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# Towards a new historiography of state capacity in South Africa

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# Towards a New Historiography of State Capacity in South Africa

**By**

**Ryan Brunette**

**A dissertation submitted in fulfilment of the requirements for the degree of Master of Arts in the Department of Political Studies, University of the Witwatersrand**

## Declaration

I hereby declare that this dissertation is my own unaided work. It is submitted for the degree of Master of Arts (by research) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree at any university.

Thus signed at _____ on this ___ day of _____ 20 ___

_____

Ryan Brunette, Candidate

## Abstract

The dissertation involves a sustained attempt to build the intellectual basis for a new historical social science of state capacity in South Africa, contained in Part 1. In this context, Part 2 consists in theoretical, comparative and historical work which aims to strike at the historical roots of capacity issues in the specifically South African state, presented through and against the case of South Africa's state-owned railways.

In this vein, in Chapter 1 the practical importance of state capacity in South Africa is explicated, its relative neglect in the South African academy is understood, and a reorientation in how the problematic of state capacity is institutionalised in the academy is justified. The next two chapters attempt to systematise the work on state capacity in South Africa that has been done, and draw various lessons therefrom. Chapter 2 critically surveys work that attempts to understand the historical origins of state incapacity in contemporary South Africa. Chapter 3 surveys work on contemporary problems of state incapacity. Chapter 4 considers the uses of social scientific reflection upon state incapacity, and highlights the specific importance of historical investigation.

Part 2, then, involves the implementation of programmatic principles contained in Part 1. Chapter 5 provides the theoretical, historical and comparative basis for the analysis of the emergence of the modern South African state. Drawing upon the experiences of Europe and the United States of America, a key period in the modernisation of the South African state is defined, and its key features discerned. In Chapter 6 the modernisation of the

South African state in the age of primary industrialisation is investigated, through the use of primary and secondary material, and through comparison then with other British settler colonies. It is argued that at the same time that industrialisation forced the state to bureaucratise, in the party systems that it created it set up countervailing pressures that would definitely stall bureaucratisation in the central administration by 1930. In the railway administration bureaucratisation would nevertheless proceed, but another politics would result in its being structured in inconsistent ways, defining South Africa's response to road motor competition, and therefore key features of the trajectory of South Africa's railways up until the present.

## Contents


| | | Page |
|---|---|---|
| Abstract | | ii |
| Contents | | iv |
| Preface | | vi |
| General Introduction | | 1 |
| Part 1 | The Study of State Capacity in South Africa | 9 |
| Introduction | | 10 |
| Chapter 1 | Placing State Capacity at the Centre of South African Social Science | 13 |
| Chapter 2 | The Historiography of Decline | 24 |
| Chapter 3 | The Social Science of State Capacity in South Africa | 45 |
| Chapter 4 | The Uses of an Historical Social Science of State Capacity | 81 |
| Part 2 | Approaching the Modernisation of the South African State in the Age of Industrialisation | 100 |
| Introduction | | 101 |

| | | |
|---|---|---|
| Chapter 5 | Theoretical and Comparative Perspectives: State Modernisation in Europe and the United States of America | 104 |
| Chapter 6 | South Africa's Railways and State Modernisation in the Age of Industrialisation | 152 |
| General Conclusion | | 207 |
| References | | 212 |

## Preface

What lies before you is a wide-ranging, and perhaps absurdly ambitious, study of state capacity and its history in South Africa. It has developed by centrifugal motion from a concern to get at the origins of capacity problems at Transnet Freight Rail, and to place these problems in the context both of contemporary understandings of state capacity in South Africa, and of international literatures that have not yet made a substantial mark upon South African debates.

One year and a half ago, when I began this dissertation, I knew very little, if anything, about Transnet Freight Rail, about railways, about the South African state, and about the diverse bodies of knowledge that would come to be relevant to the project. I proceeded by generalised snowball, if you will. This was a kind of methodology that Paul Feyerabend, the methodological anarchist, would not have been averse to. It was a methodology that most would warn against. Personally, I have never seen great overriding value in proceeding rigorously in the process of discovery. Boundaries such as these antagonise me; especially in very exploratory work they are there to be transcended.

My supervisors warn me that the work, probably for these reasons, suffers in coherence and that it is marred by rough edges. I remain only very partially convinced. The dissertation is of singular purpose. It consists in a necessary prelude to the systematic elaboration of an area of study that has generally been neglected in South African studies.

It should be read in this light. If it has rough edges, then this is due to the reach of its ambition, and the limits of time posed by a masters degree.

Only in one particular area is an *apologia* in order, especially to the academic historian. My primary research sits in a rather substantial final chapter. The relevant archive is huge, and against this expansive background I rely more than I would like upon a rather fortuitous assortment of secondary texts, supplemented extensively with the findings of commissions of inquiry, a single (deliberately chosen) newspaper, and an incomplete investigation of parliamentary debates and deliberations of select committees, annual reports, and Railway Board minutes. I have perused some correspondence, but not enough, and it has not proven central to my argument. It could be understood, then, that this dissertation suffers from a sin common to work that attempts to bring together theoretical and historical investigation: It has not attained the historian's standard of empirical and interpretive rigour, nor has it achieved the theoretician's mastery of key thinkers and ideas. For me, however, it offers an invaluable basis for future endeavours. It represents a work in progress.

Still – inevitable misgivings aside – as the snowball thus created picked up diverse debris, a composite has begun to emerge that I think will be of some interest. In future, given the opportunity, the work will be thoroughly extended and its rough edges smoothed. For now, it is Time, always the torturer, which compels me to rest content with a first, fleeting, instantiation.

It remains to acknowledge my debts.

Social science, like the imbibing of spirits, is best done in groups. All the better – for social science, most certainly not for getting drunk – if ones own group is pursuing a theoretically ambitious but empirically informed research programme. PARI sits, in this respect, amongst the best groups that one could hope for. Indeed, in the absence of a solid indigenous literature, PARI has provided many pegs upon which to hang my arguments, and in much of what follows I am in silent conversation with ideas floating in and around that superb institute. Part 1 especially can without great violence be understood simply as a more or less extensive elaboration of key concerns of PARI.

Ivor Chipkin, in particular, will see his hand throughout. I can say of him what he once said of me: he asks the right questions. Ivor has the unique distinction, however, of having first pointed South Africa in the direction of some of the answers, and for this I feel no compunction in naming him as one of my formative influences. Otherwise, I have not been especially talkative outside of the contexts of group discussions on other matters (and I have made up for it there). Daryl Glaser was an astute, and astutely hands-off, second supervisor. When I am on more solid ground I would very much like to make greater use of his vast knowledge of South African social science. Sarah Meny-Gibert was unfortunate enough to be near at hand when I was first gaining my bearings. She showed great wisdom in finding solitude in her own office, I am still grateful for those early discussions. I trust that anyone else that I spoke to, even about the smallest and most peripheral of ideas, know that I am greatly appreciative of their time and intellect.

Archival research is also a social activity, and here I must extend my gratitude to the good people at William Cullen Library at the University of the Witwatersrand, the National Archives, the Archive for Contemporary Affairs at the University of the Free State, and Johannesburg Public Library. Yolanda Meyer is the hero who is keeping intact the priceless resource that is the Transnet Heritage Library, something that will figure in my research more and more as I get time to go into the finer details.

The current research was made possible by a generous scholarship provided by Nedbank for PARI's programme in state institutions. It is hard to express enough gratitude to an organisation that has supported me for a year for what must be only very distant pecuniary benefit. These funds were supplemented by the University of the Witwatersrand and PARI in various ways.

Of course, thanking family is traditional at this point. I am moved though by sincere gratitude. My mom, Carmen Brunette, and her long-term fiancé, Francois, have been exceedingly generous over the years. My mom, of course, raised me. Francois, besides his many virtues, provided a more direct contribution over the Christmas holidays in helping me to decipher the old Afrikaans scrawl which is C.W. Malan's papers. Lauren has been exceedingly patient with my long hours. The best of moments in the making of this paper were due to her, the humorous interruptions, and the unequalled companionship during times of rest.

## General Introduction

In late 2002 President Thabo Mbeki was called into an emergency meeting with representatives of Grain SA. South Africa's grain growers foresaw a repeat of the *El Niño* droughts of the early 1980s, when some 4 million tonnes of maize a year were imported into South Africa, and distributed by rail throughout the country and into southern and central Africa. A key issue now was that South Africa's state-owned railway enterprise could not boast the same capacity that it had enjoyed then. Bully Bothma, then Chairman of Grain SA, stated the problem bluntly: 'we are very concerned about the infrastructure of Spoornet. You could have ships in [Durban] harbour with food and people in Johannesburg starving' (quoted in Johnson 2009: 488). Rain would have to come in the next few weeks. Fortunately, it did.

This story, related to us by R.W. Johnson, is just one piece of evidence that he marshals in order to illustrate the rot (2009: 485-92). Con Fauconnier, once CEO of Kumba Resources and President of the Chamber of Mines once complained that the Chinese had made clear offers to double their imports of South African iron ore. South Africa was unable to respond due to shortfalls in rail and port. In the first half of the 2000s coal exports were actually falling, despite a booming international market, with the coal line to Richards Bay faltering. The Chamber of Mines summed up the situation: 'substantial capital deficits in both ports and railways… combined with poor services and excessive price increases, are severely undermining the ability of the mining sector to grow trade and exports' (in Ibid 489). And complaints travelled downstream and beyond. Mittal

Steel, for instance, noted that its plans to increase production from 7 to 9 million tonnes a year were dropped because Spoornet just couldn't cope. BMW, Ford and Fiat were losing confidence in the ability of Spoornet to bring goods from Durban, and considered switching traffic to the much less remunerative (for Transnet) Maputo corridor to alleviate their difficulties.

Statistics could portray an even more desolate landscape. A third of Spoornet's 28 000 km network lay unused (mainly consisting of branch lines built to serve the agricultural community). Train passenger numbers had fallen ten-fold from 45 million in 1982 to 4.2 million in 2001, and in 1990 63 percent of freight was carried on road, while by 2004 this figure had climbed to 82 percent. Further, less than 50 percent of freight trains, in 2001, were leaving on time, and only 22 percent arrived on time. The year 2006 saw 2 950 train collisions and derailments, a full 8 per day, on the Spoornet and Metrorail systems. In October 2005, when train driver Louis Kriel saw a luxury Blue Train resting across his line, he astutely slowed the train down as much as humanly possible, grabbed his deputy, and dived for the back of the engine shouting 'Hier kom kak!' (in Johnson 2009: 491). The hero's exclamation reportedly became a standard refrain amongst Spoornet employees when asked of the future prospects of South Africa's rail.

R.W. Johnson's analysis of how this (sometimes dishonestly presented[1]) state of affairs came to be is not untypical. 'The nineteenth century', he reports, 'saw South Africa

[1] Johnson remembers, for instance, that when he was a young rugby and cricket player his school team could only tour neighbouring districts by road if the railway administration agreed, otherwise they had to go by rail (Johnson 2009: 484). The reported ten-fold drop in passenger traffic since 1982 is more

bound together by a remarkably elaborate and sophisticated railway system' (Johnson 2009: 481). At another point, when 1994 came 'all the products of white power, including South Africa's sophisticated… infrastructure, were being handed over intact' (Ibid 4). Sure, 'once the NP leadership realized that the transfer of power could not be long delayed, there was a sharp decline in investment in an infrastructure which was soon to be someone else's prize – and problem' (Ibid 481). The real difficulty, however, is the loss of *Ancien Régime* skills, and the appointment of inexperienced individuals at the top, often more interested in raking in the riches than building effective institutions. 'Agrarian African states', Johnson concludes, 'have experienced infrastructural decay, power cuts and the decline of public health facilities but it is an awesome sight to see what African nationalism can do to a developed modern economy' (Ibid 492).

Despite its obvious flaws, and precisely because of them, any honest and conscientious observer of South Africa must find this argument convincing and galling. R.W. Johnson, being by this time a typical angry liberal, is unusually forthright, but concerns with African nationalism, and cognates like affirmative action, cadre deployment, lack of skills, black empowerment, corruption, clientelism, and the resultant undermining of Weberian bureaucratic norms pervade our thinking around underperformance in the contemporary South African state. Most South African social scientists, especially when dealing mainly with other things, use almost exclusively this small cluster of ideas to explain state incapacity. Von Holdt, one of the most empathetic and sophisticated analysts of the contemporary administration, and one with unimpeachable progressive

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understandable if we recognise that the permit system which enforced this was only finally abolished in the late 1980s.

credentials, comes to essentially the same conclusion in his most celebrated papers (2010a; 2010b). He argues, after spending a great deal of time in the public sector as a trade union researcher, that foundational to the contemporary malaise is a contradiction within post-colonial nationalist thought, which 'simultaneously rejects and accepts the dominance, both epistemic and moral, of an alien [Western modernist] culture' (Chatterjee in Von Holdt 2010: 5). Specifically, for Von Holdt, the uneven and selective appropriation and rejection of aspects of modern bureaucracy produces perverse results when it comes to the ability of the state to get things done. Effectively, African nationalism, as currently constituted, deforms the effective state.

Yet if Von Holdt's obviously acute interpretations represent the best reason for finding these arguments convincing, then R.W. Johnson's forthright ruminations represent compelling grounds for feeling galled by them. Johnson violently and unashamedly follows through with some common, but by no means necessary, implications of his view, warning that South Africa is at risk of becoming just another instance of 'failed colonization', a circumstance 'where the ethic of order and development failed to "take"' (Johnson 2009: 10). The morally repugnant formulation not only elides the deeply pernicious legacy of the colonial state, it also repeats the ancient and discredited myth that pre-colonial Africa was a state of nature wherein 'there is always Warre of every one against every one' so that

> … there is no place for Industry; because the fruit thereof is uncertain: and consequently no Culture of the Earth; no Navigation, nor use of the commodities that may be imported by Sea; no commodious Building; no Instruments of moving, and removing such things as

> require much force; no Knowledge of the face of the Earth; no account of Time; no Arts; no Letters; no Society; and which is worst of all, continual Feare, and danger of violent death; And the life of man, solitary, poore, nasty, brutish, and short. (Hobbes 1996 [1651]: 88-89)

One could certainly be forgiven for thinking that R.W. Johnson is himself defending a failed absolutism. He brings forcefully to mind Steve Biko's powerful critique of white liberals and Marxists who 'assum[e] a "monopoly on intelligence and moral judgement"… to set the pattern and pace for the realisation of the black man's [and woman's] aspirations', who seek to deny their right 'to strip the table of all trappings [and] decorate it in a true African style' (Biko 2004 [1978]: 71, 75). Most problematic, though, is that Johnson is but the most articulate spokesman for a whole tendency, probably the noisiest one, in public debate about state capacity in contemporary South Africa.

Consider this little remarked upon 2001 exchange. It has been repeated *ad nauseum*. In the early-2000s self-identified representatives of South Africa's Portuguese community marched to the Union Buildings in Pretoria. The purpose of the 'Crime Awareness Project' in orchestrating this march was to hand over a memorandum for the attention of the President. In this memorandum it was stated that government officials were 'callous and arrogant, corrupt, ineffectual and unaccountable' and that South Africa could 'follow the trend of the remainder of the African continent'. For good measure it called on the South African government 'to switch allegiance from the self-destructive anarchies of Zimbabwe and the Democratic Republic of Congo' (in ANC 2001).

The response from government, this time from the responsible minister Steve Tshwete, was not particularly unusual. He suggested that 'some among the Portuguese community you claim to represent, came to this country because they did not accept that the Mozambican and Angolan people should gain their freedom and independence from Portuguese colonialism… they knew that the colour of their skin would entitle them to join "the master race" [in South Africa]' (Tshwete 2000). *ANC Today*, the governing party's e-newsletter, concurred. It added the riposte that 'the memorandum further ignores the causes of crime and violence in South Africa, presenting it as a creation of the new democratic state. It conveniently overlooks the institutional criminality and violence of apartheid, the social effects of South Africa's highly unequal distribution of income, and the decades-long neglect of the criminal justice system' (ANC 2001). The response to the original memorandum, while at times impolitic, was not unjustified.

What is important to note at this point is that the sense of history in these sorts of debates is both imposing and dreadfully crude, and the latter is not just a matter of academic irritation. It is absolutely necessary that we have a robust politics around issues of state capacity. In the absence of a small set of unlikely conditions, such as war or the threat of war, this is an indispensable vehicle for highlighting shortcomings and having them addressed. Yet too often have South Africans allowed such a politics to be structured, indeed deflected into unconstructive acrimony, by a simplistic focus upon race. A big part of why this has happened, though plausibly not the only reason, is the historical myth, explicitly stated or implicit, that white South Africa during the long years of racial

domination built an effective state, one that was to use Ivor Chipkin's evocative phrase 'fully, flatly, sovereign'. The idea ought to be intuitively implausible. Flatness is always the product of an uncultivated enquiry, and as Tocqueville ([1856] 2011) discerned long ago, even the greatest of ruptures bring more continuities in their wake than changes, not least in the nature of the state. Yet we can see the myth of flat effectiveness at work in R.W. Johnson's suggestion that 'all the products of white power… were being handed over intact', and in the Crime Awareness Project's warning that South Africa could 'follow the trend of the remainder of the African continent', presumably toward just another case of 'failed colonization', to borrow from Johnson again. As David Yudelman (1983: 4) once noted, in a different time, when a different problem faced South Africa, '[women and] men are frequently bound in the present, not merely by the past, but also by their inaccurate perception of the past'. For the historically inclined social scientist there is work to do here, in restructuring South Africa's politics of state capacity.

If there is a single purpose to this particular dissertation then it is to do just that sort of work. My broader preoccupation, though, is with understanding the determinants of state capacity, with specific emphasis upon the situation in South Africa. Part 1 of this paper proceeds with this goal in mind, in it I aim to do a number of things. I want to give a reasonably comprehensive impression of what we currently know, in the sense of what the secondary literature provides, regarding state capacity in South Africa and its history. But apart from this, and primarily, my aims are prescriptive. By giving a sense of where the literature is at, I want to give an indication of how it got there, where it is going, and how it ought to proceed.

Building upon the principles laid out in programmatic Part 1, I provide my comparative and empirical study in Part 2. It might surprise R.W. Johnson that although the nineteenth century did see South Africa 'bound together by a[n]… elaborate and sophisticated railway system', this system was at the same time deeply problematic, and many who lived in the later nineteenth century and early-twentieth were painfully aware of this. This introduction has introduced, as it were, some reasons for why the special case of South Africa entails that we ought to take any story of state capacity from its historical beginning. In Part 2 I attempt to do so, with the railways representing an important focal point in the analysis of the emergence of the modern South African state as a whole. I will say more about this later, more specific introductions occurring in less general places.

# PART 1

## The Study of State Capacity in South Africa

## Introduction

The four chapters that make up this Part 1 together constitute a wide-ranging study of contemporary (and published) academic understanding regarding state capacity in South Africa. There is an element of house-clearing here. Work in this sphere has generally been fragmented, typified by an absence of debate, by rampant repetition, together suggestive of an inadequate awareness of what has come before. A great deal, however, has come before, but we are here in a sphere of academic endeavour that has only very weakly crystallised around central themes and oppositions.

In Chapter 1, I consider the paradox that this involves. For while state capacity is increasingly recognised as central to our practical endeavours – a position that I will support – it remains an area of relative academic neglect – for reasons that I will discuss. If academic understandings have not yet crystallised, then this is because investigation remains nascent. For a great deal of South African history it was not legitimate to ask questions about state capacity, with an eye to augmenting it, because the state that South Africa had was involved in gross injustice and oppression. It would appear though that things have changed enough for these questions now to be asked.

In Chapter 2, in pursuit of said 'crystallisation', I consider contemporary understandings of how the capacity of the South African state came to be what it is. The public debate gestured to in the General Introduction throws up perhaps the central problematic for historians of state capacity in South Africa: What administrative legacy did the apartheid

state bequeath to the post-apartheid state? And how did this legacy articulate with post-apartheid changes and interventions? The literature that deals with these questions is small, and its central trope, at least implicitly, is the 'historiography of decline'. It represents a body of knowledge that is quite clearly just a starting point, the embryo of an adequate history.

Since my concerns are somewhat broader than history, Chapter 3 considers work that broaches the question of state capacity most directly, by addressing the present determinants of state incapacity. I argue that this rather large literature has offered a proliferation of partial explanations of state ineffectiveness that are rarely considered in conjunction. The time is now ripe to begin fitting these pieces together. The best work is beginning to do so, though not entirely explicitly, and the effort is beginning to bear some exceptionally interesting fruit. This work provides a basic meta-theoretical and methodological model for moving discussions of state capacity in South Africa forward, one that I will begin to draw out.

Part of what makes this new work interesting is that it also begins to lay the foundations for a more sophisticated historiography of state capacity. The issue is not entirely academic. In Chapter 4 I deal with the practical connotations of the social science of state capacity. If presentism in the analytic philosophy of time consists in the view that only the present exists, then *pragmatic presentism* in our context consists in the view that only knowledge of present circumstances has a bearing upon our practical endeavours. The view is more or less implicit in much thinking around public administration, but it is

misleading in that it elides the extent to which our building an effective state must be a political endeavour, and the extent to which our politics is infused with and structured by historical understanding. Knowledge of the present, obviously, has its place, but this place is somewhat smaller than is often assumed. And in South Africa there are special reasons to start our explanations both in history, and from the beginning. There are other reasons also.

## Chapter 1: Placing State Capacity at the Centre of South African Social Science

Perhaps two definitional issues ought to be bruted at the outset. The term 'state' denotes a complex object. I will consider it more fully when I turn to more thoroughly theoretical endeavours in Part 2. For now, let us simply note that my focus rests upon that part of the state that is traditionally conceived in liberal constitutional thought as an apparatus of implementation, the state as administration, in which I include not only the civil service, but also the broader public service, and the parastatal sector. By 'state capacity' I mean simply the ability of the state to formulate collective goals and have them achieved. Necessarily, then, state capacity includes within its ambit those agencies and institutions whose constitutional functions are representation, authoritative declaration of policy and law, interpretation of law, and oversight. My concern, however, remains centrally with the state as administration, which in the modern state obtains a certain centrality.

In this Chapter I consider the practical importance of state capacity, and why, despite this importance, it remains an area of relative neglect in the South African academy. I argue that the way in which questions of state capacity have been institutionalised in the academy is problematic. Some reconfiguration of this institutionalisation is both necessary and justified.

***The Practical Centrality of State Capacity***

Since the demise of apartheid, a central strand of studies of contemporary South Africa has taken as its starting point a politics of distribution, a concern that has been tightly linked to one with economic development. Put very simply, the idea has been to point to which groups have been favoured by state policy, then to discern how this has occurred, and what the consequences have been, concluding with a prescription regarding the state or market biases of economic policy. The mid-2000s shift in ANC rhetoric in favour of a more interventionist economic policy, expressed in the notion of the 'developmental state', launched questions of state capacity, if tentatively, to the centre of contemporary debates. This movement is expressed, for instance, in the inclusion of state capacity issues, albeit in a somewhat tangential manner, in Hein Marais' (2011) important contribution to those better worn distributive debates.

The movement reflects, though in belated manner, important shifts in international understandings of the determinants of economic development. Traditionally, international development discourse has been located along a left-right spectrum. Its central problematic, ideologically tinged, has been about the extent and character of state intervention in the market needed to obtain optimal developmental outcomes. An explicit or implicit concern has often been the class bias of these development strategies. The placing of questions of development in the context of a distributive politics, and the combining of distributive concerns with developmental prescriptions, is therefore not

unique to South Africa. It is not, moreover, in any sense unjustified, if only for the simple reason that development has distributive preconditions, and distributive consequences.

It is now widely recognised, however, that these sorts of debates have been framed by two hidden assumptions. First, it has been assumed that questions of state-market mix were amendable to one right answer. The history of development suggests otherwise. This recognition has opened up room for a further and potentially more productive debate. For the history of development also suggests the possibly greater importance of two further variables. Development has been achieved with a wide range of state-market mixes. Yet successful cases have rested on a capable state, and one that is linked in the right sorts of ways to society (see Brett 2009; for a seminal formulation see Evans 1995).

The new (and renewed) prominence of certain theoretical languages has accompanied that international shift. Block and Evans (2005), for instance, note that a second hidden assumption of that earlier debate was that state and market are distinct spheres of activity, analytically separate and defining opposing modes of production. While this assumption did capture some realities, such as (to some extent) those involved in questions of nationalisation and privatisation, it tended to elide many ways in which state and market were fundamentally intertwined, the ways in which they were *mutually constituting*.

