

Commitment needs to be both articulated and demonstrated. The South Sudan Development Plan (Government of the Republic of South Sudan, 2009) clearly states the need for improved access to vocational training and increased quality. The draft SSVTP also indicates the need for timely and comprehensive communication, which it points out is essential to the effective management of change for a new vocational training system. Communication and change-management are two Cs that are an aspect of commitment that should be demonstrable and sustainable.

## Clients and coalitions

In the fragile and conflict-affected context it is unsurprising that the UN system is significantly involved in South Sudan. The UN recognises the necessity to invest in human capital by rehabilitating and further developing infrastructures, technologies and competencies as well as balancing the workforce availability and the skill levels, with particular reference to semi-skilled and skilled jobs, many of which are undertaken by migrant workers mainly from other states in eastern Africa. Individually and collectively, UN agencies directly impact on major aspects of vocational training in South Sudan through the provision of financial and technical support, and the development of broad-based templates for identifying and managing modalities of assistance. Specific agencies supporting vocational training include the International Labour Organization (ILO), the United Nations Industrial Development Organization (UNIDO) and the United Nations Development Programme.

A draft UN Country Analysis cited by Twigger and Azzoni (in International Labour Organisation, 2008) identifies two key challenges in South Sudan with regard to vocational training. Firstly, there are limited workforce skills and limited employment opportunities for ex-combatants and vulnerable groups. Secondly, there is the lack of a fully-fledged labour force survey, which should also include the informal economy. The draft SSVTP has responded by indicating the need for greater optimisation of vocational training facilities, including day shifts, and evening and week-end programmes, a more conducive trainee-centred learning environment, changes in the content and structure of training programmes and the establishment of a Labour Market Information System.

The UN Development Assistance Framework (UNDAF) is a coordinating mechanism for a

collective UN approach to support national government over a three-year period, as well as being an instrument to gauge progress in achieving development objectives. Outcome 3 of the last completed UNDAF cycle 3 (UNDP, 2009) states that poverty, especially amongst vulnerable groups, will be reduced and equitable economic growth will be increased through improvements in livelihoods, decent employment opportunities, food security, sustainable natural resource management and self-reliance. The sub-outcome is that individuals and communities, especially youth and vulnerable groups, particularly ex-combatants and women and children associated with armed forces and groups have access to improved income-generation opportunities and employment through decent work. The draft SSVTP reflects the UNDAF through its emphasis on the broad-based nature of trainee recruitment, strategies for retention of trainees and reduction of drop-outs, including enhanced facilities and the promotion of self-employment including access to microfinance.

The approach to policy development was highly consultative, involving senior staff from ministries, vocational training centres, World Bank representatives, the private sector, trade union organisations, NGOs including faith-based organisations, UN agencies and other international development agencies. Contributions from organisations representing specific groups of stakeholders, such as the Victim Assistance/Disability Forum and the NGO Forum, fed into the policy development process. A highly successful Consultative Stakeholders' Forum was held to facilitate contributions, and written and verbal inputs during the event were incorporated into the draft SSVTP. This participative approach not only reflects appropriate practice in policy development, but above all serves to bring together groups within South Sudan to work together to address common policy issues. A

broad range of stakeholders participated in key activities cited in the draft SSVTP, such as curriculum development working groups for developing new curriculum (MOLPSHRD, 2012a) and other activities referred to in the sub-section below.

However, in retrospect there was little active participation in policy development by the intended direct beneficiaries, particularly in remote and rural areas, that is vocational training participants and their parents or guardians. Consequently, voices of those potential beneficiaries tended to be mediated through other actors such as Government officials and NGO staff, which, although invaluable, circumvented the direct feedback and buy-in of the most marginalised youth.

## **Content**

The draft SSVTP proposed to improve the quantity and quality of vocational training in South Sudan within a framework of an identified vision, mission and goals, and shared values and principles. Improvements in the vocational training system focus on five strategic areas, which are: recruitment and retention of trainees, curriculum development and certification; institutional strengthening; human resources development; finance and governance. As recommended in the draft SSVTP and consistent with the Implementation Strategy and Action Plan, standardization and harmonization of a competency-based modular curriculum has been undertaken in almost a dozen key vocational skills areas, which include core modules in occupational safety and health, and entrepreneurship (MOLPSHRD, 2012a). Also as recommended in the draft SSVTP and consistent with the Implementation Strategy and Action Plan, interventions have included standardizing the entry requirements for certain vocational training programmes, the development of a mini three-tier Vocational

Qualifications Framework, the standardization of the calendar for operation of vocational training centres, and improvements in their infrastructure and training facilities. These activities have been funded mainly by the Japan International Development Agency (JICA). Some short-course training provision in rural areas on a mobile basis has been supported by the JICA and the UN under the aegis of ILO and UNIDO. These have tended to focus on short fish-processing and dairy products production courses in urban and peri-urban areas, often for those already in employment or self-employment. Although a possible catalyst for more comprehensive demographic and geographic service delivery, at present the activities are experimental and small-scale only.

Policy may be regarded as distributive, regulatory or redistributive or various combinations of these aspects (Lowi, 1963). The draft SSVTP is regulatory in the sense of stipulating certain requirements of the operation of vocational training centres, including official accreditation possibly backed by legal instruments, and also mandates an Inspectorate as a quality assurance mechanism. The draft SSVTP is also redistributive in emphasising greater participation of under-represented groups, as a means of increasing access and equity and also as a way of engendering social stability. Given what are anticipated to be resource shortfalls for the funding of vocational training, and competition over physical and political spheres of influence, areas of contestation may arise between bodies along four axes, that is: between government ministries; between central and local levels of government; between government and non-government providers; and between NGO providers. Measures in the draft SSVTP to obviate such contestation included two primary funding mechanisms. These are, firstly a consolidated or general Government fund whereby particular ministries draw monies

to develop vocational training in accordance with the draft SSVTP. Although this will essentially be a pool which limits individual ministries from independent financing of vocational training, it will serve to provide a coordinated approach to vocational training development at national Government level rather than at ministry level. Secondly, since a large proportion of funding may continue to be provided by donors, a dedicated fund should be established to receive such funding and be responsible for disbursements.

