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THE SHAPE OF THINGS TO COME:  
DOES THE DEVELOPMENTAL STATE NEED A PLANNING MINISTRY?

\*monograph 18

ISANDLA INSTITUTE / OPEN SOCIETY FOUNDATION

**About Development Dialogues**

*Development Dialogues* is a joint initiative of Isandla Institute and the Open Society Foundation for South Africa. The aim of the public dialogue series is to create a space for critical reflection and dialogue among key development stakeholders in South Africa. In doing so, the organisers seek to make a (rather modest) contribution to enhancing the quality of debate in the development sector. Through *Development Dialogues*, Isandla Institute and the Open Society Foundation intend to bring about creative and constructive multi-stakeholder meeting opportunities that push stakeholders to think beyond the confines of their immediate interests and theoretical paradigms.

This monograph captures the speakers' inputs and discussions at the Development Dialogue on 'The shape of things to come: Does the developmental state need a planning ministry?', which took place on 2 April 2009 at the Centre for the Book in Cape Town.

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It is highly expected that the forthcoming ANC administration will restructure government and the national executive. One of the expected changes is the introduction of a planning ministry or, what seems increasingly more likely, a planning commission, which will be responsible for economic and development planning across government.

The proposed planning ministry/commission is seen by its proponents as the institutional vehicle to enable the state to play its developmental role in a more coordinated and effective manner. Its seeds are found in the ANC's 52<sup>nd</sup> National Conference resolutions (Polokwane), within the section on economic transformation:

### "THE CONFERENCE RESOLVES

1 To build the strategic, organisational and technical capacities of the government with a view to a democratic developmental state, through:

1.1 A strengthened role for the central organs of state, including **through the creation of an institutional centre for government-wide economic planning** with the necessary resources and authority to prepare and implement long and medium term economic and development planning.

**Underpinning the suggestion for a centralised planning entity is, one would imagine, a problem statement...**

1.2 *The integration, harmonisation and alignment of planning and implementation across all three spheres of government, and with the development finance institutions and state-owned enterprises, including through the development of coherent inter-sectoral plans at national level and the alignment of local implementation in terms of the IDPs of metro, district and local municipalities."*

The ANC subsequently set up the Economic Transformation Commission to develop more concrete proposals on what would be the appropriate form and modality of this 'institutional centre for government-wide economic planning' and how best to ensure greater integration of planning and implementation across the state.

While the work and findings of the Economic Transformation Commission have remained obscure to most of us, its recommendations have been discussed internally within the ANC and the Alliance and it has eventually found its way into the ANC's 2009 Election Manifesto:

*"The developmental state will play a central and strategic role in the economy. We will ensure a more effective government; improve the coordination and planning efforts of the developmental state by means of a planning entity to ensure faster change. A review of the structure of government will be undertaken, to ensure effective service delivery."*

Underpinning the suggestion for a centralised planning entity is, one would imagine, a problem statement, or the identification of a number of



problems. Part of our discussion today is to be clear on what the perceived/real problems are so that we can consider whether the proposed solution will be the right means to overcome these problems.

At the heart is a concern with slow, ineffective transformation (especially in the economic realm) and service delivery (and presumably the negative unintended consequences of development planning). But what could be the problem(s) or reasons for this – (all of which raise further questions).

There is insufficient clarity on what the national strategic priorities for development are or, perhaps more accurately, on how best to realise these priorities through programmes, plans, systems. This may be due to a plethora of national policies, strategic frameworks and plans, but may also reflect a lack of political will, capacity or resources. Concerns have also been raised that sector departments, provincial and local government and parastatals may not adhere to these national development priorities because of the complexity of the regulations.

Is the problem that the Mbeki administration misinterpreted or inappropriately prioritised these national development priorities? Does the problem lie in development trajectory and prioritisation, not necessarily in systems or institutions?

And what of the role of Treasury? There are perceptions that it has become too powerful and as a result financial factors determine strategic priorities, instead of strategic priorities determining financial management and budget allocations. The planning ministry would be an appropriate alternative centre of power, especially if it acts as a capacitated, resourced centre for government-

## What remains unclear is what shape and form will this entity take...

wide economic planning that can guide, coordinate, support, monitor other parts of the state.