Functioning markets, for example, require the rule of law, especially around property, contract, and incorporation, to ensure that capitalist accumulation proceeds via productive activities rather than through (in terms of liberal political economy) parasitical

extractions. The state must always also play a central role in ensuring and regulating the supply of money, labour and land. To elaborate, central bankers must provide for the creation and supply of a viable currency, and government must regulate or otherwise control the financial institutions that play a central role in mobilising savings, supplying credit, and thereby affecting the supply of money. In the sphere of labour (and of course the South African state has a rather chequered history in this respect), the state often incentivises and controls the migration into and out of national borders, it must ensure appropriate education, research and development, regulate the workplace, and provide social welfare. As regards land and similar resources, such as water, the state is central to environmental, spatial and other land and water use planning.

Further, beyond these key inputs into all capitalist economic processes, the state plays a fundamental role in providing for, or mobilising, productive investment when and where private capital proves unable, short-sighted or otherwise unwilling. This can involve the use of the gamut of subsidies to mobilise investment, it can involve direct investment by the state, or a combination of these internally diverse strategies. Such intervention has most often been required, though far from exclusively, and not always on a purely economic rationale, in expensive infrastructure projects with large positive externalities in areas such as transport, energy and telecommunications. Such investments must often be followed up with state management or extensive state regulation designed to ensure key inputs distributed at low prices. Finally, the state must manage the boundary between national and international markets through such measures as protectionist policies, exchange controls, and trade diplomacy.

In all these ways, and more, the state serves to constitute and structure the market. State and market are '*mutually* constituting spheres of activity' because (as neo-Marxism has long argued) the state also relies on the market for such things as distribution, revenue, foreign exchange, general employment and incomes, and the state's structures and interventions are elaborated with partly these things in mind (Block and Evans 2005: 505, emphasis added).

Similar observations can be made about the mutually constituting nature of state and society. Peter Ekeh (1975) saw patrimonialism in Africa as emanating from society and encroaching upon the state. He noted how the moral imperatives of the 'primordial public', typified by affective obligations, can overwhelm the weakly felt moral imperatives of the imposed post-colonial state and 'civic public'. Considering the opposite causal direction, in the *Old Regime and the Revolution*, for instance, Alexis de Tocqueville (2011 [1856]: esp. II, 9) argued that the *Ancien Régime* state's proclivity for highly *ad hoc* elaboration of the tax system served to fracture society, not only along the class lines of noble, bourgeois and commoner, but pervasively within these categories also. Arguments such as this one led Theda Skocpol (1985) to dub theories that emphasise ways in which the state serves to constitute society 'Tocquevillean'. Of course, such examples can't even begin to capture the potential complexity of the mutual constitution of state and society.

Markets and society are also mutually constitutive. In a world where recourse to courts is costly, and where court capacity has definite limits, some degree of generalised trust, substantially the product of society at large, is essential to the effective functioning of the market (Schwab and Ostrom 2008). On the other hand, the distributive function of the market has a pervasive influence on the nature of society, most fundamentally, the distribution of material resources entails a distribution of social power. Entailed, then, is a 'triangular' relationship between state, market and civil society (Block and Evans 2005: 506). Of course the triangular framework is just a fairly simplistic way of representing a situation in which effects are multiply determined by a range of institutional and strategic spheres or fields, which aren't themselves in any strong sense reducible to each other. One could choose a different classificatory framework, and arrive at essentially the same conclusion.

Still, the triangular framework does allow us to point to an important further function for the state. Recent thought in political economy holds that the institutional configuration that exists between state, market and society is central to the understanding of distinct development trajectories (Block and Evans 2005: 506). This is a key insight of the varieties of capitalism literature, for instance (see especially Hall and Soskice 2001). When the development trajectory is sub-optimal, the state, as 'a system of institutionalised authority that facilitates public action and makes possible binding collective choices' (Butler 2011: 25), must play an essential role in facilitating the needed shift in development paths. It must, however imperfectly, inform, negotiate and enforce

the necessary restructuring of institutionalised relationships between state, market and society.

Doing this, and doing all the things listed above, requires a wide range of capabilities. In South Africa, especially amongst those who favour an active state, there has been as Friedman (2011: 69) puts it 'a tendency to posit an idealised notion of the state in which an intention to act is somehow automatically translated into reality'. Yet this is patently not the case. And indeed strong state capacities are often necessary to develop good policies to begin with. State capacity, on this understanding, becomes a real challenge, one which we must face whatever our policy preferences, unless we feel that the state shouldn't make policy at all.

All this said, South African discussion around the developmental state, whatever its other shortcomings (see Satgar 2012), represents a welcome shift in intellectual and political interest toward the issue of state capacity. At the same time, it has not yet provided much leverage on these questions. The debate has mostly been confined to broad prescriptions, comparisons that highlight the difference between South Africa and East Asian exemplars, and a rehashing of older arguments surrounding deficiencies in the South African state. In this paper I hope to move these sorts of debates forward.

We will be acquainted with the concrete contributions of this and a wider literature on state capacity shortly. For now, we need to note that the discussion above is somewhat anachronistic. In the age that we live in we can't afford to not problematise development.

The most important reason for this is that as far as history bears on the present *sustainable development* is overwhelmingly a contradiction in terms. Indeed, to use our earlier vernacular, the reality of climate change renders development *as we know it* a sub-optimal development trajectory on a global scale.

Still, the central lesson of the discussion can't be forgotten. State capacity, that is, remains a precondition for our prescriptions in this context also. We in South Africa, and elsewhere, are on a development trajectory that must be negotiated and redirected at both national and international levels, and the state, as a system of institutionalised authority that makes possible binding collective choices, remains to a significant extent the only vehicle that we have for doing so. The kinds of state capabilities needed to shift this particular development trajectory (which must happen sooner or later), and provide the adaptation needed to absorb the detrimental effects of global warming (something which by now is a foregone conclusion), remain underspecified. The demands we must place on the state, however, will in all likelihood be of an order greater than what has been needed before.

And so, the efficacy of the state appears as one of the great challenges of the post-apartheid era, yet although important battles have been lost on the distributive front, it is on the issue of state capacity that South African social science was uniquely unprepared.

***The Institutionalisation of State Capacity at the Margins of South African Social Science***

In South Africa we have had a situation where the social sciences concern themselves with issues of politics, society, and what have you, and questions of state capacity are largely left to the less academic discipline of public administration. It appears to me that this involves a dysfunctional division of labour. On the one hand (and this issue should become clearer later) it involves a lack of insight amongst social scientists regarding the nature of the South African public administration and the way in which it bears on their more traditional concerns, in the politics of distribution for instance.

On the other hand, public administration as a discipline does not seem optimally equipped to carry this burden. As Chipkin and Meny-Gibert (2012: 103) point out (noting that this requires dedicated research) public administration is subject to a range of commitments that tend towards the neglect of academic research and scholarship. To elaborate, it has the dual mandate of producing academic scholarship, and providing vocational training for future public administrators. In South Africa, public administration always seems to have placed greater emphasis on the latter, a tendency that has probably been further entrenched by the influence of the new public management, which foregrounds even further management skills and techniques. Added to this is the role that public administration plays as consultant to government, something which may suppress the critical aspect of its academic work, as Chipkin and Meny-Gibert suggest, but which has also had the effect, through vehicles of client confidentiality, of

keeping a great deal of work that has been done outside of the academic domain. We can certainly question the wisdom of leaving an important area of academic scholarship solely to a discipline subject to such potentially contradictory commitments.

To correct this dysfunctional division of labour the question of state capacity, a traditional concern of public administration, must take its place amongst the topics broached by South African social science proper. Indeed, for reasons established in the previous section, these questions ought to be placed centrally in this endeavour. Historically, they have not been. The reasons for this are for the most part right and good. As Chipkin and Lipietz (2012: 6) put it 'Public administration's very problematic, both as a vocation and a discipline, was regarded as illegitimate by those associated with the anti-apartheid struggle. The problem was not how to improve the efficiencies of the government and the public sector, but how to "smash" it'. In other words, the overriding apartheid reality of racial oppression and injustice rightly foreclosed these questions of state capacity from being the object of legitimate enquiry – except perhaps to the extent that state capacity was an element in understanding racial oppression. These reservations – a great many of us across the political spectrum would agree – fall away with the coming of the democratic order. At least, changed conditions open up a moral space that allows, and demands, that we begin to probe matters of state capacity, if always remaining wary of the potential that we might facilitate the state's capacity to oppress. There seems to be, however, significant path dependency around the older focus. Intellectual investments have been made, and central questions taken for granted.

If the South African academy has been uniquely unprepared for the challenge of state capacity, it is due to the *lacunae* opened up by these trajectories of South African social science and public administration. Recognition of this ought to colour social scientific efforts. It should also, importantly, be understood that the work now to be surveyed has a determining social context. Shortcomings are by no means the result of any individual failures. To be sure, the work cited now (the best work on offer) ought to be considered as breaking new ground, and for this reason it is positively laudable.

## Chapter 2: The Historiography of Decline

As already suggested, a central problematic for any one approaching the history of state capacity in South Africa, one thrown up by the broader public debate, is encapsulated in the following two questions: What administrative legacy did the pre-1994 state bequeath to the post-apartheid? And how did this legacy interact and articulate with post-apartheid changes and interventions? In the extant historiography these questions have been cast overwhelmingly in a negative light. The focus has been on negative legacies, and damaging interventions. The narrative has been one of declining performance. There is one tradition in South African politics and academics with a long pedigree in matters of state capacity, and that is the 'system' liberal tradition, of which R.W. Johnson is now the heir. In this 'historiography of decline' the mark of the liberal critique is indeed heavy, in sources and causal statements, if not entirely in tone, especially as it was brought to bear against Afrikaner nationalism. Despite this, as far as we can now tell the historiography of decline gets things, if very incompletely, right. It must be recognised, however, that there clearly are success stories, and no history is ever flat. As a matter of substantive historical accuracy, then, we need a more specific historiography. Failing to explore successes not only supports bias in public debates, it also hinders comparative analysis and elides important practical lessons (although see Hausman 2010a, b).

That said, to my knowledge only three academics have explicitly tackled the central questions proposed. They have done so in very broad terms. Louis Picard (2005) gives us a general study of the public administration. Tom Lodge (1998) and Jonathan Hyslop

(2005) deal with the more specific dynamic of political corruption in and around the public administration. I will be dealing in this chapter mainly with the first question, the pre-1994 legacy. Deborah Posel's (1999) general but brief study of the apartheid civil service provides an essential contribution. There will certainly be other historical material floating around in less dedicated studies. A good starting point in this respect would be the rather more thorough body of work dealing with the national administration of 'native affairs' between the 1910s and the early-1960s (see esp. Duncan 1995; Posel 1991; Evans 1997). I will not deal at length with this literature because, first, the relevant organisations of state are now gone, and second, the focus of that work was largely on the issue of racial domination rather than state capacity. Even with these notable omissions, however, the four works previously cited would seem to offer a reasonable summation of knowledge currently available.

***The Apartheid State***

In Posel's paper the narrative of decline is pushed back to somewhat before 1948, which marks the assumption to office of D.F. Malan's National Party (NP) with a programme of explicit 'apartheid'. Prior to 1948 South Africa was following international trends toward a larger, more interventionist state. Expansion from early on tended to go hand in hand with staff shortages, especially in skilled categories (Posel 1999: 102-3). In part, this problem was due to a disconnect between the size of the population being administered, and the size of the population that could potentially do the administering – a by-product,

that is, of racial discrimination in public sector employment. The problem was exacerbated, though, by the NP's tacit policy of affirmative action, dubbed Afrikanerisation. This policy saw white English-speakers vigorously removed from the public service, especially at higher levels, on the pretext of dual language requirements or organisational reforms, but really as a project of political control and upliftment of the *volk* (Picard 2005: 36-7). Matriculation was a prerequisite for joining the public service, but the matriculation rates of Afrikaners were by this stage still notoriously low, English-speakers' educational preponderance being even more pronounced in skilled categories (Posel 1999: 106). As English-speakers were discouraged to pursue a career in the public service, therefore, the effect was to shrink the pool of available personnel even further (Ibid 105).

The huge social engineering ambitions of apartheid, moreover, meant that the state expanded at a scale greater than most capitalist developing and developed countries (Ibid 102-3). Legislation during apartheid, and before, had an administrative bias. Together with the growing complexity of the apartheid administrative and regulatory system, this meant that huge powers where being devolved to ministries. The demands on ministers that this involved could only be met by delegation to officials, who came to exercise abnormally extensive influence over their ministers. Lines of accountability were being undermined, and an increasingly autocratic civil service forged (Picard 2005: 11-2; see also Hyslop 2009). Government departments and agencies gained a reputation for improper secrecy (Picard 2005: 56, 76, 270).

More than this, the abnormal expansion of the specifically apartheid state further exacerbated personnel shortages. The apartheid state expanded largely without executive reflection upon the serious constraints posed by such shortages. To some extent this was due to the Public Service Commission (PSC), which was responsible for staff recruitment but appears to have been reluctant to communicate the extent of the problem until fairly late (Posel 1999: 105-6).

Added to staff shortages was the problem of rapid turnover of personnel. Unprecedented expansion in the 1960s meant that the private sector provided a significant pull factor. Due to policies of job reservation, demand for whites in the private sector was relatively large (Ibid 106-7). At the same time, improving conditions in the public sector to stem the tide proved difficult. Treasury, intent on keeping inflation in the public service down, kept salaries below expansion in the private sector (Ibid 112). Better working conditions in the private sector contributed to turnover and aggravated public sector staff shortages. By 1976 the civil service reported that it had lost more than 50 per cent of its staff in the preceding three years (Ibid 109).

All this meant that the standard of new appointments to the civil service declined. By 1969 a scathing internal government investigation declared that ‘In view of the more advantageous working conditions that apply in the private sector, the question inevitably arises whether many of these people, figuratively speaking, are not “factory rejects” who were not competent to make a living in the more competitive labour field outside the

public service' (quoted in Posel 1999: 108). The public service had become an employer of last resort to many white men, and some women.

These problems were even further exacerbated by poor provision of training and orientation to civil servants (Picard 2005: 207ff). The seniority basis of promotion especially was not accompanied by adequate training, and career paths appear to have not been confined to specific functions or departments (Posel 1999: 107). Needless to say, during the incumbency of the NP the performance of the administration appeared to decline, along with the prestige of the civil service and the morale of its employees. The problem whereby more competent individuals preferred a career in the private sector was, in result, compounded (Posel 1999: 107-8).

In parallel with these developments, the civil service was progressively politicised after 1948 by the NP and aligned Broederbond secret society.[2] As yet underspecified, this politicisation involved appointments, especially at upper levels, going to the Nationalist faithful, it saw political meddling into what was statutorily conceived as an independent public service, and it resulted in political capture and infiltration of a number of formally independent entities such as the PSC and even the Public Servants' Association (PSA, a toothless trade union substitute) (Ibid 114-8).

Civil servants themselves had an ambivalent relationship with their political masters. There was much dissatisfaction with a wage determination system that offered civil

[2] The role of the Broederbond here has probably been exaggerated in this literature, see the discussion in Giliomee (2009: 420-424).

servants little say, and with a PSC and deferential PSA that offered little protection against victimisation and failed to adequately address grievances (Posel 1999: 112-4). Together with the pressures inherent to staff shortages, what this meant was that at various stages the civil service was bordering on a state of rebellion (Ibid 114). At the same time, however, civil servants were highly dependent upon the civil service, and the NP, simply because they had become employers of last resort. There were, as a result, great pressures toward conformity and compliance (Ibid 114-5). On the other side of this dependence, however, there existed the rudiments of an interest group with a huge stake in their jobs, in the principle of a whites-only administration, and therefore in the maintenance of apartheid as a whole.

P.W. Botha, head of government since 1978, would have to come to terms with this interest group when he began pursuing the interlinked initiatives of public service rationalisation and apartheid reform. There had been a sense of the growing administrative crisis, in certain circles, as early as 1961. Botha's campaign of rationalisation, partly the result of prodding by big business, was the first comprehensive attempt to correct deficiencies. He managed to reduce the number of departments (an intervention probably nullified by the 1983 partial fragmentation of the national public service between white, Indian and coloured authorities). Botha increased the powers of his own office, to somewhat autocratically reinforce central control. He also created the post of director-general, intended to pull talent from the private sector with favourable conditions (Posel 1999: 110).

The major problems with the public service, however, lay at lower levels. Here the initiative stalled. Civil servants, and more conservative erstwhile NP deployees, were anxious about rationalisation and broader reform. The Commission for Administration, successor of the PSC, was racked by internal conflict over key interventions (Picard 2005: 58-60). Civil servants resisted, for instance, attempts to make up for staff shortages by increasing the demographic profile of blacks in the public service. Botha's government was, due to the electoral weight of civil servants, forced to drag its feet. This imperative was intensified when the Conservative Party (CP) broke away from the NP in 1982 to contest Botha's programme. The CP made significant headway in the public service partly because a 1970 amendment to the Public Service Act had opened the door to political activity in the administration (Posel 1999: 115). Reform failed, by 1987 the proportion of whites in the civil service, and their share of wages, was greater than in 1980. The drain of skills to the private sector proceeded at pace (Picard 2005: 47-51; Posel 1999: 110).

In addition, the threat to the public service represented by these reforms, as well as increasingly unfavourable comparisons with private sector and even Bantustan service conditions, appeared to galvanise white civil servants into pressing their demands more militantly. Salary increases, often in trying fiscal circumstances, became a means of securing electoral support from the disaffected. By 1993 the Democratic Party discovered that around R15.9 billion a year was being stashed in pension funds to enrich public servants prior to transition (Picard 2005: 247-54).

Despite its failure, the pursuit of public sector reform, by provoking politicisation in the ranks, led to renewed attempts by politicians to assert political control from the top. The creation of the office of the director-general, while aimed at attracting private sector skills, was also probably an attempt by Botha to render recalcitrant administrators pliant, by placing them under more trusted servants often brought in from the *verligte* private sector (Posel 1999: 110). Intelligence operatives began to infiltrate the public service, potentially blurring administrative hierarchies through the creation of informal dual lines of accountability (Chipkin and Lipietz 2012: 12-3).

All these developments played into an 'efflorescence of corruption' from the 1970s (Hyslop 2005: 782). As we have noted, the apartheid state was subject to political appointments from early on, and political considerations extended to the processes of tendering and credit allocation in an Afrikaner nationalist version of what would later be called the 'empowerment state'. The imposition of political considerations upon properly administrative procedures, however, does not seem to have involved personalistic relations typified by the pursuit of personal gain. Rather, political considerations remained within the confines of the Afrikaner nationalist project, and civil servants continued to be subject to stringent controls (Lodge 1998: 164).

The success of the Afrikaner economic advance, however, created a class of prosperous and increasingly cosmopolitan Afrikaner elite, who did not easily fit within the confines of a nationalist project, and nationalist organisations, created around the downtrodden *volk* of the 1930s and 1940s. The nationalist movement increasingly found it difficult to

discipline both leaders and followers. At the same time, by the mid-1970s apartheid also began to unravel. The cumulative result was a growing tendency towards personal enrichment (Hyslop 2005: 782).

The late-apartheid state held ample opportunities for this trend to flourish. Corruption generally became entrenched in areas shrouded in secrecy, where officials came into contact with rightless persons who required services or could be threatened with punishment, and where surveillance of officials was difficult and incentives for bribery large (Lodge 1998: 171). Thus, agencies outside of normal bureaucratic controls or parliamentary oversight, such as Military Intelligence, the National Intelligence Service and Civilian Co-Operation Bureau, were hard hit. More broadly, the misuse of secret funds designed for military activities, sanctions busting and propaganda exercises became pervasive (Ibid 164; Hyslop 2005: 783). Corruption was also prevalent in those departments and agencies that dealt with rightless citizens, where victims would have little recourse to justice, such as the Native Affairs Department, the Department of Education and Training, the police, and even the Department of Home Affairs (Lodge 1998: 166-7). For white citizens, first hand experience of corruption was generally confined to interactions with traffic officers (Ibid 171).

Up to this point I have concerned myself exclusively with the central state, the pseudo-African satellite states known as the Bantustans experienced even more serious problems. Corruption in the Bantustans was by all accounts pervasive, and these administrations may well warrant the term ‘neopatrimonial’. When the Transkei gained ‘independence’ in

1976 South African property was quickly taken over and farms sold at miniscule prices to cabinet ministers and their associates. Tenders, trading licences, property and loans were directed politically, and government vehicles and equipment found their way to private businesses and farms. Money was regularly stolen from pensioners and others entitled to welfare, and shortages where money was handled were routine. Commissions of Inquiry uncovered similar dynamics in KwaNdebele, Lebowa and Ciskei, and they were almost certainly prevalent elsewhere (Lodge 1998: 167-9; Picard 2005: 296).

The Bantustans also shared many of the problems of the white state, though plausibly in excess. Skilled public servants were scarce, political appointments rife, training almost non-existent. Homeland public servants were special interest groups, with a stake in the apartheid system, and with a history of pursuing their interests vigorously through strike action (Picard 2006: 292-311).

***The Apartheid State As Legacy***

To summarise, the apartheid state has been shown to have been problematic in a number of ways: The state was too large due to the special demands placed upon it; the state concentrated too much power in the presidency, in the hands of senior administrators, and its operation was often shrouded in secrecy; it was fragmented along lines of race, with separate ‘own affairs’ departments and Bantustans; the pool of talent that it could draw on was artificially narrowed, by racial job reservation, and by Afrikanerisation, resulting

in huge staff shortages; this was coupled with inadequate systems for training, orientation and, to some extent, career pathing; turnover was high due to conditions of service that compared unfavourably with the private sector; public service prestige was low; morale was low; Afrikanerisation had the effect of creating an administrative interest group with conservative inclinations; the emergence of this interest group created a link between salaries and electoral support; the unravelling of the nationalist project and apartheid resulted in the growth of corruption; the constitution of the state provided abnormal opportunities for corruption, due to secretive operations and contact with rightless citizens; Bantustan administrations suffered from many of these problems, but more importantly were thoroughly embedded in patrimonial networks.

There are further potential legacies that don't figure in explanations of state incapacity under apartheid. One legacy was the nascent character of free labour relations in the public sector (Adler 2000; Picard 2005: 251-2). Another was the deeply inequitable wage gap that existed between upper levels, for many years reserved for whites, and lower levels, populated by blacks (Picard 2005: 255). The state was also implicated in heavily biased provision of services in favour of the white community, and administrative systems inherited from apartheid were often not conducive to expansion. Further, the apartheid state, especially but not exclusively in the former Bantustans, often exhibited inadequate record keeping regarding personnel, property, and so forth (Ibid 190). Finally, it has often been suggested that the state was excessively rule-driven or otherwise 'out-moded'. Although the suggestion crops up quite regularly I have never seen it elaborated

upon. It would appear, that is, to be derivative of the new public management critique, which will be discussed later on.

It is not always clear how exactly the various dynamics just listed exceeded the 1994 divide, becoming *legacies*. Suggestions have, nevertheless, been made, and we will here consider them. To begin, one legacy that all recognise is that of staff shortages, produced by a lack of adequate skills. Apart from the obvious influence of the skewed education system, this was originally the product of the racial exclusivism of the state, which first narrowed its potential pool of personnel to whites, then effectively to Afrikaners. Recognition of this particular *legacy*, especially amongst liberal critics of government, has been rather muted. They hoped, however implausibly, that the post-apartheid public service would be colour-blind (Picard 2005: 245-246). Instead the potential pool of personnel was again limited, this time to the much larger population of previously disadvantaged, a population which unfortunately possessed a far smaller stock of historically accumulated skills.

The pursuit of affirmative action, really quite justified in principle, was itself inadequately supported by appropriate training and orientation. This has been tentatively linked to an apartheid legacy of meagre and inappropriate internal human resource development capacities (Ibid 154, 207-211). But it has been more emphatically put down to the failure of the post-apartheid government to recognise the extent to which inherited training initiatives would have had to be substantially reinforced to facilitate

transformation, and to develop and implement adequate policies based on this recognition (Ibid 118, 186-7, 192-3).

We find a touch of theoretical sophistication, though little rigour, in the next set of proposed administrative legacies of apartheid. One of Picard's central theses is that the ANC inherited a state characterised by what at one point he calls 'disjointed institutionalism', where the behaviour of public servants is delinked from formal institutions, such as rules, procedures, and official values, and comes to be driven by narrower personal or sectional interests (Ibid 13-4, 333, 361-2). He sees this, perhaps, as the most important legacy of the pre-1994 era, and understands it as a product of the ethnic character of the state at least since British colonialism entrenched itself in the early nineteenth century (Ibid 24, 361-2).