The draft SSVTP includes the provision for two coordination mechanisms as institutional safety-valves, as well as discussion and policy implementation forums. These comprise, firstly, a coordinating mechanism at Cabinet level specifically for Government, and secondly a mechanism for social partners including UN agencies and NGOs as well as Government ministries, which should also function in each of the 10 states of South Sudan. Developing linkages between the private sector and vocational training providers will also help to broaden discussion, defuse possible antagonisms between the two sets of public service providers, that is, Government and civil society, and diversify the resource base by involving private sector participation.

## Capacity

In accordance with Brynard (2007), the concept of capacity refers to the organizational ability to implement policy objectives of government, that is, the ability to deliver public services which government has set out to deliver as planned. It refers to the use of tangible resources, such as human, financial and material resources, and intangible resources such as leadership and motivation. The ways in which such capacity characteristics are operationalized over time determines implementing capability. Khosa (2003) stresses the importance of intangible

resources in particular and suggests that discrepancies between policy formulation and policy implementation are caused by a lack of managerial expertise, insufficient coordination, inadequate staffing and poor linkages between various levels of government.

The historical legacy of South Sudan is such that public administration is characterized by a loose adherence to administrative principles, and with widely different patterns of management, systems and processes (World Bank, 2008a). There are serious deficiencies in development planning at the programmatic planning and project analysis at various levels (World Bank, 2007). Public financial management is weak, partly as a result of a dearth of information management, an absence of well-defined systems and controls, scarce human resources and low governance capacity (World Bank, 2008a). The processes of addressing these deficiencies and building an effective civil service have been slow and constrained by shortages of qualified staff.

The policy framework for the public service in South Sudan (MOLPSHRD, 2006) specifies the core values of the service, which are: impartiality; integrity; professionalism; accountability; responsiveness; inclusiveness; and equity. The policy stipulates that all aspects of the public service, including procedures, systems, regulations, and individual behaviour will be continuously tested and evaluated against the core values, and that the effective embodiment of them will lead to efficiency and effectiveness. The policy also states that a code of conduct will be formulated for all Government employees and will be consistent with the core values. The policy framework further states that the Government recognizes the need to develop the capacities of the public service in order to provide adequate services to the people of South Sudan. Therefore, it is committed to undertaking a capacity-building

programme to provide the necessary skills, equipment and organization. This has focused on upgrading policy-development, decision-making, management; implementation and service delivery. Capacity-building in national Government for the management and administration of vocational training has taken place, and, consistent with the recommendation of the draft SSVTP and the Implementation Strategy and Action Plan, Government-run vocational training centres now submit annual reports to MOLPSHRD.

The draft SSVTP is highly consistent with and reinforces the policy framework for the public service in a number of ways. Firstly, it embraces some of the same values or principles including responsiveness, inclusiveness, equity, and also suggests the introduction of a code of conduct. Secondly, a performance management system, accompanied by regular staff appraisals and a training needs assessment is suggested. Thirdly, institutional strengthening and capacity-building are suggested, building upon existing structures and institutions rather than invoking new bodies, mechanisms and procedures. Consistent with the draft SSVTP, national Government and some states have been capacitated by the ILO through technical support, in-country and overseas field missions, and staff training abroad.

Despite draft legislation which makes provision for local councils to generate revenue, such generation is negligible and likely to remain so in the near future (World Bank, 2008b). It is the intention for the over 80 counties in the 10 states to be involved in assessing local skills needs and opportunities, developing programmes of training, microfinance and entrepreneurship, and implementing medium-term locally planned vocational training strategies. However, since finance is the lifeblood of any government structure, local government influence on vocational training

may be subject to severe financial constraints for the foreseeable future. As recommended in the draft SSVTP and consistent with the Implementation Strategy and Action Plan, preparation of draft strategic development plans for vocational training, and activation of measures for the institutions' own income-generation has been undertaken, mainly funded by JICA. This form of self-help and cost-recovery should enable centres to avoid being hamstrung by a lack of national and local Government finance. The draft SSVTP suggests the establishment of an Advisory Board and Community Support Group for each centre to assist in income-generation and to help centres undertake similar activities earmarked for local government, including labour market information, trainee recruitment strategies and promoting the development of entrepreneurship skills.

## **Context**

The institutional context and the impact of institutions on policy formulation and implementation are dependent upon their historical origins and internal features, including institutional culture and formal characteristics. Prior to its Independence in 1956, Sudan (including the South) was subject to colonial administration for over half a century under the Anglo-Egyptian Condominium. One of the legacies of colonial institutions is what Fowler (1991:54) terms "interdependent dualism" and which is discussed below, followed by an account of types of decision-making.

## **Dualistic nature of institutions**

Fowler (1991) argues that there are two differing facets of institutions which operate in post-colonial states. Firstly, there is a bureaucratic system whose status and interrelations are enshrined in Weberian-style institutions of formal hierarchies and

written rules and regulations. Secondly, there is 'a resilient network of ethno-political and economic allegiances which function alongside, within and across the boundaries of formal institutions. It is this "living" system that directs how state institutions actually operate towards each other and towards the populace', (Fowler, 1991:54).

Hence, policy implementation may be subject to a dual process of public adherence to the rational-legal norms of formal organisations and to private partisan interests. The two aspects of this "interdependent dualism" may be blurred and difficult to identify. In such circumstances it is hard to discern where either the formal system or the informal system begins and ends. Brynard (2007:37) makes a similar point thus;

Effective working relations typically result from bargaining, cajoling, accommodation, threats, gestures of respect, and related transactions. Straight lines that link square boxes mean little if the underlying reality is a jumble, whereas effective working relations can be established by transactions among agencies with no formal connections whatever. In short, bureaucratic contexts favourable to implementation more often grow out of human interactions than hierarchical regulation.

