The Graduate School of Development Policy and Practice

The Faculty of Commerce

The Role of Politics in the Construction of a Capable Bureaucracy

Presented to

The University of Cape Town

In partial fulfilment of the requirement for the Master of Philosophy in Development Policy and Practice

by

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MLLISH002

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10 March 2017
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I dedicate this moment to my two brilliant sons, Masasedi (Nhlalala) and Mashete (Leago), who I trust will outrun me in the quest for self-realisation.

I would like to express my profound appreciation and thankfulness to my family, friends, classmates, and administrative staff in the faculty for the support and encouragement they gave me during my studies.

I wish to single out Professor Brian Levy, my supervisor, for his indefatigable and patient guidance during the research and writing of this mini-dissertation. I wish you all happiness and growth in your lives.
Declaration

I know that plagiarism is wrong. Plagiarism is to use another’s work and pretend that it is one’s own.

I have used the Harvard convention for citation and referencing. Each contribution to, and quotation in this minor dissertation from the work(s) of other people has been attributed, and has been cited and referenced. This dissertation is my own work.

I have not allowed, and will not allow, anyone to copy my work with the intention of passing it as his or her own work.

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10 March 2017
Abstract

This research explores the role of politics in the construction of a capable bureaucracy. The dominant discourse deals with the structural attributes of a developmental state, and eschews the inherent politics of the construction or emergence of bureaucracy in a state. The focus of the research is about how capable bureaucracies emerge out of an abidingly complex and messy political reality. This research endeavours to unravel the complex, dynamic, often messy inherent intersection of politics and bureaucracy. It is argued that politics are an inherent ingredient of the fermentation of a capable bureaucracy, in which the agency of political actors is critical and that public reforms often spawn from particular critical junctures.

This research undertakes a comparative study of South Korea, Unites States of America and South Africa, and juxtaposing the first two comparators with South Africa in order to draw important lessons for the latter. The endeavour looks at the pre-history, critical junctures, and the moment of consolidation to demonstrate how history shapes and influences the institutional realities of different countries; examine the proximate events or driving forces that contribute to or precipitated the emergence of capable bureaucracies in the successful comparators and distill lessons for South Africa.

In the United States of America public service reforms fostered by broad coalitions in collaboration with political actors eradicated patronage and ensured economic progress. In South Korea the symbiotic relationship of meritocratic bureaucracy with an uncorrupt political elite ensured high speed growth. The research strives to demonstrate that building a capable bureaucracy is not a straightforward affair—exposing the nature of challenges and complexities of setting up a capable bureaucracy, thus contributing to the discourse—grappling with constructing a capable bureaucracy in South Africa.
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<td>ANC</td>
<td>African National Congress</td>
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<td>AOAC</td>
<td>Association of Official Analytic Chemists</td>
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<tr>
<td>COSATU</td>
<td>Congress of South African Trade Unions</td>
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<td>CPSU</td>
<td>Communist Party of the Soviet Union</td>
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<td>CSC</td>
<td>Civil Service Commission</td>
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<tr>
<td>DMP</td>
<td>Deputy Prime Minister</td>
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<tr>
<td>DRP</td>
<td>Democratic Republican Party</td>
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<tr>
<td>EDC</td>
<td>Economic Development Council</td>
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<td>EPB</td>
<td>Economic Planning Board</td>
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<td>FKI</td>
<td>Federation of Korean Industries</td>
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<td>MoF</td>
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<td>OECD</td>
<td>Organisation of Economic Co-operation and Development</td>
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<td>Organic Regulations of the Governor General of Korea</td>
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CHAPTER 1

The Role of Politics in the Construction of a Capable Bureaucracy

Introduction

South Africa has proclaimed its aspiration to be a developmental state and is determined to construct a capable bureaucracy. There is a lot of literature that focuses on the structural attributes of a developmental state, one of which is a capable bureaucracy, an essential attribute for an effective state. The popular narrative emphasises an insulated capable bureaucracy as a precondition for a developmental state, thus not only casting other intrinsic attributes to the background but neglecting the significance of politics in this equation.

However, the discourse on the developmental state and its attributes is devoid of historical empiricism, and worryingly, dislodges the entrenched role of politics in constructing a capable bureaucracy. This tends to conceal the messy, complex, and unpredictable process that pertains to the nurturing of a capable bureaucracy and its inherent politics. The discourses only emphasise what the key attributes of a developmental state are, without showing how politics play out in shaping the emergence of a capable bureaucracy. This leads to the (mis)conception of a developmental state as a mechanistic process.

This research aims to deconstruct this narrative; demonstrate its limits—and expose the enduring complexity and the politics that shape, influence, and guide the construction of a capable bureaucracy—and interrogate the political-bureaucratic interaction. The aim of the research is to unravel the political and administrative interface in the construction of a capable democracy.

Since the formation of the South African state in, 1910, the country has been dented by racially exclusive politics that have affected the composition of its bureaucracy. The bureaucracy was highly fragmented and inefficient, comprising, mainly, a white minority at the helm. The nascent democratic government inherited a bureaucratic structure afflicted by the foregoing historical reality. The immediate,
unenviable task was the unification of the racial and ethnic bureaucratic fragments and to ensure efficiency and competence simultaneously.

The South African nation is a product of societies with distant, if not divergent, historical roots, European descendants and indigenous Africans. These communities co-existed on parallel lines of development for three and a half centuries (Sampson, 2000), until this reprehensible experience was interrupted by the ascension of democracy in the 1994. It is only since this period that attempts have been made to forge a democratic, inclusive bureaucracy. The slow pace of the maturation of the South African bureaucracy, over the last two decades, must be seen in this historical context.

Walter Rodney posits that when “two different types of society come into prolonged and effective contact, the rate and character [pattern] of change taking place in both is seriously affected to the extent that entirely new patterns are created”—and “the weaker of the two is bound to be adversely affected—and the bigger the gap between the two societies concerned, the more detrimental are the consequences” (Rodney 2012:11).

Thus, the slow pace and intensity of the maturation of the South African bureaucracy, in the two decades of democracy, is explained by the stubborn persistence of the historical structural inequities. Bureaucracies are usually drawn from educated middle classes that tend to gravitate towards modernity and economic expansion (Fukuyama, 2015:155-162; Green, 2009:83; Levy, 2014:102-115; Severino & Ray, 2011:93).

Francis Fukuyama suggests that “Middle class societies arise as a result of universal education” and are underpinned by economic growth that has the propensity to generate new social forces (Fukuyama, 2012:155, 156, 116, 203). In South Africa, access to education remains lopsided due to the historical racist exclusivity that affects all facets of life, and the growing urban middle class will put pressure for progressive reforms.

A radical shift in ensuring equitable access to education and training and robust economic development to unleash forces of change, reinforced by the genuine
social integration of society, has the potential to produce a unique South African polity. This requires the right ambiance of interactions between politics and bureaucracy to exact inclusive bureaucratic elite formation, resonating with the noble vision of South Africa's sacrosanct Constitution. The country's Constitution envisions an apolitical state bureaucracy, one inspired by technical competence and lofty ideals of social and economic development of society. The most difficult question that begs an answer is: How does South Africa forge an appropriate political-bureaucratic interface that will drive development?

The theorisation of a capable bureaucracy is significant in the light of the political actors' commitment to realise a developmental state to tackle the trio of poverty, unemployment, and inequality. This commitment has resulted in keen interest amongst politicians and policy actors to grasp how a capable bureaucracy emerges or is constructed. The predicament of the South African experience is fostering the right political-bureaucratic interface.

The explication of this question entails a comparative study of two effective states, the USA (USA) and South Korea, both of which have succeeded in constructing competent bureaucracies in different contexts. The aim is to learn how the comparators produced their bureaucracies, and to draw important lessons for South Africa. The research will briefly consider the pre-history, and the critical juncture and moment of consolidation of the bureaucracies in each case study, to demonstrate the specific historical factors that propelled and organised their capable bureaucracies. The research will have three key chapters, commencing with the American case study, the South Korean case study, and closing with an analysis of the South African situation through the lens of the American and South Korean examples. This research hopes to help South Africa to forge the right ambiance for political-bureaucratic interface in constructing its envisaged capable or developmental bureaucracy.
2.1 Statement of the Research Question and Literature Review

This research study investigates the role of politics in the construction of a capable bureaucracy, in order to realise rapid economic growth in South Africa. The current discourses on building a capable bureaucracy extricate context, history, and politics from the actual dynamics of bureaucratic formation. South Africa experiences meddlesome politics in which the bureaucracy is deployed on the basis of political affinity rather than abiding competence. A lot of state-owned companies are seemingly harmed by organised interests. This poses the question: Is South Africa at a fork in the bureaucratic road or is it in a downward spiral? South Africa is the most unequal country in the globe, with a gene co-efficient in excess of 60 (World Bank, 2016:84), with its economic growth below the regional growth of 1.5% in 2016, the lowest level in two decades (World Bank, 2017:27). This pervasive inequality in a middle income economy such as South Africa makes “patronage doubly seductive” (Levy, 2014:106).

In contrast, the top income share roughly doubled over two decades to levels comparable with those in the USA (World Bank, 2016:11). Generally, South Africa’s performance in terms of the World Bank governance indicators has regressed over time, but performs well above comparable middle income economies, namely, Brazil, Mexico and Turkey (Kaufmann, Kraay & Mastruzzi, 2004). This demonstrates the potentiality for improvement if a coalition of progressives can be forged to effect a radical shift in the direction of progressive public service reforms.

This is dependent on mobilisation of progressive forces whose vision is antithetical to the logic of predation and rent-seeking. Richard Sklar, aptly holds, that “democracy stirs and wakens from the deepest slumber whenever the principle of accountability is asserted” (Sklar, 1983:11). The realisation of capable bureaucracy requires forging of a strong coalition within the political elite, what Tuong Vu dubs “elite unity”, in the endeavour to modernise the South African state (Levy, 2014:142-143; Vu, 2007:29).
Acemoglu and Robinson posit political processes determine the economic institutions in society and the capacity of society to contain politicians (Acemoglu & Robinson, 2013:42). "Political institutions determine who governs in society and to what ends that power can be used" and this power is usually vested in broad coalitions that are centralised and pluralistic (Acemoglu & Robinson, 2013:80-81).

The commentators point out that different patterns of institutions are deeply rooted in the pre-history (Acemoglu & Robinson, 2013:44). Acemoglu & Robinson argue that inclusive political and economic institutions spawn prosperity and exclusive institutions cause poverty and inequality. The products of critical junctures are shaped by the weight of history, as the political and economic institutions influence the balance of power and delineate what is politically possible (Acemoglu & Robinson, 2013:110). The forging of effective coalitions enables political and economic actors "to structure events to their advantage" (Acemoglu & Robinson, 2013:110). Acemoglu and Robinson place high premium on "how history of economic and political institutions creates vicious and virtuous cycle" (Acemoglu & Robinson, 2013:117).

Drawing on this theorisation, the research undertakes a comparative study of South Korea (1910-1970) and USA (1870-1920), in order to explore how South Korea and USA dealt with similar challenges in the past. The challenge of deconstructing patronage in their societies, creating the right ambiance of bureaucratic-political interface, spawning social and economic development. The inquiry will trace the political and bureaucratic interfaces in the comparators, and the periodisation of the case studies will be divided into: (i) the pre-history; (ii) critical juncture; and (iii) consolidation of capable bureaucracies, to observe the patterns of the interaction of politics and bureaucracy in each setting. The pre-history presents the historical context in which the bureaucracies evolved and identifies the strengths and weaknesses that affected the emergence of the bureaucracies in each setting. The research seeks to identify the political dynamics that broke the cycle of patronage-laden bureaucracies in the comparators.

The research is interested in discerning the critical juncture because "The critical juncture is a double-edged sword that can cause a turn in the trajectory of a nation",
with the potential to break the cycle of extractive institutions, and to trigger a moment for progressive change (Acemoglu & Robinson, 2013:101). Acemoglu and Robinson (2013:74-75) argue that the US and South Korea have nurtured inclusive political and economic institutions that spawn economic growth and social prosperity. This influenced the choice to use of these comparators. As a point of departure, this inquiry draws on Brian Levy's hypothesis that the pace and intensity of bureaucratic development is dependent on the trajectory along which a country moves and "different ways in which bureaucratic and political realms interact along each trajectory" (Levy, 2014:39). As a highly unequal society, South Africa presents the challenge of stagnant economic growth, and the inhibition of the crystallisation of "inclusive political and economic institutions" (Levy, 2014:103).

The comparative narrative may offend the periodical boundaries to avoid "a tight interpretative grid", thus undermining historical context, in the endeavour to lay bare historical knowledge for objective inquiry (Sklar, 1992:1-4). In the comparative studies, the questions to be answered is: What were the proximate events that produced turning points in both the USA and South Korea? What were the underlying drivers that both led to, and supported, this turning point? These questions constitute the spotlight that will direct the research process.

2.2 Literature Review

2.2.1 The Meaning and Essence of Bureaucracy

There is general consensus among commentators that bureaucratic autonomy is a prerequisite for a developmental state (Evans, 1989; Leftwich, 1995; Weiss, 1995). Bureaucratic autonomy entails allowing competent state bureaucrats sufficient discretion to initiate and coordinate policy to effect development (Weiss, 1995:596). Bureaucracy is synonymous with the institutions of organised human society that existed long ago in the ancient imperial societies of China, Rome, and the Ottoman Empire, and the Church and European kingdoms in the Middle Ages (Fukuyama, 2012:113; Kaufman, 1981:1). Max Weber discussed the concept of bureaucracy in the late 19th century, expressing fears about bureaucracy in modern society
(Grindle, 2012:74). Bureaucracy implicates the existence of fundamental organisational attributes such as specialised division of labour, strict hierarchical procedural system for handling matters and meritocratic recruitment based on technocracy, not patronage (Hall, 1963:32, 33; Levy, 2014:138).