Picard appears to suggest that a number of related developments are underpinned by this basic fact. Afrikanerisation, the product of an earlier English dominance of the state, is an instance of disjointed institutionalism, and Picard understands the emergence of Afrikaner public servants as an interest group, pursuing its own narrow interests in defending itself against transition, in similar terms. He attempts to causally link these phenomena to post-apartheid developments, thus highlighting them as *legacies*. In the former case, the argument is simply that Afrikanerisation provided a model and justification for affirmative action (Picard 2005: 42, 94, 102). Of course, this legacy is here being cast not as a constraining legacy, but as an enabling one for the ANC.

Picard argues that post-apartheid specifically political appointments to the public administration are also linked to Afrikanerisation, especially in its creation of an administrative interest group with a stake in the old system. Indeed, there was a strong current of opinion within the ANC that was deeply concerned about white public servants as a potentially conservative interest group and source of reaction (Ibid 107, 109). Deploying ANC cadres to the upper echelons was seen as a means of asserting political control over a potentially wayward public administration (Ibid 120-4). Opinions appear to differ, however, on whether white state employees represented a threat at all. It has been suggested, for instance, that 'The civil service, the police and the army… embraced their new masters with embarrassing haste' (Venter cited in Picard 2005: 123), and that they were likely to remain loyal to the new regime as long as their pensions and other conditions of service were not threatened (Picard 2005: 123). At the same time, there does appear to have been a degree of foot-dragging and other resistance leading up to 1994, and after 1994 it has been noted that the state continued to be used to provide jobs and tenders to Afrikaners (Ibid 114, 119). On the other hand, the policy of political appointments was also underpinned by ANC cadre demands for jobs, and a struggle culture of loyalty (Ibid 120-2, 125).

More ambitiously, Picard attempts to understand relentless pressure for increased remuneration after 1994 as an outcome of the pre-1994 emergence of white and Bantustan administrators as interest groups intent on pursuing their own narrow interests[3]

[3] Picard supports the claim that public servants have been excessively militant by pointing out that by 1999 South Africa had the second highest public sector wage bill, as a proportion of GDP, in the world (Picard 2005: 257). We can certainly question whether worker militancy provides the only explanation for this eventuality.

(Ibid 246-7, 256, 292, 333, 361-2). Hence, from the 1980s, strikes by homeland civil servants over pay and pension funds became common, and in the white state 'salaries became a *quid pro quo* for electoral support' (Ibid 247, 256). However, apart from a passing note of early cooperation between white and black unions (Ibid 250), the exact causal mechanisms involved remain unclear.

Labour 'militancy' can be more plausibly understood in terms of two further administrative legacies mentioned by Picard. First, the large wage gap between the top and bottom of the public service appears to have given rise to significant tensions and complications, especially in the context of an inability to compete with the private sector for talent at the upper end (Ibid 252, 255, 259-60). Second, the nascence of free labour relations in the public service, essentially a 1990s development, meant that both the public administration and its servants lacked shared understandings and capacities needed for effective negotiation, and unions lacked the control over constituents necessary to enforce agreements. Furthermore, fiscal conservatism, inadequately informed by wage negotiations, contributed to conflict (Adler 2000).

Picard also notes that the ANC government inherited a 'bloated' state from the apartheid regime. Under the constitutional settlement the ANC would have to respect the contracts of all personnel, whether white or from the former Bantustans. This would make reducing the size of the public administration difficult, but not impossible. Retrenchment remained an option, and there were widespread expectations of a 'post-apartheid dividend' due in

part to the elimination of duplications inherent to the Balkanisation of the public administration along lines of race (Picard 2005: 117).

Picard understands the new government's failure to reduce the size of the public service, rather, to be the result of inadequate planning and needs analysis (Picard 177-8, 188), and more prominently to elements of disjointed institutionalism. The drive to Africanise the public administration along with union pressure plays a large role. So, for instance, the desire to get rid of old guard white public servants, along with union resistance to retrenchment, produces the voluntary severance package (VSP) as the key vehicle for 'right-sizing' (Ibid 149). Notoriously, the VSP saw the exodus of public servants with scarce and therefore marketable skills to the private sector, at great cost to the state. And reductions that did occur in terms of the VSP were nullified by the failure to abolish posts thus made vacant, by affirmative action appointments, salary increases, and the expensive turn to private sector consultants – many of whom had taken the VSP to begin with (Adler 2000; Picard 2005: 122, 148, 149, 177, 180-1).

Widespread corruption or patrimonialism also figures in Picard's understanding of disjointed institutionalism (Picard 2005: 13-4, 246). The link between pre-1994 corruption and post-1994 corruption has been rather parsimoniously understood in terms of a continuance of personnel and the inertia of habit or institutionalised informal relations (Picard 2005: 269, 321-2; Lodge 1998: 171; Hyslop 2005: 785). The suggestion, while lacking in nuance, is pretty robust. Places where corruption now seems entrenched can be neatly correlated with where it was known to be under apartheid. New provinces

that incorporated former Bantustans and their personnel, for instance, are known to be more corrupt than those that did not, they are also known to have greater problems with nepotism, skills, ghost workers, and so forth (Picard 2005: 310-32; Lodge 1998: 172). The erstwhile Department of Social Welfare, which was reckoned to have lost 10 per cent of its budget to corruption in the late 1990s, had incorporated a full 14 separate bureaucracies, many were notoriously venal and from the former Bantustans (Lodge 1998: 177). On the other hand, national departments which were not corrupt prior to transition, and which haven't incorporated homeland officials, have remained relatively free of corrupt practices (Hyslop 2005: 785).

The problem of incorporation of homeland officials was an aspect of the more general problem of rationalisation of the apartheid administrative melange of Bantustans, own affairs departments, and national, provincial and local administrations. Rationalisation was most problematic at provincial government level and at local government (Atkinson 2003). The extent of this challenge ought not to be under-estimated. It involved not only administrative departments, but police stations, hospitals, schools, universities, and a range of other organs of service provision (Picard 2005: 295). Amalgamation would involve buildings, organisational structures and personnel, but also conditions of service, administrative, financial, information and personnel systems, rules and procedures (Atkinson 2003: 121-3; Picard 2005: 308). Personnel would be integrated with others accustomed to different formal institutions, who held different administrative cultures, and were often implicated in different patrimonial and other social networks (Picard 2005: 304-5, 311). The process was infused with pervasive anxiety, suspicion and

hesitancy, which was not conducive to effectively meeting the many practical issues involved (Marais 2011: 319). Reorganisers, often themselves lacking administrative experience, had to work with incomplete asset registers, poor personnel records, and a range of other data deficiencies (Picard 2005: 188, 190, 310-1). Often what was inherited was administrative chaos (Ibid 308). In this context planning and monitoring was difficult, changes were often not even recorded, and long-term planning and strategy, including around training and right-sizing, often took a back seat as administrators were drawn into fighting fires (Ibid 110, 188, 309).

At the same time that this large-scale rationalisation was taking place, service provision was being expanded to the previously disadvantaged. Many commentators have noted a continued bias in service provision to the privileged (for instance, Makgetla 2007). To some extent, however, there certainly was a redistribution of resources to the disadvantaged. The service delivery architecture of apartheid was not really adequate to such an extension. Apartheid systems for service provision, that is, were premised upon the presence of relatively abundant and high-level professional expertise. This worked reasonably well when the scope of service provision was largely limited to whites. These same systems were simply extended post-apartheid, unnecessarily overburdening a limited skills base (Makgetla 2011: 246-7).

An interesting issue that deserves more careful attention is persistent secrecy in government departments and agencies. Makgetla (2012: 248-9) has pointed to draconian secrecy requirements being imposed upon officials. The Department of Trade and

Industry, for instance, imitated apartheid secrecy laws when requiring officials to sign a commitment barring them from sharing information acquired in the course of duty. Closed processes for allocating housing and schools have often produced accusations of corruption and unfairness, producing conflict with local communities. The lack of transparency associated with persistent secrecy has almost certainly contributed to corruption and other failures. Makgetla suggests that persistence of secrecy might be due to an unwillingness to reengineer old systems, enjoyment of the power that secrecy brings, and a lack of the skills needed to ensure participation.

To my knowledge, the propositions above exhaust the extant historiography of decline. Moreover, there really does not appear to be much of value beyond this brief summary. Contributions, in other words, have been exceedingly cursory. The result, too often, is for the sheer weight of the past to be obscured. Often this is implicit in the explanations themselves. So, in the case of skills shortages and inadequate provision of training the legacies are shown to have been greatly aggravated, in predictable ways, by both affirmative action and the failure to ensure that the unprecedented training demands of transformation were adequately met. The labour movement and affirmative action are heavily implicated in the failure to reduce the size of the bloated bureaucracy, and thus reap the post-apartheid dividend. And they are additionally implicated in the large growth of the public sector wage bill. The history of corruption appears to be one point where apartheid legacies really do stick as a prominent explanation. In the context of public debates, however, it is deeply unfortunate that the argument sticks best in the case of administrators who happen to be African. Explanations to do with rationalisation and

expansion of services appear promising, but the area is so under-explored that solid conclusions can barely be drawn. A similar point could be made about the issue of persistent secrecy. The idea of 'disjointed institutionalism' is of a different order in this respect. Its real significance will be discussed shortly. Suffice it to say here that in Picard's account it remains woefully under-developed.

We would have to live with this if this historiography provided both a veridical account, and a comprehensive one. In the case of the former, I believe there is a great deal of room within which to question the findings and interpretations of the literature so far. It is interesting, to provide just one instance, that Evans (1997: esp. Ch. 2) in his study of the Native Affairs Department (NAD) describes the early apartheid experience of that department as one of extraordinary growth in capacity. Not only is this experience co-temporal with the beginning of the narrative of decline sketched above, but the NAD experience is often held up as an archetype of precisely the variable most fervently implicated in that broader decline, Afrikanerisation and politicisation. Of course, this paradox can conceivably be remedied in a number of ways. A reading of Evans's account would stress the intertwined determinants of the existential threat posed by growing African unrest in the 1940s and 1950s, apartheid ideological zeal, and the specific administrative personality and strategies of responsible minister H.F. Verwoerd in growing capacity at NAD. Whether these additional considerations resolve the paradox is of course an empirical question. What the paradox itself does suggest is that Afrikanerisation was not as formidable a stumbling block to state capacity as has been supposed.

The presence of these additional considerations, moreover, shows starkly the lack of comprehensiveness in the above historiography of decline. My own empirical contribution, or rather part of it, will be on the issue of comprehensiveness. There are legacies of incapacity from the pre-1994 era that the historiography of decline has not captured. The potential practical importance of capturing such legacies will be discussed later. For now we will move to consider more contemporary understandings of state incapacity in South Africa.

## Chapter 3: The Social Science of State Capacity in South Africa

There are a large range of further explanations of declining state capacity that have not been linked, even in a cursory fashion, with apartheid legacies. There has, in fact, been a proliferation of such explanations over the last decade or so. A consideration of them not only completes a fairly extensive survey of the secondary literature, it also allows us to begin to suggest the virtues of a more systematic approach to the investigation of the determinants of state capacity in contemporary South Africa, and enables us to lay down certain basic methodological and theoretical principles with which such systematic investigation might proceed.

I'm stylistically averse to the presentation of a list. This will be the second time I have done so, and here far more violence will be done to my sensibilities (and plausibly those of others). In this case, however, prose is especially inappropriate. To write in prose ideas ought to bear an appropriate set of semantic relations with those that come before. Explanations of state ineffectiveness in South Africa, for the most part, do not. There are at least three dimensions to this state of affairs. First, these explanations, partial as they are in isolation, are mostly devoid of useful conversation with each other. Almost no attention has been devoted to consideration of how they causally interrelate, to their relative explanatory weight, or even to *prima facie* inconsistencies between some of them. Where debate between academics or practitioners does occur, and it normally occurs implicitly rather than explicitly, then it is usually at a prescriptive level. There is, for instance, extensive shadow debate around whether to emphasise incentives as

performance management, or constraints as rules and standard operating procedures, as interventions into dysfunctional public administrations.

Second, these explanations often bear little relation to historical time. This point is relevant to the earlier one about lack of causal interrelation between explanations. In the earlier survey of the historiography of decline we see the tentative emergence of *process*. Things change over time, they causally interrelate, and so forth. Contemporary explanations too often observe only fairly de-contextualised *factors*, and their very vaguely specified consequences.

Third, in the absence of more extensive work on my part, these explanations are impervious to a history of ideas. March and Simon (1957: 5), referring many years ago to the diversity of disciplines that had examined aspects of organisation, pointed out that '[t]he literature leaves one with the impression that after all not a great deal has been said about organizations, but it has been said over and over in a variety of different languages'. In the empirical study of the South African public administration we do not really have the problem of translating from diverse disciplinary and theoretical perspectives. Nevertheless, things have been said over and over in basically the same language.

In making these points I do not mean to be hyper-critical, as I noted before these shortcomings have definite sociological determinants. Pre-emptive apologies are in order, moreover, for any accounts that I have missed in the following. This holds *a fortiori* for

specialist literatures that deal with functions such as policing, health, education and social work, where I have only done a superficial survey. Despite these shortcomings, I maintain once again that the following represents a reasonably comprehensive summation of the knowledge that the academy has so far offered.

***Contemporary Understandings of State Incapacity***

Keeping these issues in mind, I will begin with a summary of those explanations that we have discussed in the context of legacies of the apartheid public administration:

- The racially fragmented character of the apartheid state necessitated major rationalisation after 1994. The process was complicated by numerous factors, such as the sheer diversity of groups with different histories to be amalgamated into new state organisations, pervasive anxiety and suspicion between these peoples, and a legacy of inadequate record-keeping and data at a number of points. The consequences of this process for the present have not really been explored;
- The persistence of service provision biased to the better off has been noted. The extension of services to the apartheid disadvantaged did involve some redistribution. Systems upon which such extension was made exacerbated skills shortages. Other consequences might be expected, but these have not been explored;
- Apartheid left a legacy of skills shortages. These were exacerbated by affirmative action and political appointments, both of which have fed into a lack of meritocracy

(see Naidoo 2013). Another result has been a huge number of vacancies, overburdening existing public servants (Naidoo 2007);

- Linked to the issue of skills is the poor provision of training, exacerbated by the failure to improve capacity to meet the unprecedented demands of transformation;
- Apartheid left a bloated public administration, one which was not adequately dealt with post-apartheid. There are financial consequences, to do with an overbearing wage bill. There may, however, be other consequences as yet unspecified;
- Corruption, as we have noted, was often inherited from those points where it was able to flourish under apartheid. It has been overlaid with post-apartheid dynamics (Hyslop 2005). The growing corruption literature is exceedingly interesting. I will discuss it further later.

There are a range of environmental dynamics which impinge upon the public administration and have been considered as explanations of state incapacity. Usually, these environmental dynamics are legacies of apartheid, but they are not *administrative* legacies. Drawing such a tight line between the administration and the environment is likely to descend into arbitrary distinctions. In reality the two are tightly interwoven. The line utilised here will separate those explanations that highlight causes as emanating from the political or socioeconomic system, and those that highlight causes as emanating from policy or administrative processes, resources and systems. The arbitrariness inherent to such a line is reduced by the fact that in South Africa causes have generally been presented as unidirectional, only rarely have they been traced as a 'dialectic' between the two spheres. I will not omit to present where this has been done:

- So, unequal provision of services is in part a function of environmental legacies of apartheid. Municipalities in poorer regions, for instance, are structurally bankrupt, having very weak rates bases. This serves to perpetuate the apartheid geography of privilege and disadvantage (Makgetla 2007; Atkinson 2003; Atkinson 2007). There are a range of other factors of this nature. Achievement in schools, for instance, is tightly linked to the socio-economic circumstances of students (Taylor and Yu 2009). Widespread poverty has meant overburdened hospitals. Late urbanisation, artificially held back by Grand Apartheid, has had a similar result across the board (Saloojee 2011: 187). Patterns have been reinforced, as suggested earlier, by service provision still biased toward the privileged. In local government, for instance, grants allocated on the basis of infrastructure maintenance needs have favoured wealthier municipalities (Makgetla 2007);
- There have been pervasive concerns about a lack of democratic accountability and oversight necessary to incentivise performance. The concern is normally due to the phenomenon of single-party dominance (Wenzel 2007: 58; Butler 2011; Friedman 2011);
- Cadre deployment has been viewed as creating an unhealthy fusion between state and party. This has often been a way of speaking about concerns with skill, corruption and the longer term prospects of democracy. More than this, though, the result has been that the ANC's own factional battles have often extended to the state, immobilising administrative activity (Southall 2007: 14ff). Elections, especially at local government level, have often seen massive staff turnover as political appointees are purged, and room is made for new ones (Hemson *et al*. 2009: 166). Career paths,

more broadly, have been defined politically, undermining effective career-pathing (Naidoo 2013). Further, cadre deployment has blurred lines of accountability, involving dual accountability to administrative heads and the party. ANC office bearers have often intervened unpredictably in formally administrative business (Butler 2011: 35-6; Makgetla 2011: 248). A burgeoning literature seeks to delineate the shape of politicisation in the public administration, for instance by discerning where it occurs and to what extent, and whether it is motivated by a desire for political control, spoils distribution, or some combination thereof (Maphunye 2005; Matheson et al. 2007; Kopecky 2011; Naidoo 2013);

- Often related to issues of accountability, corruption, clientelism, affirmative action and cadre deployment, there have been concerns that the focus of post-apartheid politicians and political appointees has been on the consolidation of power and prestige, or that the state has been used as a vehicle for class creation rather than an instrument for the broader transformation of society (Bardill 2000: 115; Von Holdt 2010b). There have been fears that the interests and networks that this has engendered may well act as a key constraint on reforms aimed at building a more capable state (Butler 2011: 29-30);
- In contrast, there have been suggestions that the political desire for symbolic and rapid delivery operated against systematic and sustainable delivery (Wenzel 2007: 51);
- It has been suggested that government failed to ensure that services were financially sustainable, due in part to their undermining of the user pays principle through the

political expedient of providing free services on an *ad hoc* and often informal basis (Louw 2003).

Finally, there are a large range of explanations that are state-centred, but have not been linked to the administrative legacies of apartheid:

- In contradistinction to the last point above, cost recovery has been highlighted as an important determinant of delivery failure, as it is inequitable, has been harshly enforced, and is based on narrow cost accounting principles that don't take into view, at least, the public savings of welfare service provision due to reduced health costs, policing costs, and so forth (Pape and McDonald 2002);
- More broadly, fiscal conservatism has often had the effect of starving state functions. Fiscal restraint has been seen as crowding out other goals (Schneider *et al*. 2007: 305);
- Fiscal discipline, in the form of remaining within budgets, and ensuring that voted finance is available throughout the year, has been cited as an issue (Saloojee 2011: 191);
- Cost-cutting initiatives have been poorly targeted, leading to loss of capacity often at points where renewal is difficult, say due to skills having been permanently lost (Wenzel 2007: 54);
- There has been a problem of contracting out to cut costs, without building the capacity necessary for quality assurance (Hemson *et al*. 2009: 161; Wenzel 2007: 56);

- Vision and strategic planning has often been epiphenomenal, in the sense that it has not been adequately linked to effective implementation strategies or systems. The untoward focus on vision and strategy has been linked to the managerialism of the new public management and to reliance upon consultants (Wenzel 2007: 51);
- There has been a general over-reliance upon consultants, linked to a lack of in-house skills. This has resulted in large preventable expenditure. It has meant a failure to build key competencies within the administration through learning (Sangweni and Mxakato-Diseko 2008: 46). Consultants, without knowledge of local conditions, have established unsuitable systems (Hemson *et al*. 2009: 164);
- There has often been a mismatch between the demands of administrative and other policies chosen and the skills and other resources available to implement them (Wenzel 2007: 55; Hemson *et al*. 2009: 157, 160). Financial regulations emanating from National Treasury, for instance, have been seen as burdensome and non-optimal considering the pool of financial and accounting skills available to the public administration (Van Zyl 2003; Hemson *et al*. 2009: 163);
- There has been constant instability as administrators looking for solutions jump from one fad to the next, in what has been cleverly dubbed the 'turnaroundabout' (NPC 2011: 364);
- There have been continuing concerns about excessive hierarchy, red tape, procedural formalism, and input rather than output focus (Atkinson 2007: 61; Wenzel 2007: 56; Everatt and Gwagwa 2011: 271-2). The argument has not been made more specific, except in the case of the Treasury-mandated financial management framework, which has been accused of undermining the flexibility needed to achieve

development outcomes, especially through the use of narrow financial efficiency criteria to evaluate proposals (Hemson *et al*. 2009: 163);

- There has been a failure to ensure the performance of routine tasks, put down to a lack of delegation and unnecessary complexity in procedures and systems (NPC 2011: 382). In related fashion, even in areas not directly linked to corruption, there has been very low compliance, a prominent example being performance management guidelines (Cameron 2009: 930);
- A lack of delegation to appropriate points has led to delays, and decisions that are poorly coupled with operational realities (Cameron 2009: 916-7; NPC 2011: 382). In the absence of delegation from political heads it has also been difficult to hold high-level public servants to account (Cameron 2009: 926);
- Rapid turnover has contributed to instability, to the loss of institutional memory, to the failure to develop expertise, and to a lack of clarity surrounding accountability and assessment due to the inheritance of previous interventions and constant moving around (Atkinson 2007; Cameron 2009: 935). It also carries large costs related to the notice period, to recruiting and selecting, induction and training (Chipkin 2011: 45). Turnover has been linked to the acceptability of a revolving door between the private and public sector (Hemson *et al*. 2009: 162), to conflict at the political-administrative interface (Cameron 2009: 927), and to the short duration of employment contracts (Ibid 930);
- The appointment of personnel from outside the public service into various levels within it, often on the basis of contracts, has undermined career pathing for those within the public service, and has lead to delays in recruitment (Ibid 930);

- Public servants lack shared understandings regarding the task at hand. In other words, they lack a 'common developmental grammar and idiom' (Sangweni and Mxakato-Diseko 2008: 41). This makes collective action difficult. The phenomenon has been attributed to the wide diversity of political, cultural and academic backgrounds of recruits to the public service. To the practice of recruiting people into various levels of the organisation rather than requiring them to work from the bottom up. To the lack of uniform training designed to provide shared analytical and normative frameworks. And to high rates of turnover which undermine institutional memory (Ibid 41-4);
- There are suggestions that training initiatives have been undermined by white mentors who see blacks as a threat to their own positions, or who may even provide substandard mentoring due to the perception that blacks are incompetent (Rankhumise and Mello 2011);
- There is some suggestion of disciplinary failure, where subordinates refuse to carry out instructions of superiors, and superiors opt out of imposing discipline. This has been blamed on union intimidation and the cumbersome procedures of the labour relations legislation, or on a failure to establish effective human resource functions (Nengwekhulu 2009; Von Holdt 2005);
- Related to issues with accountability, there has been a general failure to draw on community participation to facilitate service delivery (Louw 2003: 107-9; Naidoo 2005: 125-7; Friedman 2011; Kondlo 2011);
- Tensions in the political-administrative interface have been produced by factors such as lack of clarity or inconsistency in the assignment of powers and responsibilities to

political principles and administrative agents respectively, and lines of accountability that are ambiguous between various principles such as cabinet, the ruling party and the relevant minister – the latter is of course linked to cadre deployment (Maphunye 2005; NPC 2011: 367);

- There are a number of explanations that appear either superficial or over-individualised. Examples of this category of factors are accusations of ethical failure and poor administrative leadership (NPC 2011: 364). Kotze and Venter (2010), however, provide an empirically-grounded and comparative account of the leadership issue;
- Public servants have low morale. This is due to a range of factors such as excessive workloads (the product of vacancies), poor pay, poor prospects for career advancement, and the general problem of poor performance which results in lack of prestige. Surveys suggest that public servants have a comparative lack of commitment to their jobs, and to the idea of public service (Cameron 2009: 933);
- The constitutional framework has often been viewed as inefficient. It has been argued that it undermines coordination and involves unnecessary financial burdens. The ANC, for instance, has considered abolishing provincial government ostensibly due to uncertainties about its powers and functions, especially in the area of concurrent powers laid down by the Constitution, and to its contribution to a bloated state, and the inability to control it (in Naidoo 2009: 265-8). The DA (2010) has argued for some time that district municipalities are an unnecessary waste of resources;

- Failures of coordination between departments and other public agencies, and between the national, provincial and local spheres of government, have been amongst the better explored issues. There has been a poor delineation of powers and responsibilities between the various government entities, and poor communication. There has been a lack of clear assignment of responsibilities regarding who mediates disputes and who facilitates coordination (NPC 2011: 365). The result has been policies that don't take account of operational circumstances, unfunded mandates, failure to integrate services, duplication, and a general failure to pursue positive sum collaboration. Policies and interventions have often come from different agencies, leading to the proliferation of separate and potentially conflicting processes whose status, role and interrelations are often not clear (Tapscott 2000; Malan 2005; Atkinson 2003; Hemson et al. 2009: 164-5; Kraak 2011). The New Public Management (NPM) has been implicated in this. It has been argued, that is, that by fragmenting the state into a number of stand alone agencies cross-sectoral coordination has been hampered (Wenzel 2007: 52-3; Kraak 2011). Performance management contracts that emphasise specifically departmental goals have also been blamed (Sangweni and Mxakato-Diseko 2008: 45). In contrast to the latter, it has been suggested that 'in the South African public sector (unlike the private sector) bonuses do not drive performance. They are simply not large or significant enough to do so' (Everatt and Gwagwa 2011: 271-2). The converse, then, is to blame excessive rules and regulations for restricting opportunities to collaborate (Ibid 272ff).