The reference to the social nature of organisations and that of bargaining, cajoling, accommodation, and threats is related to the nature of collective decision-making, which often reflect changeable alignments and realignments of power and influence in policy implementation.

## **The nature of collective decision-making**

Inter-ministerial competition, changing alliances of disparate stakeholders, a multiplicity of powerful external policy actors, and above all vested interests in particular geographical areas of instability including those centrally involved in the latest insurrection in South Sudan, indicate that collective decision-making is a critical aspect of policy. The types of collective decision-making discussed below are bargaining and persuasion.

Bargaining involves an adjustment by two or more parties in their preferred policy goals in order to arrive at a position that is acceptable, which may include rejection or modification of certain proposals, prior to the adoption of policy (Anderson, 2003). Bargaining consists of logrolling, side-payments and compromise (Anderson, 2003). Logrolling is a way of gaining support from those who may be indifferent to, or have little interest in, an issue (Anderson, 2003). It usually involves mutual exchange of support by parties on two different topics. Unlike logrolling, side-payments and compromise involve changes in the original positions of parties and may include explicit or explicit agreements on future pay-offs and benefits. Side payments may be used as rewards to actual or potential supporters who are not closely related to the decision-making at hand, but who are valued for their support or other reasons, such as the withdrawing of opposition (Anderson, 2003). In situations of compromise, respective parties adjust their differences and forego their preferred option in order to reach an agreement (Anderson, 2003).

Persuasion involves the marshalling of data and information, the skilled construction of arguments, and the use of reason and logic in order to convince others (Anderson, 2003). Policy actors seek to build support for policies without modifying their own positions, seeking

to convince others of the merits or benefits of adopting a particular policy (Anderson, 2003). Hence, policy development generally is essentially a political process that reflects individual and collective contours of power. For example, Brynard (2007:34) states that policy implementation 'is not simply a managerial or administrative problem, it is a political process, it is concerned with who gets what, when, how, where, and from whom.'

Consequently, those policy actors who are able to muster the most effective resources may be able to exert a disproportionate influence in the furtherance of their own policy agendas. Therefore, as Brynard (2007:40) states 'what is implemented may thus be the result of a political calculus of interests and groups competing for scarce resources, the response of implementing officials, and the actions of political elites, all interacting within given institutional contexts.'

Competing interests for resources and influence are also likely to be exacerbated by a comprehensive system of decentralized public administration. The nature of decentralization impacts on the nature of power-sharing with central government, the respective jurisdictions of tiers of government, and revenue, income-generation and expenditure responsibilities. Generally, the intended nature of decentralization in South Sudan is that of devolution, where political power is devolved from central government to state assemblies at the state level, even though national policy remains the responsibility of the national government. Local government is further extended downwards at sub-state levels to counties, payams and bomas at village levels in rural areas, and city, municipal and town councils in urban areas. Rein and Rabonovitz (1978) argue that a power shift among different interest groups produces a corresponding shift in the implementation process. However, the power shift remains complex due to lack of

clarity and unity of perceptions on respective roles and responsibilities of different tiers of government.

It is in these institutional contexts that policy is implemented and in the process may be made and remade. It is important to take account of entrenched interests, and shifting political alliances and personal allegiances. Given the dualistic nature of institutions and the nature of collective decision-making, it was deemed important, as it states, for the draft SSVTP to be a flexible living document in order to accommodate changes in policy priorities over time that may reflect the outcomes of institutional processes and competing interests.

## Review summary

The draft SSVTP was cognisant of key challenges in the policy space, as identified by Brynard's 5C protocol, in attempting to make a contribution to social stability. The draft SSVTP's Implementation Strategy and Action Plan served as important planning tools for policy implementation, much of which has been undertaken. However, the draft SSVTP focused almost exclusively on the top-down provision of vocational training through vocational training centres.

Despite the successes of the draft SSVTP and the Implementation Strategy and Action Plan, interventions have tended to be somewhat piecemeal and limited to the very small number of Government-run vocational training centres. These factors are mainly due to lack of institutional capacity for communication and enforcement of policy. This is perhaps unsurprising in a FRCAS where resources are meagre and public administration is weak. Despite the best efforts of Government and its social partners, vocational training in South Sudan generally tends to remain a patchwork of uncoordinated provision, with a plethora of

organizations and institutions offering various programmes of differing duration and quality, with little regard for short, medium and long-term labour markets needs. This is not to underestimate the commitment, fortitude and resourcefulness of vocational training providers, some of whom have been forced to operate in conditions of extreme adversity for decades. However, the system remains institution-based, with lack of reach to youth in rural communities.

In order for South Sudan to take full advantage of a so-called peace dividend of the CPA and contribute to social stability, vocational training has to be more aligned with the economic and social aspirations of its youth. This essentially means developing a system of vocational training that reaches out to the marginalised and dispossessed in remote and rural areas. This is impossible for a system based on fixed-facility vocational training centres, which in many geographical areas of conflict are either dysfunctional or non-existent. Experiments in limited forms of mobile training, although successful, have so far only offered a narrow range of training programmes and have been geographically and demographically constrained. Therefore, a new expansive model of mobile training needs to be developed particularly for hard-to-reach communities, which is discussed below.

### **Re-visioning vocational training policy - the case for mobile training**

In making the case for mobile training as the essence of the re-visioning of vocational training policy, models of vocational training are discussed below. This is followed by the suggested nature of mobile training appropriate for youth in remote and rural areas of South Sudan, and major challenges that are likely to be encountered in the successful delivery of mobile training within a livelihoods paradigm

### **Models of mobile training**

Mobile training is a generic concept that embraces different approaches to the service delivery of skills training. Three main approaches to such delivery may be discerned. Firstly, semi-permanent training facilities housed in solid structures, such as under-used or disused buildings, converted into workshop and classroom facilities similar to those in permanent vocational training centres. Training may be conducted over periods of weeks or months. Secondly, fully equipped training units in trailers or tents travel to selected locations. Training may be conducted over periods of days or weeks. Thirdly, individuals or groups of trainers travel to more isolated communities with a training-in-a-box approach, that is, training conducted over a number of hours or days with training and learning resources either purchased or made locally, carried by self-sufficient trainers.