The ANC Economic Transformation Commission undoubtedly has come up with a more elegant and comprehensive assessment of the current problems with development planning, which has led it to propose this 'centralised planning entity'. What remains unclear, however, is what shape and form will this entity take (i.e. 'super-ministry' or a planning commission located in the presidency), what its role and scope will be, how it will function, to what extent it will have the clout and authority to direct other parts of the state, and the not unimportant question of where its accountability will lie.

Perhaps the following three questions can guide our discussion.

First, what has 15 years of planning since 1994 taught us? Perhaps to put it more boldly: where has planning gone wrong? Have we really learned the lessons, and are the new proposals going to build on this? Is it about setting up different structures and systems for decision-making, or is it about ensuring that political will enforces adherence to a common vision (rather than Ministers pursuing their own programmes and agendas)? Our understanding of where planning has gone wrong must be very sound, otherwise we will not find the right solutions.



Secondly, there seems to be a disconnect between realities on the ground and the planning "up above". Are we clear on what the reason(s) is/are for this disconnect and will the new proposals address this? In part, this is about asking which voices have not been heard enough – e.g. local government, which means that the reality as experienced on the ground (whether on housing, transport, or local government issues) is not really heard. If the new planning approach does not address this, the disconnect will still be there.

Thirdly, what is the overall vision regarding the role of the state - are we going for centralisation

**Lack of capacity should not influence the vision - rather, vision should influence where we build capacity over time.**

or decentralisation? Are we strengthening planning at the centre or planning throughout the system, especially locally? In this context, lack of capacity should not influence the vision - rather, vision should influence where we build capacity over time. ■





**T**he beginnings of some of this discussion happened in 2002 in the presidency's policy coordinating and advisory services under Joel Netshitenzhe. They did a bit of comparative work, looking at planning in other countries. I think they looked at Malaysia, Singapore and South Korea and began to elicit proposals. For a variety of reasons, including the political climate at the time, it didn't make any headway. And then around the time of Polokwane some of the concerns were picked up once more. Part of the debate - and there were some ferocious debates going on in ANC in the run up to Polokwane - sought to identify some of the issues that were problematic. Mbeki had the reputation of being very centralised. But that centralisation we felt did not come with a strategic discipline across the state and parastatals. It seemed to be a centralised discipline based on personalities and even to some extent, patronage, links and networks. So it was picked up again in Polokwane and included in the Polokwane resolution. Subsequent work has been done by the ANC sub committee cluster which I coordinated.

The questions you've been asking kind of outline why there should be interest in a centralised planning ministry. As we look back at fifteen years of ANC governance, there are proud achievements, such as housing and electricity and water connection and so on. But we noticed that when it comes to major planning has been a lack of strategic discipline. Different line departments do things which bear little resemblance to how things are done in other line departments. They are able to continue doing things: the pebble bed modular reactor comes to mind, and Koega and, of course, the Gautrain. Departments or provinces and local

government spend billions and billions of rands running projects whose logic and connection to developmental priorities seems very tenuous at the very least. And this lack of coordination and strategic clarity is also the entry to a lot of the corruption that is apparent. Having planned strategic discipline doesn't necessarily overcome all the problems, including the problems of corruption. But where there is an absence of that, where there's fragmentation there are more problems. So that's what lies behind it.

There were attempts during the Mbeki period to introduce a great level of coordination. One of them was to introduce the notion of cabinet clusters in which clusters of administrators and also the clusters of Director Generals would meet around particular areas. But the report back we get from those is that there's little effective coordination. Line ministers at best agreed to each other's projects and at worst, which is often the case, there's just a deadlock between two competing projects at a huge cost to the country.