Makgetla (2011: 249-50), very helpfully, suggests that 'there need to be more coherent criteria and research to identify shortcomings in the state's capacity, especially variations by function, sphere and region'. She appears to be highlighting two specific shortcomings of the above work.

In the first place, she is highlighting a lack of nuance in our understanding of how dynamics have been uneven across the state, by function, sphere and region. She is, implicitly, calling for case studies that operate at a scale below that of 'South Africa'. The promises of this approach extend far beyond the description of variation, however, and in what follows I will suggest how. Before this though, I will consider the second shortcoming that Makgetla highlights, when calling for 'more coherent criteria and research'.

The proliferation of explanations of declining state capacity has not been dealt with systematically. This is what I meant at the outset when I noted that all of these clearly partial explanations aren't often brought into useful conversation. I have tried to note all the points where they have been. Even when this has occurred, however, the activity has never really been explicit, and it has been very cursory. This is surprising. If one goes through the list fairly thoroughly one will notice that many potential connections aren't being made.

The leading edge of studies of South Africa's public administration must, in other words, at a meta-theoretical level perform a number of fairly uncontroversial but vitally

important operations. To begin, the leading edge must relate various factors and dynamics to each other, in complex processes of causation, interaction and articulation. These processes must be understood as involving agency *and* structure, *historically constituted*. The latter means that the processes ought to involve a time element, the origin and evolution of factors and processes must as far as possible be causally specified. Where explanations appear to be competing, where apparent contradictions exist between them (and there are a large number of potential instances of this above), then these contradictions need to be resolved, and competing positions argued. In all these ways a causal hierarchy of factors ought to be developed, highlighting which factors are symptoms of others, which ones are key, and how the latter are causally sustained.

In addition, processes thus understood must be related to *actual* outcomes, with environmental variables intervening between administrative dynamics and outcomes specified. Incapacity is not as such an outcome: it is an evaluation of outcomes imputed to features of the state. Inadequate skills, for instance, ought to be related to specific outcomes, regardless of how plausible it is that lack of skills produces state incapacity, and that state incapacity is the actual cause of poor outcomes. Administrative factors must themselves be viewed as in interaction with outcomes, on the assumption that state organisations are invariably learning entities, though to differing degrees and in different ways.

Finally, with these understandings of origin, evolution and mutual implication of a diverse range of variables and their combination in processes, the leading edge ought to be able to highlight points of potential intervention, specify what interventions are necessary at these points, give a sense of what the prospects of success are, how far-reaching positive change will be, and through these specifications it ought to allow us to differentiate key points of leverage from less key ones, and long-term interventions from low hanging fruit.

In what follows I consider a few important and interesting ways in which these myriad connections are beginning to be built. These interventions constitute the actually existing leading edge. Because this literature appears to me to be even more remarkable than has commonly been supposed, I will need to provide my own interpretive, theoretical and conjectural embellishments. The effect will be to sharpen the model that the literature provides, as an aid for moving forward. At the same time, I will not try to summarise all the arguments made in these few papers, for a comprehensive statement consider the papers themselves.

***Bringing the threads together: Disjointed Institutionalism / Weak Institutions***

One way in which things have been kicked up a notch is by theoretically relating a whole range of factors to prior, previously undisclosed, further factors. The commonly described pathologies of the state, in these attempts, are understood as symptoms of

deeper, more intractable and historically-rooted, problems. An instance of such attempts, one which has gone unnoticed in subsequent discussions probably due to the great untidiness of Picard's book, is the notion, already mentioned, of 'disjointed institutionalism', a state of affairs where the behaviour of public servants is delinked from formal institutions such as rules, procedures, and official values, and comes to be driven by narrower personal or sectional interests. As I discussed earlier, Picard appears to subsume a whole range of factors under the causal priority of this one. So, the biased ethnic composition of the state, rooted in the early years of English colonialism, encourages politicisation in the form of Afrikanerisation and Africanisation vehicles, which in turn has the effect of producing sectional interest groups which may decouple from formal institutions when their interests are threatened, or where their interests aren't perceived as met by such formal institutions. Labour militancy is also viewed in terms of disjointed institutionalism, as is corruption, naturally enough.

Ivor Chipkin has offered a similar suggestion. For him corruption is essentially a sub-set of the phenomenon of non-compliance, which itself is produced by what he describes as 'weak institutions', where 'social relations in a department or agency do not crystallise into predictable conventions and routines [and so] collections of individuals, equipment and resources behave and combine in capricious and unpredictable ways' (Chipkin 2013: 15). The outcome, we might suspect, would *tend* to be much the same as in Picard's reading. Individuals, in the space opened up by weak formal institutions, gradually come to be driven by narrow personal and sectional interests, as in the case of corruption.

Despite these similarities, however, the accounts of Picard and Chipkin have important differences.

Disjointed institutionalism, as far as one can tell from reading Picard's book, emphasises the causal priority of agency, interests and situations. Thus prior situations, such as English dominance of the public administration, lead groups, such as Afrikaners, to colonise the administration. And disjointed institutionalism, in turn, occurs when these groups perceive that their corporate interests are being threatened, such as by subsequent Africanisation. Chipkin offers a vital corrective to such a relatively narrow position by explicitly including structure as a variable.

We can fruitfully understand this distinction in the terms of neoinstitutionalism, where *the logic of appropriateness* involves behaviour by analogical reasoning from cognitive scripts, rules and norms matched to situations, and where *the logic of consequentiality* involves behaviour in accordance with bounded strategic calculations about valuations and prospects, means and ends (March and Olsen 1989). On Chipkin's reading, public servants become 'disjointed' from formal institutions not solely as an exercise of agency, but as a function of the institutions themselves. Weak institutions involve a dearth of commonly held rules, routines, norms, and so forth, and contradictions between them. The human repertoire being what it is, the interstices thus revealed must be actively negotiated by reverting to behaviour in accordance with a logic of consequentiality, or to behaviour in accordance with a logic of appropriateness around *informal* institutions linked to party, ethnic group, family, and what have you. It is in this movement, for

instance, that the phenomenon of corruption emerges. Corruption, Chipkin asserts, is not just about individual psychology, it is also about organisational structure, and so anti-corruption efforts that focus on punishment and ethical education are unlikely to be effective (see Chipkin 2013).

Chipkin's emphasis upon the structural basis of action has also led him to broach a range of other promising lines of enquiry. Consider the heretofore master explanation of under-performance in South Africa: public servant 'incompetence', often attributed in part to policies of cadre deployment and affirmative action, and ultimately to African nationalism. Chipkin (2011a) has problematised the issue in a number of ways. He has noted, for instance, that the issue isn't so much one of public servant incompetence, as one of vacancies and related turnover. State managers, to elaborate, have tended to avoid appointing black people without the requisite skills. The problem is that, in the context of affirmative action quotas, they have not appointed whites either, in order to avoid diluting departmental percentages relating to black employees. Another response has been for state managers to attempt to poach black employees from each other, probably the main determinant of high levels of turnover in the public administration. This work is notable for the way in which variables such as skill, affirmative action and turnover are linked in plausible yet unexpected ways.

Even more remarkable, however, is that these issues are themselves, at least implicitly, linked back to the issue of weak institutions, with weak institutions themselves explained by the new public management (NPM). The move to NPM, that is, has produced posts

that are poorly defined, and that require an unlikely combination of skills. Further, it has meant the elimination of a single standard for administrative systems, a key aid to navigating complex legal, policy and administrative environments. Chipkin argues, then, that skills shortages are artificial, or aggravated, in a further sense: NPM inspired administrative structures place black public servants, even those which are highly competent, in a position where they can't possibly perform, or where the odds are stacked against them. The skills issue does not only inhere in agents and the education system, it has structural determinants within the very organisations where skills are employed. In this light the supply side of turnover, the willingness to jump from job to job, also becomes more understandable. People placed in a position where they can't possibly perform experience very little job satisfaction (Chipkin 2011a).

These approaches, moreover, bring to the fore important practical and historical questions. In the matter of history, the notions of disjointed institutionalism and weak institutions invite us, as Chipkin has, 'to situate the outcomes of public sector [organisations] within a broader history of the South African state and in particular within a history of *state-building* in South Africa' (emphasis in original, Chipkin 2013: 23). As Rueschemeyer (2005) has pointed out, the problem of state building is in part a sub-set of the problem of institutionalising norms and values. On a generic level what this requires is a social framework where deviation from norms and values is detected and punished, and where conformity is rewarded, it requires further the internalisation of norms and values to the extent that conformity is accompanied by self-validation and deviation by guilt, and finally, institutionalisations involve the restructuring of actors' own perceived

interests, and the institutions themselves must become 'taken for granted', not subject to conscious scrutiny. These sorts of social processes inherently take time. In the context specifically of building a state – we might say instead, in the context of institutionalising within a state a logic of appropriateness around formal rules, norms and values which are in turn structured around the pursuit of sovereign goals – the conditions of such institutionalisations are multiple, rare, exacting; they involve a range of mutual adjustments in state and societal norms and values, and are pervaded with conflicts at state and societal levels between 'constituencies for state building', to adapt Shefter's (1977) phrase, and other interests with something material or cultural to lose (see Rueschemeyer 2005).

What notions like disjointed institutionalism and weak institutions suggest in application to South Africa, and what Chipkin therefore has gestured to, is that the history of its state has not been conducive to institutionalisation in this sense. Indeed, a glance at the extant historiography, under-developed as it currently is, should immediately suggest the truth of this proposition.

I will shortly elaborate upon why the ways in which we view the history of our state have practical relevance. Apart from this, and in light of the dynamics of state building bruted above, consideration of disjointed institutionalism / weak institutions has some more directly practical connotations. It invites us to think about a key intervention, specifically, the return to good old, centralised, hierarchical, rule-driven Weberian bureaucracy. For

Ivor Chipkin this has been a favourite mantra. He is echoed in a widely respected short paper by Allen Schick, who points out that

> politicians and officials must concentrate on the basic process of public management. They must be able to control inputs before they are called upon to control outputs; they must be able to account for cash before they are asked to account for cost; they must abide by uniform rules before they are authorized to make their own rules; they must operate in integrated, centralized departments before being authorized to go it alone in autonomous agencies. (Schick 1998: 130)

The point is that Weberian bureaucracy, with its emphasis on control, on fitting personnel to role as cogs to a machine, serves to socialise public servants into behaving in accordance with a logic of appropriateness embedded in formal institutions. NPM reforms, with their focus on freeing personnel up from red tape, and encouraging them to behave strategically, opens room for potentially highly detrimental informality. What Chipkin and colleagues have effectively suggested is that this is precisely what happened in South Africa. NPM reforms, in other words, are one aspect of that history of the South African state that has been detrimental to state building (see esp. Chipkin and Meny-Gibert 2012).

***Bringing the threads together: Understanding Corruption***

The literature considered above at least implicitly seeks to link the pathologies of the South African state to deeper, underlying causes. In the General Introduction I noted that R.W. Johnson and Von Holdt (2010b), from opposite ends of the political spectrum, do much the same thing with notions of African or post-colonial nationalism. It would not be wise as a matter of academic integrity to reject such arguments *tout court*. Clearly African nationalism, and Afrikaner nationalism before it, have had profound consequences for the state. And Von Holdt's statement of the position especially is convincing and impressive. The point, however, is that great strides can be made in articulating such accounts with the sorts of arguments outlined above.

I want to consider now, however, what is probably the best developed body of literature with regard to the South African public administration, and potentially one of the most dynamic lines of enquiry in contemporary South African social science taken as a whole. I am referring to the phenomenon of corruption, the understanding of which exhibits not only some of the potential of the study of public administration, and so a model of enquiry that ought to be followed, but also the contribution that such an enquiry can make to the more traditional concerns of South African social science. The corruption literature also shows us the benefits of institutionalising the study of public administration beyond the discipline of public administration, in broader social science contexts. It is, to be sure, ironic that academic understanding should be most advanced in the case of the clandestine activity of corruption, an irony rendered more understandable when we

recognise that these achievements are largely due to its attracting the interest, and falling into the traditional competencies of, a broad range of social sciences.

To begin then, corruption, as we noted earlier, was an inheritance of apartheid, especially in areas where corruption was allowed to thrive under that system, such as in the Bantustans. These sites and forms of corruption, however, have been overlaid with others which are due to specifically post-apartheid developments (Hyslop 2005). In the context of one-party dominance the ruling party has been viewed as important here. Not only does it have a long noted revolutionary penchant for taking control of a state that it didn't, and doesn't, really trust, through the expedient of cadre deployment, but it is also typified by a variety of often distinct struggle networks infused, in Mare's *précis*, with 'loyalties, responsibilities and protection that fall outside the notion of an impersonal, rule-bound state' (Mare 2003: 43).

It has often been suggested, furthermore, that corruption has been encouraged, in Hyslop's (2005: 786) words, by the 'ANC's 180-degree shift in ethos from advocacy of an austere socialism in the mid-1980s to celebration of self-enrichment of a new black elite by the mid-1990s'. This argument has found further expression in concerns about the use of the state as a vehicle for an historic episode of black bourgeois class creation, and in accounts of the shift in discursive meaning of 'transformation' from one of broad social change to one of individual redress. Big business has been viewed as complicit in this process (Cronin 2012). The resulting policies, like affirmative action, while often seen as justifiable, have been viewed as having 'spawned a culture of entitlement'

(Southall 2007: 8). Black economic empowerment, moreover, has created 'a climate in which the line between legal forms of rent-seeking and outright corruption and cronyism became increasingly blurred' (Hyslop 2005: 786). The cumulative result has been described as an 'empowerment state', pervaded with conflicts of interest (Butler 2011). The ruling party has been understood as relying on corruption to fund itself (Southall 2007: 9; Butler 2011). The complex dynamics of corruption have been viewed as being supported by persistent historical inequalities in the distribution of wealth. Political office is often the only space of advancement for blacks with no historical assets, and aspirations toward exaggerated white standards of living. And the existence of these islands of wealth within a sea of poverty makes the stakes especially high (Cronin 2012).

It should be stressed how sophisticated the understanding just summarised is, especially in comparison with our understanding of many other aspects of the problem of state incapacity. Even more extraordinary is where this literature is going. A promising though relatively nascent line of inquiry – touched on in discussion of Chipkin's work – attempts to understand corruption as influenced by state structure, and specifically in terms of how it was forged in the course of NPM interventions (Chipkin 2013; Cronin 2012). NPM ideas, to elaborate, have been behind the carving up of various government departments, in all spheres, into more or less autonomous agencies with regulatory or delivery functions. I am unaware of any authoritative count of these entities; Wenzel (2007: 52) however remarks that 'we are talking about thousands of new institutions'. This apparently rampant agencification has proceeded alongside a process of devolution of certain key decision-making powers to departments and agencies. For instance, personnel

functions have been taken from the Public Service Commission, and tender adjudication functions from the Central Tender Board. Tendering itself has expanded in the name of outsourcing. Often parent departments, which are generally meant to retain a policy-making role, are gutted of the expertise necessary both to provide policy and to monitor the new agencies.

Cronin (2013: 11) makes the important point that what this has meant in practice is 'the proliferation of many centres for rent-seeking activity'. The image that appears is that of any number of diverse ANC networks – and a few hybrid networks – locking themselves into the state as tenderpreneurs at any number of the thousands of new nodes of accumulation offered by the NPM-inspired agencies.

The suggestion is significant, but if we draw the connections we can take it somewhat further, beyond the domain of corruption. It is only a short step from here to a 'state-centred' analysis of contemporary South African realities. To elaborate, the ANC is generally viewed as a class, race, and ethnic constellation organised around a discursive and institutional matrix rooted in struggle history. This view is often fleshed out with the contention that nationalist, emergent bourgeoisie elements currently (and historically) dominate the formation. Non-bourgeois factions are kept within the fold through a combination of struggle ideology and selective incorporation and concession. The conflict that this inherently involves is generally viewed as the primary determinant of factionalism and immobilism in ANC politics and decision-making.

This image, however, has not kept pace with the ANC's own admissions. Increasingly, to elaborate, the ANC appears to be fragmented along lines that cannot be fully understood in these terms. Certainly there are class struggles taking place, perennial tensions between the ANC and Cosatu show this. However, these struggles have been overlaid with others that aren't easily reducible to class conflict, and which seem intimately linked to the phenomenon of corruption. As its 2012 *Organisational Renewal* document confirms, the ANC has witnessed 'a silent retreat from the mass line to palace politics of factionalism and perpetual in-fighting. The internal strife revolves around contestation for power and state resources, rather than differences on how to implement the policies of the movement' (cited in Chipkin 2013: 9-10). How are these lines of factionalisation, which occur within the dominant emergent bourgeoisie group itself, to be understood?

Divisions within the ANC's emergent bourgeoisie have sometimes been noted, but they have been poorly understood. As is standard fare when understanding is lacking, the tendency is to substitute explanation with moralisation, factionalisation being explained simply in terms of an immoral proclivity to abuse public resources, and the struggle for the opportunity to do so. We could qualify this with thoughts of a 'culture of entitlement', or what have you, and remain dissatisfied. More helpful is Cronin's (2008: 235) suggestion, in another context, that we need 'to analyse why [ANC] factions emerged in the first place, and what *structural and other systemic* realities underpinned them' (emphasis added). Indeed, it would appear that Cronin has himself provided a big part of

the ultimate answer, one which we may present by way of analogy with the National Party of apartheid.[4]

When from 1948 the National Party and aligned organisations used the state as a vehicle for its own project of class formation in the Afrikaner economic advance it appears to a remarkable degree, for a long time, to have kept the project under control (Lodge 1998: 164). In stark contrast, as Chipkin (2013: 9) has noted in an important interpretation 'When the ANC speaks about corruption… It is a way of talking about a project of class formation over which it has lost control'. While a direct comparison between the two experiences would have to take into account a wide range of other potential variables, it can nevertheless be suggested that it is a fairly straightforward matter to retain control when major sites of rent-seeking are restricted to the Public Service Commission, the Central Tender Board, and a fairly small number of other entities such as local government and the railways. It becomes much more difficult when these entities run into the thousands, providing thousands of 'centres for rent-seeking activity' (Cronin 2012: 11). In this light the failure of the ANC to keep a leash on the project of class formation, and the tendency for this project to bounce back as factionalism within the ANC, becomes imminently understandable. If we add to the present analysis Chipkin's concerns with weak institutions, which leave a great deal of room for such activities, then it is even more so. In short, the fragmentation of the party causally reflects key features of the fragmentation of the state.

[4] In light of a recent attempt to draw an utterly tasteless comparison between the National Party and the ANC for electoral, or electoral planning, purposes, I must stress here that the analogy is for analytical purposes only, and avowedly not for critical ones.

State structure and party, corruption, factionalism and a range of other variables appear as tightly interwoven. And we can extend the causal lines even further. The state is not just implicated in the party, the two are *mutually* implicated, and so fragmentation of the party rebounds on the state in the form of instability, purges, policy immobilism, and so on. Filling the offices of the purged, new appointees at upper levels orchestrate another spin on the turnaroundabout, indeed the NPM enjoins them to be dynamic, strategic managers. Constant flux leads employees to disregard new interventions, encouraging non-compliance, weakening institutions. We can carry on making these connections without sign of end. What is important for present purposes, however, is that what begins to emerge when we do so is a genuine and compelling causal theory of South Africa's public administration. The theory is highly ramified, to be sure. In this it reflects the inherent complexities of organisation. Despite this, however, it begins to offer us some clear and important points of intervention. 'Re-bundle' the state – keeping in mind that we live in a world of trade-offs – and we could expect the mitigation of many of its undesirable aspects. We can only find these sorts of key interventions by drawing the threads together, and by in the process (naturally) finding new ones.

***Different threads? Case studies as completing the logic of discovery***

The point at this stage isn't so much to put forward a theory as suggest the possibilities. A great deal more empirical research needs to be done. It ought to be done with these sorts of considerations in mind, but crucially it also needs to be done on its own terms. In an

important sense the empirical world of the South African state remains undiscovered. In this section I want to provide a sense of the extent of this reality. I want to do a little more though, because in an important and not very intuitive sense, if we're not doing organisational case studies, then we're not studying state capacity at all.

I am brought, thus, to the second suggestion of Makgetla noted earlier. We have seen that she suggested that case studies were a means of disclosing the unevenness of state capacities. Somewhat paradoxically, but not surprisingly, case studies are a means of discerning not only variance, but also the operation of the public sector as a whole. They do this by providing the empirical basis for bringing the various dynamics noted in the above list into conversation, and discovering new ones.

These fairly intuitive possibilities are captivatingly illustrated by the work of Von Holdt and his colleagues, work that is empirically underpinned by a long sojourn in Soweto's Chris Hani Baragwanath Hospital (Von Holdt and Maserumule 2005; Von Holdt and Murphy 2007). There we find a lack of appropriate skills, excessive vacancies, a hospital that is starved financially, militant and ill-disciplined labour, and insufficient delegation of authority to appropriate points, poor coordination, amongst other often mentioned factors. The great value of the study, however, lies in the analysis of how these factors emerge and interact in the context of a state hospital.

Consider just this one dynamic; it would be cumbersome here to consider them all. Chris Hani Baragwanath is organised into what in some literatures is called a 'departmental

system' but which Von Holdt and colleagues call a 'silo' system of management. What this means is that various organisational functions are organised into departments with long lines of managerial authority terminating at the departmental head, who is then accountable to a generalist head, or CEO. In Chris Hani Baragwanath, then, nurses at the ward level are subject to a hierarchy which terminates only at the nursing director, doctors to a hierarchy that terminates with the clinical director, support staff at a human resources and logistics director. Only the immediate superordinate of these three directors, the CEO, is endowed with the authority to make decisions for all three functions together.

An alternative structure would move this 'final' authority down the hierarchy closer to actual workplace operations. So in Chris Hani Baragwanath such a system, as advocated by Von Holdt, would move this authority to the ward level, where a ward head would have power over doctors, nurses and support workers. A basic issue involved in making a choice between these systems is whether one prefers managerial specialisation or coordination. The departmental system allows people moving up the hierarchy to become highly specialised in a certain function, but coordination is rendered difficult because, for instance, arguments between functions can only be authoritatively dealt with many ranks above the point of origin, at the CEO. The alternative is to allow issues such as disputes to be terminated at the point of origin, but then to entrust key management decisions to a generalist who may not have intimate knowledge of the circumstances surrounding other functions. Chris Hani Baragwanath, at some stage in its history, chose the former, the departmental system.

Post-apartheid dynamics appear to have rendered this choice deeply dysfunctional. The hospital suffers from skills shortages, rampant vacancies and insufficient finance. The dynamic that this produces works as follows. Vacancies at lower levels, amongst nurses and support staff, are not for the most part the product of skills shortages, but of insufficient finance. These vacancies, however, involve sub-optimal management of the skills shortage issue because a lack of staff at lower levels forces those at higher levels to do low level work. Doctors, for instance, whose skills are scarcer and time more expensive, are forced to fetch blood instead of nurses or support staff.

The issue is greatly exacerbated, however, by a pervasive failure of coordination and cooperation across functions in the hospital. Vacancies mean that workers must carry greatly excessive workloads. Overwhelmed, they must refuse to take on extra burdens. Von Holdt and colleagues report an acute awareness of lines of authority, jurisdictions and job descriptions. Essentially, the rules are being used as a defence against the otherwise reasonable requests of others. The result is often tension, conflict and a lack of respect between silos, that is, between doctors, nurses and support staff. Coordination and cooperation, of course, is not impossible in a departmental system. To work smoothly, however, it requires negotiation between departments, and what this requires is ‘slack’: There must be a surplus of material and human resources beyond what is strictly necessary to the performance of tasks, as this allows employees to flexibly adopt cross-functional responsibilities while still performing prescribed work. Implicit in Von Holdt’s

account is that this system worked in the past; the nurses are clear on this. But now, with slack having been siphoned from the system, the departmental structure breaks down.

