

The Feasibility of the Democratic
Developmental State in the South

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South-South Programme

The Feasibility of the Democratic Developmental State in the South

Edited by
Daniel A. Omoweh



CODESRIA

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DAKAR

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Table of Contents

<i>Abbreviations</i>	vii
<i>Contributors</i>	xi
<i>Acknowledgments</i>	xv
<i>Preface</i>	xvii
1. Introduction: The Theoretical Setting	1
<i>Daniel A. Omoneb</i>	
2. Understanding the Rise of the Reformatory State and its Choice of Policy: An Agent-Structure Approach	23
<i>Dennis D. Trinidad</i>	
3. Deconstructing the Democratic Developmental State: Blocked Democratization and Political Parties in Nigeria and South Korea	41
<i>Daniel A. Omoneb</i>	
4. Democracy without Citizens in Latin America	59
<i>Silvia Gómez Tagle</i>	
5. Electoral Democracy and Poverty Reduction in Cameroon and Burkina Faso	69
<i>Elie Ngongang</i>	
6. The Democratic Developmental State: The Indian Experience	89
<i>Prithvi Ram Mudiam</i>	

7. Democratic Developmental States? Institutional Structures for
Incubating an indigenous Entrepreneurial Class and Poverty
Reduction in Malaysia and South Africa 107
Omano Edigbeji
 8. Notes on South-South Cooperation and the Democratic
Developmental State: Cuba and a New Research Agenda..... 131
David González López & Silvio Baro Herrera
 9. Concluding Remarks: Strategies for the Emergence of the
Democratic Developmental State in the Global South 137
Daniel A. Omoweh
- Bibliography*..... 151

Abbreviations

AC	Action Congress
AG	Action Group
AHI	Afrikaner Handels Instituut
ALBA	Alternative Bolivariapara las Americas
ANC	African National Congress
APGA	All Progressive Grand Alliance
APISA	Asian Political and International Studies
ANPP	All Nigeria Peoples Party
BDP	Botswana Democratic Party
BEE	Black Economic Enterprise
BEEC	Black Economic Investment Council
BRIC	Brazil, Russia, India and China Group
BPO	Business Process Outsourcing
BSA	Business South Africa
BUSA	Business Unity South Africa
CBM	Confidence Building Measures
CENI	Commission Electorale Nationale Independante
CGC	Credit Guarantee Corporation
CHAMSA	Chamber of Commerce and Industry South Africa
CHP	Comprehensive Healthcare Programme
CLACSO	The Latin American Council of Social Sciences
CM	Consultative Mechanisms
CODESRIA	Council for the Development of Social Science Research in Africa
CPP	Convention People's Party
CRP	Congres Pour la Democratie et le Progres
CSI	Conseil Superieur de l'Information.
CSO	Civil society Organization
CSP	Christian Socialist Unity Party
COS	ATU Council of South Africa Trade Unions
DA	Democratic Alliance
DDS	Democratic Developmental State

DLP	Democratic Liberal Party
DJP	Democratic Justice Party
DP	Democratic Party
DRP	Democratic Republican Party
EDB	Economic Development Board
EE	Employment Equity
EPU	Economic Planning Unit
EPWP	Expanded Public Works Programmes
ETC	Economic Transformation Committee
FABCOS	Foundation for African Business and Consumer Services
FDI	Foreign direct Investment
GB	Grameen Bank
GDS	Growth and Development Summit
GI	Governed Interdependence
GNP	Grand National Party
GNPP	Great Nigeria Peoples Party
GNU	Government of National Unity
HIPC	Highly Indebted and Poor Countries Initiatives
ICA	Industrial Coordination Act
ICT	Information and communication Technologies
IIC	International Investment Council
IMF	International Monetary Fund
LP	Labour Party
LP	Liberal Party
LFP	Liberty Forward Party
MARA	Majlis Amanah Rakyat
MBC	Malaysian Business Council
MERCUSO	Members of the South America's Southern Common Market
MIDA	Malaysian Industrial Development Authority
MITI	The Japanese Ministry of Trade and Industry
MTI	Ministry of Trade and Industry
NAP	National Advance Party
NAFU	National African Farmers Union
NAFCOC	National African Federation Chambers of Commerce
NCNC	National Convention of Nigerian Citizens
NDC	National Democratic Congress
NEDLAC	National Economic Development and Labour Council
NEP	National Economic Policy
NEF	National Empowerment Fund
NEC	National Executive Committee
NLP	National Liberation Party

NPN	National Party of Nigeria
NKP	New Korea Party
NIC	New Industrializing Countries
NIT	New Information Technologies
NPM	New Public Management
NPP	Nigeria Peoples Party
NAM	Non-Aligned Movement
NPC	Northern Peoples' Congress
ONEL	Observatoire National des Elections au Cameroun
OPEC	Organization of the Petroleum Exporting Countries
PAS	Pas Islam sa-Malaysia
PDC	Penang Development Corporation
PAP	People's Action Party
PCP	People's Convention Party
PDP	Peoples Democratic Party
PERNAS	Perbadanan Nasional
PNB	Permodalan Nasional Berhads
PRP	Peoples Redemption Party
PPP	Progressive Peoples Party
POSCO	Pohang Iron and Steel Company
RDPC	Rassemblement Democratique du People Camerounais
SACOB	South African Chamber of Commerce
SACU	Southern African Customs Union
SAF	South African Foundation
SAARC	South Asian Association for Regional Corporation
SEDC	State Economic Development Corporations
SSA	Sub-Saharan Africa
TNC	Transnational Corporations
UDA	Urban Development Foundation
UDT	Underdevelopment, Dependency Theory
UPN	Unity Party of Nigeria
UMND	United Malays National Organization
WB	World Bank



Contributors

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This work is dedicated to all critical thinkers who contend that the prospect of recovery from protracted and deepening social, political and economic crises of the countries of the South and the ability of these countries to place themselves on the path of sustainable development do not reside with the market.