So there were multiple problems at the national cabinet level and then also a lack of political will in the presidency to sort it out. And then the problems multiply in the interaction between the different spheres of government as well. So these problems are at the heart of the symptomatic

**So there were multiple problems at the national cabinet level and then also a lack of political will in the presidency to sort it out.**



analysis and why we think that establishing strategic planning capacity has a high status in the discussion. As we talk there are processes going on now in the ANC and hopefully they will reach a finality this week around some of the detail. But what has not yet been done is the commitment to establishing a planning commission to be located in the presidency. The idea is to build on what exists but it will substantially be in the policy coordinating advisory services sector of the presidency. The president will have the responsibility of heading this planning commission. Whether we will have a minister or a deputy president having hands on responsibility from week to week, month to month is something that is not yet clear. There may be a minister without portfolio in the presidency who would have as a key responsibility that particular task. But the key point here is to locate it within the presidency and therefore to give it presidential authority.

In the economic transformation task team that was involved in this work, we quickly realised that in theory we've seen planning going on in various spheres of government. For example, in transport at a local level you get shown nice power point presentations of the bus routes and so on, but there is no capacity to implement. And institutional configurations are all over the place. For instance, bus subsidies are currently a provincial function. Metrorail is a national function because Metrorail is running a national network. Regulations around licensing buses is a provincial task. But planning is a city and local function. So you can come up with wonderful plans, as Cape Town and Johannesburg metros have for several years, but the ability to implement those things is completely

confounded by provinces making different decisions about operating licences and subsidies.

The same applies on the national level. If we have a national planning structure, a national planning commission for instance, but without the leverage into the budget, into line departments, it's going to be dead. It needs capacity and that will be a stretch. We need leverage over the budget which is the critical instrument for discipline. For that reason from the economic transformation commission's side, we recommended that we should re-cluster and reconfigure a bit. That discussion is incomplete. There was some talk in the media about a super cabinet with über-ministers and as a result there was a big retreat inside of the ANC at the highest level as aspirant ministers started to compete. But the need for coordination and discipline is still very important. And so what we hope will go side by side with the planning commission is the re-grouping of clusters. One obvious one is that we need to separate energy and minerals, so that we can have a clean – clean in every sense of the word – energy that is not hijacked and dominated by mining houses. Energy needs to be in an infrastructure type cluster. Mining belongs in a trading industry type cluster.

## We need leverage over the budget which is the critical instrument for discipline.

And we would then have cluster coordinators from the two ministries in each case. Not super ministers and not ministers without line departments. They would have line departments but they would also





coordinate committees over five or six different clusters. Together these ministers would constitute a collective political leadership of the planning commission. So you would try to produce cluster perspectives that would be fed into the planning commission and provide a 15-20 year long-term vision.

It's very important also to have dynamic linkages to civil society. So in addition there should be a planning advisory board. The proposal currently is that it should be 50% government and 50% civil society, jointly chaired by some personality from civil society and by a minister or deputy president. And it would act as an advisory board. We would hope to streamline and abolish quite a lot of those presidential advisory or presidential councils as it is.

In addition the planning commission should also be about monitoring and evaluation. That is very important.

My last point is that we don't want to give the impression that this is the only place at which planning is going to be happening. There is clearly already planning happening everywhere. There are lots of planning skills around. We need to have an industrial policy, energy policy, transport policy and

## Is this restructure creating decent jobs and a sustainable life?

so forth which at the end of the day is answering the question: "Is this restructure creating decent jobs and a sustainable life?" That is the underpinning question we're suggesting but it is up to the planning advisory board to counter that, to amend it. We need to centralise it so that it is as clear as possible, on a broad national and even international line, what we want to do. So that there's discipline in different line departments especially with regard to big priorities such as energy and water sustainability. The big questions don't get answered, so we need that centralisation for leverage and national coherence. But I also very significantly support decentralisation. It's ridiculous that a national department and provincial department tries to decide where a transport route or a housing development should be located. Those spatial things in particular need to be brought down to the local level. And by bringing them down to a local level, you also create the space for popular participation.