A very interesting feature of this account is that, here, we begin to see an organisation in motion. Skills shortages, vacancies, limited finance and coordination, along with the specific factor of organisational structure, show up as mutually implicated in ways that the macro-study of the state would not have likely uncovered.

At the same time, the implications of the resulting dynamic are potentially profound for that broader macro-study. It might well be, as a broader proposition, that organisational structures heretofore viewed as anodyne, and accepted for that reason, under post-apartheid conditions, and unexpectedly, become toxic. There is a better way of phrasing this: In South Africa organisations have very often remained the same even while their environments have changed radically, producing a functional disjoint between organisation and environment. The financial stringency of the post-1994 era, for instance, undermines the efficacy of old organisational structures designed for different times. This is an important historical finding, and it involves an analytical starting point for future research. Might it not be, for instance, that the changing nature of racial interaction in the workplace, an important but appallingly under-explored area, also undermines coordination across silos, and that this failure of coordination, also due to financial stringency, contributes to conflict between racialised groups? Does not the tension that results aggravate the politicisation of skill so well described by Van Holdt (2010b: 17-9)? And so on across the causal matrix.

The example, then, highlights not only how case studies reveal how various factors long noted interact and elaborate in the concrete life of an organisation of state, it also highlights how case studies reveal new factors previously not recognised. The latter effect is even more pronounced in other organisational case studies. Chipkin (2011b: 8), for instance, does not find in the Companies and Intellectual Property Registration Office what DA MP Andricus van der Westhuizen referred to as 'the crippling effects of affirmative action and cronyism on government entities'. Instead he finds a hybridised agency, subject to excessive ambiguity regarding goals and roles. Colin Hoag (2010) in the immigration bureaucracy finds 'fear' and 'enervation', produced by excessive distance between upper management and street level bureaucrats, productive of resistance to procedure and to turnaround initiatives. There is, in other words, a certain disjuncture between what case studies find, and what macro-studies point to. Certainly, this disjuncture is not absolute; it has however been there, often in the guise of entirely new factors, but also in the nature and operation of old ones. What, then, can we read into it?

It would be a mistake, I think, to read it as indicating a problem analogous to that of macro-micro integration. Poor performance does not really occur at the level of the state, but rather in relation to specific functions of organisations of state. When we talk about state incapacity, that is, what we are doing is generalising over a number of instances of varying degrees of failure and success. Macro-studies have mirrored this act of generalisation. They have never, to my knowledge, suggested that the state *qua* state, as something more than the myriad organisations that go to make it up, is productive of

failure. What they have done is to point to a set of factors that operate at the organisational level, imputed state incapacity to these factors, and then they have explicitly or implicitly asserted that they are present across these contexts. Where there is such a generalisation, as in the famous theory that all swans are white, there is also an hypothesis. And what this entails is that when case studies emphasise the causal role of different factors, this is not an instance of failed theoretical *translation*, this is an instance of failed *confirmation*. The problem is empirical.

In South Africa, then, we have too often omitted to bring various partial explanations into conversation with each other. We have also, however, too often omitted to test these explanations in their proper context. Both issues, I hope to have shown, are resolved in the organisational case study as a methodological starting point.

As a final and vitally important suggestion, there are other consequences of the view that poor performance occurs only *in relation to specific functions* of organisations of state. One consequence has to do with measurement. On this point, Makgetla has offered the interesting suggestion that 'the inability of the South African state to deliver can be understood as a classic case of the policy deadlock that typically grips deeply inequitable countries' (Makgetla 2011: 242). To elaborate, the existence of numerous stakeholders, with power over policy choices, and with widely divergent interests, has meant that the state has found it difficult to prioritise. Instead, it has attempted to address all concerns to some extent, but this has satisfied no-one. The privileged have generally noted service decline, without recognising that this was the product of redirecting resources elsewhere.

But, in a bid to accommodate the sensibilities of the privileged, redistribution has not accorded with the expectations of the under-privileged, leading to widespread accusations of failure on their part. Makgetla concludes, quite plausibly, that for these reasons *measuring* the extent of failure has been difficult. It is unclear, that is, whether the state's failures are due to misunderstood priorities, or genuine capacity shortfalls (Makgetla 2011).

The idea that we don't actually know whether the state has been failing appears astonishing. Yet when we recognise that what we have been doing is simply generalising over a wide number of varying degrees of success and failure in relation to functions in thousands of actual organisations it becomes less surprising. It also becomes clear how remarkably 'loose' these macro-studies of the state are, how disconnected they become from the very stuff of organisation. We cannot seriously measure with a macro-study; with an organisational case study we gain much surer qualitative judgements of performance, and often even quantitative indicators. We cannot draw causal chains from factors at the macro-level to outcomes at that of specific functions, case studies provide much tighter links in this respect. And as my elaboration of Von Holdt's studies of public hospitals shows, case studies also involve much tighter causal links between threads than macro-studies could possibly. In all these ways, and as I suggested at the outset, if we're not doing case studies then we're not studying state capacity at all.

All of the above remains relevant to the uses of history, to which I now turn. Histories become much less plausible, far more open to degeneration into debates about our

intuitions and prejudices, unless they involve such causal chains to actual outcomes, and unless the outcomes themselves are not in question. Histories ought also to be case studies.

## Chapter 4: The Uses of an Historical Social Science of State Capacity

In this chapter I will develop Chipkin and Meny-Gibert's (2012: 102) suggestion regarding 'the importance of applying a historical lens to the study of the public sector'. Their argument is directed at the discipline of public administration, where they note a paucity of historical work, with detrimental consequences for policy choices aimed at transforming the state. I want to cast the net wider. As I argued in Chapter 1, leaving the social science of state capacity to the discipline of public administration involves a dysfunctional division of labour. More than this though, there are uses to which public administration histories can be put that don't fall strictly within the terms of reference of a traditional public administrationist, but which are standard fare for South Africa's social scientists.

### *The Practical Connotations of Public Administration as Historical Social Science*

Indeed, for those involved in the making of South African historiography, the idea that history has practical relevance ought not to be particularly controversial. As Hamilton *et al* (2010: 45) point out, in South Africa academic history, like war, has most often been the continuation of politics by other means. The same proposition applies, *mutatis mutandis*, to those other social sciences involved in the creation of South African studies. As such, these disciplines have always more or less assumed their practical relevance. It is worthwhile, however, to expound upon the practical relevance of administrative history

in particular. The reason is that there exists a strong tendency to see public administration as solely a professional and technical matter: The practical aspect of which is exhausted by the elaboration of an appropriate system of public sector ethics; the investigation of appropriate skills and techniques, in the sense of management as art; and the development of a design science, in the sense that Herbert Simon (1988: 67) suggested, as the application of scientific knowledge and principles to the question of 'how to make artefacts that have the desired properties and how to design'.

Certainly, there is a range within which public administration as ethics, art, and engineering, can be effective. This range, to be sure, fully justifies public administration's focus on vocational training and consultancy, and its claim to existence and prestige. However, it must also be recognised that the more far reaching ambitions of public administration as engineering are definitely circumscribed by the fact that we are here dealing with social phenomena. Specifically, the kind of precision available in the engineering of nature is not obtainable in public administration. This is due to the usual methodological problems to do with inhibited observation, causal elaboration and complexity, and the general inability to control variables and repeat their operation. It is also, however, due to the fact that public administration reforms distribute costs and benefits, and run up against established ideas and cultures, so that authoritative reformers and their agents are likely to reflexively contest and manipulate administrative ideas to suit their purposes, the result being pervasive unanticipated consequences. The rather large literature that now exists dealing with the historical development of state capacities – to be discussed shortly under the label of 'state formation' – underlines this latter point.

In that literature the development of state capacities appears as a long term process, not subject to conscious direction by any single group, a complex blend of culture, economy, political conflict and compromise. In other words, the process becomes essentially historical and sociological.[5]

It might be suggested that, at this limit, the study of public administration lies beyond the realm of practical relevance, a mere academic exercise. This, however, would be to overlook the great significance of our previous recognition that the subject matter of social science is conscious agents, and to be lead by that oversight, implicitly, to an illegitimate comparison with natural science. As Giddens (1984: 348-54) and others have pointed out, theories of natural science are about 'an independently constituted set of phenomena'. Natural scientific theories, that is, can be applied to the natural world in the endeavours of engineering, but the theories themselves – unless one accepts certain radical constructionist interpretations of natural science – do not alter the nature of the phenomena studied. Social scientists, on the other hand, don't just interpret social phenomena, the 'single hermeneutic' of natural science, social scientists and their work are themselves interpreted by the subject of study. Conscious human beings, that is, can and do incorporate the findings of social science into their understandings and actions, and as such social science serves to constitute its subject matter in a way that natural science cannot. For Giddens this 'double hermeneutic' represents the key mechanism through which social science obtains its practical effect. Unlike natural science, social science is ordinarily 'applied' through a sort of cultural transmission, a process that is more diffuse and uncontrollable, and highly ramified.

[5] For a good introduction to this work see Lange and Rueschemeyer (2004)

The practical virtues of *historical* social science must be understood in this context. History does have specifically scientific relevance. As Philip Abrams has suggested, 'Try asking serious questions about the contemporary world and see if you can do without historical answers' (Abrams 1982: 1). In the context of a discussion of the British welfare state he elaborates:

> Strictly contemporary, a-historical, studies can of course tell us what the welfare state does. They would reveal, for example, that it actually does very little to redistribute income, that its failure to redistribute income means that its ability to maximise welfare is quite severely limited and that in recent years it has even failed quite spectacularly to eliminate poverty. But once we have that picture further questions arise if we try to pursue a sociological explanation of *why* the system works as it does. And as we move from what questions to why questions our sociology has to become historical. We find we increasingly want information about the ways in which the welfare state was constructed… of how our welfare system came to be put together in this particular way. (Ibid 10, emphasis in original)

Assuming that it is not a brutal fact of social scientific method, why exactly is it that we feel this need to historicise in order to understand? The answer must lie in the proposition that what the social world is 'made of' is not itself given immediately, in such a way that it doesn't leave room for active interpretation. As the neo-Kantian Georg Simmel ([1909] 1997) suggested a long time ago, the social world is a space that is potentially infinitely divisible. In this it mirrors the natural world. To be sure, as in the natural world, some

'social objects' contrast to such-and-such a degree with their surroundings, so impelling us to designate such objects as *objects*, separate from others. In the words of Bourdieu (1985: 730) 'through properties and their distributions, the social world achieves, objectively, the status of a *symbolic system*, which… is organized according to the logic of difference, differential deviation, thereby constituted as significant *distinction*' (emphases in original). Still, the potential divisibility of social objects, their potential dissolution into their social surroundings, means that the *significance* of any such distinction is open to question, subject to interpretation. For Bourdieu 'The objects of the social world can be perceived and uttered in different ways because, like objects in the natural world, they always include a degree of indeterminacy and fuzziness' (Ibid 728). The meaning of social objects is not fixed, in part, because their 'properties' are only in combination as a stochastic, and not a nomological, proposition. And even more than this, their meaning is left open, 'in suspense, in waiting, dangling', due to the fact that this meaning depends on the future. What that entails is that we must 'fill-in' this meaning, 'by going beyond the directly visible attributes by reference to the future or the past' (Ibid).

The scientifically, or causally, *relevant* bits of the infinitely divisible social world, in short, cannot really be known without reference to the past. To be sure, in the practice of making history, or even contemporary studies, we bring to the subject matter preconceived notions regarding what distinctions are important. Still, it must be recognised that even these preconceived ideas are to a significant extent, perhaps always, the product of historical awareness, of historical interpretations, brought into the common

stock of societal and social scientific knowledge. And historical work, even given such preconceptions, has a tendency to make other distinctions relevant. Part of what I will be arguing throughout the rest of this dissertation, if sometimes implicitly, is that the history of state capacity has precisely this potential to bring into play other 'distinctions', through a historical search for what the administrative world is 'made of', where these elements originate from, what their 'genes' are, how they behave and causally interact, and how they relate to the social totality that lies beyond them.

If, then, the history of state capacity has scientific relevance, what are we to make of its practical relevance. In the first instance, to the extent that administration is subject to social science-based engineering, administrative history will have a role. To those who can apply such knowledge administrative history will help in discerning what is really relevant and what is not, and to draw from John Tosh (2008: 37, 44, 59), the projection of relevant tendencies into the future will allow them to detect the constraints that they face, and thereby to discern the practical limitations inherent in present situations. Even less ambiguously on the *applied* side, the role of administrative history has sometimes – in light of the difficulties of producing law-like generalisations in the social sciences – been conceived of as one of providing practical *lessons* to be applied to present or future administrative problems. Of course the same process of discerning relevance is at work here, but brought to the fore are the range of past techniques that administrative history can bring to light.

Mansfield (1951), for instance, drawing upon his experiences in the Office of Price Administration in Second World War United States, divides such lessons into philosophical observations (or commonplaces), analytical or problem-solving techniques, and administrative techniques. In the first category we have such very practical suggestions as 'it is easier to fix a ceiling price early, before it is under pressure, than to get it under control later' (Ibid 53). The second category involves, for instance, the analysis needed for fixing differential prices, and subsidising producers so as to ensure maximised production further down the value chain by keeping prices of intermediates high, and the methods of analysis that produced these sorts of ideas (Ibid). The third category, administrative techniques, involves, for instance, airmailing new regulations to field offices so that they could deal with queries even before such regulations are registered (Ibid 54). As Mansfield points out, all that needs to happen for such lessons to come into play is for the necessity of price control to emerge again. And, as must be clear, if we move beyond the price control issue there are, literally, innumerable such lessons.[6]

Whatever the scientific validity of such delineation of tendencies and discovery of lessons – and even these sorts of very limited generalisation come up against the limits of causal complexity, the impossibility of closure in social systems, and so on – the basic problems of application still hold. The political nature of almost any such task, together with the double hermeneutic, will mean that the process of 'application' will in most circumstances be highly ramified and unpredictable. This knowledge of tendencies, and

[6] Interestingly, given the stakes involved in war, both the British and US governments inaugurated expensive research programmes, paid for by way of taxation, aimed at documenting the civilian aspects of the war effort so that any potential lessons might be available for posterity.

these lessons, will in many circumstances devolve into aids to the strategy and tactics of policy-makers and reformers rather than knowledge to be unproblematically applied. In this context, of strategy and tactics, Tosh (2008: 64-67) also refers to the use of decision situations in history as a source of historical analogies to tease out the strategic implications of present decisions. The policy of appeasement prior to World War II has often been used and abused in this sense, for instance. The history of public administration reform initiatives could play a similar role.

If the uses of history in general and administrative history in particular appear limited at this point, then it is important to recognise that the double hermeneutic also compensates us by opening up other possibilities of practicality for historical work. In the briefest of formulations, historical awareness structures our collective politics, and so good historical work, reflexively incorporated into the public realm, holds out the promise of more rational, demystified political engagement and public debate.

This has, for instance, been a perennial concern of Marxist historiography, which seeks to scientifically expose an array of reifications, and to delineate real tendencies which have a bearing upon present realities. The aim, though, isn't so much to apply unproblematically the resulting knowledge, as the mechanical engineer applies Newtownian physics. Indeed, for the most part this is an impossible proposition for Marxists who, always in a capitalist society, or in a sea of capitalism, are by definition distant from sovereign power and so required to engage in the messy business of political contestation. Rather, Marxist historiography is normally meant to mobilise. Through

historical work it highlights 'class' as *the* relevant distinction in any social situation, and it fits this distinction within a framework of other distinctions, a theoretical structure, so as to uncover class oppression, and outline the rational line of struggle that such a situation should engender. Marxist historians, in other words, write for 'class consciousness', primarily but amongst other things.

In South Africa we have a wonderfully exact indigenous example of such epistemic-political endeavours. From this perspective the point of the Marxist revisionism that swept over South African social science from the 1970s was precisely such an effort to render class as the relevant distinction. The race-class debate was a stereotypical example of that 'struggle over classifications' that occurs when two such tendencies meet (Bourdieu 1985: 735). Only a little more opaque was the confrontation between liberal and colonial and nationalist historiographies before. In fact, Marxism has only been the most prominent and honest amongst historical schools in this regard. Feminist historiography, black historiography, nationalist historiography, and any number of other historiographies, have all attempted to mobilise by claiming, not necessarily incorrectly, to have the most relevant of distinctions as regards, strictly speaking, an infinitely divisible social world.

History is, however, a 'citizen's resource' in a far broader sense than this (Tosh 2008: 6). For citizens are not simply the passive recipients of authoritative command and potentially subversive attempts at mobilisation. They too think with history. As implied in the above, the history that citizens make their own serves to form their identity, their

values, and their response to their objective situation; and in this context academic history remains by no means uncontested by citizens in public debates as well as at the grass roots. History as science and lessons, as distinct from the delineation of historical tendencies that tell us who we are (Ibid 43-4), finds its analogy amongst the citizenry, as they too search for present possibilities and solutions. Historical analogies, furthermore, comparisons between past times and the present, are used pervasively to morally evaluate the present, and to show that it is natural, or not natural, that it might be otherwise (Tosh 2008: 28-9, 32, 36). Political leaders and policy-makers use history in this way also. If there is a role for historical social science here it is because the historical resources that policy-makers and others actually draw on are often mistaken or naïvely applied, and this has real consequences. Golden age analogies, for instance, can cast aspersions upon the present even while downplaying negative aspects of the past, and eliding the ways in which contextual changes have made any attempted return disastrous or impossible, and even talk about return counter-productive.[7]

### *The State without Historiography*

The way in which historical understandings and historiographies have influenced decisions and debates around state capacity in South Africa is a fertile research topic in its own right. Nevertheless, in light of the above considerations we can begin to get a sense of how potentially damaging the relative dearth of serious historical work has been,

[7] For a more comprehensive treatment, though pitched at a popular level, of the uses and abuses of history, see the work of John Tosh (1984: Chapter 1; 2008), from which this passage has benefited.

along with the failure to bring whatever work has been done to bear upon public discussions.

First, we might mention the general failure to draw from historical lessons, in the sense defined above by Mansfield, in our post-apartheid administrative endeavours. The fact that the pre-1994 South African public administration was implicated in monstrous immorality should not prevent us from searching for such lessons. We may live in a different country, but there are still important continuities and relevant patterns in our past. A most fascinating starting point lies in the exceptional trajectory whereby South Africa has experienced not one but two epoch-making anti-colonial nationalist movements, the Afrikaner and the African.[8] As Von Holdt (2010b: 23) has recognised, drawing on the work of Posel surveyed earlier, Afrikaner nationalism and the African nationalism of the ANC appear to bear some similarities in their orientation to the state. The nature of the specifically Afrikaner orientation requires much more research (some of which I do in Part 2). Still, given similar policies and implicit characteristics it is an interesting and important question whether the earlier experience has lessons for how we mitigate the inherent problems of the somewhat inevitable policies of African nationalism now.

Of course this particular theme hardly exhausts the potential lessons. One example, being a notable exception to the failure to draw lessons from history, and a model to be

[8] Perhaps it would be best to call the former, in somewhat unwieldy fashion, an anti-colonial colonial nationalism, to signify both that it was colonial in relation to the African majority, and that it involved elements both of anti-colonial nationalism vis-à-vis British imperialism and elements of colonial nationalism analogous with Australian or Canadian nationalisms, with which it was in some matters in alliance.

followed, is Keith Breckenridge's account of the failures of Verwoerd's Bureau of Proof, which he uses amongst other things to warn against contemporary moves toward a biometric identification database (Breckenridge 2005).

We move into the realm of the more positive consequences of a-history when we consider the specifically historical argument of Chipkin and Meny-Gibert's paper (2012), flagged at the beginning as an inspiration for the present chapter. Their approach, in the scheme of things above, is to view history as a means of uncovering and understanding historical tendencies with a causal bearing upon the present, and as such as a guide to the possibilities and constraints that especially authoritative policy makers must countenance in order to avoid major mistakes.

They offer, in support of this approach, a highly pertinent example, which we have touched upon at some length before. Specifically, in South Africa the NPM has been influential in public administration circles. Key NPM reforms include, amongst other things: providing management with the autonomy necessary to manage; disaggregating state organisations into separate units, around specific products or functions, and dealing with each other on an 'arm's length' basis; and stressing outputs as a goal, and outputs rather than procedures as a basis of accountability. NPM, needless to say, arose in the Anglophone world as a critique of traditional, Weberian bureaucracy, which has been caricatured, amongst other things, as cumbersome, rule-bound and inward focused, and so as stifling of strategic innovation and adaptation.

In South Africa, the NPM has led to a series of interventions into the architecture of the state. These interventions have not been uncritical or wholesale, and as far as we can tell at present their extent is probably best captured by Ivor Chipkin's notion of 'hybridisation' (Chipkin 2011: 9ff). For our purposes, however, it is more important to note, as Chipkin and Meny-Gibert do, the ahistorical nature of the NPM critique in the South African context.

Explicitly, proponents of NPM argued that a central flaw of the apartheid state was that it was too bureaucratic. In presenting this critique they were rooted more within the confines of NPM discourse than South African realities. For the South African state would incorporate elements, in the guise of the former Bantustans, that as we have seen were known to have been quite thoroughly patrimonial, really the converse of rule-driven bureaucracy. And the central bureaucracy itself was probably subverted by late-apartheid dynamics, expressed for instance in the blurring of lines of accountability attendant upon the deployment of intelligence operatives into core state apparatuses (Chipkin and Lipietz 2012: 12-3).

In this context Chipkin and Meny-Gibert (2012: 109) point out that NPM-inspired reforms 'may have exacerbated corruption and poor service delivery by giving increasing autonomy to leaders implicated in patrimonial networks'. The proposition certainly deserves serious consideration. Allen Schick (1998: 129), who we met before, has pointed out that 'No country should move directly from an informal public sector to one in which managers are accorded enormous discretion to hire and spend as they see fit'.

Behaviour in accordance with a logic of appropriateness, around formal institutions, must first be routinised. What this means operationally is that 'politicians and officials should concentrate on the basic process of public management… they must abide by uniform rules before they are authorized to make their own rules; they must operate in integrated, centralized departments before being allowed to go it alone in autonomous agencies' (Schick 1998: 130). The implications of not following this advice, of arguing that the late-apartheid state was in fact overly bureaucratic when an historical reading would have told us the opposite, have likely been disastrous.

Chipkin and Meny-Gibert, however, focus on a relatively narrow policy process. I have argued above that we can cast the practical relevance of history much more broadly. Historical understanding, that is, structures political debates, no less political debates around state capacity. Indeed, in South Africa, in the absence of a strong tradition of historical scholarship on the state, historical understanding appears to have structured the politics of state capacity in profoundly pathological ways.

Here we come, full circle, back to the considerations with which I began this dissertation. In the General Introduction I mentioned that, in public debate, and pervasively within the academic community too, the master explanation for the poor performance of the South African administration consists in African nationalism, and cognates like affirmative action, black enrichment, and what have you. We have extensively surveyed the specifically academic literature since then. It must be admitted that adequate studies of our public administration past are exceedingly scarce, and as I suggested at the very end

of Chapter 2, the legacies of apartheid that this literature suggests are obscured because they are dealt with variously in a cursory manner, are seen to be substantially reinforced in predictable ways by post-apartheid interventions or omissions, highlight the failings (albeit historically and sociologically determined) of post-apartheid politicians and administrators, or are not dealt with at all. There are also, as we saw at length in Chapter 3, a variety of often very partial explanations floating around in relatively isolated corners of the academy, specifically within the discipline of public administration, and often among administrators themselves. These many partial explanations have rarely provoked public comment. When those within our schools of social science and faculties of humanities deal with state incapacity, especially when dealing mainly with other things, then African nationalism and cognates act as their preferred explanations.

Public exchanges in this vein have generally not been conducive to much that is good, especially as far as the public administration is concerned. We were introduced at the start to the early-2000s acrimony between members of the Portuguese community protesting crime, and government in the person of Steve Tshwete, then Minister of Safety and Security. The 'Crime Awareness Project' had accused the government of being 'callous and arrogant, corrupt, ineffectual and unaccountable' warning that the country could 'follow the trend of the remainder of the African continent'. In the words of RW Johnson: 'failed colonization'. Tshwete responded that 'some among the Portuguese community… came to this country because they did not accept that the Mozambican and Angolan people should gain their freedom and independence from Portuguese colonialism… they knew that the colour of their skin would entitle them to join "the

master race"'. The ANC proceeded to point out, albeit very vaguely, that the problems in the criminal justice system had deep historical roots which pre-dated the post-1994 era.

