



***Outcome Statement/Communiqué on the
Regional Conference on Building Democratic Developmental States for Economic
Transformation in Southern Africa***

**Pretoria, South Africa
20 to 22 July 2015**

Preamble

1. The Regional Conference on Building Democratic Developmental States for Economic Transformation in Southern Africa was organised by the United Nations Economic Commission for Africa – Southern Africa (ECA-SA), United Nations Development Programme – South Africa (UNDP-SA), Southern Africa Trust (the Trust), and the Open Society Initiative for Southern Africa (OSISA). The Conference took place from 20 to 22 July 2015 at Kievietskroon Country Estate, Pretoria, South Africa.
2. The opening ceremony was moderated by Said Adejumobi, ECA, Director of Sub-regional office for Southern Africa with the opening remarks by Gana Fofang, UN Resident Coordinator and UNDP Resident Representative in South Africa. Partner organisations also made opening remarks. Statements were read by Tiseke Kasambala, Deputy Director, OSISA, and McBride Nkhalamba from the Trust and Said Adejumobi from UN-ECA.
3. Participants from the following countries attended the Conference: Botswana, Ethiopia, Kenya, Malawi, Mauritius, South Africa, Zambia, Ethiopia, Mauritius, Zimbabwe, Kenya, USA, Botswana, Tanzania, Uganda, and Swaziland. Organisations present include members of the academia, inter-governmental organizations including UN agencies and RECs; national and regional think tanks; national and local government representatives; civil society organizations, national and regional media houses. 30 research papers were presented at the conference, while two panels were organised on Industrialization in the SADC Region and civil society perspectives on democratic developmental states in Southern Africa.

Conference Objectives

The main objective of the conference is to explore how Southern African countries can seek to promote the building of democratic developmental states necessary for economic transformation in the region;

Broadly itemised, the objectives are:

- To brainstorm on the concept, processes and modalities of creating democratic developmental states in Southern Africa;
- Undertake comparative analysis and experiences on the efforts at building developmental states in a global context;
- Review existing lessons, good practices, case-studies and success stories that may be beneficial to the Southern African context;
- Explore the opportunities and challenges that Southern African countries may confront in their efforts in constructing democratic developmental states;
- Examine how regional frameworks and protocols can assist Southern African countries to achieve strategic developmentalist objectives;
- Explore how international context (global trade agreements, governance systems, power relations etc.) can affect either positively or otherwise, the capacity of Southern African countries to construct developmental states;
- Provide policy guidance and possibly roadmap on how countries in Southern Africa can achieve economic transformation and sustainable development through the developmental state paradigm.

Account of Proceedings

4. The Conference took place in both plenary and breakaway sessions. The broad theme of the conference was broken down into the following sub-themes: (i) discussions around the concepts, theory and comparative experiences in democratic developmental state construction; (ii) the sharing of country experiences on building developmental states; (iii) governance and developmentalist leadership; (iv) macroeconomic policy, planning and strategies; (v) State capacity and institutions; (vi) actors, institutions and agencies; (vii) social policy for accelerated development; and (viii) the role of regional and international institutions and frameworks. Additionally, the Conference held (i) a multi-stakeholder dialogue on industrialization in Southern Africa involving representatives of RECs, governments, civil society, as well as (ii) facilitating a roundtable discussion for civil society organizations in the building of democratic developmental state.

5. The keynote address was delivered by Thandika Mkandawire, Professor of African Development at the London School of Economics and Political Science, who spoke about key components of democratic developmental state which includes political capacity for citizens' mobilization, extractive capacity to generate accumulation, allocative and enforcement capacity as being key to development. He further noted that it is important to unravel what is perceived as advantages of authoritarianism – efficiency, political stability and accumulative capacity, which can also be done in a democracy. Thandika Mkandawire gave an example on the alternative ways of citizens' mobilization based on the nature of the political regime. While authoritarian governments may use force and coercion to compel obedience and discipline to state policies, democratic ones can use persuasion and involvement to mobilize the people. As such, the so called mobilizational capacity of authoritarian regimes is also a function that democratic regimes can perform in other ways.

6. The Conference also provided an avenue in which academics, university students, civil society representatives, representatives of regional economic communities, and private sector representatives presented academic and policy papers around the theme and sub-themes of the Conference. Moreover, OSISA presented the outcomes of her country studies to the Conference, covering Botswana, South Africa, and Malawi.

This was followed by an official launch of ECA's Economic Report on Africa 2015 with a focus on Industrialisation through Trade.