There are wonderful examples which many of us will know about. From Brazil for instance, their participatory plan is a wonderful instrument against corruption and patronage. We've got wonderful local government legislation but our participatory planning is not working. We need to ask why it is not working. It's definitely very important that there is decentralisation and popular mobilisation in planning, particularly around the local things that happen on a daily basis. ■



**M**y work in the last 15 years has involved trying to understand the role of the state in development. Both locally and internationally, there is a move to place the state at the centre of development. The current global economic crisis reasserts the centrality of the state in development. But I think South Africa is a bit more prepared than most countries because of its policy-makers, especially the ANC and government, commitment to construct a developmental state. And now there is talk of the planning commission.

Let me talk of a developmental state. It is crucial to state capacity. You cannot talk about capacity without the capacity to plan. The developmental state is all about the capacity to plan and implement the plan. Why do we need a planning commission or a planning agency? You need a planning agency to be able to coordinate economic development. You need an agency that determines the policy direction of a country. Also, it is vital for centralised economic management.

In most of the Asian countries except Japan, the ministries of finance play a less pivotal role as such a role was performed by the planning agency. Crucial to most planning agencies is the formulation of overall developmental frameworks. In effect, planning agencies develop an overall development framework which shapes and sets the parameters for sectoral policies. Industrialisation was a centre plank for the development frameworks of most of the Asian planning ministries. Importantly, planning agencies help to resolve jurisdictional problems among line ministries or departments, and help to foster inclusive development. In effect, you need to be able to have what I call in my work an equitable growth

(E-growth). You need an agency that will be able to place this on the pedestal from the very beginning. If you leave planning to ministries of finance, E-growth will be elusive because of pre-occupation with narrow macro-economic stabilisation.

But we also need a planning agency because the state needs to be able to act as a collective coherent actor. Another reason that we need a planning ministry is that they are able to have a holistic domestic view of national development. For the state to have a holistic view, you need somebody who can bring all of this together. But also more importantly, planning agencies ensure alignment of programmes and resources. In effect, it ensures that it can mobilise the necessary resources for the realisation of the national plan. Thus a planning agency will ensure that there are resources to match the national commitment.

### **The developmental state is all about the capacity to plan and implement the plan.**

One of the things I was asked to speak about is the location of the planning commission. Here again, I will take a comparative perspective, drawing on the Asian developmental states. In most of the Asian countries, the planning ministry was located in the office of the head of government. In South Korea for example, the Economic Planning Board (EPB) was located in the office of the president and was headed by the Deputy Prime Minister and Minister of the Planning Agency. Their location gives them political clout in relation to line ministries/departments.





Another point is that the planning agency must have considerable control over the budget. If it does not have strong leverage over the budget, it is unlikely to succeed. I am familiar with the South Korea case which actually attests to that fact.

What are some of the factors that account for success? First, political will. You need a political leadership that has strong commitment to ensuring the success of the development initiative and also has the capacity to mobilise society around that. A planning agency cannot and should not be an addendum to any ministry. It needs a clear political leadership. And you need a visible political leadership.

The next factor for success is insulation, but not isolation. You need to insulate the top bureaucrat in the planning agency from societal pressure, so that they are not subjected to lobbyists. This is why I'm a bit worried about the advisory council that is being proposed for the soon to be established planning commission in South Africa. In contrast, in Thailand for example, it had the joint public private committee as a consultative structure but was not tied to the planning agency. I would caution that the proposed planning commission in our country could not be contaminated with private interests. Let bureaucrats in line departments interface with private actors, who will then feed the inputs from such actors into their departmental policies and strategies submitted to the planning commission.

Another factor that will be crucial for the success of the planning commission in South Africa as elsewhere is the need for a clear division of labour between the political elite and the bureaucratic elite. The political elite in this respect

are the ruling party who has to set the broad policy parameters and the bureaucrats are the mechanics who need to look for the right tools to achieve the broad developmental goals set by the elected officials. One cautionary note there is that bureaucrats should not set the broad policy framework, which will be the case if the envisaged planning commission adopts a technocratic approach to policy-making.