The broader public discussion of this issue was, predictably, unfortunate. Astonishingly, the ANC was accused of being racist, then leader of the opposition Tony Leon for instance declaring that 'Instead of taking the fight to the criminals, [Tshwete] has declared war - in the most vile and racist terms - on the law-abiding Portuguese community' (quoted in *iol* 13/02/2001). Even the Portuguese government came out in defence of the South African Portuguese by demanding an official apology. The acrimony lasted for months. Perhaps the most constructive comment to come out of the debate was that of ANC Chief Whip Tony Yengeni, who remarked that 'our prejudices are complex and deeply ingrained, often far beneath the conscious mind. When we [the ANC] attempt to unpack this issue, it is too often interpreted as a fight against whites, as harping on the past. We… are not interested in a fight against whites' (in *iol* 13/02/2001). All this, however, had very little to do with the administration of domestic order, safety and security. *ANC Today* noted that 'A safe society can't be built on the back of dishonesty and racial prejudice' (ANC 2001). This was a most plausible contention.

Again, this is hardly an isolated incident, although it follows the formula exceptionally well, and it has a certain flare. Makgetla (2011: 240) notes that 'discussion about the [state capacity] problem has been shaped largely by the deep divisions and inequalities in South African society, which in turn have led to blanket and often overstated generalisations'. These sorts of generalisations have not been constructive. Steven

Friedman (2011: 67) points to a 'vicious cycle, in which white prejudices and black defensive reactions to them reinforce each other'. White citizens, Friedman continues, tend to assume incompetence, and government in turn, and often rightly, dismisses criticism as evidence of racism. In the process, accountability is undermined as government has little incentive to meet criticism with improved performance, and it can easily dismiss criticism as not the product of reasonable judgement (Ibid 68). This would be all well and good if criticism were always unambiguously racist, and unrelated to real performance problems, but neither is the case. Often, at least on a conscious level, critics have the national good, and even the poor, in mind. And government dismissiveness has been known to extend, on not dissimilar grounds, to black critics also.[9] On the other hand, even critics that are unambiguously racist (by far not the majority in public spaces) often point to real problems that affect everyone.

Makgetla and Friedman highlight racism and racial division as the key determinants. Certainly they have played their part. As we have seen, however, criticism overflows the bounds of unambiguous racism. Both the critic and the government in response are better understood if we recognise that their behaviour is underpinned by differing interpretations of the past. Criticism, even from more liberalist quarters, is at least implicitly grounded in an idealised, if opaque, image of the apartheid state's effectiveness. That state was racist and ethnically favouritist, to be sure, but it could get the job done. Many of us are like R.W. Johnson, imagining that 'The nineteenth century saw South Africa bound together by a remarkably elaborate and sophisticated railway

[9] See the illuminating discussion, though in the context of a different argumentative purpose, in Chipkin (2007: Introduction).

system', and that this was 'handed intact' to the post-1994 government. This is golden age thinking, casting aspersions upon the present even while downplaying negative aspects of the past. From another perspective it looks like the other side of very old fears about inevitable decline should black people one day rule South Africa. And not only has it not been conducive to productive engagement aimed at correcting a difficult administrative legacy, but it has allowed the very idea of skill to be sucked into political contestation, and it has led to the devaluing of public service as so much incompetence, thereby making it unlikely that it will attract competence in future. From the other side, the ANC and others have not had the historical resources needed to present their case in anything but the most sweeping of terms.

I wish to make myself clear at this point. My contention is not that something like affirmative action has not been a problematic endeavour. No-one, to my knowledge, ever said that it would be painless. Many have said, more plausibly, that it is necessary or inevitable. My concern, rather, is that the focus has been one-sided, and the debate hardly beneficial. If we take a cursory look at the history of the matter, we will see that South Africans have been making much the same arguments for over a hundred years. Argument against the ANC has proceeded along very similar lines to arguments against the National Party of Malan and his successors, against Hertzog's National Party in 1924, and Smuts and Botha's Het Volk in the Transvaal in 1907. Anti-colonial nationalism has been seen as *the* relevant distinction when it comes to issues of state capacity for far too long. We need to gain a more sophisticated and sympathetic understanding of it, but we also need to start talking about other things.

I propose, in order to begin doing so, that we take the story back to the beginning, thus bringing all the elements of the contemporary issue into historical focus. To my knowledge this has never been done, perhaps with the exception of Keith Breckenridge's work on the 'archival state' and on infrastructures of identity documentation, or the recent doctoral thesis of Andrew MacDonald who, though without these issues in mind, gives an account of the parlous state of South Africa's immigration bureaucracy circa 1900 to 1950 (MacDonald 2011: esp. Ch. 1). It is a project, however, that is increasingly engaging our attention. It sits alongside the dynamic, cutting edge of studies of state capacity discussed in Chapter 3, and it is a problematic that has informed those studies. It is also a central concern of the Public Affairs Research Institute (PARI), where I am presently located, and it finds expression in the research programme of the similarly oriented Mapungubwe Institute for Strategic Reflection (MISTRA). What follows is my first, fleeting, contribution.

# PART 2

## Approaching the Modernisation of the South African State in the Age of Industrialisation

## Introduction

In Part 1 I laid out, explicated and justified a fairly extensive research programme on state capacity in South Africa. In Part 2, I follow this programme quite closely, although I will not be cumbersomely explicit about it. Most centrally, here I start the story from the beginning, my focus at this point being upon history, and that before 1932. In result, the work on more contemporary developments moves to the background. Those observations will become relevant in a later installation, as the historical narrative approaches the present. In approaching the more distant past, on the other hand, the argument contained here might well strike the reader as wildly ambitious. I must reiterate (as per my prefatory remarks) that in the context of a masters it must remain a work in progress. We are here, that is, in a very real sense, just *approaching* the modernisation of the South African state.

In Chapter 5, by drawing upon European and American (United States) experiences, I locate South Africa in theoretical and comparative perspective. I trace, that is, the South African trajectory of state modernisation from its European roots, and against the latter's American inflection. In so doing I also define and delimit a key period in South African state formation; a period when South African states attained, in a manner of speaking, their modernity. We can call this period the age of industrialisation. It is suggested that industrialisation produced within the state two distinct but interdependent movements, which we will specify at a high level of abstraction. First, industrialisation pushed the state, in various ways and by various means, to modernise. Second, at the very same time,

an increase in the state's working parts, and in the number of interests represented within them, brought a tendency to build into the state inconsistencies, defining of potential crises.

In Chapter 6 we explore these propositions. In South African terms, the period encompasses, at least for our purposes, the era of primary industrialisation, beginning with the onset of mineral revolution by 1873, fading into secondary industrialisation by 1932. If this periodisation is not exactly typical of the historiography of South African industrialisation, then this is because the dates mark not an economic process, but key moments in the development of the state.

Specifically, they relate to the nationalisation of the Cape railways, and the year when the inconsistencies built into the South African Railways culminated in stringent legislative action against road motor competition. The state-owned railways are important because they amounted to the introduction of industrialism into the state, and in this they would reflect, albeit according to their own fashion, the trajectory of state modernisation in South Africa. They would reveal the limits of the pre-existing state, and lead its subsequent development in response to the challenges of industrialisation. Yet while industrialisation would push the South African state to modernise, the ethnically exclusive distribution of its benefits would produce a countervailing ethnic mobilisation around the need to use the state in other ways. By the 1930s bureaucratisation in the central administration had definitely stalled. In the railway administration bureaucratisation would proceed. However, the organisational structure of the railways

would reflect the inconsistencies of the plural politics brought to bear by industrialisation and (racially exclusive) liberal democracy, defining South Africa's response to road motor competition, and hence key features of the trajectory of its railways up until the present.

## Chapter 5: Theoretical and Comparative Perspectives: State Modernisation in Europe and the United State of America

We will begin with the theory of European state formation, of the different trajectories of state modernisation contained therein. These trajectories, focusing on the most prominent European states, will be understood as the product of the variable combination of specific (abstractly specified) *mechanisms* into distinct *processes* of state formation. Most prominent in the European experience has been sustained geopolitical competition, specified more precisely as involving persistent and intense but not necessarily debilitating war, which taking on these dimensions constitutes a continuous threat of war. Also of some significance has been the trans-national diffusion of information, primarily in the form of lessons and institutional models which could be drawn upon by domestic state builders, and of resources, in the form especially of administrative skills and finance. The domestic context, in turn, has been a source of domestic politics, constituted by the mechanisms of domestic social structure, and the resources and social groups reflected therein, and the institutional architecture of the state, itself the product of past episodes of state formation.

The phenomenon of state modernisation, the formation of the modern state, was in Europe substantially pushed by the first mechanism, geopolitical competition. More directly stated, war and the threat of war incentivised and necessitated a specific sort of

state building, one that led to the emergence of the modern, effective state.[10] European state formation followed a number of *different* trajectories, however, because the mechanism of geopolitical competition was combined with, inflected by, the operation of the others. States stood over distinct domestic social structures, which distributed resources and power in different ways, and stratified along distinctive lines, defining distinctive political orientations and capacities. State institutional architectures augmented these orientations and capacities. And the contemporaneous, trans-nationally flowing, stock of resources and knowledge regarding state building did the same. The terminology of 'mechanism' and 'process' is used advisedly because these mechanisms *combined* differently, as a function of their more *concrete* contours, *but also* due to the modalities of timing and sequencing which governed their emergence, their transformation, and their interaction. The result was distinct processes of state formation, producing over the long run distinct trajectories of state modernisation. These trajectories, nevertheless, fit into a broader, war-driven, European mould.

The theory of European state formation can be applied to other contexts, producing theoretical elaboration by means of comparison. The American experience of state formation can be understood as involving the same mechanisms, but due to differences, again, in their more concrete contours, and in timing and sequencing, these mechanisms combined in a trajectory of state modernisation that although it was, in part, an offshoot of European state formation, lies unambiguously outside of the general European trajectory. Most importantly, America in its formative years was distant from the zone of

[10] See especially Herbst (1990) and Fukuyama (2011: Ch. 7) for explicit accounts of the theory that war incentivises bureaucratisation. The theory remains more or less right, it must however be complicated in light of European history.

intense geopolitical competition that typified the European trajectory. Geopolitical competition certainly did register, but the international context was more potent as a source of information, of lessons and models drawn upon by American state builders, and prominent in American state building politics. State modernisation was 'forced', however, by the domestic context, and centrally by the social structure unleashed by industrialisation. Like geopolitical competition of European proportions, industrialisation generates pressures toward state modernisation. In Europe the completion of the modern state during its second industrial revolution, and final democratisation, was a continuation of earlier developments, an elaboration of processes already set in motion by geopolitical competition. Across the Atlantic the sequence was reversed. America democratised, then industrialised, and in response to the latter struggled to establish a modern state.

What this meant more concretely was that at the moment of industrialisation the state amounted to no more than precocious democracy, rooted in a flat and atomised social structure, entangled in the Madisonian Constitution's separation of powers. Industrialisation, by modernising society, would demand the modernisation of the state, but this would have to be negotiated through the existing, and diametrically opposed, constellation of interests and structure of power which found expression in the pre-existing state. The process of modern state formation thereby produced was substantially more uncertain, less inevitable. But more than this, the existing constellation of interests, when broken, would blow through the not yet institutionalised bureaucratic state, reconstituting power around an entwining of executive and legislative power which

would define the ambiguities that would tarnish the functioning of the American state up until the present.

Certainly, the American trajectory carries a large dose of exceptionalism. My contention, nevertheless, is that by placing it against the European we can much better locate the South African. Let us begin this discussion with a series of conceptual issues, starting with the concept of 'the state'.

### *The State, State Formation, State Modernisation and the Modern State*

The state is a complex or compound social phenomenon. One way in which we can conceptually build the state up is as follows: Human beings, including state actors, spend most of their time in institutions, which we can define as ensembles of roles, and relations between roles, governed by rules, norms, scripts, and routines. A feature of institutions thus specified is that they are sustained by, and embed within themselves, resources and power. Institutions, in turn, are the building blocks of organisations, which are ensembles of institutions, linked to authoritative decision-making roles, more or less consciously constructed to mobilise resources and power in the pursuit of goals. The state, then, is an ensemble of diverse organisations, their inter-organisational institutional relations, and some trans-organisational institutions crossing between them but not formally involved in defining specifically organisational relations.

We might say that what distinguishes the state from other such entities, such as large business corporations, is its association with final priority in political domination, involving widespread awareness that it *claims*, more or less successfully, final authority over the collective, the right to make binding collective decisions. Stateness dictates that such a claim be institutionalised, in a more or less complex institutional architecture as given above. The collective over whom such a claim is made is, if vaguely and permeably, a territorially-defined collective of human beings, entailing some extension or potential extension of organisational means, including coercion, over the territory, necessary to render such decisions binding. The ambit of potential decisions that such a claim includes can be divided among some of its organisations, and restricted by custom, higher law, or a prior decision that is more or less revocable. We might say, in terse form, that the state is an institutionally complex institutionalised claim to final authority over a territorially-defined collective.

I don't propose this as a complete definition of the state, patently it isn't. It is, however, enough for working purposes. Proceeding, 'state formation', 'state building', 'state making', 'state transformation': these terms are generally used interchangeably, and although some efforts have been made to differentiate them, none of these have really stuck. Most pertinent to our purposes though, state building can be said to take on more intentional connotations, state formation sociological and historical ones. The term 'state formation' has itself been brought into question periodically, not least significantly by one of its founders, Charles Tilly (see 2006), who once offered as a substitute the notion of state 'transformation' to avoid what he saw as a teleological turn in the state formation

literature. I can see the value of this terminological shift, but it has not caught on. I will adopt the concept of state formation, on the understanding that teleology is a sin of actual analysis, one that does not inherently flow from the 'signifier' itself.

I would suggest, at the outset, that 'state formation', in the context of the concept of state given above, is simply the process by which states change. In other words, it is state institutional architecture placed in historical time, the state historicised. In the literature considered here the concept is not utilised so expansively, it should be.

Part of the reason, I imagine, that 'state formation' has come to take on certain teleological connotations is because there has occurred a surreptitious elision with the much narrower concept of 'state modernisation'. The early state formation literature sought consciously to push back against then dominant, 'classical modernisationist', accounts of political development (see esp. Tilly 1975a; b). In part this is why the concept of 'state formation' was adopted, as a more neutral term, apparently devoid of teleological conceits. Tilly especially set out to stress that the emergence of the modern state was not inevitable, that it was reversible, historically incomplete. Yet the tradition that he played a large role in creating nevertheless dealt at a theoretical level primarily with the process through which the state became modern, in the most convenient terminology, it dealt with the process of 'state modernisation'. The conceptual slip thus begins. 'State formation' becomes coterminous with 'state modernisation', and historical changes which exist outside of state formation/modernisation come to fall, in terms of our theorisation at least, outside of history (e.g. Bourdieu 1994). Regardless of how one

qualifies the process, with notions of reversibility for instance, teleology becomes built into the very concepts themselves. The historical sociology of the state, in a word, becomes unilinear.

It is far better to self-consciously keep these concepts distinct. 'State formation', I consider, is a much broader concept than 'state modernisation'. State formation in this broader sense deals with the processes through which states change, 'transform', with my eye cast at macro-processes or macro-transformations. State modernisation, in this scheme, constitutes only a historically very influential set of such changes, changes intimately entwined with, but also analytically and causally distinct from, the emergence of modernity along a broader front.

Now, to write about state modernisation – in the traditions considered here – is often to take an extremely complex process and simplify, distilling it into its most basic and powerful determining mechanisms, these being specified at a very high level of abstraction. In the European case especially we will witness more than a millennium of history compressed into a handful of theoretical and comparative propositions. We will consider the results of such an approach shortly. Here we consider, rather, the *explanandum* posed, the modern state. Gianfranco Poggi (1978: 13) has pointed out that 'Since it is in the very nature of the modern state that there should be many states, and since modern states have historically exhibited an enormous variety of institutional arrangements, clearly one speaks of *the* modern state as *one* system of rule only at a high

level of abstraction' (emphasis in original). Once again then, the idea is to distil from the modern state a few key features which mark its modernity.

I don't propose to deal with the whole of this state, which involves a range of dimensions, many of which have not been satisfactorily dealt with in the literature. My focus will be upon the process of bureaucratisation, the concept of bureaucracy being Weberian in character, the image being one of increasing introduction of impartial, impersonal, formal, and formal-rational criteria into administrative structures and processes. Weber's laundry list, definitive of his bureaucracy as an ideal-type, included: a freely contracted administrative staff; organised into a clear hierarchy of offices; the sphere of competence of each office being defined by formal rules; operations being defined by the promulgation of rules and procedures; and the storing of organisational memory in files; staff being appointed on the basis of examinations or other formal technical qualifications; the office being the sole or primary occupation of its incumbent; who has no proprietary rights to the office but is paid a salary, has the security of a pension and is protected from arbitrary dismissal; the office constituting a step in a career ladder with promotion on the basis of seniority, achievement, or some combination thereof (Weber 1968: 220-3).

In terms of my concept of the state, bureaucracy is not so much an object as a series of roles and relations, the ultimate function of which is to create an autonomous sphere of means-ends rationality, to eliminate other considerations from the administration of policy, always incompletely. In this sense bureaucracy transcends Weber's list, it

includes such devices as the exclusion of public servants from political agitation and the creation of autonomous public service commissions. Patrimonialism, on the other hand, is the encroachment of other considerations into the administration, of political, personal, affective and informal moral relations. As this latter term is a rather blunt instrument, I will generally avoid it.

My concern with bureaucracy flows from my concern with state capacity. The two are traditionally understood, and have been for centuries, as closely related. They are. State modernisation, on the other hand, is a much broader phenomenon than bureaucratisation. The modern state more broadly is by no means unrelated to state capacity, but these connections have been much less thoroughly explored, especially in the literature considered here. So while the broader characteristics of the modern state will sometimes figure in the discussion that follows, they will do so largely only as they inter-relate with the process of bureaucratisation.

State modernisation, more broadly then, includes centralisation of the claim to final authority in collective decision-making. It involves, that is, the progressive elimination of that melange of local, regional, and other intermediate and competing potentates that define pre-modern empires, kingdoms, and what have you. Necessarily, such a centralisation of power involves the substantial eradication of domestic competitors in coercion, Weber's monopolisation of the means of coercion. The influence of Weberian formulations is again registered in the specifically modern state's definitive turn to a formalisation of rule. Even beyond the bureaucracy, to elaborate, modernisation involves

a notable shift from the predominance of charismatic and patrimonial domination to what Weber (1968: 217-220) called 'legal domination', where rule inheres not in persons but in offices, and in an impersonal body of rules constituted by a legitimate procedure, a legal order.

In part through these vehicles state modernisation entails a far greater penetration of society, the extension of the ambit of its potential collectively binding decisions to all facets of the lives of the people that fall under it. The corollary of this is far greater scope in the number of functions performed by the state, and an increase in state size, in terms for instance of total revenue and expenditure, and of personnel. State modernisation also involves the territorialisation of state rule, with borders becoming much better defined and less porous, and social relations themselves becoming territorialised as the state increasingly regulates the social relations within its borders, stabilises them in relative isolation from those outside, focuses the struggles of 'civil society' toward the expanding goods and constraints that it provides, and thus up towards itself (Mann 1988: Ch. 1-2; 1993). This is the modern state. Let us now consider how it first emerged.

### *The Emergence of the Modern State in Europe*

In building up the European experience of state modernisation we will have reference primarily to the seminal contributions of Charles Tilly (1975a; b; 1990) and Thomas Ertman (1997). Together, supplemented by others where appropriate, they provide a

fairly comprehensive and compelling account of trajectories of state modernisation in Europe. These trajectories were all driven by sustained geopolitical competition, in the form of persistent and intense war, which taking on these dimensions constituted a continuous threat of war. They were inflected, however, by their combination with a range of other mechanisms, which can be specified very abstractly as including transnational flows of information and resources, domestic social structure, and state institutional architecture. Divergences, furthermore, can be understood not only as a product of differences in the concrete contours of these mechanisms, but also in the timing and sequencing of their emergence, their transformation, and their interaction in processes of state formation.

We might preface the present, fairly dense, discussion by noting that, following Tilly and Ertman, it will proceed along a series of dimensions of the human geography of Europe. These dimensions were determining of trajectories of state modernisation, because they were defining of mechanisms and the exigencies of their combination into processes. For Ertman, what we could call the geography of geopolitics involved a distinction in timing. Latin Europe and England defined a zone of early onset in sustained geopolitical competition, emerging from the eleventh century. Scandinavia, the German lands, and the Slavic lands then constitute a zone of late onset in sustained geopolitical competition, with intense and persistent war only emerging from the fifteenth century. Overlapping, and to the east of this zone, stood a distinct political geography of neo-Roman, large-scale Dark Ages state formation, encompassing Latin Europe and the German lands. This was defining of ‘starting conditions’ in state institutional architecture, and therefore of its

subsequent transformation. On the periphery of this zone, stretching in an arch from the British Isles, through Scandinavia, and across the Slavic lands was a zone where large-scale Dark Ages state formation had not occurred.

The mechanism of social structure, which in the analysis of Europe takes on the form primarily of class structure, Tilly understands as being determined by economic geography, which cuts across the political and geopolitical map of Europe given above. Over the course of the millennium Europe exhibited an urban column stretching in an arch from central Italy to Flanders on the North Sea, this arch being typified by large cities, which dominated their hinterlands, and occupied central positions in international markets. Tilly describes this column as encompassing a 'capital-intensive zone' of state formation, where urban commercial elite dominated. Radiating from this column, especially at its ends, were more isolated cities, less central and with fewer ties to more expansive hinterlands. This was the 'capitalised-coercion zone', where a balance between states and their rulers, the urban elite and landed nobility prevailed. The capitalised-coercion zone itself shaded off into a 'coercion-intensive zone', where cities were small, non-central, and instead dominated by states or their hinterlands, the latter personified by noble landlords, of military make, rooted in agrarian economies. Over the millennium, with the development of the European economy, the urban column tended to spread outwards along this pattern, and its centre of gravity shifted from the Mediterranean to the North Atlantic.

We can begin with Ertman, who as we have intimated brings his analysis back to the so-called Dark Ages, situated between the fall of the Western Roman Empire and the turn of the second millennium. Without going into great detail: Latin Europe and the German lands would during this period experience an era of neo-Roman state formation, with the Dark Age empires, such as the Carolingian, the Umayyad and the Holy Roman, built upon the institutional legacy of the Roman Empire. It would occur, however, that internal and external tendencies ineluctably brought the demise of these Dark Age empires, and due to the strategies and institutions utilised in their construction and reproduction, this would see the political geography of Latin and Germanic Europe fragment into a range of entrenched, and partly overlapping, lay and ecclesiastical claims to rule at local and regional levels. The result would be a map that was drawn irregularly, in the sense that state-like entities were territorially overlapping, their sizes uneven, and in many cases there still existed a series of uncertain claims to rule over the erstwhile whole, which inhered by the eleventh century, for instance, in the now Capetian kings of what was west Francia, but by this time France.

The next generation of large-scale state builders, of which the Capetians were one, would have to confront this institutional legacy. In reasserting central control as against well entrenched, rights-bearing, but often oppositional local and regional potentates they would be compelled to make extensive use not only of violence, but also of royal officials in local administration, including in such functions as adjudication and the collection of taxes. The result would be the establishment of a top-down, 'administrative' pattern of local government across Latin Europe and Germany. On the periphery of this zone of

failed Dark Ages state formation, on the other hand, running in an arch from the British Isles, through Scandinavia, and down through the Slavic lands, lay a zone of 'unencumbered' state formation, where large-scale Dark Ages empires had never taken root. State builders here, not facing the fragmented political geography that they circumscribed, could establish smaller and territorially regular local government, where 'participatory' structures would involve free male populations in many tasks of government, including in the dispensing of justice, and the collection of revenue.

These divergent structures of local government would have important consequences once the newly established, or revived and reconstituted states were, for various reasons, irrevocably driven to make war with their neighbours, centrally for the control of territory (see Mann 1986: 431; Tilly 1990: 70-1; Herbst 2000). The onset of sustained geopolitical competition was subject to modalities of timing. Latin Europe, that is, would be drawn into intense and persistent inter-state war from the eleventh and twelfth centuries. England would be quickly included when the Norman conquest of 1066 brought with it royal territorial entanglements on the continent. From this point in time, and to the end of the second millennium, Latin European and British states would spend most of their time fighting or preparing for wars (Tilly 1990: 72-6), and since war required substantial armies and navies, these states would come to spend the vast majority of their resources on war (Mann 1986: 429). The gradual development of the technologies and organisations of war over the second millennium, moreover, meant that these states required more and more resources. These resources – manpower, money, food – needed always, but to varying degrees, to be extracted from the state's subjects. In Tilly's

account, therefore, intensive and persistent warfare set off cycles of extraction–bargaining–settlement which came to define the European state formation process.