Adrian Leftwich (1995:401) points out that "the workings of a developmental state are developmentally driven, while their developmental imperatives are politically driven". Joel Schwartz (1984:815) captures the role of bureaucracy by stating that "Bureaucracy fragments power, routinizes decision-making, institutionalizes the influence of client interest groups, and, above all, insulates public policy from the shifting concerns of democratic majorities". Bureaucracy entails "a hierarchically structured, professional, rule-bound, impersonal, meritocratic (sic) appointed and disciplined body of public servants with a specific set of competencies" (Sager & Rosser, 2009:1137).

2.2.2 Bureaucracy and Politics

The research seeks to reinforce the idea that the emergence of a capable bureaucracy is inevitably entangled in politics. This will be demonstrated through a comparative review that demonstrates the centrality of the agency by political actors in the construction of a capable bureaucracy. Bureaucracy correlates with formidable states—it is able to pursue progressive social agendas in society. Commentators tend to relegate politics from the process of social development, and elevate the insularity of bureaucratic institutions.

Steven Koven (1992:526, 531) postulates that in American discourses, the dichotomy between politics and administration seems to exist as an ideal, and theoretical constructs influenced by Wilsonian bureaucratic philosophy. Woodrow Wilson (1887:210, 217) insists that "bureaucracy can exist only where the whole service of the state is removed from the common political life of the people, its chiefs as well as its rank and file' and 'that administration lies outside the proper sphere of politics". According to Sager and Rosser (2009:1139), Max Weber is critical of the influence of modern bureaucracy on society, proposing a demarcation between politics and public administration. Whilst politicians had to do their political and
legislative work with ethical responsibility, "the administrators had to perform their administrative tasks neutrally and follow their political masters to the point of self-denial". Politicians may hanker after power, but "bureaucrats should strive to execute legal orders dutifully, without anger and passion" (Sager & Rosser, 2009:1139). This perspective seems to view politics as separate and unconnected to administration. In contrast, the research will show the messy relationship between politics and administration.

Several commentators (Eisenstadt, 1956; Sager & Rosser, 2009; Wright, 1974,) examine the works of Max Weber on bureaucracy. According to Wright (1974), Weber is wary of potential excesses of unsupervised bureaucracy. The exigencies of modern society saw the emergence of bureaucracy for its benefits of precision, discretion continuity, and administrative effectiveness and efficiency, etc. As bureaucratisation increased, so too did the power of the bureaucracy, pitting inexperienced politicians against experts, causing concern as to whether independent power would be able to tame the emergent power of the bureaucrat.

Erik Wright (1974:71-17) posits that Weber advocates the view that professional politicians should be placed at the apex of the bureaucratic apparatuses in order to provide effective and responsible leadership. In turn, the politicians will be held accountable for the political quality of their decisions by a functional Parliament. Weber cautions that monopolisation of power by bureaucrats will give way to monocracy, and that their operations will be swayed by powerful interests (Wright, 1974:71-76). The neutrality that Weber envisaged is well captured by Herbert Kaufman, as quoted by Francis Rourke: "neutral competence – a wealth of knowledge and skills available in the corridors of bureaucracy that all elected officials, no matter what their political persuasion, could call upon for both useful information and disinterested advice in designing national policy" (Rourke, 1992:539).

According to Eisenstadt (1956:15), Max Weber uses the notion of bureaucracy as an analytical construct, distinguishing it from both feudal and patrimonial systems. According to Eisenstadt (1956:15), Weber suggests that most bureaucratic apparatus lacks the most crucial attributes of the archetypical bureaucracy, viz.,
"total financial dependence on salaries", "universalistic criteria of recruitment", and advancement in the bureaucratic hierarchy. Eisenstadt (1956:16) points out that in contemporary discourses, the focus is on the extent to which bureaucracy is really political and socially neutral and autonomous, especially in the public service. Eisenstadt (1956:16) explains that bureaucratic politics or societies are marked, firstly, by a relative autonomy and a distinctiveness of the political sphere. The political sphere and its institutions are strongly goal-oriented.

The second key attribute is the creation of special agencies or organisations to secure and advance the goals in the political sphere and basic social functions. The agencies or organisations must be able to mobilise broad coalitions from various groups in society (Eisenstadt, 1956:17). The dilemma of bureaucracies is well articulated by Kenneth Meier (1997:195), who proposes that the usual normative democratic practice is to locate policy-making to elected organs, yet bureaucracies are permanent entities built around goals, and thus tend to resist tasks that do not fit within set goals, yet bureaucracies are not inherently representative and lack the imprimatur of elections.

According to Tom Christensen, classical Weberian philosophy delineates political authority and administrative discretion. The politicians are regarded as the policy-makers, whilst bureaucrats are regarded as administrators and implementers. Christensen further postulates that the force of expertise has ensured that both politicians and bureaucrats participate in policy formation, albeit in different ways. Politicians bring values and interests into the process, while bureaucrats serve politicians with neutral expertise or competence (Christensen, 1991:305-306).

This shows that politics and bureaucratic practice are intricately interwoven and that magic lies in forging relations that permit bureaucrats to implement the strategic imperatives set by the politicians without undue interference. Acemoglu and Robinson (2013:78) posit that "Politics is the process by which society chooses the rules that will govern it". Andrian Leftwich (2008:6) defines 'politics' as entailing "all the many activities of cooperation, conflict and negotiation involved in decisions about the use, production and distribution of resources, whether these activities are formal or informal, public or private, or a mixture of all". Leftwich (2008:6) ventures
that politics is not confined to certain sites or venues, but that it permeates all social spaces, including the bureaucracy in both formal and informal institutions and relations, so long as such institutions are implicated in collective and binding decisions about the use and allocation of resources.

Levy and Fukuyama (2010:1) echo this perspective, suggesting that development is a multidimensional phenomenon, with economic, political, and social aspects, interlocked in complex ways, and they advise that policy actors need to adopt a holistic and strategic approach in dealing with development. This makes it crucial to observe “the historical, political and institutional context of the process of development” (Reinert, 2007:68). The research seeks to demonstrate that politics are an inherent aspect of bureaucratic formation and that building a capable bureaucracy is a complex, messy affair.

Many commentators focus on theoretical abstraction regarding the intrinsic attributes of a capable bureaucracy (Deen, 2011; Fritz & Menocal, 2007; Weiss, 1995). Alice Sindzingre postulates that “a developmental state is simultaneously an economic and political phenomenon”, thus cannot extricate itself from policy choices and specific political objectives and interests, and that policies would not gain traction if they were devoid of “credible and legitimate institutions and political regimes” (Sindzingre, 2006:9).

Linda Weiss (1995) is critical of Peter Evans’s emphasis of conception of bureaucratic coherence, through meritocracy and personal networks, as the mainstay of the state’s insulation, postulating, “But such a state would constantly run the danger of being under-insulated and over-embedded”. Weiss suggests that bureaucracy ought “to be competent and committed to organisational objectives” and that the policymaking agencies be sufficiently insulated against special interest groups and clientelistic pressures generally (Weiss, 1995:596). According to Evans, Fritz & Menocal explain, “the developmental state is autonomous insofar as it has a bureaucracy characterised by meritocracy and long-term career prospects, traits that make civil servants more professional and detached from powerful rent-seeking groups” (Fritz & Menocal, 2007:535). The foregoing theorisation misses a key ingredient of social and economic development—politics. It would be difficult to
discern, since how and according to whom does capable bureaucracy crystallise and ultimately solicit its autonomy to facilitate development?

Alice Sindzingre (2002) also ventures that institutions are shaped by politics and she further distinguishes state institutions from other institutions by their "intrinsic dimension of coercion"—the power to enforce their decisions in society, which is, in her view, "a core attribute of politics", and state institutions are products of "human intentionality—of politicians or civil servants—, of building or reforming institutions as well as individual behaviour" (Sindzingre, 2002:15).

It is not easily refutable that politics constrain and shape all societal development. It is argued that the failure of some commentators to analyse the complex and abiding interaction of politics, bureaucracy, and institutions is a futile desire to give Max Weber his archetypical bureaucratic apparatus. It is not easy to argue against the view that "the formalisation of bureaucracy displays the modernisation of the state" (Sager & Rosser, 2009:1137), as bureaucracy is an inherent and indispensable attribute of a civilised contemporary society. It is not easily refutable that politics constrain and shape all societal development. The focus of this research is about how capable bureaucracies emerge out of an abidingly complex and messy political reality. What the research seeks to do is to unravel the complex, dynamic, and unavoidable intersection of politics and bureaucracy.

Tuong Vu (2007:28) states that earlier commentators theorised on two or three aspects of a developmental state, namely, stable and cohesive bureaucracy and formidable political leadership, ignoring the question: "Why did developmental states emerge where they did but not elsewhere?". Vu (2007:28) ventures that there is a need to assess history to locate the causal factors for the emergence of a developmental state.

Rodney and Huskey (2009:2) assert that "a given state’s public administration is not a one-size-fits-all, ideal-typical bureaucracy, interchangeable within any political system. Instead, it is an idiosyncratic network of [organizational] structures, personnel, and institutions that shape political, social, and economic developments over time, and is shaped by them in turn."
Harry Rigby (1970:10) aptly defines politics as “a confused tangle of personal rivalries and ambition, organizational conflict, difference of policy, outlook and principle, and the competing claims of occupational, local, ethnic and other interests”. Francis Fukuyama (2015:161) emphatically holds that “reform is a profoundly political process, not a technical one”. This view is convincing because reforms are introduced and driven by politicians or at least initiated with their consent. Terry Moe (1989:268) captures the complex paradox of the political-administrative interface when he asserts that political actors are organised by their own interests to pursue politics, whilst choices about bureaucratic structures are not only affected by technical criteria of efficiency and effectiveness. Structural choices or arrangements have significant consequences for the content or direction of policy, and this accounts for their entanglement in political contestation.

Moe (1989:268) is adamant that “Any notion that political actors might confine their attention to policymaking and turn organisational design over the neutral criteria or efficiency denies the realities of politics”. He postulates that politicians are generally concerned with securing their power, whilst organised interests have their eyes fixed on the elaborate details of administrative structure, often ignored by ordinary voters, and the interest groups have “every incentive to mobilise their political resources to get what they want. Structural politics are interest group politics” (Moe, 1989:269).

Moe (1989:271) argues that in the context of a single dominant group or coalition with specific strategic imperatives, such a group may exercise its political authority to realise its preferred bureaucratic structure, unencumbered by the “uncertainties and constraints of politics”. Nonetheless, even a dominant force is unlikely to author legislation that envisages any possible future contingencies, and such an approach is unattractive, since polycentric issues require some degree of discretion, and such matters are usually and better left to the experts. Experts have their own interests—in career, in autonomy—that may conflict with those of the group. This uncertainty militates for the imposition of rules to constrain the bureaucratic behaviour (Moe, 1989:271). According to Terry Moe (1990:215), “Institutions arise from the choices
of individuals, but individuals choose among structures in the light of their known or presumed effects”.

Moon and Prasad (1994) postulate, profoundly, that the institution of state is not linear but a constellation of numerous components, such as the political leadership, political-bureaucratic interface, “intra-bureaucratic dynamics, and bureaucratic constituencies”. The unity, cohesion, and dominance of the state is predicated on the interaction of these dimensions. “Developmental elites are not monolithic entities but an often shifting coalition of diverse interests” (Leftwich, 1996:406). Atul Kohli (1994) points out that the bureaucracy forged by the Park Chung Hee regime “is rooted in the colonial Japanese institutional configurations that can only be discerned through historical review.” This perspective shows that reforms must be viewed in their historical context.

Kohli (1994) is critical of Peter Evans’s approach of “only analysing policy choices without interrogating where the goals came from and how the capacity to formulate policies and implement specific measures emerged. Kohli believes that Peter Evans only abstracts about the attributes of a developmental state without showing that these attributes are borne out of a given historical context. A historical approach reveals how the complexities of national imperatives and international pressures were broad enough to bear specific policy choices adopted by countries” (Kohli, 1994:1287). So reforms are embedded in history and politics of a given nation and often an assertion of the goals of the political elite.

Matt Andrews (2013:95) amplifies “the theory of multi-agent leadership” and encourages coalitions of intra-organisational forces and extra-institutional forces. Andrews (2013:95) emphasises that “change occurs when something creates a bridge between these highly embedded agents with power and low embedded agents with new ideas”. Peter Evans (1989:573) recognises that both internal and external networks are critical for the coherence and functioning of the state.

Andrews (2013:45)) states that “a large part of any institutional logic is unseen or below the waterline because it is informal-implicit, unwritten, and seldom visible”. “Informality is rather a fact of institutional structure” (Andrews, 2013:45). Andrews’s
perspective exposes the informal logic that underpins the workings of state and bureaucracy. This view is also highlighted by other commentators (Hwang, 1996:315). What the literature above reveals is the messy political nature of social and economic development. The author concurs with the pragmatic approach suggested by Brian Levy that the vision for development must reconcile with the political reality and institutional arrangements of the country (Levy, 2014:142).

2.2.3 The Rise of Bureaucratic Autonomy in the USA

One of the Huntingtonian attributes of institutionalisation is the degree to which an institution is autonomous and that its interests are distinguishable from those of other institutions and social forces (Fukuyama, 2015:75). The foregoing disposition is in accord with Carpenter’s perspective (2001:3-4). He produced a seminal analysis of the evolution of bureaucratic autonomy in the USA, and posits that during the Progressive Era, public entrepreneurs built reputations for their agencies and forged formidable coalitions that enabled them to advance their preferred policies in the face of opposition by politics. Bureaucratic autonomy thrives in political legitimacy; a reputation for expertise and efficiency ensconced in a labyrinth of supportive networks that constrain or inhibit opposition by politicians (Carpenter, 2001:3-4).