I will also caution that there should be few economists in the planning agency. Examples of the Asian developmental states, including more recently China, tell us that economic planning was driven by engineers. The engineers just go ahead and do the work unlike economists who will have a hundred reasons why a particular plan will not work.

The planning agency will also be able to observe the parameters that are determined at a departmental level as well as other spheres of government. In effect, it has to shape the plans of provincial and local governments.

Another important factor that is likely to contribute to the success of the planning commission is well-paid bureaucrats in the planning agency. The literature on the developmental state tells us that top bureaucrats are well paid either equivalent to their counterparts in the private sector,

**The planning agency will also be able to observe the parameters that are determined at a departmental level as well as other spheres of government.**

or in some cases more than their private sector counterparts. This helps to reduce high turnover of top bureaucrats into the private sector.

And there is a need to recruit the best and brightest brains into the planning commission. This is what the literature of the developmental state tells us. Thus recruitment into the commission proposed planning commission needs to be based on merit. This is not in any way to say that affirmative action would undermine meritocracy. It doesn't. Malaysia is a good case of that. But we need to appoint people based on their competencies. And it must be truly transparent. Why is it important? If bureaucrats are recruited on their personal, ethnic, political, etc. patronages, their loyalties will be to their patrons, with likely adverse effect on the performance of the commission. But if people are recruited on merit people will be committed to the corporate identity – meritocracy engenders *esprit de corps*.

The last point I want to make is that people in the agency would need to have a clear career path, which would allow them to stay ten years or more in the planning agency or the public service more generally. A lack of career path would ensure that a civil servant in the planning commission could

**If people are recruited on merit people will be committed to the corporate identity – meritocracy engenders *esprit de corps*.**

leave for Eskom tomorrow or go to the DTI or they can go to the department of public service and administration. Or they can even go to provincial level. You need to have clear career paths for top bureaucrats with good incentives in the context of a developmental state.

To conclude, if the story in the Mail and Guardian is anywhere correct that the planning commission will meet three times a year, it shows that there's no sense of urgency. This is an issue that will require revisiting. Lastly, the planning agency needs to be replicated at the provincial and local government levels. In effect you need provincial and local planning commissions. Planning commissions should not be limited to Pretoria alone. The national development plan needs to be translated into provincial policy and to policy at municipality level. ■





### AFTER THE INPUTS THE FLOOR WAS OPEN FOR QUESTIONS AND COMMENTS. ISSUES THAT WERE RAISED INCLUDED:

- How does the planning agency avoid reorganising existing failures and get to the root of the problems?
- Will there be strong mechanisms in place to control budgets and measure performance?
- Should we not rather be looking at decentralisation, rather than more centralisation of government powers?
- Is the planning commission going to assess our system of taxation or take a stance on speculation in the property market?
- What can be done about the lack of political vision?
- You are talking about planning, but what is the plan?
- Will a centralised planning ministry solve the issues around public transport?

### IN RESPONSE THE SPEAKERS MADE SOME CONCLUDING COMMENTS:

#### Jeremy Cronin

My view is that we are not South Korea or Malaysia or China. Our approach to instituting the planning commission is that it needs to be developmental. And I mean that in two senses. The first sense is that its going to have to be implemented gradually. We are not going to have a full blooded planning commission that is going to be effective, that has got the support and authority and capacity to do all the things that we would like it to do. If we try to launch it too quickly it will lack credibility and fall on its face. The relationship between the treasury and the planning commission is a relationship that is going to have to be negotiated and handled in a developmental way.

In many respects we have got an excellent treasury and a good minister of finance. You look

disbelieving when I say that but I do believe that in some respects, in that it is one of the departments that appears to be absolutely corruption free. It's certainly a department in which there is a great deal of collectivity and professionalism, the people work together well effectively and efficiently. The problem is that when there is a lack of strategic discipline, a lack of strategic coherence, the default position becomes treasury. In practice, the empowered minister sitting in the cabinet, the one that has a broad vision, is the Minister of Finance. The rest of the ministers sit in the cabinet and there's no real strategic collective participation in the development policy perspective. Financial management and developmental objectives are not the same thing. Financial management is very important. But budget allocations and all of those details need to be something that is planned developmentally. I think that's a challenge that we have.