A central and early product of such cycles was national representative assemblies, appearing from the first centuries of the second millennium. To extract the resources embedded in society rulers had to bargain with productive populations, or those who controlled access to them. 'Bargaining' was a process of struggle, not uncommonly with sword or pitchfork in hand, often ending in violent repression. Violent repression, however, was a costly endeavour for any state. Even when it occurred, therefore, settlements often involved the creation of instruments through which grievances could be legitimately expressed and extraction operations smoothed of friction. Representative assemblies evolved early from such instruments, and were therefore a by-product of war-making.

The composition of these representative assemblies would be affected by the position of these states in European economic geography. Specifically, the states of England and Latin Europe, excluding the upper half of Italy, sat within the capitalised-coercion zone of European state formation, ensuring that both strong urbanites and landed proprietors would find representation in assemblies. The structures of these assemblies, moreover, would reflect the different structures of local government, administrative and participatory respectively, that had been constructed upon the political and institutional legacies of the Dark Ages. On the periphery of the zone of failed Dark Ages state formation, in England, populations already organised into territorially rational and

participatory local governments, and involved in such critical functions as tax collection, formed natural communities for representative purposes. Assemblies in this zone were therefore territorially-based, with representatives enjoying strong ties to local governments, and the financial and organisational resources embedded therein. Even though the English assembly was divided into two chambers, with an upper chamber of clergy and upper nobility, and a lower chamber of lower nobility, townsfolk, and non-noble landowners, these groups were all closely tied together by bonds of locality, but also of family and patronage. The cumulative result was strong assemblies, not easily divided, and with autonomous access to organisational and economic resources.

Where top-down, administrative local government structures prevailed, built upon the fragmentation of Dark Ages empire, local government remained territorially irregular and communities uninvolved. Here a different basis of representation would have to be found. In these areas churchmen, responding to the disorder of Dark Ages collapse, would elaborate the doctrine of the tripartite society of orders, which would come to be expressed in the division of representation into (classically) three estates: the clerics, the nobles, and the burghers. These estates would constitute tricurial assemblies, with chambers divided between estates, and estates imbued with notions of sectional privilege, and suffering weak ties to local government. The cumulative result was the politically weak assemblies of Latin Europe.

The strength or weakness of representative assemblies was important, in turn, because early-onset war-making would also involve the entrenchment of strong territorial rulers,

bolstered not only by armies, but also by the growing administrative apparatuses needed to sustain them. Tax bureau and treasuries, along with military supply services, would be central to such states, as would be the administrations of justice.

The latter played diverse roles. Tilly (1990: 96-8) suggested that there was a tight link between extraction and the protection of resource-providing subjects, and adjudication. As the ambit of groups extracted from and therefore protected expanded, demands emerged for the adjudication of disputes. The legal adjudication of extraction operations, another way of smoothing such operations of friction, also expanded the states adjudication function. This was, however, probably only one part of a broader story. Ertman (1997) points out that court fees often represented an important source of revenue for these states. Strayer (1970) adds that adjudication, left to the state as a result of the Investiture Conflict, became an important vehicle through which state builders sought to push their way beyond local potentates, centralising power by adjudicating disputes regarding privileges and customs, and thereby regulating relations between the royalty, aristocrats, clergy, burghers, and subaltern peoples. These latter purposes, however, were also precipitated by the demands of war-making. Revenue was used for war, and centralisation was necessitated by the need to neutralise potentially competing and disloyal local and regional potentates, and to ensure ready access to productive populations in the context of the increasing costs of war.

War-driven state expansion, moreover, was accompanied by early bureaucratic advances, essentially a pragmatic response to difficulties entailed in the increasing scale of state

operations. Activities around the courts produced early administrative innovations, such as the increasing use of files, the standardisation and rationalisation of procedures, and the use of terse and precise, noticeably bureaucratic, language (Strayer 1970). These advances were extended over the years to the other central arms of the state, especially treasuries, largely as a means to adequately monitor and disperse the collection of finance in order to effectively make war.

However, these early state builders, in Latin Europe and England, would proceed in a context of relatively limited administrative skills and financial resources, and in the absence of proto-bureaucratic models of office-holding. The holders of scarce administrative skills and financial resources, often drawing upon pre-bureaucratic ecclesiastical models, would be able to leverage their privileged labour market position into substantial concessions from the state, including various shades of proprietary and hereditary rights in office, and the authority to collect taxes, or tax farming. These early states were therefore thoroughly (in Ertman's terms) patrimonial in character, and such state structures could exhibit remarkable longevity even if the existential threat of war threw up powerful incentives toward reform.

The strength or weakness of representative assemblies would at this point become central to trajectories of European state modernisation. Assemblies all over, bearing the fiscal burden of wars pursued by inefficient states, would attack and attempt to dismantle patrimonialism. Towards mid-millennium, however, aspiring absolutist rulers, wielding recovered Roman jurisprudential conceptions of imperial authority, would seek to secure

foreign policy freedom from the restraining influence of assemblies. The weak assemblies of Latin Europe would not be able to resist the divide and rule tactics of absolutist monarchs, and would therefore fall to absolutism. The strong and cohesive assemblies of England would not only be able to resist absolutism, but over the years would entrench and advance a robust constitutionalism.

In England, in turn, when administrative reformers such as Downing and Godolphin emerged between the seventeenth and the eighteenth centuries, intent upon eliminating the inefficiencies of patrimonialism amidst the rising tempo of war, they would be supported by a constitutionally entrenched Parliament. There patrimonialism would be resisted and ultimately reversed, first in the army, then in the core fiscal-military state, introducing a creeping, if at times halting, bureaucratic state institutional architecture. In contrast, where assemblies were weak and absolutism prevailed, as in France, great reformers such as Turgot and Necker would find it impossible to push through and sustain bureaucratic reform, because these reforms could not find a political base outside of the *noblesse d'État* which both dominated court politics, and had a vested interest in existing patrimonial arrangements. In this context patrimonial state institutional architectures would stubbornly persist.

These states, in Britain and Latin Europe, excluding northern Italy, being in the capitalised-coercion zone of European state formation, would also coalesce into Tilly's 'national states' early. That is, they would be 'states governing multiple contiguous regions and their cities by means of centralised, differentiated and autonomous structures'

(1990: 2). Drawing into their ambit substantial human and material resources, and with tax infrastructures which drew payment in cash and kind, upon fixed and mobile capital, rural and urban, they would come to set the pace for other state builders.

To their west lay the polities of the urban column that stretched in an arch from middle Italy to Flanders, where cities dominated, over states and over their hinterlands. The limits of the 'Anglo-Latin' zone of early, war-driven state formation lay, effectively, here. The reason is that state builders, regardless of the pressures involved, found it exceedingly difficult to coordinate powerful cities into common war-making and state building projects. The Kingdom of Burgundy, for instance, would fall for these reasons, the Spanish Habsburgs would fail to hold the Netherlands, and the city-states and sea-borne city-empires of northern Italy would long retain varying degrees of political autonomy. The capital-intensive region, therefore, tended to produce city-states, confederations of cities, and sometimes sea-borne city-empires. Government was typically bourgeois-oligarchic, as in Renaissance Italy, or the confederal Dutch Republic. It may be that religion was an important factor in determining divergences between bureaucracy and patrimonialism here. The disciplinary apparatuses of certain versions of Protestantism, Calvinism in the Netherlands, deflecting states into a precociously bureaucratic mould (see Gorski 1993).

On the east of this urban column stood the German lands, within a capitalised-coercion zone, but also inside the sphere of failed Dark Ages state formation, and in the zone where sustained geopolitical competition came late. In east Francia, or the German lands,

the Dark Ages state of the Holy Roman Empire survived into the twelfth century, and as it fell it produced greater fragmentation, and more thoroughly entrenched regional powers than in Latin Europe. So here the next generation of large-scale state builders, of princely and not kingly origin, would only emerge from the fourteenth century, and they would face greater challenges in piecing together the erstwhile Holy Roman Empire.

Geopolitical competition would emerge from within the old territory of this empire, as the German statelets thus created were increasingly brought into conflict from 1450. By this time, however, starting conditions had changed, especially in the radically altered content of transnational flows and national stocks of information and resources. Specifically, German state builders could learn from the earlier mistakes of the patrimonial state builders to the west, they could draw upon a greater stock of knowledge regarding effective administrative techniques, including proto-bureaucratic models of office, and with the growth of capital markets and administrative skills coming out of burgeoning universities they were in a far better position to resist the demands of officeholders and financiers for proprietary and hereditary rights in office. These advantages of the late-comer would be leveraged into highly bureaucratic administrations, free of proprietary office holding, subject to absolute hierarchical control, the precocious institutionalisation of examinations, and so forth.

To the east of the German lands, the Slavic middle lands were both unencumbered by the legacies of Dark Age empires, and being in a coercion-intensive region they were dominated by the landed aristocracy and lesser nobility. In the years before 1450

territorial rulers would sit atop coercion-wielding aristocrats strongly entrenched in local government. Weakly positioned, these rulers would be compelled to establish representative assemblies early on, before war had forced them to attempt the establishment of substantial administrations. When geopolitical competition did arise, after 1450, with the emergence of Russia, Sweden and the Ottoman Empire into European geopolitics, these strong, territorially-based assemblies would successfully contest not only absolutism, but even the emergence of strong national administrations which were seen as threatening to noble prerogative.

Herein lies a key distinction between this region, and that of Britain. In England early state formation would bring into being first a strong (if patrimonial) state, and then representative assemblies. These representative assemblies could not contest the existence of the state, they were able however to mitigate, and eventually eliminate, patrimonialism. In countries like Hungary and Poland the sequence was reversed, strong representative assemblies emerged before strong states, and with territorial rulers lacking an autonomous power base in the administration, representative assemblies were able to ensure local prerogative. The result was skeletal national structures, with administration devolving to the personalistic rule of regional and local potentates, an intensely localised patrimonialism.

Even further to the east stood Russia, where a very different state had emerged. In this part of the world Marxism in the early twentieth century would produce a remarkable anticipation of the geopolitical theory of European state formation, summarised in Tilly's

famous aphorism to the effect that 'War made the state and the state made war' (Tilly 1975: 42). Specifically, in his *1905* Trotsky asserts that centuries of military pressure from Russia's European west meant that

> The history of Russia's state economy is an unbroken chain of efforts – heroic efforts, in a certain sense – aimed at providing the military organization with the means necessary for its continuing existence. The entire government apparatus was built, and constantly rebuilt, in the interests of the treasury. Its function consisted in snatching every particle of the accumulated labor of the people and utilizing it for its own ends. (Trotsky 1922: Pt. 1, Ch. 1)

He even pre-empted Tilly's seminal synthesis of class and geopolitical theories by pointing out that

> As a result of this pressure from Western Europe, the autocratic state absorbed a disproportionately large share of the surplus product, which is to say that it lived at the expense of the privileged classes then being formed and thus restrained their development which, in any case, was a slow one. (Ibid)

In other words, Russia was even less developed than the Slavic middle lands, and faced with geopolitical pressure the expanding Muscovite state, built on the ruins of Batu Khan's Golden Horde, would be forced both to take the leading role in this development, and in the same moment undermine the classes that were its correlate. There the state

would come to dominate the society, and in stark contrast to the middle lands the aristocracy would be decisively a creature of the state.[11]

If we sweep back through the map of Europe a range of 'outlier' countries can be fairly readily included in our analysis. For Switzerland we need simply add the protective effects of its mountainous physical geography. Scandinavia can be included with even less theoretical innovation (see Ertman 1997: 305-14). We have, nevertheless, enough with which to proceed.

In the course of the eighteenth century, then, the states of Europe were following definite trajectories. The states of Britain and the German lands were becoming increasingly bureaucratic. In Britain, as we have seen, reformers supported by strong assemblies, both pressured by the demands of war, would make decisive inroads into proprietary office-holding from the last years of the seventeenth century. The army itself would lead the way, giving birth to bureaucratic hierarchy, line and staff, and clearly delineated function, as well as being amongst the first arms of state to enjoy inroads into proprietary offices, and progress in the extension of meritocracy and remuneration by salary. In fact, armies would lead the way all across Europe, as those that didn't follow this trend eventually 'perished on the battlefield' (Mann 1993: 423ff). From the start of the eighteenth century these developments were making an impact upon the broader state, initially felt in the fiscal departments and the supply departments of the armies and navies. Germans states, having been drawn into geopolitical competition some time later, had enjoyed relative freedom from patrimonialism from the start. It is here, from the middle of the eighteenth

[11] For a not necessarily incompatible 'liberal conservative' interpretation see Fukuyama (2011: Ch. 26)

century, where the first extensions of bureaucracy into more unambiguously civil spheres occurred. In Austria, and then Prussia, this was the direct product of the need to secure efficiencies in order to execute war (also Ibid Ch. 13).

In Latin Europe a very different path was being followed. There patrimonialism had been entrenched, and a series of efforts at reform would be blocked by the patrimonial elite. Cutting through these regions were the city-states, city-empires, and confederal arrangements of the capital-intensive zone, under bourgeois-oligarchic rule. Beyond Germany lay the localised patrimonialism of the Slavic middle lands, and beyond that the monolithic Russian state.

During the eighteenth century, however, forces were gathering momentum that would place countervailing pressure upon these divergent trajectories, bringing a measure of convergence in their wake. First, there occurred the rise of national armies, which together with the earlier Military Revolution placed heretofore unknown pressures upon the fiscal apparatuses of European states. French inefficiencies would bring it to the edge of bankruptcy, and in the opening provided the third estate would revolt (Skocpol 1979), sweeping away in one night the *noblesse d'État*, and entrenching bureaucracy in the revolutionary wars that followed. By French imposition or copying, similar reforms would then spread across Latin Europe. The legacy of early modern patrimonialism, nevertheless, would remain in this region for centuries after, in the form of relatively weakly institutionalised bureaucratic norms, experienced in France and Spain, and most famously in southern Italy and Sicily.

These pressures of war, while they forced out patrimonial institutions, would simultaneously reveal the weakness of those states that had not grown out of the capitalised-coercion zone, and that therefore did not bring together wealthy cities and large rural regions, ample finance, and ample manpower. For Hungary and Poland a relative lack of finance was coupled with the extreme weakness of their central states, meaning that neither would survive the nineteenth century as sovereign entities. Hungary would be saved from Ottoman encroachments only by the ascendance to the throne of the powerful Austrian Habsburgs. Poland would be partitioned out of existence by its neighbours, repeatedly. The Low Countries centralised power significantly, but only survived on the basis of a fortuitous convergence of a balance of power politics with doctrines of sovereignty in international law. The cities of northern Italy would be absorbed in unification with the south. In Germany late-Dark Ages state formation had left a legacy of relative fragmentation. Driven by military and economic consideration, the nineteenth century would see the emergence of the German Empire, under Prussian hegemony, with Austria retaining the southern German lands and reaching to include Hungary.

The new shape of war, together with the emergence of industrialism, would also bring convergence along another dimension, which would in time rebound upon and strengthen the process of bureaucratisation everywhere. The emergence of national armies and industrialisation would in complex ways intertwine to produce significant extensions of state operations into areas like sanitation, education, health, housing, and welfare. The

immediate motives for these extensions of scope were sometimes rooted in self-interested or ethical concerns with the 'dangerous classes' uprooted from traditional contexts by industrialisation, or they arose from a recognition of the growing interconnectedness of the problems of different classes, as in the case of sanitation. The lessons of earlier industrialisers, particularly Britain, were learnt by later participants. Concerns with order and equity, however, remained intimately bound up with the drive for national power in a still martially competitive international context. In many cases functions such as housing and welfare grants started out as material concessions to veteran soldiers. Sometimes extensions were intended as pre-emptions of subject demands in extraction–bargaining–settlement cycles, or responses to such demands, or they were conscious attempts to build up nationalist attachments (Mann 1993: Ch. 14).

In the sphere of direct production states were initially involved in the eighteenth century and earlier as an offshoot of their war-making activities – in gunpowder, ships and armaments, for instance – and extraction for war – as in salt, matches and tobacco. These efforts were extended, especially in contexts of late-industrialisation, due to the growing need to regulate and develop industrial capitalism. In both cases the requirements of martial competitiveness were not far behind. Railways are a perfect example. In the nineteenth century they were increasingly recognised as essential to military strength, and so they often brought state officials, the high command and large capital together in the subsidisation and planning of lines, rate-making, and what have you. Nationalisations, especially on the continent, were driven by a military rationale (Stevenson 1999; Millward 2011; Mann 1993: Ch. 14).

These were extensions in scope that brought the state near to modern proportions, and bureaucratisation would accompany these developments. Mann (1993: 423) notes that as organisations expand in size and scope, and as diverse functions are stretched over large spaces, traditional forms of administration experience steep diseconomies. Bureaucratisation, in part then, was a necessary response to an expanding state, a functional requisite. The functional requisite would, nevertheless, have to be politically realised. Geopolitical competition remained a factor in an age when, in Freidrich List's (1909 [1841]: 320) words, 'the existence, the independence, and the power of the nation depends on its possession of a manufacturing power of its own, developed in all its branches'.

The dynamic would be substantially reinforced, however, by the growing pressures of a civil society, now 'caged' within the states territory, and increasingly likely to make demands upon a central authority that involved itself more and more in their daily lives (Mann 1988: Ch. 1-2; 1993). Since this civil society came to rely upon the state for a range of vital services, there emerged a growing consensus in the virtues of state effectiveness, expressed in calls for more bureaucracy. The process of further bureaucratisation would be supported, built upon, the substantially bureaucratic fiscal-military core. Weight would be lent to it, that is, by the pre-existence of indigenous models of bureaucracy, by the routines, values, norms and expertise associated with existing bureaucracies, and by the political weight of pockets of professional bureaucrats, in some places growing since the early years of the eighteenth century, and increasingly

themselves demanding meritocracy. In Britain salaries would become the norm by the end of the eighteenth century; the fairly marginal system of purchasing 'sinecures' would be eliminated by the 1830s, allowing for more systematic functional and hierarchical organisation. Britain would lag behind somewhat in the institutionalisation of standards of competence for appointments and promotion. By reforming early the aristocratic class had allowed itself to hang on to the civil service. By 1855 competitive examinations were established, and by the end of the nineteenth century great inroads had been made into informal practices of political patronage and nepotism. By this time the state would be about as bureaucratic as it would ever become (Mann 1993: Ch. 14).

These developments would be relatively constrained, would be completed later in time, in countries where conflicts between social groups, on class, religious or linguistic grounds were prevalent. In such cases bureaucratically appointed personnel could not be trusted to remain loyal to the hierarchy, it was feared that they would instead pursue their own personal or sectional interests. Where this was the case politicisation of bureaucratic appointments, or the entrenchment of aristocratic classes in the administration, was more extensive. In Europe these conflicts would be dampened and resolved with the upsurge of geopolitical competition from the last third of the nineteenth century. In France, for instance, conflict between various shades of Royalism, and with Republicans, would constrain the 'historical completion' of the process of bureaucratisation, until defeat in the Franco-Prussian War, and the emergence of the Third Republic in 1871 (Mann 1993: Ch. 13).

In Europe the completion of liberal democracy, finally, would occur in the context of already well-established bureaucratic state apparatuses. By complex alchemy with a range of other factors, including war, liberal democracy would itself produce the full-blown welfare state, the definitive form of the classically modern state, reflexively, if partially, dismantled from the 1970s. These later developments, however, lie beyond the timeframe of our comparative discussion. Let us now move west, out of Europe, along the journeys of European emigrants, as they formed and were incorporated into a new society, one which rested upon the widowed soil of the eastern seaboard of temperate North America.

### *America Builds a Modern State*

In this section I want to turn this conceptual and theoretical machinery, and the comparative insights within which it is embedded, upon the broader world, and specifically toward the United States of America. The central work will be Skowronek's (1982) landmark contribution (see also Hollingsworth 1978). We can start in on this discussion by, again, recasting the mechanisms discussed in the European context as 'types' of mechanisms, by which is meant, simply, 'mechanisms specified most abstractly'. These types of mechanism include geopolitical competition, trans-national flows of information and resources, state institutional architectures, and domestic social structures. That American state formation was subject to the same types of mechanisms as appeared in Europe should not surprise us. These types of mechanisms are the very

stuff of comparative politics and international relations (IR), and it is eminently understandable that the state, being so central to both, should therefore be formed by them. In contrast to the traditional concerns of comparative politics and IR however, our aim is to understand how these types of mechanisms fit to a specific process, that of state modernisation, the modern state constructed through the ways in which these mechanisms in their historical operation are combined in and around it. The American trajectory of state modernisation is here seen to sit well outside of the European trajectory due to the distinct ways in which these types of mechanisms fit together into such a process, both as a function of their more concrete contours, and of the timing and sequencing of their emergence, transformation, and interaction.

We can begin, as Skowronek does, with Hegel, who casting his gaze across the great Atlantic saw the America of his time as a 'stateless' society. It lacked the institutional arrangements so prominent in the early modern European state, he argued, because being isolated from the hostile geopolitical context of Europe it suffered no foreign enemies that posed a serious security threat. More than this, though, he thought that the state was absent because the American social structure was too simplistic. It had not developed the classes and status-differentials of Europe, as the differentiations and the antagonisms that these social elaborations involved were generally diffused across the large and open frontier along the 'new society's' western flank, where productive land was readily available. The preconditions of the state, for Hegel rooted in civil society, therefore did not exist (see also Kelly 1972: 7-8; Hegel [1837] 2001: 101-4). Translating into Engels's more cynical terms, the society was not yet caught in insoluble contradiction with itself.

America never required a power standing above society, keeping its conflicts within the bounds of 'order', because such contradictions were rendered soluble by their exportation to the West (see also Engels 1884: Ch. 9).

In Hegel's account this meant that the relationship between government and society could remain direct and unmediated. Typically, he understood this as a sign of backwardness, America only being a 'land of the future' (in Skowronek 1982: 7; Hegel [1837] 2001: 104). Alexis de Tocqueville, on the other hand, starting his travels in 1831, the year that Hegel faded away, saw it as a sign of progress, a model to be emulated. In his analysis the society was exceptionally democratic; it was typified by the unusual involvement of its people in constituting and driving the administration, even to the point where the state faded imperceptibly into the society. Key to this inter-penetration was not, however, only the prevalence of the New England-style participatory fora that so entranced Toqueville, it was also the spoils system, which gave to the party that won elections the right to purge government positions, and install within them its own men.

America, to elaborate, was the product of a proto-bureaucratic Britain. For this reason, and unlike in Latin Europe and later Latin America (Fukuyama 2011: Ch. 24), ownership in office would not come to inhere in the office-holder. British administration in the thirteen colonies was, however, exceptionally light, and therefore by default highly participatory (Young 1994). When the imperial yoke was thrown off, then, neither would office come to inhere in the formal state, in accordance with the impersonal body of rules

that constituted it. Rather, precocious democracy[12] would, most notably in the Jacksonian creed, elaborate the idea that spoils were not only acceptable, but democratic and good. The idea was that if the state was thoroughly constituted by the electorate, via the party, then the risk of its tyrannising the people would be correspondingly reduced. And so, effectively, ownership in office would come to be located in the parties, and of those in the party that won incumbency.

War-making did serve to alter the conditions that prevailed in this first half of the nineteenth century, but Hegel would have been correct in maintaining that war was not an imposing feature of the formation of the modern American state. Bensel (1990: 8) has pointed out that 'Unlike many states within the intensely competitive European system, the United States could more or less ignore foreign challenges for months at a time, if not years, without endangering national independence'. The country's most prominent martial experience, in fact, would be the Civil War of 1861 to 1865, which both located sovereignty more unambiguously at the federal level and, together with the subsequent era of Reconstruction stretching to 1877, forced the expansion of the national state, and allowed the drift of certain key functions – including a national system of taxation, of paper currency, and of banking – to the federal level. Even then the centralising agenda was driven primarily by capitalist elements in an industrialising North, which demanded the elimination of barriers to the establishment of a national market, and sought central state assistance in the development of the necessary physical and financial infrastructures (Bensel 1990). In the sphere of bureaucratisation the effects during these years were minimal, only fleetingly confined to the Confederate South. In part this was because the

[12] Albeit racially and sexually exclusive

war was fraternal. The Republican Party was newly incumbent, and loyalty was key. Public servants, the product of prior spoils, were suspected of pro-slavery and southern sympathies. In result, the war-president Abraham Lincoln would remove an epic 88 per cent of officials under presidential authority, bringing the spoils system to high tide (Fish 1902: esp. 57; Mann 1993: 468).

The minimal influence of war in subsequent developments would be underlined by the massive demobilisation of the federal army. In 1856 the Union alone claimed over one million personnel, by 1874 the American total had been reduced to 17 161 men. By this stage the backbone of national defence (and attack) would be an amateur citizen militia located at state level, and even at federal level the American military would trail well behind the continental European standard of a regular army, rigorously trained and subject to swift mobilisation, commanded by a meritocratically recruited and professional corps of officials, organised into a centrally coordinated hierarchy of line and staff.