American bureaucracy emerged gradually in executive agencies when politicians and broad sections of American society embraced some agencies as creators of new and valuable programmes, spawning strong social capital (Carpenter, 2001:14). Daniel Carpenter argues that “agencies with established reputations and independent power bases can change the terms of legislative delegation”, whilst emphasising that bureaucratic autonomy is not synonymous with “total administrative freedom”. Bureaucrats cannot act as they please, but require a pattern of deference by elected officials, recognising the strategic benefits of the bureaucratic efforts (Carpenter, 2001:15). Carpenter advances a type of autonomy different to strong autonomy and legislative dominance. The “reputation-based autonomy” slots well in the World Development Report’s (WDR) accountability triangle (Levy, 2014:138-142). By reputation-based autonomy, Carpenter refers the
deference to bureaucrats by politicians to initiate and implement reforms, deriving from the reverence of the bureaucrats by society. So building reputation has the effect of cultivating autonomy. The research now turns to examine how bureaucratic was forged in the USA.
3.1 Relevance of the USA Comparator

The central reason for the USA being of interest is that it was, from the start, a constitutional democracy, governed on the basis of rule of law, however, was patronage-ridden until public entrepreneurs change this reality (Carpenter, 2001:48; Levy, 2014:107). South Africa is currently gripped by patronage (Hyslop, 2005:785), while the USA effectively eliminated party-based patronage, transiting from being a middle income economy to a modern productive economy (Levy, 2014:107). Thus, there are interesting lessons that may be drawn from the comparator.

3.2 The Politics of Bureaucratic Reform in the USA (1870-1920)

3.2.1 Pre-history 1780s-1870s

Samuel Huntington (1982) asserts that the revolutionaries of 1770s were the pioneers of the articulation of the American Creed on a national basis, effecting significant transformations, including the overthrow of British colonialism, widespread acceptance of a government based on popular consent, the extension of suffrage, and the emergence of politics of status (Huntington, 1982:1-2). The American revolution was led by merchant-planter-gentry elites that remained dominant after independence (Fukuyama, 2015:13-14). The USA founding fathers appointed people with good qualities and dedication to public service in a highly elitist society led by graduates of Harvard and Yale who were drawn from landed gentry, merchants, and professional classes (Fukuyama, 2015:137). The Jeffersonian moment (1800) saw the emergence of loyalists in the state—a remarkably good quality of loyalists (Fukuyama, 2015:138).

3.2.3 The Critical Juncture for Civil Service Reforms and Its Drivers

Patronage became embedded in the American political system during the Jacksonian era until the turn of the century when political parties controlled staffing and the function of administration in the USA (Skocpol, 1987:361). The Republican
and the Democratic parties flourished during the distribution of jobs to political supporters and adamantly resisted merit-based civil service reforms (Fukuyama, 2015:126). “Presidents and parties appointed personnel far less for service than for electoral fidelity” (Carpenter, 2001:66).

The enactment of the Pendleton Act of 1883 represents a critical juncture for the ouster of patronage and the emergence of American bureaucratic autonomy. The push for these progressive reforms was underpinned by important economic and political factors. What were these economic and political driving forces? The shock of the assassination of President James Garfield, by a disgruntled jobseeker, provided the basis for the formation of the National Civil Service Reform League and the successful public mobilisation for reforms (Carpenter, 2001:45; Fukuyama, 2015:151; Grindle, 2012:96; Levy, 2014:109).

Francis Fukuyama points out that either the middle classes—produced by industrialisation—who sought entry into the civil service dominated by the aristocracy, or diffusion of progressive ideas in the American society drove the progressive reforms, engendering a vision for a modern American society comparable to contemporaneous European society (Fukuyama, 2015:155-156).

Orloff and Skocpol (2007) state that as the US became a national economy and society after the civil war, the distributional style of patronage democracy became anathema in American society, and reformers clamoured for civil service reforms. The reforms were initiated by the “mugwumps” drawn from privileged classes, and reformers from the Northeast, particularly Massachusetts. The ‘mugwumps’ were a faction in the Republican Party that began campaigning for social reforms since the civil war until the 1876 (Theriault, 2003:59). The mugwumps sought to obliterate patronage politics from the public service to pave the way for expertise and predictability. The campaign for civil service reforms only gained traction during the Progressive Era of the early 20th century (Orloff & Skocpol, 2007:249). In the USA, the patronage system (correctly characterised as clietelism by Fukuyama), was entrenched in the 1820s. It entailed political organisations distributing favours through complex hierarchical political machines to political supporters in exchange
for their votes. It took two generations to dismantle the entrenched patronage system (Fukuyama, 2015:126).

3.2.4 Consolidation of USA Civil Service Reforms

In the six decades of the Progressive Era (1870s-1920s), the USA transited from being a patronage-ridden middle class economy into a modernised high income economy with an effective meritocratic bureaucracy (Levy, 2014:107). Brian Levy (2014:109) posits that the transformation of the patronage system was a by-product of both top-down legislative reform by way of the Pendleton Act of 1883 and the bottom-up initiatives of public entrepreneurs.

The USA public service reforms are variously explained. According to Johnson and Libecap (1991; 1994), the US constitution did not explicitly entrust power to make appointments either in the presidency or in Congress—both share it between them. The presidency had the power to appoint senior bureaucrats (lower-level posts excepted) with the assent of the senate triggering competition over the control of the bureaucracy (Johnson & Libecap, 1991:9; Johnson & Libecap, 1994:3). Until the early 20th century, most federal employees were employed on the basis of patronage and political considerations, from senior bureaucrats to clerks. The Post Office became the epicentre of American patronage, with 59% of all federal employees in the postal service in 1881 and 61% in 1891; the appointment of postmasters, clerks, and carriers was a feeding frenzy for politicians.

In 1890, the Post Office boasted 250 postmasters per district, attracting 1700 applicants for the posts (Johnson & Libecap, 1991:9-10). In turn, these federal employees were expected to curry favour with the politicians by engaging in political activism, campaigning for them, and contributing a portion of their salaries, in the form of political assessments. There was no job security since most employees were flushed out when the political office changed hands. The shift from patronage was exacted by the enactment and promulgation of the Pendleton Act of 1883, which introduced open competitive examination (Johnson & Libecap, 1991:1).

The civil service reforms were slow, gradual, and uneven. Before the enactment of the Pendleton Act, employment into the United States Department of Agriculture
(USDA) was based on patronage, which prevailed even three years after the enactment and promulgation of this ground-breaking legislation (Carpenter, 2001:188). The legislation delineated certain posts in specific federal departments or agencies, and only 10% of federal posts were eclipsed in 1883, growing to 50% in the following two decades (Johnson & Libecap, 1991:2; Johnson & Libecap, 1994:4). The Pendleton Act did not gain traction immediately, it was robustly enforced a quarter of a century after its enactment in 1883, and for the USDA, its implementation was aided by President Grover Cleveland's executive order of December 10, 1884, bringing more than half of the posts under the auspices of the Pendleton Act. By 1889, almost the entire agency was eclipsed under the legislation, installing the USDA as the first agency to be covered under the Act (Carpenter, 2001:10, 191). This underscores Stephen Skowronek assertion that "Presidents stand preeminent when government has been most thoroughly discredited, and when political resistance to the presidency is weakest, presidents tend to remake the government wholesale" (Skowronek, 1997:37). James Wilson, the Secretary of Agriculture boosted the fortunes of the USDA. Wilson identified with the USDA and its aspirations (Carpenter, 2001:221).

In 1901, James Wilson re-engineered the Bureau organisation and introduced lucrative salary packages for scientists in the USDA—comparable to the private sector—together with the Bureau Chiefs' ensured salary increments for Head and Assistant scientists, and located the land-grant college graduates in the classified civil service in terms of the Pendleton Act. These initiatives promoted the scientific divisions of the Bureau (Carpenter, 2001:218).

Wilson concentrated the expenditure authority in the Department of the Secretary, and delegated his authority to subordinates. This gave rise to an organisational culture with a catalytic effect on the American agricultural fraternity. Notably, Wilson's efforts were not met with resistance, as was the case with his predecessor Morton (Carpenter, 2001:221). Another example, is President Theodore Roosevelt, who himself served as head of the Civil Service Commission in 1889, and who strengthened the position of the Civil Service Commission (CSC) during his tenure as President of the country. In 1901, with the support of the
National Civil Service Reform League, Theodore, revised the rules of the CSC, giving it more resources, thus expanding its infrastructural capacity (Grindle, 2012:110).

Levy (2014:109) asserts that the reforms were underpinned and driven by the growth of the middle class and the groundswell of pressures for efficient state services for emergent corporations. The immediate beneficiaries of the enactment of the Pendleton Act were government offices such as the customs office and postal offices, positively impacting on commerce in the emergent national market (Levy, 2014:109).

Fukuyama (2013:7) posits that “a key aspect of state building in the US during the Progressive Era was replacement of incompetent political patronage appointments with trained agronomists, engineers and economists”. In turn, the middle classes gave rise to public entrepreneurs of the pedigree of Gifford Pinchot and Harvey Wiley, who initiated innovative programmes and forged coalitions with civil society for progressive public service reforms as will be shown later. The high expectations in the aftermath of the civil war precipitated demands from civil society and private sector for an effective state, resulting in a cumulative transformative trajectory, and by the 1920s, the USA was a high income productive economy (Levy, 2014:115-116).

Johnson and Libecap argue that the civil service reforms were effected by Presidents and the Congress to “improve productivity in the provision of services”. The exponential growth of the federal workforce bought with it inefficiency and unmanageability. Prior to the American Civil War, federal employees numbered approximately 33,300 in 1851, burgeoning to 53,900 in 1871 and 131,000 in 1884, and the growth precipitated the jettisoning of the patronage system because it was increasingly burdensome to administer a growing patronage workforce, concomitantly “corrupt and inefficient” and “no longer capable of winning the [electoral] support” (Johnson & Libecap, 1991:2; Johnson & Libecap, 1994:3-4).

Advancing a different view, Sean Theriault (2003:55) points out that 64 civil service reform bills were introduced and failed in the succeeding nine Congresses.
The first condition that accelerated the demise of the patronage system was the formation of the New York Civil Service reforms in the 1880s, with local chapters being replicated countrywide. By the spring of the following year, the Boston and Cambridge chapters commenced publishing the “Civil Service Record” (Theriault, 2003:55).

After the assassination of President Garfield, the chapters established the National Civil Service Reform League, launching an extensive public awareness campaign that roused public sentiment against patronage. President Garfield’s death catalyzed the efforts of the civil service reformers. In the 12 months after the death of President Garfield, Congress remained lukewarm toward civil service reforms. In an effort to reactive the Civil Service Commission, President Chester Arthur asked the Republican Congress for an appropriation of US$25,000 and Congress only offered US$15, 000. Theriault (2003:57, 61) argues that the mid-term congregational elections in 1882 were a watershed for the civil service reform movement.

The anti-reform Republicans were flushed out throughout the Northeast and Midwest. This jolted the Republicans to succumb to public pressure, passing the Pendleton Act in the hope of appeasing voters (Theriault, 2003:57, 61). Whilst public opinion aided the effort of change, it was coalitions of diverse social actors that ensured incremental progressive change, which “incrementalism” also “reduces risks of trial and error” (Carpenter, 2001:31). “Not until the Progressive Era of the early twentieth century did administrative reforms really make significant headway in the Unites States” (Orloff & Skocpol, 2007:248).

It is submitted that the diverse historical accounts show that the public service reforms were a multi-dimensional affair, in which politicians, public entrepreneurs, and civil society had their fair share. The modernising reforms were initiated because agency leaders facilitated coalitions that sprung from the Progressive Era.

3.2.5 The Progressive Era (1890-1940)
The Progressive Era is interpreted in various ways (Carpenter, 2001:362; Kennedy, 1975:453). The reform tradition was the dominant motif of 20th century American political life (Kennedy, 1975:457). Richard Hofstadter characterises the Progressive Era (1890-1940) as the "age of reform" (Marshall, 1962:44), in which protagonists of American conservation such as John Muir, Henry Graves, and Frederick Newell participated. Martin Sklar posits that the 1890s marks a turning point in the USA’s history, exemplified by the emergence of large corporations, the establishment of federal banks, significant extensions to the federal government, the emergence of bureaucracy and concomitant standards, and the emergence of modern universities and specialised graduate schools producing a new breed of professionals and technicians (Sklar, 1992:38-39). Peter Filene, who is unconvinced about the existence of the progressive movement, ventures that “several items in the progressive program divided rather than collected the members of the movement” (Filene, 2007:434). However, Filene concedes that there were progressives of all stripes—intellectuals, businessmen, farmers, labour unionists, professionals, politicians, and lower and upper classes from the length and breath of the country, both rural and urban (Filene, 2007:444).

The Progressive Era produced actors that pushed for broad diverse transformations—actors such as politicians and administrators, business elites, radical agrarians, and intellectuals. The bureaucrats actively influenced “the congressional agenda in postal, agricultural, environmental, and regulatory policies during the Progressive Era” (Carpenter, 2003:471). Republican Presidents, women’s organisations, conservationists, congressional committees, and agrarian organisations contributed to the advancement of changes in pharmaceutical regulation, forest preservation, and agricultural innovation (Carpenter, 2001:365).