Although different in their degree of permanency or mobility and durations of training, these three approaches share common characteristics. Firstly, vocational training is conducted in local communities. Secondly, training is conducted in a narrow range of pre-identified job-specific skills. Thirdly, the target group of participants is usually pre-identified, with no formal entry requirements required. Fourthly, training is conducted over comparatively short periods of time. Fifthly, modules of short-course training may be repeated over time to successive groups of trainees in local communities, before moving on and replicating the process elsewhere.

Advantages of mobile training especially in fragile, conflict-affected and resource-poor environments include being light and lean, that is, mobile training removes or reduces overheads such as operational and capital costs of fixed premises, the provision of facilities and large arrays of tools and equipment, and

management and administration. Also, tools and equipment for training are comparatively easily transportable by road, or even air. Such items can be left at the training location within the community. The local purchase or production of tools and equipment may stimulate micro and small enterprise development. Furthermore, highly-focused and market-oriented short training can lead to quick impacts on livelihoods.

## **Nature of mobile training for South Sudan**

In many parts of South Sudan there continues to be a dearth of vocational training. There is lack of either state and national resources or donors willing to finance the building, equipping and operationalizing of fixed facilities. In any case, in remote rural areas of transient agro-pastoralists where many potential vocational training participants are mobile and live in cattle camps, fixed facilities are inappropriate. In Jonglei state in particular, which has been the area of most frequent and severe unrest involving large numbers of youth, there are very few vocational training centres and none are functioning (Waterman, 2012). Yet vocational training for youth is regarded a priority by many key stakeholders (Waterman, 2012). Therefore, mobile training should be a crucial modality of skills training delivery, as fixed vocational training centres are often either non-existent, or are not sufficiently functional or flexible to provide targeted community-based demand-driven training.

In order to reach transient communities that have become hotspots of inter-ethnic and political conflict, mobile training needs to be delivered at county and sub-county or payam levels and also in villages, that is, at boma levels, including cattle-camp schools. In accessing cattle camps, inter and intra-seasonal movements result in high mobility of target groups often with the need for mobile trainers

to become camp followers in remote areas. However, there is little point in providing vocational training if there are few employment and self-employment opportunities afterwards. Employment opportunities and concomitant training requirements and delivery modalities are highly context-specific given socio-economic circumstances such as unemployment, poverty, and low educational attainment, and demographic conditions such as the proportion of youth and internally displaced persons. Therefore, vocational training should be set within a livelihoods paradigm because of its relevance and anticipated benefits to families' incomes, in cash or kind, and in adding value to individual, family and community economic activities including modest agro-processing and other value-chain development.

Mobile training interventions should be aimed at specific target groups, in order to help defuse and prevent conflict amongst particular youth. Given the continuing episodic conflicts, the nature and extent of the interventions should be seen as game-changing, that is contributing to a transformative strategy that will help eradicate cycles of violence perpetuated by youth in particular. Mobile training is not speed-training, that is, fast-tracking longer term training programmes into shorter ones. As a form of market-oriented short-training, it is appropriate for a few days or weeks, delivered in entirety or split into modules undertaken periodically. Where mobile training courses are in the same skills areas as currently standardised and harmonised curriculum, the content should be consistent with the competencies, units and modules in that curriculum. Mobile training graduates should receive accreditation that provides credits towards full certification and as an entry point to longer training programmes as a pathway to further training. Training needs assessments of participants should be undertaken to ensure congruence between market opportunities, training needs and the training content. Also,

the reach of mobile training may be enhanced by the training of trainers, who can then be supported to organise and cascade training within their communities.

Wherever possible, mobile training should build upon participants' previously acquired skills and knowledge, including non-formal and informal on-the-job training which may have been undertaken within the community and family. The approach needs to be holistic, and include basic education especially literacy and numeracy, broad-based life-skills including conflict-resolution, and entrepreneurship. Psycho-social counselling may also be an important component integrated into mobile training, since capacity to acquire skills and knowledge may be affected by small concentration spans, ill-health, malnutrition, trauma, excessive alcohol usage, and poverty-related and other conflict-affected conditions.

Employment opportunities in South Sudan, especially in remote and rural agro-pastoralist areas, are invariably confined to self-employment in the informal economy. Therefore training-for-production approaches for income-generation including provision of microfinance are important. The latter could be bolstered by provision of micro-credit or seed capital for small and micro enterprises, technical support for agro-production and processing particularly for dairy products, and business development services especially during the incubation phase, including the provision of tool-kits. The establishment of informal credit unions and cooperatives may be useful, where they do not already exist. Chambers of commerce and other social partners such as NGOs providing microfinance need to be harnessed to provide expertise in business start-up and growth. Labour market information surveys and tracer studies are required to ensure, firstly, that mobile training is demand-led, and secondly it is flexible and reactive to the findings of trainees' post-training

destinations and activities. This holistic mobile training process should be complemented wherever possible by labour-intensive youth employment programmes within the context of community-driven development.

## **Challenges for mobile training in South Sudan**

Mobile training as a holistic livelihoods training delivery mechanism is not a panacea and there are limitations to this paradigm. Firstly, mobile training will often be conducted in agro-pastoralist communities that do not have a comprehensive monetised economy. Instead their current livelihoods, invariably based on cattle and subsistence agriculture involves complex networks of social exchange relying wholly or partially upon barter, favours, patronage and support through familial, community, tribal and ethnic networks. Consequently, training-to-work transitions, and business start-up and growth are not necessarily characterised by progressive capital and asset accumulation.