One does not want to get the impression that the planning entity is a silver bullet that's going to solve all the problems. We have many problems and it's not going to solve all of them. But hopefully it will contribute to resolving them.

A planning commission should in theory be located in the presidency to help to empower the president and a cabinet minister to speak with some kind of strategic vision and understanding on where we're going.

Yes, on occasion bureaucracy is dysfunctional due to cadre deployment. I think the theme of some of the last Mbeki years is not just poor policies but poor implementation. From a transport perspective, the policies themselves are often dreadful and lack coherence and so it is not just a question of implementation. We talk about cooperative governance and we say all spheres of government are equal in theory. But we have a completely hierarchical approach, in our minds and our paradigms, to the different spheres of government. When we reconfigure and look at planning and coherence it is very important to look at serious

cooperative government and the equality of spheres with different functions.

In terms of staff we have the technical capacity, but citizens of our country are free to come and go. But clearly in so far they are doing their work, we need to do what we can to retain them. Then there is a political leadership which we are proposing would be a president or deputy president, perhaps a minister but also the cluster coordinators. They would meet at least three times a year ahead of cabinet lekgotlas. There also needs to be networking. It's about plugging into the range of planning skills that you've got in other departments, in other spheres of government, in the parastatals. So the planning entity needs to be rich in capacity and rather slim in terms of ministry staff.

We desperately need to take a look at taxation and our tax policies, particularly around land. Indeed a lot of the problems have to do with inappropriate fiscal and monetary policies. I think there's global space now to ask some robust questions. We're often told that South Africa is doing quite well, but according to the IMF we've had one of the most serious housing bubbles over the last seven years than anywhere else. Clearly, land is a very important issue. We've made poor progress on that front in terms of transformation.

In terms of transport, these different functions - planning of licensing and general regulation and subsidising and so on - are scattered across different line departments and different spheres of government. But we need instruments to implement the plans, like subsidies and regulations. I'm pleased to say that my parting shot in parliament was to be part of introducing a new piece of legislation for a national transport board which tries to devolve these things fundamentally to the municipal level. Let's change those factories in Port Elizabeth and Uitenhage and Roslyn near Pretoria to produce public transport. As we start to provide decent transport, we need then to start squeezing cars not just financially, but also through deliberate planning at a city level.

Accountability is very important. So yes, the idea is that the planning commission and/or the planning advisory group should report to parliament, produce annual reports and report generally on what the planning commission is doing. But then parliament must also reconfigure. Parliament is poorly equipped to monitor, evaluate and know what's going on in government or in general.

### **Omano Edigheji**

Having looked at literature about the developmental state, I just felt the literature tends to demonise the continent. Some of the debate that we have here such as the dysfunctionality of cadre deployment, affirmative action, BEE, also occurred in Malaysia. I do not think there is a correlation between cadre deployment and bureaucratic dysfunctionality. We are not taking advantage of the Malaysian experience, the Korean experience, and seeing what lessons can be learned. If you're looking for some key factors you are likely to see there is a very high correlation of success where the planning agencies have had significant input into the budget. You have to be able to review the state that comes closest to your needs. And I think that is what South Africa is trying to grapple with. They can draw from the lessons from other countries.

### **Jeremy Cronin**

My focus is on what the state should be doing in order to harness human capability. It is not about bailing out failing industries. The developmental state is not a socialist state. But it may need to intervene to improve the material conditions of people.

I think it is critical that we have methods of interaction where people are able to place their demands on the table and are able to hold the state accountable. I'm not in any way advocating technocratic solutions to the developmental state, because they are also unsustainable in the long run. The planning commission must be based on sound democratic principles.





And I don't think that should be compromised.