The USDA has produced many public entrepreneurs, such as Bernard Fernow, C. Hart Merriam, and so on, individuals who assembled and forged coalitions with media, business, politicians, and political organisations. There are countless stories about the fermentation of bureaucratic autonomy in numerous bureaus in the USA that emerged as part of the social movements during the Progressive Era (Carpenter, 2001:260).
In the 1800s, several bureaucrats, such as Galloway, Bernhard, Fernow, and Harvey Wiley sought to expand the USDA’s range of activities, only to be met with resistance by Congress. By 1890, the USDA was the strongest exponent for scientific policy formation in the federal government (Carpenter, 2001:178). The USA civil service reforms have been driven by robust public entrepreneurship and external broad and multi-layered coalitions by social formations to expand the terrain of bureaucratic autonomy. Some of the notable reformers are Gifford Pinchot and Harvey Wiley, who championed reforms in the USA public service. The research will now turn to their stories to demonstrate the transformative efforts of these spirited public servants during the Progressive Era.

3.2.6 Gifford Pinchot and Forest Conversation

Gifford Pinchot, was one of the earliest conservationists who was critical of the Great Lakes lumbermen in the 19th century (Johnson & Libecap, 1979:130; Johnson & Libecap, 1980:372). He was a German-trained scientist, born to a Pennsylvanian aristocratic family, appointed as Chief Forester by President Theodore Roosevelt in 1898, after serving as the Secretary of the National Forestry Commission, where he cultivated immense interest in comprehensive national forest management. The USDA was created by President Lincoln in 1862 to upgrade the productivity of American farms (Fukuyama, 2015:174).

The department was originally intended to be staffed with scientists, but drifted to “free distribution of seeds”, reducing the department to a “patronage-dripping behemoth” used by the federal government for “disbursing not jobs but seeds to political clients”. Pinchot was Wilson Roosevelt’s confidant, and both were once members of a secret society, Skulls and Bones. He (Pinchot) set about changing the department (Fukuyama, 2015:175). Pinchot, possessing an indefatigable work ethic, started a campaign to extricate the national forest management from the Department of Interior (Carpenter, 2001:205, 275; Penick, 2007:338).

In this campaign, Pinchot was pitted against politicians who were not willing to effect the transfer of the Forestry Service from the Department of Interior to the US Department of Agriculture, because the Land Office was a source of patronage for
the Republican Party, by way of easy access to logging, mining, and grazing, and it was feared that this largesse would wither away. The effort was thwarted when Joseph Cannon, then the Chairperson of the Appropriations Committee, successfully opposed the transfer scheme. This setback only spurred Pinchot on, and he continued to populate the forestry division with meritocratic staff, patiently and systematically forging multi-layered coalitions by lending out his foresters for management planning to private foresters and state reserves (Carpenter, 2001:207). Collaborating with Roosevelt, "Pinchot persuaded congressional leader of the efficacy of his Bureau", outfoxing the House Speaker, Cannon, and ensuring the passage of the Transfer Act of 1905 (Whittington & Carpenter, 2003:503). The public entrepreneurial effectiveness of the Pinchot era was catalysed by the Roosevelt Presidency, the strong historical relations between Pinchot and Roosevelt, which has its roots in the secret society to which they both belonged (Fukuyama, 2015:175).

Pinchot had become a solid confidant to the President, with unprecedented influence, "a conductor cutting across departmental lines, linking up the working agencies with the highest level of political power and investing them with extraordinary energy and direction" (Penick, 2007:339). Pinchot recruited the best and brightest from the Cornell School of Forestry and was also linked to numerous conservationists. In the 1890s, the United States Department of Agriculture (USDA) became the vortex of "American environmentalism". Pinchot's publications were followed by the USA Senate and Congressional Committees (Carpenter, 2001:207; Fukuyama, 2015:176). Pinchot merely built on the programmes initiated by fellow reformers such as Fernow.

3.2.7 Bernhard Fernow and Harvey Wiley and Forging of Coalitions

When Bernhard Fernow joined the USDA (Forestry Division), it only had two employees, a political appointee and Fernow's predecessor, Nathaniel Egleston, with scant forestry knowledge, "producing four small reports in a decade" (Carpenter, 2001:206). Fernow introduced periodical publications, division bulletins,
and forestry circulars, popularising forestry in American society, and lending a hand to the establishment of the Forestry Association.

In 1888, Fernow drafted the first Bill striving to empower the government to create and administer forest reserves, and although it was not passed, it became a blueprint for the subsequent legislative enactments. Fernow connected the Forestry Division to the conservation fraternity and "struck up affiliations with Samuel Trask Dana, Charles Sargent, Carl Schurz, forestry researcher Franklin B. Hough, Pinchot", etc. (Carpenter, 2001:206). Despite this impressive record, President Theodore Roosevelt overlooked Fernow for the position of forester in favour of Pinchot. Through the spirited public mobilisation of these public entrepreneurs, the USDA became the epicentre of American environmentalism (Carpenter, 2001:208). The USDA coalesced women's federations, and organised professionals, manufacturing groups, conservationist leagues, and state-aligned associations. (Carpenter, 2001:256). In the US, there are strong footprints of active public entrepreneurship that facilitated the cause of public sector reforms on the basis of forging "cross-institutional conditions for change". (Carpenter, 2001:250, 251).

3.2.8 Harvey Wiley and the Campaign for Pure Food and Drugs

Harvey Wiley, a Harvard-trained chemist, is one of the forceful reformers that put the USDA on the map as a result of progressive social reforms. A year after Pinchot, Harvey Wiley completed a two decade-long campaign for a national pure food and drug legislation, the Pure Food and Drugs Act of 1906. This legislation was pioneered with little help from the Secretary of Agriculture, James Wilson and the Republican political elite, but a coalition of women federations (Carpenter, 2001:256-257).

To countenance the lack of political will, Wiley forged an unprecedented extensive and diverse coalition of more than hundred social formations and professional bodies, including the American Medical Association, the General Federation of Women's Clubs, the women Christian Temperance Union, a coalition of state officials, National Board of Trade and the Association of Official Analytic Chemists (AOAC). The AOAC was initially an information organisation of officials
that Wiley transformed into an official organisation to which he provided operational resources to promote its work (Carpenter, 2001:203). During his campaign against food adulteration, Wiley organised a National Food and Drug Congress in Washington at the University of Colombia (now George Washington), bringing together the foregoing organisations, endorsed by the President McKinley, who hosted a White House reception for the delegates. The Congress solidified and legitimised the anti-adulteration campaign and launched Wiley as “its unquestioned leader” (Carpenter, 2001:261). The Congress became a vehicle for lobbying for legislation regulating food adulteration. Wiley, with the support of the American Medical Association, ensured that the Post Office issued fraud orders shutting down patent-medicine and spiritual healing concerns (Carpenter, 2001:148, 265).

Wiley’s role in the enactment of Hepburn-McCumber bill is legendary, he literally chaired the AOAC committee that drafted the Bill and was involved its refinement of the bill shortly before the debate in Congress. The close collaboration of both Wiley and the congressmen offended the nineteenth-century doctrine that “bureaucrats were not to be heard in the making of legislation but only to be seen enforcing it”. Some legislators criticised the directly involvement of Wiley in processing the legislation on food adulteration (Carpenter, 2001:268). The Pure Food and Drug Act of 1906 was an achievement not of Congress but of the executive bureaucracy” (Whittington & Carpenter, 2003:503).

The World Development Report (2004) echoes the principal-agent thesis, which contemplates a chain of accountability in which politicians take hold of the reigns of authority and crystallise their vision for the country into a strategy for action, and the bureaucrats, in turn, determine efficient methods to achieve politically determined imperatives; engaging with service providers to achieve the goals. The chain of accountability would be connected to mechanisms of accountability, such as elections, whereby politicians are assessed and mandated on the basis of their promises, and predicated on institutional checks and balances capable of constraining powerful politicians and bureaucrats in the event of digression from the set agenda or abuse of power. Citizens will vote for politicians who design policies that will underpin the foundation of the compact entered into with management. The
World Bank advances a perspective dubbed the “long chain of accountability”, designed to mitigate the encroachment of the boundary between politicians and bureaucrats (World Bank, 2004:6-18). Levy finds the long route “dauntingly complex” and unworkable, without enabling political conditions, and proposes that development agendas need to be aligned to a country’s political and institutional realities (Levy, 2014:139-141).

3.2.9 Relevance and Lessons

The construction of the American bureaucracy has been a slow, progressive, painful, and multifaceted political process, fostered by diverse and complex coalitions that include intellectuals, politicians, agrarians, businessmen, and journalists, predominately drawn from the urbanised and educated middle classes. The enactment of the Pendleton Act did not trigger civil service reforms in and of itself, but was propelled to fruition by robust political and social mobilisation. The civil service reforms were driven from both the top and bottom, mainly by politicians and public entrepreneurs.

The USA’s public entrepreneurs forced diverse, multi-layered coalitions that fostered political legitimacy in the bureaus targeted for progressive transformations, and spiritedly campaigned for discretion-laden innovative programmes or pushed the Congress to enact legislation enabling the requisite changes in the bureaus. The reformative efforts were underpinned by the prevalence of middle class and business sectors that yearned for progressive change in American society. The public entrepreneurs exploited social and political consanguinity with well-placed politicians such Theodore Roosevelt to garner support and cultivate political leverage.

Daniel Carpenter has persuasively shown that the American bureaucratic formation was based on institutional reputations, solid coalitions, and multiple networks, and the primary marker of bureaucratic autonomy is entrepreneurial policy innovation that generates political legitimacy, enabling bureaucrats to successfully
launch daring transformative projects. The transfer of the forestry reserves was “a painful triumph of network-based entrepreneurship” (Carpenter, 2001:275). In contrast, South Korea moved along a peculiar authoritarian trajectory to achieve its economic success as shown below.
4.1 The Politics of Bureaucratic Reform in South Korea (1910-1979)

Whilst the focus of the research is the period delineated above, it is noteworthy that contemporary South Korean bureaucratic culture has a strong Confucian influence absorbed during the longest period of Confucian rule during the Chosun dynasty (1392-1910) (Im, Campbell & Cha, 2013:287-288; Kihl, 1994:37-39; Palais, 1984:428). South Korea has a long history of Confucian culture. The sons of the Korean nobility studied at Confucian colleges and Confucianism is ubiquitous in the emergence of the peninsular states (Yang & Henderson, 1958:81-86). Whilst some commentators are critical of the influence of historical factors such as Confucianism on the emergence of South Korean bureaucracy (Chang, 1993:150-160; Ha & Kang, 2011:80), it is significant that Confucianism brought about bureaucratic values as examination system and deference to hierarchical authority (Palais, 1984:432). In Confucianism, the notion of an elite was premised on virtue, culture, talent, competence and merit (Frederickson, 2002:615-616). Confucianism inspired the tradition of diligence and collectivism (Kim & Park, 45). Whilst not undermining the approximate and profound causal factors of contemporary bureaucratic formation, Confucianism has in its own way positively acted Korean society and cultivated values of loyalty and developmental commitment.

4.1.1 Pre-history: from Japanese Colonialism to the Rhee Regime (1950s)


4.1.2 The Korean Colonial Legacy (1910-1945)

Korea (before the country split into two parts) was colonised by Japan, which largely excluded South Koreans from the bureaucracy. The Japanese empire risked two
imperial wars with China (1894-1895) and Russia (1904-1905), culminating in the annexation and colonisation of Korea in 1910 for three and a half decades, until 1945, when Japan was humiliated in the Second World War (Hundt & Bleiker, 2007:65). Japan colonised South Korea to extract strategic and economic advantage and to protect the Meiji Empire (Kublin, 1959:79). Upon colonising the Korean Peninsula, the Japanese colonisers crushed the traditional Korean aristocratic landowners (yangban) and prohibited the incorporation of new companies without their assent. The colonialism was unique in that the Japanese sought effective control of the South Korean colony by integrating the colonial economy into Japan (Pirie, 1998:61).

According to Kohli the Korean colonial government had 10 000 bureaucrats in, 1910 (Kohli, 1994:1273). According to Minns, in three decades and half since colonisation, in, 1910, not less than 570 000 Japanese were living in South Korea, 57 000 of whom constituted its civil service (Minns, 2001:1029). According to Pirie, by, 1940, the Korean public service employed over 100,000 people (Pirie, 1998:61).

The resistance of the South Korean nation was broken by way of brutal political, socio-economic, and cultural subjugation, under the authority of the Governor-General, installed in terms of the Organic Regulations of the Governor-General of Korea (ORGGK). The Governor-General, drawn from Japanese high ranking military officers, and also respected in the Japanese political domain, had the authority to hire and dismiss at his discretion, and was directly accountable to the Japanese Emperor (Chen, 1970:126-134).

The Governor-General exercised political control mainly through Japanese emigrants appointed into the imperial bureaucracy, albeit with significant Korean bureaucrats serving in high positions. At the time of annexation, seven out of 13 Provincial Governors and 71 out of 254 judges were Korean. This bureaucratic inheritance was critical in boosting state capacity (Chibber, 1999:314). The higher civil service examination was introduced in 1948, albeit before 1961 only five career bureaucrats were recruited to the Ministry of Commerce and Industry using open examination (Ha & Kang, 2011:86).
According to Jones and Sakong (1980), the primary economic impulse sprung from an influx of Japanese immigrants into South Korea. In 1908 there were 79 Japanese manufacturing firms, employing an average of 41 workers compared to six manufacturers owned by the South Koreans employing a total of 92 workers (Jones & Sakong, 1980:19). During the early years of colonisation, the South Koreans were confined to household industry and unskilled labour in Japanese-owned firms (Jones & Sakong, 1980:20). Six Korean banks mushroomed, three of which quickly collapsed. Between 1910 and 1920, manufacturing was discouraged by restrictive regulations that required incorporation of new companies to be approved by the colonial government. This regulation was abolished in 1920. The encouragement of zaibatsu investment in the colonies resulted in the exponential growth of heavy industry from 23% in factory production to 50% in 1940, with the largest proportion of growth in the chemical industry, boosted by abundant cheap hydro-electric power in the north (Jones & Sakong, 1980:24).