Secondly, mobile training has a social and economic cost, such as a bread-earners' temporary loss of income, particularly when supporting large numbers of dependants. Consequently, mobile training will not necessarily be perceived by participants as an investment, especially in a survivalist environment where people invariably live from hand-to-mouth due to poverty. Thirdly, poverty-stricken households and communities have little, if any, disposable income. Therefore local demand for goods and services beyond the basic necessities for life such as food, charcoal for cooking, shelter and basic clothing is likely to remain flat. Disposable income, which almost certainly will be minimal, is likely to be spent on a narrow range of goods and services such as animal health services, transport, mobile phone repair and vehicle maintenance.

Fourthly, any increase in the quality or quantity of the supply of goods and services is not necessarily followed by a corresponding increase in demand. In conditions of poverty, demand for goods and services tends to be highly inelastic, especially where poverty is both chronic and widespread.

Fifthly, the participation of important and influential clients and coalitions including chiefs, youth leaders and others working amongst target groups such as community animal health workers is extremely important. However, powerful socio-economic structures involving cattle owners and senior herders that influence decision-making may militate against the success of mobile training interventions. Almost certainly, contestations regarding who gets what, when, how and where vis-à-vis mobile training will be based on a calculus generated by myriad interests competing for scarce resources, the response of implementing officials working within severe capacity constraints, and the influence of over-lapping social, economic and political elites.

## Conclusions

Despite the value of vocational training policy in South Sudan, its contribution to skills training and employability especially for marginalised youth in remote and rural areas has tended to be overlooked, given its major focus on vocational training centres. In re-visioning vocational training policy, much more emphasis should be given to access for youth in agro-pastoralist communities in order to help mitigate the risks of on-going violence and instability. Consequently, mobile training approaches within a livelihoods paradigm need to be incorporated into the policy.

The overall approach to mobile training should be informed by a number of key principles. Firstly, there is congruency with other planned

socio-economic interventions, such as a state's own strategic development plans, in order to avoid disparate and contradictory spread of resources. Secondly, concurrency is needed, since piecemeal approaches are likely to become disjointed and multiple concurrent initiatives are likely to add value reciprocally. Thirdly, there is scale, insofar as tinkering with limited interventions will stymie intended impact. Fourthly, sustainability requires attention, given that short-termism and ad-hocism will undermine impact and therefore committed resources for medium to longer-term interventions are required. Fifthly, there is equitability, since inequitable distribution of resources, or perceptions thereof, will undermine credibility. Hence, carefully balanced geographic and demographic interventions are required which are thoroughly discussed and appropriately communicated to the clients and coalitions, including the direct intended beneficiaries. Sixthly, overall community buy-in is important since without the support of the targeted communities as a whole, and their leaderships and stakeholders, interventions are unlikely to gain traction.

Seventhly, immediacy is needed, since delays caused by protracted deliberations on operational planning and resource mobilisation will undermine the credibility of interventions and stall momentum for action. Given the continuing instability in South Sudan, much of it involving large numbers of armed and disaffected youth, urgent action is required to provide young people the opportunities for sustainable livelihoods and an alternative vision of the future.

The challenges of delivering mobile training for successful sustainable livelihoods development involving micro and small business activity, especially for youth in remote and rural areas, are considerable. The consequences of not making progress could be far worse.

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# LEADING REFORM AND ORGANISATIONAL CHANGE: THE BOTSWANA PUBLIC SERVICE EXPERIENCE

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## Abstract

Public services all over the world are faced with challenges of responding to the demands of their citizens. In an attempt to be responsive, they face the imperative of undertaking public sector reforms, which are not only structural, but have to include changing mindsets and even cultural shifts in the behaviour of public servants. Hence, the Botswana government took a deliberate decision to invest time and financial resources in leading public sector reforms. Leadership is critical before, during and after implementing the reforms. Senior managers in government are expected not only to lead, but as employees have to deal with their own reactions to the changes. If one is an ineffective leader, there is a likelihood that one will bear a very heavy personal load which can only lead to failure. The focus of this article is to discuss the manner in which various reforms geared towards enhancing productivity in Botswana were introduced or handled. In setting the parameters of the article, a brief review of the literature on public sector reforms and organisational change will be presented with a view to highlighting factors that usually compel countries to embrace public sector reforms. This will be followed by a discussion of the two change models developed by Kurt Lewin in 1951

**Key words:** *Public Sector Reforms, Refreezing, Vision 2016, Performance Management, Economic diversification, Human resource, Change, Unfreezing*

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## Introduction

Lewin's first model deals with the unfreezing, changing and refreezing stages of the change process whereas the second model, called the Force Field Analysis (FFA) model, basically indicates how various factors support and oppose change in an organisation. The discussion of Lewin's change models is still very important as it will go a long way in demonstrating how change was introduced and managed in the Botswana Public Service.

The article will present the reforms that have been embraced since the attainment of political independence in 1966 (ranging from infrastructural developments and provision of basic needs to efficiency and effectiveness in service delivery); the circumstances or factors that led to re-focusing of reforms that

were already in place, such as globalisation, competitiveness and the new world economic order. Examples of such reforms were the emergence of the productivity movement in the country which culminated in the establishment of Botswana National Productivity Centre (BNPC) as well as the introduction of Performance Management System (PMS) (Republic of Botswana, 2009). The discussion of PMS, which was a new innovation introduced in the public sector in 1999, is very important as it will demonstrate how the issue of strategic alignment was handled and the impact that it had on the performance of the public service. The article will further discuss the recent reform tools that have been used as well as shed light on the successes and challenges of implementing the various reforms.

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Since public sector reforms in Botswana are tied to both National Development Plans (NDPs) and the country's Vision 2016 (Botswana Government, 2009), there is a need to indicate how such reforms will be handled during the implementation of the country's National Development Plan 10 which will come to an end in 2016. In other words, a concerted effort will be made to indicate how NDP 10 is intended to facilitate the achievement of the seven pillars of Vision 2016 through the use of various reforms that have already been implemented.