Observations

The conference made the following observations:

- Visionary and effective leadership is central to a democratic developmental state project, however, the issue of leadership remains highly contested currently, on its quality and capacity, especially in the context of a globalised World, confronted by both domestic and international political economy challenges, in a neo-liberal environment;
- Democratic developmental state construction is a nationalist project, however, since the immediate post-independence era there has been a decline in the nationalist state agenda and coalition necessary for accelerated growth and development;
- There is apparent weakness in state-civil society relations in building synergies, complementarity and common development vision in most countries;
- Some Southern African countries do not have the requisite progressive legal frameworks, including well-crafted constitutions to support the development of strong and capable institutions, necessary for promoting democratic developmental state;
- There is limited development coalition and consensus especially amongst the political and business elites on the development agenda and frameworks. This creates discontinuities in policy orientation, pronouncements and implementation by different political regimes;
- Issues of corruption, poor accountability, and lack of respect for procedure erode public confidence in governance and affects the capacity of the state for citizens' mobilization;
- While notable progress is being made through performance contracts, remuneration system, security of tenure, however, the bureaucracy remains fairly weak and inefficient in many countries affecting its capacity to effectively deliver public goods and services;
- Long-term development vision is critical for facilitating structural transformation, however, challenges exist in many countries in framing long-term visions beyond political regimes and administration that different parts of the state and non-state actors can remain committed to, and implement religiously, overtime;
- The capacity of the private sector remains weak in many countries and so is public-private sector partnerships necessary to scale up the level of economic activities and production in many Southern African countries;
- The vast natural resources of Southern African countries have not been able to spin development for them beyond the collection of revenues and royalties. The exploitation of those natural resources have not expanded jobs, created inter-sectoral linkages, better economic opportunities for the people or value addition necessary for promoting economic transformation in the region;
- The use of information technology to promote economic transformation is not yet optimally utilised in Southern Africa;
- The international economic regime is perceived to constrain Southern Africa's economic growth potentials and capacity as the logic of globalised free trade reduces opportunities of industrialization for weak countries in the region;

Recommendations

The conference made the following recommendations to address the issues identified above.

On leadership, governance and economy

- There should be concerted efforts to develop visionary, ethical and effective leadership across sectors of society especially political leadership necessary for promoting accelerated economic development and structural transformation in the region;
- The capacity of democratic institutions like the parliament and political parties must be enhanced as key actors in the democratic developmental state project;
- Civil society must redefine its involvement in the economic and political development of countries in the region premised on complementarity and creative engagement with the state, rather than undue opposition to it;
- There is need to promote constitutionalism in which the rule of law, political accountability, citizens' voice and power are given prominence in governance;
- The policy space necessary for effective economic policy formulation at the national level should be enhanced especially within the context of global neo-liberal regime that tends to limit space for national policy making for development purposes;
- Sound macro-economic policies are indispensable to sustained economic growth and transformation. Hence, the state must engage the people, especially key stakeholders (business, labour, and professional groups etc) in framing macro-economic policies for countries in the region;
- Africa's national resources should be used to leverage its industrialisation process, the issue of value addition and beneficiation is central to enhancing Africa's development prospects;
- While foreign direct investment is important for Southern Africa's economic development, domestic capital and entrepreneurs are equally important. National governments should provide incentives for domestic entrepreneurs in transforming their capacity to support the economic transformation process;
- The financing of Southern Africa's economic development should explore internal sources including pension funds, remittances from abroad and blocking loopholes of illicit financial flows;
- The APRM process provides an opportunity for cross-learning and the promotion of national consensus on national development; hence it should be enhanced and made to be a process, rather an event. Key recommendations from the national country review process and the national plan of action must be synchronised with national development plans. The capacity and integrity of the APRM national secretariat must also be enhanced to ensure effective management of the APRM process;
- The use of ICT in leapfrogging Africa's development, particularly GIS capability should be enhanced to support Africa's economic transformation;
- Land distribution remains a critical challenge even though all states are signatory to inclusive land distribution protocols. There should be concerted efforts to promote the domestication of such protocols;

- National development planning should be cardinal in the macroeconomic process of Southern African countries. The capacity for implementation of such plans needs to be scaled up;
- It is important to design mechanisms by which national development vision and plans find expression and are internalised and implemented at the local level and for local communities to be part of, and claim the development process;
- The informal sector should not be criminalised or vilified but rather encouraged to grow and contribute to the national economy, while the state supports and engages it and facilitates the payment of taxes by the sector.