The impact of the growth was undercut by the dominance of foreign business owners, managers, and technicians. The Japanese owned virtually all large-scale companies and partnered with South Koreans in the small scale factories. The Japanese owned 59% of manufacturing companies, constituting 91% of paid-in capital. Japanese immigrants were recruited to fill many job opportunities, especially managerial and technical positions. During the colonial period, the Japanese constituted approximately one-fifth of total manufacturing employment (Jones & Sakong, 1980:26).

In 1943, the Japanese occupied 81% of the technical and engineering positions in manufacturing. In 1944, South Koreans outnumbered Japanese in the white collar positions by two or three to one in the economy as a whole (Jones & Sakong, 1980:26). The exclusionary colonial economy constrained the growth of an independent South Korean entrepreneurial class. In spite of the Japanese dominance, South Koreans gained "substantial exposure to the world of industry" (Jones & Sakong, 1980:28). South Korean employment in manufacturing increased from 23,000 household heads in 1910 to 440,000 males in 1940. By 1994, there were more or less 1,900 South Korean engineers and technicians in manufacturing,
1,300 in mining, 2,400 in the service industry, and 28,000 professional and technical workers.

In 1937, there were 2,400 South Korean manufacturing factories, 16 of which employed more than 50 workers (Jones & Sakong, 1980:28). Jones and Sakong (1980:30) argue that "Korea gained independence with a very significant basis on which domestic industry could have been built". The colonial period ignored both physical and human capital, the former was largely dissipated by a mix of maladministration and the Korean War, and the latter was underutilised by the Japanese colonial government (Jones & Sakong, 1980:37). Jones and Sakong illustrate the point that despite the adverse impact of Japanese colonialism, Koreans gained skills and experience that was helpful in establishing their bureaucracy when the Japanese left. The narrative of the pre-history draws the historical realities in which the development reforms were rooted. Thus the modern South Korean developmental state has some Japanese influence (Jones & Sakong, 1980:30).

4.2 The USA Occupation (1945-1948)

President Harry Truman appointed Lieutenant General John Reed Hodge as the commander of the US Military government in August 1945, with the American forces landing shortly on the 8th September (Matray1995:17; McCune, 1947:611). The immediate task of the military was the demobilisation of the Japanese forces in Korea, and the restoration of independence and democracy to the Korean people, a task that overwhelmed Lieutenant General Hodge (Matray, 1995:20; McCune, 1947:611). Apparently, the effort of the Foreign Minister Conference in Moscow in 1945 was in vain; the United Nations General Assembly endorsed the formation of the Korean provisional government (McCune, 1947:601, 608, 611).

When the Americans took over, 70,000 Japanese state bureaucrats had returned to their homeland, except for Sixty (60). On the 31 August 1946, Lieutenant General Hodge directed Major General Archer Lerch to deploy Koreans in various state departments, with Americans only serving as advisors (McCune, 1947:613). On the 10th of February 1947, the American Military government appointed a
Korean, Anu Chai Hong, as Civil Administrator, a Korean, Mr. Kim Yong Mu as Chief Justice and head of the judiciary, and Dr. Kim Kiusic to the Korean Interim Legislative Assembly, leading to the emergence of the South Korean Interim government (McCune, 1947:613). The South Korean civil service comprised 40,000 and Americans numbered 3,231, representing both military and civilian staff of the US military government.

It was during the period of the US occupation that judicial, administrative, and legislative institutions were configured for the first time. The US was intent on establishing an anti-Communist capitalist state, amenable to its own interests. When the American forces arrived in South Korea, they found a hurriedly organised People’s Republic of Korea with strong local linkages through local people’s committees. The US Military government did not recognise this organisation, and opted instead to align itself with the Korean Democratic Party (KDP), comprising landowners that were pro-Japanese and conservative, rightist intellectuals (Lee, 1997:25).

The US occupation force inherited the assets abandoned by the Japanese colonial administration and Japanese businesses (vested property), which it sold upon handing over to the Syngman Rhee regime, in an effort to create a new South Korean capitalist class (Lee, 1997:19). In spite of the interim government, real power was vested in the US military government. At the time of the Japanese surrender, 40% of the police were Koreans, 80% of whom were re-employed in the police service. In October 1945, the Government decided to form the Korean Military forces, and by the end of the following month, 6,000 recruits were enlisted. By 1948 the forces comprised 50,000 people. Besides acquiring skills and bureaucratic values from the Japanese colonisers, the modern South Korean state was built on the back of American hegemony and resources (Lee, 1997:24; Cotton, 1992:514).

In the period between 1947 and 1976, an amount of US$12.6 billion was provided for the US military to maintain economic social stability assistance (Pirie, 2008:7), an amount that rivalled aid given to the entire African continent during the same period. The US occupation ended with the investiture of the Republic of South Korea under the leadership of Syngman Rhee (Matray, 1995:29).
4.3 Syngman Rhee Regime (1948-1960)

Syngman Rhee had been a formidable protagonist of Korean independence from Japanese colonialism and formed the Republic of Korea in-exile, in the hope of gaining diplomatic recognition whilst exiled in the USA. Rhee returned to Korea on the 16th October 1946, at the age of 70 to a hero’s welcome, in contrast to the humiliation of the Japanese colonial power during WWII. Two years later, the United Nations recognised the Republic of Korea in 1948, paving the way for his election as President of the Republic by the Korean National Assembly, with a vote of 180 against 16 for Kim Koo.

The South Korean state was founded at the height of the cold war between the joint occupiers of the Korean Peninsula, Russia, and the USA, thus the immediate dilemma of the Korean state during the Rhee era was resolution of the cold war between Russian and USA. Rhee was vehemently opposed to communism, and this facilitated the split of the Korean state along the 38th parallel. The northern part inherited minerals, coal, and hydro-electrical power, while South Korea mainly relied on American economic assistance for existence.

Rhee contributed to laying the foundation of the modern South Korean state to a certain extent; he launched a successful offensive against communism and educated the South Korean population within a decade, reducing illiteracy from 76% in 1946 to 5% in 1959, by providing free foundational education to children between the age of six and 11, 250,000 high school students, and 80,000 students in 76 tertiary education institutions per annum. These laudable improvements were undermined by graft, industrial stagnation, soaring inflation, and electoral rigging that eroded the political legitimacy of the Rhee regime (Oliver, 1962:119-122).

Initially, long range planning approach emerged during the Rhee regime. Whilst all the credit for the success of the South Korean Developmental State goes to Park Chung Hee, it was the Rhee regime that established the Office of Planning, located in the office of the Prime Minister. The Office of Planning was responsible for overall development planning, research and budgeting, producing the inaugural five-year
plan in 1953. Nonetheless, the plan was not implemented as the office focused on short-run measures until its portfolio was transferred to the Ministry of Reconstruction that was established seven year later. The Office was toothless and was headed by a bureaucrat below the rank of Minister. (Jones & Sakong, 1980:44). The Minister of Reconstruction was made the chairperson of the economic ministries. The second attempt at economic reform was the establishment of the Economic Development Council (EDC) located within the Ministry of Reconstruction, in April 1958 (Jones & Sakong, 1980:45). The EDC attracted young, capable, foreign-educated South Koreans. Within a year of existence, the EDC organised a triennial Economic Development Plan for the period 1960-1962, which was placed before Rhee's cabinet for approval, but was shelved as the cabinet was preoccupied with retaining political power. The three-year plan was finally approved a few days before the collapse of the Rhee regime during the student uprising of 1960. The Rhee regime conceived the initial economic institutions, thus contributing towards future-oriented thinking in South Korean society (Jones & Sakong, 1980:46).

Rhee's history of undemocratic electoral maneuvers is chronicled (Ra, 1992:302-305). In 1956, Patrick Henry Shinicky (Leader of the Democratic Party), his opponent for the position of President, died ten days before elections, obtaining 1,8 million votes posthumously. The other opponent, Bong an Cho (Leader of the Progressive Party), was executed three years later by the Liberal Party (Rhee's party). It was the March 15, 1960 presidential election fraud that facilitated the collapse of the unpopular Rhee regime, after a long history of election rigging.

In February 1960, in a move orchestrated to reduce campaign time for the only opponent in the presidential elections, Dr. Pyong-ok Chough, Rhee brought forward the election date to February, instead of the usual March. A fortnight later, Chough died and Rhee ignored pleas by the opposition party for deferment of the elections to permit a new candidate to enter the race. Millions of ballot papers were printed and marked by Liberal Party candidates. US aid was used to bribe military officials and businessmen to curry favour for Rhee; securing a victory for Rhee by 92% of votes, and his running-mate Lee for the post of Vice-President, who defeated the incumbent Chang by a 6.5 million vote margin (Barr, 1960:129-132).
These political concerns, compounded by the recession of the late 1950s, occasioned by the massive reduction of American aid, sparked massive student protests countrywide, which culminated in the massacre of 125 protesters on “bloody Tuesday”. A week later, professors marched on the Presidential Palace and demanded the resignation of Syngman Rhee, and under intense pressure, Rhee resigned on the 26 of April 1960, and handed power over to his Minister of Foreign Affairs, Chung Huh, and fled to Hawaii. This revolution paved the way for the interim government of Chang Myon (Hong, 2002:1238-1240; Pirie, 1998:66). Lacking connection with social networks, Rhee solidified the colonial state apparatus in which the authority of his government largely rested, aided by the US occupation that was keen to ensure a successful South Korean state (Pirie, 1998:63).

During the Syngman Ree era, in the 1950s, the South Korean entrepreneurs easily made more from government transactions than from productive competition. There was no effective political will and robust administrative structure able “to channel private entrepreneurial energies into constructive outlets”, resulting in the low growth years of the 1950s. This pattern was interrupted by the installation of the Park Chung Hee regime in 1961.

4.5 Chang Myong Era (1960-1961)

When the Syngman Rhee collapsed, a caretaker government led by Chang Myong was installed on the 14 April 1960, during what was dubbed the ‘April Revolution’ (Hong, 2002:1240). Before the launch of the military coup d'état, this caretaker administration had accomplished a lot in a short timespan. This government instructed the Economic Development Council (EDC) to draft a five-year development plan. The Chang Myong regime gave powers to the nascent EDC, located in the Ministry of Construction, signaling a long term-developmental vision (Chibber, 1999:317). In November 1960, the caretaker government initiated a public consultative process for social and economic reforms. Flowing from these, the Ministry of Economic Planning was founded.
The Five-year Economic Development Plan developed by the EDC, was endorsed by the the Park Chung Hee regime in May 1961. Therefore, Jones and Sakong (1980:46) argue that economic orientation of the Park Chung Hee regime was not entirely novel. The spotlight now turns to the era of Park Chung Hee. The researcher argues that the success of reforms hinges on a critical juncture that any society experiences.

4.6 The Park Chung Hee Regime

4.6.1 Critical Juncture: The Years of General Park Chung Hee Regime

In 1960, South Korea was counted among the poorest states in the globe, with 86% gross domestic product per capita (GDP), and the GDP in the region of that of Congo (Minns, 2001:1025; Kim, 2009:388; Pirie, 2008:1). The rise of Park Chung Hee constitutes the turning point in the emergence of the modern South Korean state. Henceforth, General Park Chung Hee dominated South Korean politics for 18 odd years and during the same period, South Korea experienced a phenomenal annual economic growth of 6%. (Levy, 2014:56; Levy, 2015:1). The question that begs an answer is, what were the proximate events that produced the critical moment in South Korea? What were the underlying political and economic drivers that both led to, and supported, the turning point?

The South Korean state dangles from five complementary and mutually reciprocal strings of ideational determination, institutional reconfiguration and coherence, collaboration with the chaebol (South Korean family businesses that evolved during Japanese colonialism), and running an entrepreneurial state cemented by history.

4.6.2 Ideational Determination

After the chaotic 12-year reign of the Rhee regime, Park Chung Hee exhibited exceptional determination toward national development in order to ensure the political legitimacy of his regime, motivated by political volatility and shrinkage of US Economic aid (shrinking from $775m to 92.5m) which catapulted South Korea to
rapid export-led economic growth and industrialisation (Brazinsky, 2005, pp 84-89; Rhee, 1973:686). Park Chung Hee became the legendary ideational force behind the development vision of the South Korean developmental state, by taking forward the two measures introduced by the Chang regime during the interim government and a series of five-year plans (Chibber, 1999:317; Hahm & Plein, 1995:55-60). General political volatility and the intra-party tensions in the DRP stirred by his protégé, Kim Jung p'il, positioning himself to succeed General Park (Hwang, 1996:310), pressured General Park to use economic development as a lever for the legitimisation of his political power, replacing the Economic Planning Council with the Economic Planning Board (EPB).

The 1961 coup d'état installed a strong, autonomous, and development-oriented regime that was keen to build an indigenous bourgeoisie and facilitate rapid development, located in a conducive economic environment presented by a weak internal bourgeoisie (Pirie, 1998:63-64). General Park Chung Hee’s political ideas took root “under the shadow of Japanese variety of corporatism” (Chang, 1993:151). By Japanese corporatism, Chang seems to suggest that General Park Chung Hee emulated the Steel and Heavy Chemicals industry from the Japanese model, constructed in collaboration with the Zaibatsu Japanese family businesses.