### **The Rationale for embracing public sector reforms**

Governments around the world have embarked on some form of restructuring or realignment of public agencies with the main aim of enhancing productivity and efficiency. The restructuring or realignment of public organisations is usually premised on the belief that the government has grown too big and is therefore cumbersome to manage in a manner that the needs and demands of the citizens can be addressed promptly using fewer resources. Hence, the process entails retrenchment of public officers, reducing government expenditure, reducing corruption, elimination of ghost workers, privatising provision of certain goods and services and a shift towards the use of private sector strategies and techniques in public organisations.

According to Larbi (1999), the economic and fiscal crises that engulfed the developed countries during the 1970s, states, the crisis in the Keynesian welfare state, the influence of the neo-liberal ideas coupled with the criticisms of the old public administration, changes in the political and ideological context as well as the development of information technology in the developed countries contributed to the need to restructure the public sector. Larbi (1999) goes

further to indicate that the main objective of the reforms was and still is to improve the manner in which the public sector is managed as well as the way in which services are delivered.

There is now more emphasis on efficiency, economy and effectiveness as demonstrated by the observation made by Ferlie *et al.*, (1996, p. 31) with regard to reforms that were embraced in the United Kingdom under Margret Thatcher when they say that, "There was an increased emphasis on financial control, such as securing efficiency, effectiveness, and value for money. Administrators became managers. Where markets did not exist, quasi-markets were introduced."

As for the developing countries, Grindle (1997) states that public sector reforms are usually embraced because public organisations perform poorly and barely function in some cases. This situation is compounded by the economic and political crisis engulfing some countries, high rates of corruption, the collapse of the state and organisations charged with the responsibility of carrying out routine and development-oriented functions.

Even though public sector reforms in the developing countries vary from one country to another, Oluwu (1999) is of the view that they can be classified into two broad types: the core and non-core elements. The core elements deal mainly with organisational restructuring, personnel management, budgetary and financial reforms.

The non-core elements focus mainly on strengthening the capacity of policy-making institutions such as the Cabinet. As Oluwu (1999, p. 7) states, "Other related measures include efforts to improve the relationships between ministers and civil servants, the public, stakeholders, parliament and the prime minister's office." A concerted effort is also made to improve the responsiveness of top civil

servants as well as build capacity within the civil service. Capacity building is done through training of human resources to facilitate efficient service delivery.

It is important to note that even though reforms in most of the developing countries used to focus mainly on the economic sphere, they now encompass democratic imperatives of good governance, participatory forms of policy making, accountability, and transparency (Kaunda, 2004, p. 1).

The desire to attain greater efficiency within the public sector in both the developed and developing countries has resulted in the adoption of private sector models and strategies such as cost-effectiveness analysis, cost-benefit analysis, planning-programming-budgeting systems and others. As Jones and Kettl (2003, p. 2) put it, “Accompanying the demand and many of the recommendations for change has been support for the application of market-based logic and private sector management methods to government.”

### **Managing organisational change in public organisations**

According to Schein (2005, p 2), Kurt Lewin’s change model, which has three stages (i.e. unfreezing, changing and refreezing), basically indicates that, “human change, whether at the individual or group level, was a profound psychological dynamic process that involved painful unlearning without loss of ego identity and difficult relearning as one cognitively attempted to restructure one’s thoughts, perceptions, feelings, and attitudes.” The unfreezing stage focuses mainly on encouraging individuals to replace their old behaviours and attitudes with those desired by the senior management (Kreitner and Kinicki 2004).

The changing stage “entails providing

employees with new information, new behavioral models, new ways of looking at things” while the refreezing stage entails stabilising change by helping employees to “integrate changed behavior or attitude into their normal way of doings” (Kreitner and Kinicki, 2004, p. 678 - 679). According to Kreitner and Kinicki (2004), employees are given the chance to exhibit new behavior or attitude. The exhibited behaviour and attitudes are then reinforced positively with a view of reinforcing the desired change.

By the same token, Force Field Analysis indicates that in every organisation, there are driving and restraining forces that influence any change that may occur. Driving forces, on one hand, affect the situation by pushing in a particular direction, initiate change, promote change and keep it going. Restraining forces on the other hand, seek to maintain the status quo by counteracting or reducing the driving forces (Schein 1995; Kumar 1999; Wells 2006).

Since organisations are characterised by a tug of war, Lewin (1951) holds that there is a dynamic balance or equilibrium of the driving and restraining forces. An equilibrium means that the forces acting for change are balanced by those that are acting against change. Hence, change cannot occur in an organisation if the driving and restraining forces are equal or if the restraining forces are stronger than the driving forces. Change can occur if the driving forces overcome the restraining forces and this requires an effort to diminish or reduce the latter (Schein, 1995).

It is therefore not surprising that when drawing on the work of Selznick (1957), Christensen and Laegreid (1999) stated that public organisations develop slowly and gradually through evolutionary rather than revolutionary processes and more through informal means as opposed to formal ones. Similar sentiments were expressed by Kiel (1994, p. 2) when he

states that, “Change in public organizations was evolutionary and slow.” He goes further to state that attempts to break the traditional bureaucracies are “heretical and inappropriate as their purpose was to provide orderly government and services” (Kiel, 1994, p. 2-3).

Another important observation made by Kiel (1994) is that pressures for change and increased productivity within the public sector usually produce instability, disorder and uncertainty. As he puts it, “Implementing new work methods inevitably add to disorder as organizations learn the new processes and systems. Managers experience uncertainty as they learn how to administer the unfamiliar work and service delivery systems” (Kiel, 1994, p. 2). He further states that, “The public clamor for “continuous improvement” in government performance means that work processes must constantly be altered, reordered, and improved. As soon as some semblance of order in work methods has been attained, they must again be changed” (Kiel, 1994, p. 3).

Although change within an organisation does not necessarily need to be spearheaded by its leaders, Popovich (1998) states that they have a crucial role to play in helping their subordinates to achieve organisational goals and to continue learning. As he puts it, “Leadership does not simply sit at the peak of tall command-and-control structure. Rather, leaders are in the business of helping their employees learn how to do things better. And leaders make certain that they are learning from employees at all times” (Popovich, 1998, p. 32).