It is true that I focus rather on institutional arrangements. I'm talking about planning. But what's the plan? That is a bigger question and there is a lot of debate around it. But obviously it must be about fundamentally transforming the balance of power in our country. What we've seen over the last 15 years is some progress in terms of lifting the absolute levels of abject poverty as a result of social grants and RDP houses and electricity connections and so on. But it has been the active reproduction of a deeply unequal and racialised society. Not for want of trying, but because we have not grappled with structural transformation of the balance of forces in our society.

### **Mirjam van Donk**

What has come through for me is that this idea of the planning commission comes from wanting to re-invigorate the developmental state. Not as an end in itself but as an entity that is most ideally placed to address the crises of development and to develop the country into the future. That invigoration has to come from assessment of the key blockages, the challenges, the failure of the current and past administrations to respond to that appropriately.

What we've heard from both speakers and Omano in particular is that the planning commission has been a tried and tested approach elsewhere. But it needs to be context specific. So we shouldn't necessarily model it on other countries. But clearly it does hold the promise of serving a developmental state in a way.

To sum up this debate, let me highlight a few issues. First and quite prominently, it's about promoting strategic discipline and coherence. This ties in with the need to deal with the problem of corruption which has been looming large.

Secondly is the role of individual and collective leadership. It has come up in the discussion about the president and the role of cabinet, but also as a key issue in driving this process forward and in making

sure that the planning entity or planning commission delivers on its promise. One would need to have good leadership. This raises an interesting question, especially perhaps for those who are currently high up in the party, about who is likely to lead this entity?

The third issue is a bit more challenging. When I heard Jeremy speak I thought he was really trying to avoid coming across as if this is about yet another process of state restructuring because we had so much already. But clearly, there's a lot of scope and possibly need for restructuring - be it in parliament, be it across different sector departments, be it across the different spheres of government. I suspect that many of our colleagues in government shudder at the prospect. The issue of state restructuring and capacitation is very important. And I wonder if we have learned sufficient lessons from the past. Is it too soon, or is this perhaps the window of opportunity to introduce something that will potentially have far reaching consequences, not just in pursuing a developmental trajectory but also in terms of the restructuring of the state that will presumably follow if it is a strong entity? And within that a very critical question for me is, where is the local in all of this? There's a very strong emphasis on centralising planning capacity, and that may well be as a consequence of how today's debate has been set up. But where is the local? And in particular, what has happened with the review of local government? Why has that not been prioritised in the context of this conversation? Because clearly, part of the restructuring is about the review of the powers and functions that have been assigned to various spheres of government. All of that suggests that we have a very dynamic period ahead of us under the new administration.

Lastly, Omano mentioned that the developmental state has a sense of perpetual urgency. Now I hope that doesn't mean that it is in continuous crisis management mode and that this planning commission becomes the entity to manage the crises as they unfold. ■





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### ABOUT THE PANEL:

**Jeremy Cronin**, MP, is Deputy Minister of Transport and has served as chairperson of the parliamentary Transport Portfolio Committee for the past 10 years. He serves on the ANC national executive committee and is deputy general secretary of the South African Communist Party. As a member of the ANC NEC's economic transformation commission he has been chairing a task group on "Planning and the Developmental State" for the past year. He has post-graduate degrees from the University of Cape Town and Paris (Sorbonne). During the anti-apartheid struggle he served a seven year prison term as a political prisoner. His many publications include four award-winning collections of poetry.

**Omano Edigheji**, PhD, is a political economist. He is a Research Director in the Policy Analysis Unit of the Human Sciences Research Council. Previously, he was Research Manager at the Centre for Policy Studies. He has been involved in a number of policy works in South Africa and on the African continent. He coordinated two publications that critiqued the discussion documents of the ANC's National General Council in 2005 and its Policy Conference in 2007. Dr Edigheji research focuses on globalisation, state and economic transformation, and civil society. He has done extensive work on the developmental state. Dr Edigheji is co-editor of the book, *Governance in the New South Africa: The Challenges of Globalization* (co-editor, University of Cape Town Press, 2003). He is currently editing a book on *South Africa: a Developmental State?* Dr Edigheji is a member of the editorial board of the international renowned journal, *Globalizations*.

**Mirjam van Donk** is Director of Isandla Institute.



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