4.6.3 Institutional Reconfiguration

- The Economic Planning (Board EPB)

One of the first acts of Park Chung Hee’s regime was the founding of the Economic Planning Board (EPB) in July 1961. The EPB consolidated statistical operations (shifted from the Ministry of Home Affairs), important budgetary operations (shifted from Ministry of Finance (MoF), and the coordinating of planning (shifted from Ministry of Reconstruction), becoming the mainstay of policy formation and development planning, under the auspices of the Deputy Prime Minister (DPM), the second highest rank in the South Korean hierarchy. The DPM had a PhD in economics and was formerly the MoF. The EPB was elevated as the overarching lead agency, collaborating with the MoF and MCI. The DPM presided over fortnightly meetings, bringing together 11 Economic Ministries and the Minister of

The EPB was an overarching agency with significant powers to drive development. Park Chung Hee nationalised banks within five months of launching the military coup d'état (Kim, 2009:384; Minns, 2001:1026-1027). Project loans were approved by the MoF, in concert with Governors of the Bank of Korea and the Korea Reconstruction Bank (Minns, 2002:1027). The nationalisation of banks and the state control over investment loans ensured significant state power over the chaebol (Chang, 1993:150).

The all-powerful EPB was a coalition of bureaucrats in the Ministries of Reconstruction and Finance and Park-Kim Chong-il’s mainstream faction in the Supreme Council for National Construction (SCNR). This was a coalition that ensured mutual reciprocity, the former sought the political elite to embrace their idea for a super ministry to avert the failures experienced in the Rhee government, and the latter sought the bureaucrats to translate their broad goals into workable policies and projects, realising the need for expertise and skills to ensure the realisation of their vision (Kim & Vogel, 2013:100). The coalition forged an asymmetrical political and administrative interface in which Park Chung Hee dictated broad strategic policy, and the bureaucratic force fastened the nuts and bolts, and also served as a conduit between the political elite and the business sector.

The elite was organised on a meritocratic basis. The state targeted the appointment of talented college and university graduates for mid-level posts in the public administration, through competitive entrance examinations, and by promoting meritocratic recruitment over seniority. Since social mobility took a while, special recruits from the Bank of Korea, private firms, and academia constituted “the core of the new technocracy” and revolved around the economic ministries, meanwhile ascending to the apex of the bureaucratic tree (Kim & Vogel, 2013:94). General Park ensured secure tenure to recruits in the public service. The overlap of age and education cultivated a cohesive group identity among graduates, mostly recruited from a few elite universities (Kim & Vogel, 2013:294).
In order to set the tone that corruption was unacceptable, General Park Chung Hee immediately set about screening forty thousand (40,000) middle-level and senior state employees, two thousand (2,000) of which were suspected of corruption, signaling a message of intolerance of corruption (Chibber, 1999:318). The SCNR, established three days after the coup d'état, issued a 13-point Plan, advocating for the reduction of state employees to two hundred thousand (200,000), through which mandatory retrenchment and targeting of persons aged forty-five, culminated in the ouster of 40,989 supernumeraries. These capricious purges were inspired by the desire to show force and to pacify the restive population by containing state expenditure (Kim & Vogel, 2013:88, 92). General Park relied on the advisers located in the Blue House for facilitating his developmental agenda.

4.6.4 Park Chung Hee and Bureaucracy

Park Chung Hee cultivated a relationship with not only politically loyal, and also but highly competent and motivated bureaucrats (Kim & Vogel, 2013:162). The first Five-Year Economic Development Plan was drafted by young economists, namely, Kim Song-Bom, Chong So-Yong, and Paek Yong-Ch'an (Kim & Vogel, 2013:100). Shortly after the coup, the bureaucracy employed young and old experts to various state institutions. The SCNR's Planning Committee coalesced prominent university professors such as Yu Chin-o, Ch'oe Ho-Jin, Pak Chong-hong, and Yi Man-gap, and the Research Institute recruited young intellectuals including Kim Chong-ryom, Pak Kwan-Suk, Kim Song-hui, and Yi Chong-guk (Kim & Vogel, 2013:97).

A remarkable appointment was that of General Pak Tae-jun, a graduate of the prestigious Japanese University of Waseda. Tae-jun, was a profoundly determined and imaginative bureaucrat, who combined formidable technocracy with powerful charisma. Tae-jun ensured an examination system for appointments to Pohang Iron & Steel Company (POSCO), ensured secure tenure for employees, and encouraged managerial independence as a precondition for accepting daunting tasks by his subordinates (Kim & Vogel, 2013:613-614). Tae-jun was completely trusted and reported directly to Park Chung Hee (Kim & Vogel, 2013:336). A detailed discussion of Pak Tae-jun and POSCO takes place below.
4.6.5 The Secretariat at the Blue House

General Park constituted a presidential secretariat for co-ordination and monitoring of the ministries and the EDB's work. The secretariat was headed by a Chief of Staff at the level of a minister, under whom deputies that mirrored cabinet were located to transform Park's vision into government policy for action in the relevant ministries. The staff were largely drawn from the South Korean state bureaucracy on the basis of their expertise and loyalty.

Expertise was secured by offering lucrative remuneration packages and secure tenure in part. For example, senior economic aides were recruited from the EPB and MoF, spokespersons were recruited from professional and retired journalists, and rising young stars in strategic political and economic policy work arenas were recruited (Kim & Vogel, 2013:149, 150, 151).

Park established an inter-ministerial task force within the Blue House for projects identified for his direct co-ordination (Kim & Vogel, 2013:160). General Park used this task force to implement the Kyongbu Highway project, for which he handpicked the 13 construction companies that built the highway and directly handpicked military engineers and university graduates as project managers. The 260 mile-long highway was completed, only slightly after schedule, by July 1970 (Kim & Vogel, 2013:161). General Park Chung Hee “subjugated bureaucrats under his grip and dictated virtually every policy detail”, thus keeping South Korea under the spell of the political elite (Moon & Prasad, 1994:365). The consolidation was carried out in collaboration with the chaebol (Lee, 2005:259; List-Jesten, 2008:8).

4.6.6 Collaboration with the Chaebol

The chaebol is a South Korean concept for large family owned companies (Lee, 2005:259). General Park Chung Hee used the stick and carrot approach to nudge the chaebol towards his strategic vision—a combination of arrests and industrial
credit (Kim & Vogel, 2013:99; Jones & Sakong, 1980:134). General Park installed the Committee for the Prosecution of Illicit Profiteering, led by Major General Yi Chu-il, on the 28th May 1961 to charge and prosecute businessmen that benefitted from Rhee’s graft, by exploiting the former to obtain licenses, bank loans, and US aid for self-enrichment. Within days, 16 businessmen, including Chaeho, Yi Chonglim, and Namgung Ryon were incarcerated, prosecuted for illicit profiteering and tax evasion, and ordered to surrender their loot and pay all outstanding taxes plus fines within six months. These prosecutions threatened the existence of chaebol.

The richest businessman, Yi Pyong Ch’ol, missed arrest as he was abroad during the coup d’état, upon his arrival at Kimpo Airport from Tokyo, he was put under house arrest. In atonement for his complicity, Yi Pyong Ch’ol volunteered his entire fortune to the SCNR’s National Reconstruction Programme. Park’s move was calculated to lure the chaebol to his developmental orientation (Chibber, 1999:325; Levy, 2015:8; Kim & Vogel, 2013:94, 95; Jones & Sakong, 1980:248). Importantly, the enactment of the Special Law for Dealing with Illicit Wealth Accumulation was one of the last efforts of the Chang Myong regime (Jones & Sakong, 1980:280).

This triggered negotiation that led to the release of all chaebol owners on the 14 July 1961. A pledge was signed and in terms of this pledge, the chaebol owners would voluntarily donate their entire assets to the SCNR when required to do so for development purposes. Upon release, the chaebol owners reneged on the pledge, citing the pledge’s difficult terms and stating that they did not have sufficient pecuniary resources to discharge their obligations at such short notice, and that they were struggling to run their business operations. Both General Park and the chaebol owners were aware that there was a need for reciprocity or complementarity in order for both sides to gain—for the chaebol to dodge paying the tax arrears and fines, and for Park to secure support for his developmental agenda.

In July 1961, General Park directed the 13 leading chaebol to establish the Federation of Korean Industries (FKI), which became the platform for engagement between the chaebol and the SCNR. The FKI agreed with the SCNR that they would build the SCNR planned and assigned factories first, and then pay their fines and tax arrears by donating shares in their newly built companies to the SCNR.
In return, General Park extended the timeline for the payment of the fines and opted to receive taxes in the form of shares, effectively ensuring that the chaebol invested in Park’s industrial projects. Six industries were identified, namely, cement, synthetic fibre, electricity, fertilizer, iron, and oil. Oil refinery was identified for exclusive state investment. The responsibility of establishing businesses in the identified industries was divided among the thirteen chaebol now belonging to the FKI. The incarceration of the businessmen for illicit profiteering and tax evasion led to the phenomenal economic growth that gave birth to the modern South Korean state (Kim & Vogel, 2013:96).

The success of the Korean developmental state demonstrates the primacy of politics in its construction, in a scenario in which “the chaebol was neither captive nor its master”, but co-authors of the South Korean history, with the locus of power being General Park’s Blue House. The big deals were directly thrashed out by President Park and the chaebol owners of his choice (Kim & Vogel, 2014:200, 265, 266). President Park used the EPB to nudge the chaebol to take risks, guaranteed of his political support (Kim & Vogel, 2014:270).

The negotiations for the state-chaebol cooperation was hatched by Park and Yi Pyong-ch’ol on June 27 1961, especially “how much to levy in fines and how to distribute FYEDP projects among the chaebol” (Kim & Vogel, 2014:275). In August 1961, on the advice of the chaebol owners, the SCNR enacted and promulgated a Special Law on the Disposition of Illegally Accumulated Capital, laying a basis for charging the South Korean tycoons, rather than outright expropriation of the assets of the owners, as initially contemplated by Park’s regime (Kim & Vogel, 2013:275-276).

In order to appease General Park, 18 of the original 21 accused chaebol began construction of the factories that Park identified, causing the latter to abandon his initial idea to nationalise the companies belonging to these businessmen, opting instead for fines. By January 1962, General Park had reduced the fines twice, initially by 90% and then later by 50%.
In the end, “the chaebol got away with a mere slap on the wrist” (Kim & Vogel, 2013:276). General Park never intended to punish the chaebol for their historical misdeeds, rather, he sought their cooperation in constructing the South Korean economy and ended up thriving on their ideas. Since 1965, the chaebol were key players in the Monthly Export Promotion Meetings run by the President, which served as a crucial platform for networking and information-gathering between the nascent chaebol and the economic ministries (Hwang, 1996:309). Despite the dominance of the political actors, the chaebol were “given leeway as long as they fulfilled the economic targets of export promotion and did not stray into the political camp of the opposition” (Hwang, 1996:309).

It was Yi Pyong-ch’ol who persuaded President Park to make concessions on the issue of illicit wealth accumulation in return for chaebol participation in FYEDP projects, including many ground-breaking projects (Kim & Vogel, 2013:277). There was a great deal of reciprocity between the chaebol and General Park. The chaebol needed Park as much he needed them. Since the inception of the cooperation, leading owners of the chaebol had easy access to the state bureaucratic elite, including the Blue House. Some of the chaebol were showered with preferential bank loans, state-guaranteed foreign loans, and oligopolistic entry licenses in return for greater developmental risk-taking and bankrolling General Park’s political machine (Kim & Vogel, 2013:278).

The collaboration of the chaebol and the political actors laid a strong foundation for rapid economic growth (Chibber, 2005:158). The Park Chung Hee regime passed a law guaranteeing the repayment of loans in July, 1962 in terms of which the authority for approval of foreign loans vested in the Minister of Finance, the Bank of Korea, the Reconstruction Bank of Korea, and the state, ensured state guarantees for all foreign land for both the principal debt and interest. This boosted the chaebol’s risk-appetite, and the uptake of foreign loans rose to 36.6% of gross investment by the 1970s (Minns, 2001:1027). The South Korean industrial policy has been the product of continuous bargaining and conflict between the state and the chaebol, sometimes resolved by forceful measures (Chang, 1993:148). Park
allowed the bureaucracy the necessary space to initiate policies as will be shown below.

The South Korean chaebol were a crucial force that ensured the rapid economic growth during the era of Park Chung Hee. According to Linda Weiss, "There recourse-hungry conglomerates were happy to accommodate the broad goals of rapid growth, export enhancement and industry development" (Weiss, 1994:99) The chaebol closely resembled the structure of the state's zaibatsu of the Meiji era. At the centre of the chaebol was located the Chairman who usually established the enterprise and entrusts a relative or a close associate to manage it. The chaebol was significantly larger than the state owned companies. The chaebol experienced contrasting trajectories in the Syngman Rhee and Park Chung Hee regimes. Under Rhee, most capital accumulation came from import transactions, whilst in the Park Chung Hee regime, for example Samsung benefitted from export trade in the global market (Jones & Sakong:259-277). General Park Chung Hee did not only use the chaebol (an entrepreneurial force) to achieve his lofty ideals, but often defied common sense. This is epitomised in the Pohang Iron & Steel Company (POSCO), to which we will now turn.

4.6.7 The Pohang Iron & Steel Company

Since the inception of his rule, General Park ideated about building South Korea into an industrial powerhouse. The ideation, construction, and success of POSCO is an outstanding example of General Park's obsession with turning South Korea into an industrial society. General Park was determined to build a modern, integrated steel mill, and he had initially convinced the chaebol to join forces and establish Korea Integrated Steel, which collapsed because of paucity of funds, despite the attempts by the Korea Central Intelligence Agency (KCIA) to mobilise funds by freezing large accounts, with the intention of channeling funds to such projects. Despite the initial fiasco, General Park Chung Hee was undeterred (Kim & Vogel, 2013:98, 96, 103, 159, 355).

The idea of an integrated steel mill turned the theory of international trade, the notion of "comparative advantage" on its head. The idea of the steel mill was
hatched in the most unfavourable of conditions. South Korea did not possess the requisite materials—iron ore deposits and coking coal—necessary for producing steel. South Korea was embroiled in Cold War rivalry with China, and thus could not import these materials from its neighbour, but envisaged importing the materials from Canada, Australia, and the USA, countries that were thousands of miles away. This reality had huge cost implications (Chang, 2010:127).