It is in view of the foregoing discussion that we agree with the views expressed in the Commonwealth Innovations Reviews (2012) that meaningful change and progress within public organisations “begins with innovators who challenge the status quo and continuously seek to change reality for the better” (p. 1). The change agents are innovative in the sense

that they present and effectively communicate the new ideas that they have, tackle challenges faced by their organisations with a view to improving their performance and sustain “change that outperforms previous practice” (Commonwealth Innovations Reviews, 2012, p. 1). The various reforms that they introduce are geared towards improvement in performance. They are not interested in changing things for the sake of change.

### **Innovative reform efforts and leadership development in Botswana**

In 1994, the Government of Botswana undertook a nation-wide campaign which required citizens to provide an input into what should become the future of Botswana, and the results to be attained by the country by the year 2016, which will be the country’s 50<sup>th</sup> independence anniversary. The findings of the campaign were launched in 1996 and articulated ideals for the country in 2016. The document and ideals emanating from the campaign became known as Vision 2016 which subscribes to the national vision of “Prosperity for All”. At the same time, Government’s delivery structures were positioned to become more efficient and effective in order to address growing citizen demands.

This gave birth to an overarching strategy of performance management anchored on various innovative tools geared towards enhancing performance and productivity. Among these were the Performance Management System (PMS) introduced in 1999, Balanced Scorecard (BSC) in 2005, Systems Thinking (2005) and the Integrated Results Based Management (IRBM) system introduced in 2009. Coupled with these, there have been concerted leadership development programmes that included Focused Leadership Experience (FLEX), Change Agent Training and Leadership Strategy Program (CATALYST), Creating

Alignment for Maximum Performance (CAMP) and Coaching & Mentoring as well as general competency building among senior government officials to build the required competencies for leading change and managing performance. The importance of leadership training and development has also recently culminated in the establishment of the Botswana Public Service College (BPSC) whose primary role is to provide management and leadership training, research and consultancy to provide an impetus to effective public service delivery.

The implementation of PMS as an overarching government delivery strategy was designed not only to bring strategic focus in delivery by Government agencies, but was also meant to address previous fragmented 'one-shot' productivity improvement initiatives such as Organisation and Methods (O&M), Job Evaluation, Work Improvement Teams (WITs) and Parallel Progression so that they could be implemented within a composite and integrated framework. Whilst PMS has assisted Government in strategy planning and alignment of national objectives to individual employee goals, the results from the various interventions as reflected by the Botswana Public Service Customer Satisfaction Surveys of 2005 and 2008/9 indicate a 25% and 27% customer satisfaction ratings of excellent to very good respectively, are far below the international benchmark of 75% (NDP 10, 2009) It is for this reason that customer centric service has now taken a leading role in reforms. Hence, the introduction of e-Government, which is a component of an Integrated Results Based Management (IRBM) system, in 2009 in order to drive delivery through ICT so that the 75% customer satisfaction target for 2016 can be attained (Botswana Government, 2009).

Prior to e-Government, the Government of Botswana introduced among others, the Balanced Scorecard (BSC) in 2005 to

strengthen strategy management and reporting through determined performance indicators in public service delivery, a feat which proved to be difficult in the earlier reforms. Systems Thinking was also brought in to deeply analyse systemic linkages and causal linkages in Government, and identify areas of leverage which are needed to overcome 'stubborn' or persistent problems that prevented public sector agencies from delivering service as expected by citizens.

Realising that budgeting for results was an imperative, an innovative reform in the form of an Integrated Results Based Management (IRBM), as already highlighted in the preceding paragraphs, was brought in during the development of the tenth National Development Plan (NDP 10) in order to align plans to the national budget. Botswana's IRBM system has five major components, namely (1) Integrated Development Planning (IDP); (2) Results Based Budgeting (RBB); (3) Personnel Performance System (PPS); (4) e-Government and (5) Monitoring & Evaluation (M&E). These components are being implemented simultaneously during NDP 10, and the Integrated Development Planning (IDP) component itself was concluded during the development of the said plan (Botswana Government, 2005; PSR, 2009; Botswana Government, 2009). Systems thinking was also used at the same time to prioritise national objectives and implement only those programmes with a wider impact and far reaching results across the entire public service. The table below indicates the chronology of performance management tools in the Botswana public service between 1996 and 2008.

**Table 1.1: Chronology of Performance Management System (PMS) Tools in the Public Service**

Reform Tool	Year Introduced	Main Objective of the Reform Tool
Work Improvement Teams (WITs) Strategy	1996/97	Promote team work and team based approach to resolution of work related problems
Computerised Personnel Management Systems (CPMS)	1997	Automation of personnel records for easy retrieval of HR information and management decisions
Decentralisation	1997/98	Taking services closer to the beneficiaries through devolution of authority to Districts and other service stations
Performance Management System	1998/99	PMS introduced strategic planning and became the overarching performance enhancement strategy for Government
Privatisation	2003	To strengthen the capacity of the private sector so that the sector plays a prominent role in the economy
Performance Based Reward System (PBRs)	2004	Introduced to promote performance through rewards and also sanction non-performance
Outsourcing	2005	To take non-core Government services to the private sector, also enhanced privatisation initiative
Balanced Scorecard (BSC)	2005	A strategy development and performance reporting tool, which also introduced measurement in the area of public sector performance
Systems Thinking (ST)	2005, 2007	Initially introduced in 2005, but comprehensively implemented from 2007 to assist with dealing with complex performance issues and understanding systemic relationships with a bearing on performance
Kaizen, 5S	2006	Streamlining of processes, procedures and re-engineering of the physical appearance of the work place
E-Government	2007	Large scale automation of Government systems borrowing on ICT to deliver public services online
Integrated Results Based Management (IRBM) system	2008	Consolidation and integration of reform tools, with focus on results in planning, budgeting, implementation, use of ICT and performance management.