On social policy for accelerated development and empowerment of economically marginalized groups;

- Countries in the region should consider a form of national youth service to promote nation building and provide further opportunities for young people. This should be undertaken within a democratic framework and not an authoritarian one;
- There is need for Southern African countries to domesticate existing regional and international gender protocols and promote gender equality and protection, including macro-economic framework having gender dimensions;
- Social accountability should be considered a human rights issue and taken seriously by all governments and other stakeholders;
- Social policies should be designed by Southern African countries to ensure social protection, assuage human vulnerabilities and welfare for all in society especially the weak and marginalised groups;
- Quality education at all levels (primary, secondary and tertiary) should be given utmost priority by Southern African countries. Skills based education should be encouraged that increases job opportunities for young people in a competitive capitalist World.

To support a developmentalist State project, regional and international institutions, frameworks and agreements should;

- The signing of the Tripartite Free Trade Agreement (TFTA) in June 2015 is highly welcome and Southern African countries are encouraged to scale up intra-regional trade but premised on the foundation of industrialization;
- Agriculture and regional value chains constitute a key policy at SADC level – this requires improved regional value chains with developmental benefits for all member states;
- The African Peer Review Mechanism by promoting the idea that states can be more democratic and through interrogating issues of governance, can support the improvement of feasible and sustainable policies, which should be enhanced;
- The shift from MDGs to SDGs (Sustainable Development Goals) should be used as an opportunity to promote a transformative agenda in support of the democratic developmental state project.

Way Forward

The way forward was organised into two parts. First, the moderator of the session, Said Adejumobi invited participants to suggest ways and ideas on how they would like to see the project carried forward and their possible roles and that of their organisation in it. Second, the organisers of the conference presented concrete ideas and plan on the way forward for the project.

Suggestions/ Recommendations by the Conference Participants:

- The organising partners of conference- ECA-SA, UNDP-SA, OSISA and the Trust should institutionalise and consolidate their partnership in carrying the project forward and engaging other partners institutions on it;
- The organisers consider the publication of the papers presented at the conference;
- Participating stakeholders at the conference like the media, civil society, and RECs committed to the dissemination of the communiqué and full report of the conference through their various platforms and networks;
- To develop forum/medium on-going discussions among participants through web-based discussions (i.e. Twitter and facebook accounts of the conference) with the aim of facilitating on-going dialogues on the subject matter. Key stakeholders that should form part of the dialogue should include; governments, civil society, religious networks, traditional leadership and the private sector.
- The organising partner institutions to work with SADC in organising a “*Forum on Developmental Integration in Southern Africa*” through which issues can be explored further at the regional level;
- The proposed SADC Economic Summit provides a good opportunity that can be tapped into in further discussion on the developmental state project;
- Policy dialogues should be organised on the subject matter and institutions like MISTRA (Mapungubwe Institute for Strategic Reflection) and Actionaid committed to facilitating policy dialogues on it in conjunction with the Conference organisers.

Way Forward by the Organising Partner Institutions

- **Publications:** Selected papers presented at the conference will be considered for publication after thorough review and revision processes in books and journals including the newly launched journals by ECA- *Journal of African Transformation* and *Journal of African Development Alternatives* (being published with the University of Cape Town);
- **Further Research** will be explored on specific areas of the theme of the conference and its key recommendations including areas of leadership, ethical governance, industrialization, natural resources management, and developmental regional integration;
- **The Communication** component of the project will be maintained and scaled up. The dedicated conference website will be kept active for the next one year at least, and made interactive. Also, the communiqué and proceedings of the conference will be posted on the website. Relevant literature and links will also be sourced and shared through the website;

- *Policy dialogues* will be organised with other partners who have signalled interest in doing so- MISTRA (Mapungubwe Institute for Strategic Reflection) and Actionaid. Possible targets for the policy dialogue will include government officials, political leaders, members of parliament, political parties, the business community, and civil society including labour movements.
- Some of the partners indicated that the project will be fed further into their existing programmes and activities. OSISA will seek to mainstream it in its Economic Justice Summer School and UNDP to synchronise it with the work that it is currently doing with the AU on public sector reforms within the context of the African public service charter;
- The organisers to consult with SADC and the AU in exploring how to carry the project further at the regional and continental levels.

Closing Ceremony:

The closing ceremony was performed by the organising partner institutions with Bheki Moyo of the Southern Africa Trust, Masego Madzwamuse from OSISA, Rose Akinyi Okoth from UNDP, Regional Bureau and Said Adejumbi from ECA, Southern Africa giving closing remarks. They all expressed deep satisfaction with the organisation of the conference and its proceedings and thanked the keynote speaker, the moderators and participants of the conference for their engaging and productive deliberations for three days. They all committed to carrying the agenda of the conference forward through the steps outlined above.

**Done in Pretoria, South Africa
22nd July 2015**