The project proposal for establishing an integrated steel mill was rejected by the international community and was declined by the World Bank. Undeterred, President Park approached Japan to fund the project with reparations in 1969, and they obliged. President Park set up a state-owned company, the Poyang Iron & Steel Company in April 1968, and in three years of its existence, the first phase was completed at a cost of US$127.7 million.

It took General Park seven odd years to convince the world about the relevance of his industrial policy and to mobilise the required technology, capital, and human resources to set up the company. During its construction, General Park undertook 13 project visits to assert his interest in its successful implementation, with Pak T'ae Jun reporting directly to him about the project, including recruitment of top managers. Having started production in 1973, three decades later, POSCO had developed into a formidable steel company, having experienced exponential growth. In the 2000s it was the second largest steel producer in the world, after Nippon Steel, with an annual production of 21 million tons. The World Bank that had declined its proposal in 1968, praised POSCO, in 1981, as "the world’s most efficient producer of steel" (Chang, 2010:324; Kim & Vogel, 2013:338).

It is significant that the project was not actualised with commercial bank investments. It was facilitated by the political determination of General Park who convinced the Japanese to use reparation funds to establish it in 1969. POSCO had "a special relationship with General Park and state bureaucracy" (Kim & Vogel, 2013:326).

The central figure for the success of the project was a highly trusted former army general, Pak T'ae-jun, handpicked by President Park Chung Hee, with extensive
delegation of authority, who became a cohesive force, by being a political entrepreneur, mediator of interests, facilitator of dialogue, and remarkable business strategist (Kim & Vogel, 2013:327, 338). This happened during a time when state owned companies were dismissed as inefficient and unprofitable. The South Korean political elite was determined to build a strong steel industry in defiance of the World Bank’s advice, and they transformed their economy into a formidable industrial player in steel production (Kim, 2009:284).

4.7 The Trial and Error Thesis

The first two years of General Park Chung Hee's regime were squandered by “organisational experimentation” that consolidated political strength and laid the basis for rapid economic trajectory in later years. It is through trial and error, that the political elite discovered the importance of building a capable bureaucracy in their quest for a modern South Korean state. Remarkably, the KCIA, Kim Chong-p’il, competing with the SCNR, recruited bureaucrats outside the competitive route (Kim & Vogel, 2013:93), and hiring on the basis of social networks and sourcing from the South Korean Army (Park, 2003:824-825).

Since the military was elevated above the government, military values permeated the public service. Lieutenant General Han Sim, the Minister of Home Affairs, issued directives that ensured subservience to official orders and the execution of tasks within strict timelines. State employees were prohibited from smoking foreign cigarettes and from frequenting liquor bars (Kim & Vogel, 2013:93). The South Korean comparator confirms Brian Levy's assertion that "the character, commitment and skill of General Park Chung Hee" was decisive in moulding South Korea’s capable state (Levy, 2015:11).

4.8 Relevance and Lessons

The South Korean example resonates with the South African historical legacy. The South Koreans, like indigenous South Africans, were excluded in the bureaucracy. Both societies were prevented from nurturing an indigenous bourgeois by the colonisers, thus a huge mistrust towards the inherited bureaucracy existed.
While the South Korean military junta initially recruited on the basis of historical networks, the pattern of bureaucratic recruitment shifted from historical personal ties to open impersonal competitive recruitment, precipitated by the initial stagnation of the developmental initiatives conceived and executed thought the SKIA, threatening the political legitimacy of Park Chung Hee’s government. In contrast, South Africa seems to be locked in personalised bureaucratic recruitment and the economy is stagnant. The Political elite (ANC) deploys senior management on the basis of cadre deployment strategy While this may not be a singular explanation for economic stagnation, it does play a crucial part.

In South Korea, the pattern of political-bureaucratic interface was rigidly vertical in a situation in which Park Chung Hee was not constrained by legislative and judicial oversight. The South Korean bureaucrats were highly dependent on and vulnerable to the idiosyncrasies of President Park Chung Hee (Chang, 1993:148-151; Rodley, 2012:21)

South Korea lacked bureaucratic autonomy, in the sense of the discretion enjoyed by USA bureaucracy. General Park Chung Hee central figure directing the developmental agenda. South Korean bureaucrats knew they were vulnerable to him, yet Park Chung Hee did not abuse this power, because he valued competence and talent. Social progress is not married to or synonymous with the political dimension of the state, i.e. democratic, authoritarian, etc. An authoritarian state is capable of devotion to a strong and successful developmental trajectory.

The South Korean developmental emerged during authoritarian rule, which proved that authoritarianism in not inherently anti-development. Some commentators tend to regard authoritarianism as a precondition for development, it is, however, argued that this was merely a unique historical attribute of the South Korean state. It is possible to build a developmental state in a democratic setting (Kim, 1993:229; List-Jesen, 2008:1; Randall, 2007:635; White, 1998:11).

The emergence of a formidable and credible bureaucracy was facilitated by the impersonal competitive and meritocratic recruitment in the South Korean state, and
the insulation of state enterprises, such as POSCO, from the clutches of rent-seeking.

What altered the pattern of the political-bureaucratic interface was the fiasco of the initial five-year plan, and the lack of co-ordination between the SCNR and SCIA, enabling Park Chung Hee to realize the importance of both loyalists and detached experts for the protection of the political legitimacy of South Korean state, with the former dealing with politics, and the latter driving the developmental agenda. General Park Chung Hee devolved power to technically competent institutions and ensured the creation of the FKI as a platform for networking with the chaebol, for advancement of both interests of the business community and the state.

The pyramid structure of the DPB, the MoF, and Ministry of Construction ensured a system of checks and balances that distributed political power in ways that ensured the primacy of the larger developmental agenda of the South Korean state. The EPB was used as a tool to nudge the chaebol to take risks in return for funding for projects or business ventures.

In later years, neither the state nor the chaebol was an exclusive arbiter on the agenda of change, but a collective enterprise of give and take. It follows that the take-off in the South Korean case was messy, punctuated by trial and error and experimentation of new institutional arrangements and the incremental sophistication of the bureaucratic elite. It was a messy zigzag movement than culminated in phenomenal success.

The initial pattern of allowing the KCIA to deal with both matters of security and development failed dismally, and was then followed by deference to experts who gave development the necessary momentum.
CHAPTER 5

5.1 Reversing South Africa's Downward Spiral

During the democratic era, South Africa has not actually reached a new critical juncture. How has the country's pre-history unfolded? It is setting the stage for a positive critical juncture (as happened in the comparators, USA and South Korea?)

5.2 Pre-history la (1910-1948)

The emergence South Africa's bureaucracy is bound up with the founding of the unitary state in 1910 (Duvenage, 2014:84). Since the modern South Africa state is connected with western colonialism (Sampson, 2000:26, 27), it follows that its bureaucracy is, implicitly, influenced by European traditions. This view is echoed by Karl von Holdt, stating that in South Africa, Weberian bureaucratic values were mediated by racial colonial domination (von Holdt, 2010:242). Jan Smuts set up "a strong white controlled polity within the British Empire" (Hyslop, 2005:780). South Africa's bureaucracy was solidified at the declaration of the Union of South Africa following the enactment of the South African Act of 1909. The 1910 Union of South Africa essentially founded a racialised unitary colonial state, unifying the four colonies of the Cape of Good Hope, Transvaal, Natal, and the Orange Free State, and was predicated on the political, social, and economic subjugation of blacks, particularly, indigenous Africans (Kuye, 2006:292, Presidency:9). In the 1920s and 1930s, the rise of extremist Afrikaner nationalism saw the emergence of patronage networks and the ascendance of Malan's National Party in the 1948 general election (Hyslop, 2005:781).

5.3 Pre-history Ib (1948-1994)

From 1948 South Africa was an exclusively white colonial state dominated by male patriarchs in the bureaucracy. The National Party took power for an unprecedented period of four decades until the advent of democracy, during which period it colonised the state to facilitate the cultural and socio-economic linkage for
Afrikaners, through organisations such as Helpmekaar and the Broederbond (Hyslop, 2005:782; Seegers, 1993:477), for the advancement of the white Afrikaner community’s political and economic imperatives, “as a counterweight to economic power of British-linked local elites” (Levy, 2014:102). The second trend was replacing English-speakers and bureaucrats associated with the interests of the United Kingdom (Seegers, 1993:477), and the third trend the National Party used was to secure entry of Afrikaners into jobs and the commercial and industrial world in the 1940s and 1950s. This boosted the emergence of the Afrikaner middle class (Seegers, 1993:478). The ascendancy of the National Party to political power deepened the ideology and practice of racial segregation, and gave rise to Afrikaner nationalism (Duvenage, 2014:84-87).

In the 1970s and 1980s, the apartheid project began to flounder, and in an attempt to rescue it, billions were expended on recruiting Africans to staff the homeland bureaucracies, giving rise to a “new social strata of black bureaucrats” (Hyslop, 2005:782-783). The indigenous population was stratified into tribal homelands (Bantustans) that were established for African self-governance in accordance with the Verwoerdian ideal of separate development. South Africa was stratified into the tribal homelands of Lebowa, QwaQwa, Bophuthatswana, Kwazulu, KaNgwane, Transkei, Ciskei, Gazankulu, Venda, and KwaNdebele. The bureaucracies of these Bantustans burgeoned between 1965 and 1970. In 1993, South Africa had a labyrinth of multi-layered governments and public agencies (Chipkin & Meny-Gibert, 2012:105).

The central government had 53 departments and the so-called independent states and self governing territories had 80 and 62 departments respectively (Kuye, 2006:292). By 1993, the state had 1.7 million employees, the majority of whom were black, located in the central, provincial, local, homeland, authorities, and the semi-state (Seegers, 1993:491).

During this period, the Afrikaner community was lagging behind contemporaneous European societies (Fukuyama, 2012:111). The government “Afrikanerised every state institution”, appointing Afrikaners to senior as well as junior civil service positions, army, police, and state corporations, exploiting the
state to close the economic chasm between the English and the Afrikaner at the expense of the greater proportion of the native population (Thompson, 2014:188). These efforts catapulted the Afrikaner community into an urbanised, educated, and entrepreneurial society (Fukuyama, 2012:111). In 1960, almost 60% of the white population of 3,080,159 were Afrikaans-speaking (Seegers, 1993:491). Seegers argues that the "future post-apartheid state is going to bear the stamp of former occupants' habits" (Seegers, 1993:491).

Despite the racialised bureaucratic structure, the early South African bureaucracy was imbued with basic Weberian values and practices, including detachment of the bureaucracy from the political realm, despite all being broederbonders with a shared political, social, and cultural purpose (Crais, 2003:1039-1044; Denton & Vloeberghs, 2003:83; von Holdt, 2010:242; Hyslop, 2005:779-78; Posel, 1999:102). This bureaucracy was militarised, but it was a crucial testing ground for where hierarchy was nurtured, akin to the Prussian "highly institutionalised bureaucracy that incorporated a well-developed legal system before the founding of the Weimar Republic" (Fukuyama, 2015:67).

5.4 Pre-history II (The Bureaucracy under ANC rule)

In 1994, the democratic state inherited a racialised and fragmented bureaucratic apparatus, predominantly male and white (Chipkin, 2016:8; Pearson, Pillay & Chipkin, 2016:3), which was somewhat a hugely important asset, yet it presented the new government with complex dilemmas. The immediate dilemma of the new government was to tackle the inherited ethnic bureaucratic composition and to radically realign goals. How do you get an Afrikaner-nationalist dominated bureaucracy to take on the African National Congress's (ANC's) goals?

Firstly, the democratic government was obliged to align the bureaucracy with its political and social goals. The second dilemma was, on one hand, the deracialisation or Africanisation of the bureaucracy to obliterate its racial and ethnic bureaucratic composition, and to bring together the ethnic fragments of the inherited administrations, whilst simultaneously ensuring that the underlying "Weberianess" of the bureaucracy is not eroded but strengthened. In the last two decades,
bureaucratic inclusivity has been achieved (Chipkin, 2016:8). There various views expressed by South African commentators. Joel Netshitendze opines that what lacks in the South African bureaucracy is striking the right cord in the political-bureaucratic interaction and tackling incompetence and inefficiency, compounded by personalised elite patronage, under the pretext of historical nationalistic victimhood (Netshitendze, 2015:553). Ivor Chipkin echoes Netshitendze’s argument that the emergent middle strata (bureaucrats) are ensconced in unaffordable, artificial, metropolitan lifestyles, with large families to fend for. This makes the ANC and the middle classes vulnerable to corruptibility (Chipkin, 2012:15).

In the 1980s and early 1990s, Jonathan Hyslop postulates that “there was a rush to grasp as much in the was of spoils as possible before the curtain came down” (2005:784).

The new public management (NPM) reforms that gripped the developing world in the 1990s also complicated the bureaucratic formation. These reforms flowed from the Senior Executive Service first established in the USA in 1978 and spread to the Organisation of Economic Co-operation and Development (OECD) countries such as Australia, New Zealand, and the United Kingdom (Adamelugim, 2002:379, Levy, 2014:140). In the 1990s, South Africa was influenced by the NPM philosophy that permeated the Anglophone countries in the 1980s. This wave of change saw the proliferation of contracted appointments for top managerial and professional positions in the bureaucracy (Adamelugim, 2002:379).

Bureaucracies were regarded as “slow, inflexible and unresponsive”, promoting a wave of public service reforms in the last two decades of the 20th century in the quest for outcome-based performance. The paradigmatic shift focused on outputs rather than inputs and the emergence of public and private contracts and outsourcing of services. The reforms gainfully attracted consultants, donors, and governments because of the funding these reforms received, yet the reforms were out of sync with Weberian public bureaucratic philosophy. There was a disjuncture between the emergent improvements of “access to services and the quality of services” and results (Levy, 2014:138-140). The public service reforms initiated in the late 1990s (NPM reforms), devolving power to the multi-layered governments,
may have, inadvertently, reproduced “apartheid-era governance logics” (Pearson et al., 2016:24).