(Source: PSRU, 2009)

Together with these various innovative reform tools, institutions were established to manage productivity, notable among these being the Botswana National Productivity Centre (BNPC) as a public enterprise or parastatal, Public Service Reforms Unit (PSRU) and the National Strategy Office (NSO), both as special departments within the Office of the President and other supporting entities outside the ambit of the Central Government. Emphasis on the development of the employees was at centre-stage of the reform agenda as it was felt that systems and structures, processes and procedures alone were not sufficient to

improve productivity.

The attitudes and mindsets for delivery were an intrinsic and central necessity to deliver in accordance with the customer value proposition. In other words, there must be value-added to citizens in the way Government delivers its services. A pre-determined kind of relationship, together with a set of values and attitudes, has to exist between citizens as customers and Government as the service provider. This called for extensive investment, not just in skills and knowledge of service providers, but also targeted efforts towards

information, education and communication to build the required culture and mindset at the central level, local level, individual level and other sectors of the economy. Since the inception of reforms in Botswana, there has always been a common understanding and agreement that reforms should be leadership driven, and that has to a great extent helped in motivating and shaping the agenda of the reforms.

During the course of implementation of NDP 10, the focus has been more on integrating reforms and integrating Government functions for seamless delivery of services. Through e-Government and the shift in mindset, it is expected that Government agencies will operate in an integrated fashion and deliver as one towards *Prosperity for All*. With its various components, IRBM is expected to not only provide a platform for results oriented delivery, but will ensure that performance is effectively managed. The Monitoring and Evaluation entrenched into the framework will ensure accountability for results, and timely interventions to re-focus and strengthen the national strategy on a continuous basis.

It must be noted that the Government is fully committed to the reform agenda as this is a necessary lubricant for the attainment of all the vision pillars and the goals of the National Development Plan. In Botswana, prosperity for the nation is dependent and premised on a high performing workforce and efficient and effective delivery of Government services to stimulate citizen engagement and private sector led growth.

## **Challenges and the way forward**

The success of Botswana as a country that upholds democratic principles remains an envy to many. However, despite the economic progress that the country has made in the past

on the basis of its democracy and financial prudence, the country's global competitiveness has been sliding downwards in the past few years according to World Economic Forum's Global Competitiveness reports (World Economic Forum, 2008/09 – 2012/13). The negative work ethics and a mindset that is not aligned to change, coupled with the world economic recession and the prospect of declining diamond revenues which have sustained the country over the past three decades, have created a burning need to define a road towards resuscitation and growth in the country's fortunes. It is no longer possible to rely on diamonds for prosperity, but the country must shift focus to its people, who are its everlasting resource.

It is therefore, necessary to address mindset, and the country has put in place a concerted national campaign to influence positive mindset among its employees and citizens as a whole. This is addressed at the highest level and is a major action item which is closely monitored by the President of the republic under the Botswana Economic Advisory Council (BEAC) strategy.

The country loses millions of pula (one US dollar = P9.80) annually due to the duplication of systems and uncoordinated efforts under which various public service agencies operate. Rethinking one-government for seamless service provision remains vital to reduce operational expenses and make the necessary savings. It is therefore, Government's intention to use e-Government during NDP 10 for both efficient and effective delivery as well as reducing costs of manual processes and duplications that currently exist.

The IRBM system, especially the Results Based Budgeting (RBB) component, will also add to Government being able to concentrate on implementing programmes and projects that create necessary outcomes and have maximum

impact on the economy as a whole. It is no longer possible to fund all Government projects, but to fund only those projects whose results have been predetermined at the planning stage. An integral NDP 10 implementation structure was also introduced to group ministries and other implementing agencies according to specific themes (i.e. Thematic Working Groups or TWGs) in order to break the existing silos and work towards the protection and promotion of common national interests.

Even though the country's diamond revenues are still growing, albeit at a slower pace than in the pre-recession period, they are expected to start declining just after 2016, until they reach very low and insignificant levels after 2030s. Alternative sources of revenue have to be identified to off-set the declining diamond revenue. Again, labour efficiencies and high work ethics will be, and should be, the only hope for the country to survive. This again calls for a positive mindset and a culture of high performance. With abundance in natural resources and some of the best fauna and flora in the world, the tourism sector in Botswana provides an obvious alternative to minerals revenue, but its utilisation is dependent on a positive mindset that is able to identify opportunities beyond perceived limits. Whilst economic diversification and development of the agricultural sector remain important to sustainable economic development beyond diamonds, the citizens remain a very important resource to sustenance across all the economic sectors.

At the leadership level, it was revealed in the 2005 Evaluation of PMS that many of Botswana's leadership operated at 'management' level as opposed to being at a high level of strategic intent. In 2008/2009, the Directorate of Public Service Management (DPSM), which is the custodian of Government's Human Resource Management Policy, undertook a study to ascertain leadership competencies of the

senior executive cadre. Again, the assessment revealed that the majority of the leadership lack necessary competencies to deliver at the expected level.

The Botswana Public Service College (BPSC) is, therefore, expected to address this competency gap through provision of targeted training interventions to bring leaders at par for their responsibilities. The Public Service Reforms Unit (PSRU) has a fully funded vote called '*Leadership Development*' which is dedicated to leadership training and development for both succession planning considerations and to build the competencies necessary to lead and manage change.

## Conclusion

In order to effectively lead organisational change in Botswana, it is important to realise that change itself does not necessitate managing people as much as it does the people involved with it. (Not very clear what this distinction means) Much of the previous efforts in leading organisation change in Botswana were not successful because they were centered on managing people and enforcing perceptions of the change agents. However, successful and effective organisation change is dependent on the awareness of the various ways with which people prefer to tackle change (Musselwhite 2007). Understanding the culture of organisations is an important facet of leading organisation change. This is because organisational culture influences an organisation's performance, its adaptation to the external environment and internal integration. Furthermore, the implementation and sustenance of new and innovative reforms should focus on four major areas. These are improving civil society, developing institutional foundations, transforming the government's role and enhancing technical capacity particularly in policy implementation (Gordon, n.d.).

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