Africa's protracted failure to develop makes sharing of experiences with Asia and Latin American countries a key issue in the discourses on the prospects of the DDS in the South. It was, therefore, timely for APISA-CLACSO-CODESRIA to launch the tri-continental collaborative joint research on the 'Feasibility of the Democratic Developmental State in the South'.

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Finally, let me state categorically that the views expressed in this work are strictly those of the contributors and they bear sole responsibility for the errors that the study may contain.

Daniel A. Omoweh

Preface

The study examines the prospects of the rise of a democratic developmental state in Latin American, African and Asian countries, which are collectively referred to in this work as the 'South'. Within this context, it analyses unresolved critical issues in the state-development discourse such as the re-conceptualization of the developmental state, democratization, elections, embeddedness, indigenous entrepreneurial class, political parties and South-South cooperation. It looks into the need to re-centre the state into the development process of the Southern countries after over twenty-five years of neo-liberal policies and economic reforms that, rather than transform, have sunk their economies into deeper political, social and economic crises. It argues that the capacity of a state to overcome the market and democratic deficits resides with its democratic credentials. It suggests strategies that could lead to the emergence of the democratic developmental state (DDS) in the global South.

The study is structured into nine chapters. Chapter One introduces and sets the theoretical contexts for the work, paying attention to the limits of neo-liberal assertions, the conceptualization of the developmental state and the need for its re-think in the form of a democratic developmental state. It establishes a comparative paradigm and clarifies unsettled conceptual issues in the work. The theoretical debates on the DDS continue into Chapters Two and Three.

Within the agent-structure framework, Chapter Two advances an alternative theoretical construct to deepen the understanding and plausibility of the DDS. Within this context, it analyzes the state's choice of policy, its receptivity and non-receptivity, its capacity and incapacity to adapt to change, drawing on the experiences of South Korea, Taiwan and Malaysia. The strength of the framework resides with its dialectics, as it furthers the understanding of the state's economic change.

Chapter Three deconstructs the DDS by problematizing blocked democratization in the development and political processes and the implications for the rise of the developmental state. It elaborates on this with the crisis of democratization and the political parties in Nigeria and South Korea. It defines the DDS in the context of political leadership. The Chapter suggests strategies that could lead to the re-creation of the developmental state in both countries.

Chapter Four examines the opportunities available to democratic regimes and the threats they are faced with in Latin American countries. It compares and contrasts the political leadership, economic reform and party system in Venezuela and Mexico, taking cognizance of the consequences for democratic consolidation, halting drug trafficking and national as well as regional insecurity. It argues that democracy can hardly be achieved without the citizens in the sub-region, pointing out the need for a strong political leadership, party system and democratization if the developmental state is to emerge.

Chapter Five establishes theoretical and empirical framework that links electoral democracy and poverty reduction in Cameroon and Burkina Faso. Within this construct, it reviews the status of electoral democracy in both countries, pointing out four theoretical issues that political elite should note regarding voting theory, the theory of interest groups, debt and political behaviour and the theory of bureaucracy. It formulates quantitative general and specific models for examining electoral democracy and poverty reduction. It shows that the ballot box is crucial for the emergence of democracy and the DDS in Africa.

Chapter Six examines how the Indian state adapted its tradition and history to formulate its national goals of modernization and overall development of the country since it attained political independence in 1947. It discusses the features of the developmental state, but not of the DDS, that are exhibited by the Indian state. The Chapter looks into the mix of the state-market relations. It analyses how India's policy of non-alignment helped the state to construct its own path to social, political and economic development and as well as assisted India to access economic and technological assistance from the Western and Eastern blocs. It suggests that while the experience of the Indian state with development holds out useful lessons for other Third World countries, there is the need for the political leaderships to guide against a blanket approach to the state because of their different historical, economic and cultural backgrounds.

Chapter Seven looks at the need to formulate an inclusive development strategy that embeds the state with business. It contends that a virile local business class is a major condition for the rise of the democratic developmental state in the South. Within this context, it compares and contrasts the efforts of the Malaysian state and its counterpart in the post-apartheid South Africa in creating and nurturing an indigenous entrepreneurial class that will partner with the state in the development process of both countries. The Chapter discusses the institutions and their internal characteristics and role of the state in creating the local entrepreneurial class in the development of these countries. It demonstrates that even though the efforts of the states in Malaysia and South Africa in nurturing domestic business groups with which they enter partnerships are yielding some positive results, the state remains authoritarian in both countries.

Chapter Eight examines the utility of the framework of the South-South Cooperation for facilitating the rise of the DDS in the South. It explains how Cuba took advantage of the South-South framework to market the country's huge medical expertise and drugs as it established cooperation across the developing countries such as Indonesia, Pakistan, India, Nigeria, Brazil and China. It suggests new research areas that will facilitate such cooperation between and among the Southern countries. Chapter Nine is the conclusion and it summarizes the prescriptions that could lead to rise of the democratic and developmental state in the South.

The intention of the authors is that the work helps to advance and deepen the understanding of the developmental state. The contributors sincerely hope that it will provoke more constructive thinking and researches on the strategies for overcoming the development predicaments of the global South of today.

Daniel A. Omoweh