Since the 2000s, the impact of the NPM has created a culture of outsourcing of government functions to state owned companies or private companies, creating vast opportunities for state redistribution. The Auditor General of South Africa discovered that between 1998 and 2012, thousands of bureaucrats or their spouses had state contracts to the value of approximately R1.4 billion. This is compounded by a culture of flagrant disregard for legality by the contemporary bureaucracy. This reality presents the possibility for abuse of power by bureaucrats for self-aggrandisement (Chipkin, 2012:11, 15, 18).

Chipkin suggests that the inheritance of the colonial bureaucracy by the democratic government did not disarticulate it from its “original DNA” of corruption (Chipkin & Meny-Gibert, 2012:104). It follows that the South African bureaucratic reality is affected by the classic patronage pressures to which all bureaucracies are susceptible, which for the South African context became palpable during the National Party era, from 1948 until the democratic dispensation, and the Bantustan patrimonial practices that seeped into the new administration during the unification and the concomitant social inequalities. These pressures may drive the bureaucracy along personalised patronage lines, driven by the following:

- the tendency to maintain and sustain the parallel racial pathways (as contemplated by Walter Rodney (Rodney, 2012:11) underpinned by perilous reserve exclusionary practices;
- the pressures of pervasive unemployment and inequality may oil the machine of personalised patronage system, presented as necessary racial inclusivity; and
- the quest for “deracialisation” of the bureaucracy and beneficiation, the state may adopt a patronage-ridden appointment system (cadreship deployment), under the pretext of tackling poverty, unemployment, and inequality crowding out “Weberianess”.

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The cumulative impact of the postulated contours might adversely impact on the effectiveness of the state, which begs the question: What is the possible future trajectory of the South African bureaucracy?

The Union of South African state of 1910 was based on political and economic exclusion of blacks, particularly indigenous Africans, but embraced Weberian values. (Hyslop, 2005:780). Whilst grappling with exigencies of inequality(Netshitendzhe, 2015:550, 551, 553), to achieve equitable allocative efficiency (Chang, 1993:133). the democratic government ought to cultivate the correct ambiance of political-bureaucratic interaction.

5.5 Contrasting the Comparators

South Africa and the comparators (South Korea and USA) were once colonised territories. The indigenous ethnic groups in both South Africa and South Korea shared deep resentment towards their colonisers (Chipkin, 2012:7-8; Hundt & Bleiker, 2007: 62, 68). Drawing on Brian Levy’s conceptual analytical framework (Levy, 2014:99), South Africa is a rule-by-law competitive country, while South Korea was in the dominant discretionary category. Unlike South Korea, whose large portion of Japanese bureaucracy left the country at independence (Jones & Sakong, 1980:30), South African inherited the distrusted, fragmented, racialised bureaucracy (Hyslop, 2005:776, 781).

The USA was a middle-income country that belonged to the category of the rule-by-law competitive, with the lingering prospect of alternation of political power among political parties. In contrast, South Korea belonged in the dominant discretionary category. In South Korea, power was highly centralised and located in the supreme leader, President Park Chung Hee, who used his power to shape and influence policy in the interests of the socio-economic development of South Korea. Since 1994, South African has been a rule of law, competitive state whose politics are dominated by the ANC under the auspices of a Tripartite coalition of the ANC, the South African Communist Party (SACP) and Congress of South African Trade Unions (COSATU). Since the inception of democracy, South Africa became a rule-of-law competitive state.
Park Chung Hee promoted meritocratic recruitment, promotion in the South Korean bureaucracy, and simultaneously entrenched loyalty and adherence to his wishes (Kim & Vogel, 2013:203). In South Africa, it is argued, cadre development—which is not anchored on competence, but political loyalty—may conflate the state and party, effectively blurring the hierarchical lines of authority, consequently undermining meritocratic recruitment, and securing tenure in the South African bureaucratic structure. The adhesion to cadre deployment is, in crucial respects, antithetical to the ideal-typical Weberian typology lauded in the West, as it elevates patronage rather than meritocracy, fostering political affinity over professional detachment, and eliminates boundaries between political and administrative careers. In the USA, it took twenty odd years after the enactment and promulgation of the Pendleton Act, with some presidents unwilling to assert intentions of the legislation in their administrations (Grindle, 2012:64, Fukuyama, 2015:159). Agenda without much success (Grindle, 2012:83).

This assumption is perfectly proven by Pinchot, who approached politicians that were, in fact, opposed to the agenda for the transfer of the national forest reserves to the Department of Agriculture. Pinchot navigated his path, exploiting his historical relations with Roosevelt, who had been a fellow member of a secret society. Pinchot used his closeness Roosevelt to convene a convention to garner support from various stakeholders. Using diverse multi-stakeholders, Pinchot achieved the transfer of the forest reserves and effected changes that reached such a momentum that it was not easy to contain or reverse. Roosevelt had initially served in the Civil Service Commission for six years, and on ascension to power as President, he deepened a merit-based bureaucracy and strengthened the supervisory role of the Civil Service Commission over federal agencies (Carpenter, 2001:280, 281, 282; Fukuyama, 2015:159-160).

In South Korea, General Park used informal networks to navigate the military hierarchy to launch the coup d'etat that hoisted him to power. General Park had an opportune moment, when students revolted against the Rhee regime for corruption, and Park mobilised society around the agenda of ridding South Korean society of corruption. This constituted a turning point in the history of the South Korean state.
Park Chung Hee, forcefully, using the carrot and the stick approach, nurtured a coalition with the chaebol, mediated by the EPB, and the MoF gave resources to the chaebol that took risks to assert the Korean government's developmental agenda.

The researcher contends the South African government currently governs politically in a way that is fostering a drift towards personalised patronage within the bureaucracy (Satgar, 2012:56). Tom Lodge chronicles incidents of corruption and uncompetitive recruitment that he aptly describes as 'nepotism that is arising from political solidarity' (Lodge 1998:183). Robert Mattes shows how parliamentarians are constrained to ensure accountability because they can be removed by their organisation through party lists and so on (Mattes, 2002:24-27). However, every national general election carries with it the prospect of change. If there is no transition from the dominant political elite, the status quo may remain. We have national elections in 2019. If a new coaliational force committed to development emerges, South Africa may experience its watershed moment. Thus the forthcoming general elections could be a critical juncture for South Africa. The USA's Progressive Era and the South Korean analyses suggest three distinct ways in which this critical juncture could provide a platform for reinvigoration of a capable bureaucracy.

The first two entail top-down processes of reinvigoration, such as the American route of top-down legislative reforms (Levy, 2014:109). This could follow directly from the consolidation of power by the end of 2019 of a new political leadership with a strong developmental orientation and mandate.

An extreme scenario would entail an extra-constitutional seizure of power by a political leader who—as most authoritarian leaders do when they seize power—asserts that the seizure of power was necessary to pursue development via a developmental path. Of course, most authoritarian leaders are likely to end up pursuing quite different agendas.

One point to note vis-à-vis the comparison with Korea in either of the variants above is that in the early 1960s, Korea was a low-income economy—well under a US$1,500 per capita income in current terms. Its tightly controlled, top down
economic policies brought it from that low level to about US$5,000. At that point, the
greater economic complexity meant that the top-down controlling approach to the
private sector was no longer viable. South Africa’s current per capita income is
closer to US$10,000, with a sizable middle class and private sector that is not
dependent on the state for its existence.

The third way for public service transformation would be less systematically top-
down, and would be more likely to resemble the US Progressive Era. The crucial
change between now and 2019 would be a much stronger engagement across
broad swathes of society (including the private actors) of a developmental
commitment. Politically, this would be a scenario where political power is quite
dispersed (perhaps coalitional politics, with strong regional variations), and
constituencies—including the private sector—that were activated to engage via a hard
fought, but constructive electoral process. This would be an environment in which
developmentally-oriented public officials are in specific organisations (at multiple
levels: national; provincial; state owned enterprises; etc.), and could, Carpenter-
dstyle, be very proactive in building external alliances with a variety of non-
governmental actors in pursuit of their focused developmental missions. It would be
a vibrant, dynamic, but quite messy, and “unco-ordinated” period—quite unlike
General Park’s Korea, but in some ways resembling the process of bureaucratic
development in the USA between the 1880s and 1920s.

The authoritarian and extra-constitutional way are rendered impermissible by the
South African Constitution. The Constitution has inaugurated a new constitutional
state anchored on inviolable values of the rule of law and multi-party democracy.
The Constitution constitutes a sacrosanct social compact of the South Africa society
that locks the country into a democratic political model that effectively ousts
authoritarianism.

Any endeavor toward authoritarianism would be out of sync with the founding
values of the Constitution, thus unconstitutional and invalid at the outset. This
makes the Korean example of the authoritarian-bureaucratic nexus unviable. This
leaves South Africa with the option of following the democratic popular participatory
route. The element of competitive open examination for entry into the public service
is capable of assimilation in an open and democratic setting. The South African Constitution (section 197, subsection 3) provides that “no employee of the Public Service may be favoured or prejudiced only because that person supports a particular political party or cause.” Thus political favouratism (cadre deployment) is excluded by the Constitution. In order to clarify the definitive comparative similarities, contrast and differences among the comparators, the researcher inserts an illustrative table below:

<table>
<thead>
<tr>
<th>Aspects of comparison</th>
<th>USA</th>
<th>South Korea</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historical Reality</td>
<td>In the period under review the US was uncolonised and building its nascent democratic state</td>
<td>Colonised (1910-1945)</td>
<td>Colonised (1652-1994)</td>
</tr>
<tr>
<td>State typology in terms of the Brian Levy’s conceptual framework</td>
<td>Rule of law competitive</td>
<td>Dominant discretionary</td>
<td>Rule of law competitive with the propensity of regressive behaviour</td>
</tr>
<tr>
<td>Public Service Reforms drivers</td>
<td>Broad coalitions led by public entrepreneurs in collaboration with progressive political actors (Pinchot worked with Roosevelt)</td>
<td>Symbiotic relationship between uncorrupt political elite and meritocratic bureaucratic apparatus (Park Chung Hee worked with)</td>
<td>Dominant political elite that evinces predatory tendencies locked in mutual distrust with the business elite</td>
</tr>
<tr>
<td>Watershed moment that triggered reforms</td>
<td>The assassination of President James Garfield, 1881 catapulted the reform initiatives</td>
<td>The seizure of power though a military coup d’etat in 1961</td>
<td>Missed moment the installation of a democratic government in April 1994</td>
</tr>
<tr>
<td>Recruitment of Bureaucracy</td>
<td>During the reforms classified posts were filled though competitive examinations</td>
<td>General Park appointed loyal and competent bureaucrats through competitive examinations</td>
<td>Deployment of loyalists through staged interviews</td>
</tr>
<tr>
<td>Bureaucratic autonomy</td>
<td>Fostered by campaigns of broad coalitions forged by senior public servants</td>
<td>Competitive examinations for entry in Public Service with</td>
<td>The emergence of competent bureaucracy distorted</td>
</tr>
</tbody>
</table>
Conclusion

The research sought to investigate the role of politics in the construction of a capable bureaucracy to enable South Africa to pursue a successful developmental path. The comparative study proves the ubiquity of politics in the construction of a capable bureaucracy. What emerges is that development is a messy, complex, and circuitous affair influenced by the weight of history.

The USA and South Korea evolved along contrasting trajectories, the former a competitive polity in which the policy-making terrain was shared with talented bureaucrats, whilst the latter being a dominant discretionary state in which the power was located in the political elite. The two comparators constructed capable bureaucracies that spawned economic growth and social prosperity. Notably, despite the resentment of the South Koreans toward the Japanese, the political elite was able to cultivate relations with Japan in order to mobilise fiscal resources to fund their developmental projects. South Africa has to learn to engage with domestic capital in the quest of building an inclusive economy.

In South Korea, the authoritarian leadership insulated the economic bureaucracy from particularistic interests, and instead forged ties with the chaebol to drive export-led South Korean development. In the USA, the emergence of bureaucratic autonomy was propelled by top-down legislative reforms initiated by Congress and presidents, in concert with determined public entrepreneurs who were undergirded by formidable, multi-layered, broad coalitions. These reforms were given impetus by the industrialisation that shaped social movements that required progressive change from the state. Remarkably, these social movements were led by educated middle classes and the business sector. A country has to reach a critical juncture that fosters reforms.

South Africa inherited a fragmented and racialised bureaucracy, an aspect that was satisfactorily resolved in the two decades of democratic governance. Since
1994, ANC coalition missed a watershed moment to drive reforms geared toward constructing a capable bureaucracy. Instead the ANC administration deployed loyal cadres, few of whom where suitably qualified, frustrating the emergence of a capable bureaucracy (Gilder, 2015:581). In the 1990s, the South African state ventured towards the NPM in which senior management was contracted, and the state consumed by public tendering and cadreship deployment (Pearson, Pillay & Chipkin, 2016:24). Both the USA and Korea used open competitive examination for recruitment in their emergent bureaucracies, and this is an important lesson for South Africa. Cadreship deployment had the effect of undermining the aspiration towards a developmental state.

Thus, South Africa has not reached a critical juncture in the sense of the Korean and USA examples. Such a moment might emergence with the growth of the middle class and emergence of new coalitional politics in the body politic. So South Africa must look for its moment, a point of entry for advancing civil service reforms. Every transition has its own possibilities. Such an opportunity may arise in the forthcoming national elections in 2019, when South Africa will have national general elections.
References


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