So, in 1877, as Reconstruction wound up and America sat at the cusp of its great thrust toward state modernity, the key determinants of American 'exceptionalism' first posited by Hegel and Tocqueville still substantially defined the state's historical experience. The state, that is, was still visibly the product of its precocious democracy, and of the isolation and simplicity of the society that it was embedded within. Skowronek, however, does not understand these features as productive of a stateless society, as did Hegel. The state was under-developed, certainly, even pre-modern, but it was still present precisely in the robust intertwining of state and society, and in the 'Madisonian' Constitution typified by

a strong federalism and a vigorous separation of powers. By 1877, when the Republican party-state again felt the winds of party competition, these features had combined into a well-articulated institutional framework, what Skowronek dubs 'the state of courts and parties'.

Courts and parties, that is, provided the nationally prominent institutional systems that were necessary to provide some coherence to a state whose Constitution dictated decentralisation, institutional conflict and jurisdictional confusion. The parties – from 1877 Republicans being joined by Democrats – functioned primarily to build national electoral coalitions, largely through the distribution of spoils and pork to state and local party machines, themselves subject to the same operational logic. Parties thereby not only brought some cohesion to national politics, but also fostered national administrative cohesion by facilitating working relationships across the state's dispersed and disjunctive formal institutional architecture. The decisions of courts supplemented this role, by incrementally defining legal relations between organisations of state, and between the state and its citizens, but also by actively giving policy content to legislations which were really the necessarily vague and contradictory outcome of the un-programmatic, logrolling politics institutionalised in parties and legislatures.

In the same moment, however, that the state of courts and parties hardened, powerful forces were gathering that would come to undermine it. The societal pole of this structure of domestic politics was, initially, flat and atomised, 'simplistic'. Over the course of the nineteenth century this would radically change. The frontier closed and international

isolation was eroded, but these developments were themselves in part the product of a phenomenon with much more pervasive ramifications: capitalist industrialisation. The emergence of industrialism modernised the social structure, bringing a growth in population and its concentration in cities, a greater division of labour and specialisation, the stratification and differentiation of society, the emergence of big business with a national reach, uneasily partnered with nationally organised labour.

A key response would have to be the development of a national bureaucracy, capable of coordinating activities across a vast but economically and socially interdependent territory, of aggregating demands into technically feasible solutions, of imposing order in an 'impartial' and autonomous manner. Yet, in contrast to Europe where a substantially modern state confronted industrialisation, was merely extended by it, in America the modern state would have to be negotiated through the diametrically opposed structure of domestic politics defined by the state of courts and parties. Essentially, what modernisation meant was that this structure would have to be shattered, and then reconstituted in a very different mould.

At the broadest level, the set of actors that pushed for government reform gathered in the somewhat intangible Progressive Movement, traditionally considered as rooted in the middle class, but including within its ambit elements of big and little capital, of women, and of the broader working class, stretching across urban and rural spaces. Ideologically, Progressivism encompassed socialist, anti-business populist, and 'corporate liberal' (i.e. enlightened business) tendencies. The various purposes of the movement ranged from

prohibition to conservation to anti-immigration. Given such a wide dispersion of properties, it need not surprise that the Progressive Movement's status as a 'movement' can be legitimately questioned (see Filene 1970). At the vanguard of translating the new industrial situation into demands for state reform, however, stood an array of professional associations, professionals, and the middle class that they partly constituted. Social scientists and engineers played an especially prominent role, the growing corps of merit public servants that they in part created would also, big business itself increasingly saw the need to apply cutting-edge business (essentially bureaucratic) models of organisation to a state increasingly troubled in the face of the challenges of industrialisation.

The motivations of these actors were no doubt complex. In its grandest and most provocative moments, reform, including within its ambit the elimination of spoils and pork, was seen as a way of thoroughly reconfiguring the entire political system. The idea was that by eliminating the sustenance of spoils, parties would be forced to reconstitute themselves upon more responsible lines, winning power through programmatic appeals and the mobilisation of high ideals, instead of through distributions to clientele. Further, by disabling their patronage networks the hold of the party bosses over public power would be broken, opening political position up have to an intellectual elite seen as more suited to rule. As always, these very altruistic aims were not devoid of self-interest. Most directly, the leadership amongst professionals saw itself as the intellectual elite, and so was working to put itself into positions of power. Their well-educated cadres, in turn, found themselves presently blocked from government position by the spoils system, and thus stood to gain from the expansion of formal meritocracy. At root, however, and

constituting a much broader appeal, there was emerging a pervasive impatience with government incapacity, alongside a burgeoning recognition that the challenges of industrialisation required state reform. Professionals, in particular, stoked this sentiment by portraying America as backward and falling behind, 'the only "civilised nation" without a commitment to a professional public service' (Skowronek 1982: 48).

Indeed, in this way, America's international context during this key period of state modernisation was not so much a demiurge of martial pressures, as a fountain of ideas utilised by, and partly constituting, the Progressive interest. Key reformers especially drew heavily upon foreign experience not only to criticise, but also to generate detailed models and recommendations for implementation back home.

Between 1877 and 1900, however, the era of 'state building as patchwork', reformers found that their ideas were contained by the structure of power defined by the state of courts and parties. The period was one of acute electoral competition, and so no party-machine would countenance the disruption of their networks of patronage via a substantial advance toward centralisation and bureaucratisation. The high-level executive, headed by the President of the United State of America, had an interest in rejuvenating their power and respectability by eliminating spoils and freeing themselves of congressional control – especially after the assassination of President Garfield by a disappointed spoils-seeker. Any president, however, relied upon gathering a winning coalition to obtain office, and so in the context of intense electoral competition they too remained beholden to the locally and regionally embedded interests of party politics.

In this context, the Progressive Movement pushed along a wide front for federal interventions. Even when they were successful in entrenching a state function at federal level, implementation and control, along with the patronage opportunities entailed, were forced down to machines at state or local level, where federal policies could and would take on perverse permutations (Johnson 2009). In certain cases, as in railways, national legislation would be so hedged by the need to build broad coalitions of parochial interests that it would be rendered nugatory by courts intent upon protecting state prerogatives.

In these sorts of entanglements lay a profound contradiction: The very modes by which interests were represented in the American state undermined the ability to deal with the issues that these interests were increasingly raising in an industrialising context. The limited progress that was achieved was due to the fact that the Progressive Movement did have electoral weight. No political party could risk making 'reform' the other party's issue, and so both parties were compelled to balance the pressure that they brought to bear with the need to dispense patronage to build up a governing coalition. The crux of the situation was strikingly revealed in the area of civil service reform itself. While the 1881 Pendleton Act created a Civil Service Commission, and allowed for the expansion of the merit civil service on the basis of competitive examinations, such expansion was piece-meal and occurred within the confines of the patronage system. The number of patronage positions, for instance, declined by less than a thousand by 1900, in a federal civil service that had grown to two-hundred-thousand. The more far-reaching ambition of breaking the politics of patronage, and replacing it with a politics of the 'common

interest' and programmatic appeals, was therefore not achieved. Across the breadth of the state the holes in state capacity revealed by the challenges of industrialisation were the subject of patchwork interventions, reforms were fitted into the current structure of power, and problems invariably persisted. This was the essence of the era of state building as patchwork.

The experience of the army is most instructive. Even here the main impetus toward modernisation in the fourth quarter of the century was industrialisation, and specifically the rise of militant labour. Understandably, local militia were too socially close to these elements, and so proved unreliable in their repressive role. Reform, again driven by modernising professionals, backed by capital, was halted by the society's existing structure of power. The militia were an important constituency, and an important source of patronage for state governors. The South remained opposed to a strong federal army. And the federal structure was itself internally fragmented and embedded in a politics of pork. The Spanish-American War of 1898 revealed conclusively the consequences. The supply of the expeditionary forces was hapless, intractable conflicts within the command led to their being by-passed entirely by the President, and since amateur soldiers were unwilling to commit to two years of active duty abroad the ranks of the militia shrank rapidly as the call for national service went out. The war was comfortably won, but it was followed by mass recrimination. Even then, substantial reform would have to wait for the secure electoral position of the Progressive-aligned Theodore Roosevelt.

The necessary sea-change began tentatively in the 1890s, which witnessed a major realignment in party politics. Whereas before Republicans and Democrats contested the North and South, the 1890s saw the coalescence of the North and South into solid voting blocs, mutually opposed under the Republicans and Democrats respectively. The constraints produced by electoral competition thereby loosened under the single-party dominance of the demographically preponderant Republican North, covering 1896 to 1911. The result was not a return to the Republican party-state of the Civil War and Reconstruction. Politics had irrevocably changed, and now the executive President found, under conditions of party dominance, that his room for manoeuvre was less contextually circumscribed. A series of 'strong' presidents, starting with Roosevelt in 1901, followed by Taft, and then Wilson breaking the Republican monopoly, were thereby able to step outside of party politics, and aligning themselves with a broadening Progressive Movement they were able to force through substantial reform across the state.

Each president had a different programme of reform, and each faced a distinct political context. The complexities of the twists and turns of the period up to 1920, therefore, belie any neat summary. Indeed such would distract from our purpose. Suffice it to say that, in outcome, the preceding forty years had seen the Progressive Movement secure and entrench a range of federal functions, World War I had made central economic planning a permanent fixture. Despite these achievements, however, the bias toward the states in the area of implementation was maintained. In the civil service bureaucratisation remained well behind European pace-setters, in the extent of politicisation, and in the sort of expertise attracted, but the sphere of merit appointments was radically extended, and a

range of other advances had been made, such as in the capacitation of central administrative supervision, especially in the Civil Service Commission.

Yet as the prior structure of power, organised in parties that distributed spoils, was decisively eroded, there emerged a scramble for position which redefined the politics of administrative reform around a constitutional stand-off between the executive and the legislature. Congressmen sought to ensure their relevance and their traditional prerogatives – in pork and other areas – but in securing their key interests the new federal structure failed to coalesce around clear lines of political control. Nowhere was this more apparent than in the establishment of the Division of Efficiency in 1912, sitting within the executive's Civil Service Commission, partly responsible for personnel policy, but subject to congressional control. The Division of Efficiency would in 1916 transmogrify into the Bureau of Efficiency, outside the Civil Service Commission and directly in conflict with it, formally in the executive but under legislative control, it would be a task force for congressional initiatives in the realm of administration, effectively staking the legislature's parallel claim to strictly administrative decision-making. Across the state conflict and compromise between the executive and the legislature would render the federal administration dually and inconsistently accountable to both, with each establishing and entrenching their own conflicting institutional vehicles for political control.

Autonomous local and state control over implementation, together with the confusion of the political hierarchy at the federal level, would permanently undermine the ability to

drive initiatives through the state. America had exchanged the spoils system for incoherence in political authority; it gained a measure of bureaucracy, but lost political control. The state of courts and parties was shattered, but as the interests involved sought to secure their position they swept through a bureaucratic state still in the process of construction, institutionalising within it the ambiguities that would plague American government up until the present (in the context of the financial crisis and subsequent recession see Jacobs and King 2009).

***Comparative Conclusions***

When Europe, and specifically in our case Britain, expanded beyond Europe, establishing the settler societies of new worlds, having swept away indigenous societies of old, very different trajectories of state formation emerged. Let us now bring the comparisons out into theoretical clarity.

Perhaps the most important general insight given by the case of the United States of America is that the geopolitical theory of state modernisation does not apply equally to all times and places. State modernisation could emerge by other avenues, and in America the avenue appears to have been that of industrialisation. Expanding upon Skowronek: The growth of populations and their urbanisation, the stratification of social groups and the complication of divisions of labour, the propulsion of markets, big business and organised labour to a national scale, the advance of technical knowledge and their

regulation in professional groups, the advance of technologies and their accretion in increasingly complex and expansive large technical systems, the specific challenges of state-led development; industrialisation in all these aspects calls for and drives the centralisation of state power at national levels, expansion in the size and scope of state operations, their penetration of all manner of social relations, the territorialisation of rule through the definition of state borders and the focusing of the struggles of civil society upon a state increasingly prominent in everyday lives. The modern state, essentially, is a functional requisite of an industrialising social system. It is an answer to the novel challenges posed by such a social system. When the answer is readily available it becomes a demand of political actors that find themselves increasingly entangled within such a social system.

In these movements, and again as a correlate of industrialisation, the state is increasingly involved in highly technical operations, coordinated over larger distances, across more numerous functions, and within shorter timeframes. Yet in the same moment the associated expansion of the state means that initial conditions of coordination break down. By multiplying personnel and accounting entries, proliferating branches and extending their territorial dispersal, embedding these branches in different policy networks encompassing different interest groups with distinct cultures, the range of these developments dilute official identities, shared understandings, esprit de corps. Certainly, industrialisation itself provides new technologies that help the state to tackle such difficulties: the telegraph; the telephone; mass production of cheaper office supplies; the computer; the internet. The difficulties are, however, intrinsically also social and

organisational, and in this sense their pre-eminent answer, historically, has been bureaucratisation.

The establishment of organisations arranging meritocratically recruited and salaried officials into hierarchies, their roles defined by rules, their operations by the standard form and the files, organisations themselves in formal, rule-bound, relationship with others; these organisational interventions and related others have in complex ways served to improve the internal coordination of state operations, and have infused them with the necessary skill and integrity. They have been supported by a range of further developments such as the advance and standardisation of education, the proliferation of analytical techniques and models in fields like engineering and economics, the broader formalisation of rule, and so on.

Bureaucratisation, like state modernisation in general, while being a widely acknowledged functional requisite, must also always be realised politically. Industrialisation does, though, itself load the politics in this direction. The challenges of industrialisation produce demands for the state's increasing involvement in society, the expansion of its scope of operations, and of their distribution. And as broader swathes of the population come to rely upon the state for basic goods, there tends to emerge a growing consensus in the virtues of an effective state, and therefore a tendency, when the bureaucratic model is available, for politics to converge upon demands for bureaucratisation. Despite its twists and turns, and as Mann (1993: Ch. 13) himself argued, this is a large part of what happened in the American case. The dynamic was also

seen to operate in Europe. On this hinge of industrialisation, however, there turned very different processes of state formation.

In Europe the modern state was substantially forged in war. In that case the pressures of industrialisation proved less disruptive, the initial relationship between state capacity and environmental demands consistently more favourable. Further bureaucratisation, forced by industrialisation, could be supported by the pre-existence of indigenous models of bureaucracy, by the routines, values, norms and expertise associated with existing bureaucracies, and by the political weight of pockets of professional bureaucrats and their constituencies, as existed in and around fiscal departments in particular. In its turn democracy would confront highly professional, bureaucratic, and relatively autonomous administrative states. In Europe, moreover, the state formation roles of industrialisation and democratisation would be reinforced by their being overlaid with continued, high-level, geopolitical competition. A relative lull in conflict after Waterloo in 1815 would give way to increasing tension from the last third of the century, as British hegemony declined and German power advanced. The associated drive toward 'national competitiveness' would, more than anywhere else, subordinate the conflicts and compromises of domestic politics, even as politics everywhere became more broad-based over the nineteenth and early-twentieth centuries.

In America, as we have seen, war was not a persistent or powerful factor in state building intentions. What this meant, initially, was that the sequence between state modernity, industrialisation, and democracy was there reversed. Precocious democracy would set up

structures, specifically the state of courts and parties, which the forces unleashed by industrialisation would have to countenance in establishing a modern state. These structures, constituting the vital structures of domestic politics, were diametrically opposed to the outcome being pursued. In result, the process of state modernisation would be substantially uncertain, all the more so because never were the forces of industrialisation overlaid with the pressures of intense geopolitical competition. The necessary dynamics, emerging from society, were imminently vulnerable to a cross-cutting politics which would see the state utilised in ways that contradicted the drive towards state capacity. In America this cross-cutting politics, produced by the state of courts and parties, would ultimately not succeed in blocking bureaucratisation. As the state of courts and parties was shattered the interests that defined it would, however, sweep through the bureaucratic state in the course of its construction. Regrouping around a constitutional stalemate it would confuse the relationship between bureaucracy and political authority, entrenching the key dysfunctions of the new American state.

It is important to note, finally, how notions of bureaucratisation, and even of state modernisation, are tentatively exceeded in this last statement. The incapacities of the modern American state were not so much due to inadequate bureaucratisation, or modernisation, rather they were a product of ambiguities in the political control of a now substantially bureaucratic state, a political expediency written into the very structure of the state by the reconstitutive scramble for position, between executive and legislature, unleashed by the breaking of the state of courts and parties.

Abstract issues of mechanism and sequence apply here also. In America a pre-existing, relatively autonomous bureaucracy could not defend against such political incursions. Democracy preceded bureaucracy, and so it would be responsible for constituting bureaucracy in accordance with its own conflicts, which would come to be expressed as inconsistencies in the administration. Further, and again, unlike in Europe geopolitical competition did not overlay these dynamics, it did not constrain the politics by dire necessity to some conception of national competitiveness. It does not surprise, given these circumstances, that the American effort during the Great War, precisely for these reasons, would be a uniquely confused affair. In fact, during this war private enterprise, which had followed a very different trajectory in the course of American history (see Chandler 1977), would be extensively called into the state to plug the large gaps that existed in state capacity.

Industrialisation, in other words, might create functional and political conditions for the emergence of the modern state, but at the same time it increases the state's working parts, and the range of interests with a stake in them. If the politics is just right the state might bureaucratise, but especially in its formative years it remains vulnerable to the conflicts and inconsistencies present in politics, and especially to their accumulation in the state as other dysfunctions. In this movement state capacity transcends bureaucracy, and even state modernity, to encompass the broader field of state formation. I want now to suggest, in preliminary fashion, that these theoretical and comparative starting points serve to highlight key features of the emergence of the modern South African state.

## Chapter 6: South Africa's Railways and State Modernisation in the Age of Industrialisation

South Africa, in our period, and for purposes of state modernisation, sits naturally within that set of states known as the British settler colonies. It shares, that is, a number of features in common with such states, including most importantly its inheritance of British administrative institutions, its distance from European geopolitics and its protection under the British imperial umbrella, and the presence within its borders of a recognised civil society, capable of joining forcefully the mechanism of domestic social structure to the process of state formation. It also shares with such states the presence of industrialism.

The United States of America sits towards the edge of this set. In this relation it is exceptional in large part because it broke the imperial chain early. Over the seventeenth and eighteenth centuries the British imperium, for various reasons, rested content with minimal government in its American colonies. There assemblies flourished, amidst impotent governors without an independent administrative or military base. When the thirteen colonies secured independence in 1783, Britain learnt its lessons. In its remaining settler colonies it would move to establish more substantial imperial administrations, underpinned by wide executive power, showing a marked preference for military governors. To an extent this move was acquiesced in by settler populations, who perceiving some other military threat positively desired imperial protection. Canada faced the United States and the Quebecois, Australia feared French encroachments in Caledonia

and Micronesia, and New Zealand was concerned about the French and the Maori (Young 1994). The Cape and Natal faced, most prominently, the Xhosa and Zulu respectively. In these countries, then, the sequence was distinct from that of the United States. In America democracy came first, followed by industrialisation, then the formation of a modern state under the pressures emanating there from. In the other colonies of British settlement a recognisably, if relatively weak, modern state was forged, and then industrialisation and settler democracy[13] came usually simultaneously. A number of consequences followed.

In America, exempt from a Latin American experience of proprietary rights in office, precocious democracy would elaborate state institutions centred on the spoils system, and ultimately developed into the state of courts and parties. In Canada, Australia, New Zealand and the South African colonies, on the other hand, British administrative institutions were much more powerfully present, systems of patronage never became anywhere near as elaborate. Certainly, patronage and nepotism was a part of the experience of Britain until toward the end of the nineteenth century. These practices would be transferred to the settler colonies, at the hands of governors and high-placed officials back home, and they would be taken over by settler democracies. Yet centuries earlier bureaucratic institutions had been gradually infused into the British administration. Bureaucratic norms, along with pockets of professional bureaucrats, had become a part of the institutional architecture of the state. They would exist right beside the remnants of patrimonialism. In this context, as we have seen, the march to full-blown bureaucracy was eased. The same would occur in the late settler colonies, where

[13] Again, racially and sexually exclusive

alongside their own practices of patronage a noticeably bureaucratic conception of office was the norm, even if it was often honoured in the breach.[14]

At the same time, in these colonies the final phase of bureaucratisation was not completed under military threat. It would be forced by industrialisation, as in the United States, transmitted through the demands of civil society, but eased by the pre-existence of bureaucratic norms. Still, these pressures were less dire than in Europe, and the human and financial resources embedded in the social structure more limited. In comparison to Europe, then, the states of British settler colonies confronting industrialism were less capable, and less bureaucratised, their first attempts to confront it would often falter. Bad government management of railways, for instance, would lead to agitation for reversion to private operation, as in Victoria. Bureaucratisation would be slower, and halting, often ethereal at an informal level, as we will see in the case of South Africa.

The consensus in favour of bureaucratisation, furthermore, having not emerged from any geopolitical threat, was vulnerable to a cross-cutting politics. While in Europe this cross-cutting politics was in most cases coming to an end under the pressures of war and industrialisation, in the phenomenon of nation-state nationalism. In the British settler colonies industrialism, by binding the populace to formal economies, threatened to reveal relative deprivations that only a partial state could remedy. In Australia ethnic

[14] I cannot claim expertise, but the literature with a bearing upon the comparative issues thrown up here appears sparse, though still suggestive. For Queensland see Colley (2005); for New South Wales, Loveday (1959) and Knight (1961); for Canada see especially Stewart (1980). See also Halligan (2003). The Canadian system of patronage appears to have been relatively elaborate and well-entrenched. It may be that the granting of self-government to the Canadian colonies in the 1840s, before major reforms swept throughout the empire, accounted for the strength of its patronage system.

homogeneity would obviate such a course. In Canada, New Zealand and the United States the deprived constituted a political minority. Specifically South African exceptionalism then, in this relation, consisted in the unique ethnic contours of its politics. Two waves of electorally dominant but historically disadvantaged ethnic groups possessed valid and morally unchallengeable concerns that meritocracy in, and the independence of, the public service would simply serve to entrench unjustly gained privilege in the state, and ensconce within the administration personnel that were seen as intent upon preserving it in society more broadly. Australia established competitive examinations upon unification in 1902, on the basis of earlier advances in the colonies. New Zealand broke its patronage system and established competitive examinations in 1912, Canada did the same in the Ottawa service in 1908, and in the 'outside' service in 1918 (see Halligan 2003). But as these other British settler colonies forged ahead, South Africa by the 1930s had definitely stalled atop the 'national question'.

The long-term consequences of this particular trajectory are often discussed, if too simplistically understood. What is less known is that in the railways, which represented industrialisation within the very architecture of the state, a distinct trajectory was followed. There bureaucratisation forged ahead beyond the 1930s, but it would do so alongside key problems that transcended categories of 'bureaucracy' and 'the modern state'. The entanglements of the Madisonian Constitution, even if they were politically determined, would be beyond the fusion of executive and legislative power inherent in Westminster constitutions. But in the British settler colonies, with the simultaneous

emergence of industrialism and democracy, not dissimilar difficulties could come in train.

Nascent democracy coupled with nascent industrialism would correlate with an unstructured politics. It would take time, everywhere in the nineteenth century, for the demands unleashed by democracy and industrialism to coalesce into parties. Absent disciplined political parties, the disciplining effects of autonomous bureaucracy, and the disciplining effects of geopolitical competition, this politics of now self-governing British settler colonies would be relatively incapable of shaping and excluding interests to fit decisions into models of rationality. In these years, in other words, the state was uniquely vulnerable to the inconsistencies of society, which would be incorporated into the state at just the same time that industrialism exploded it. These dynamics would be clear in all the state-owned railways of British settler colonies.

The result at the level of state capacity, however, would depend upon the contours of politics, of geography, of a range of factors besides. In South Africa such factors would converge upon especially problematic conclusions. Financially unsustainable railway construction in the Cape, and to a lesser extent elsewhere, would characterise the early years. The Union of South Africa would involve an attempt to transcend this legacy, but inconsistent demands correlating especially with mining and farming interests would then structure the unified railway administration in inconsistent ways. The resulting defects were neatly expressed in South Africa's response to the menace of road motor

competition, which in turn would define key features of the development of South Africa's railways up until the present.

### *The Cape Colonial State in the Pre-Industrial Era*

Of course, the geopolitical context of southern Africa was not passive, nor was the link between war and state formation absent. The state formation of the African polities of the region, especially from the mid-eighteenth century, was in substantial part the product of war (see Wright 2010). These states, furthermore, would exhibit a remarkable longevity. Like all states, even when conquered there would exist a marked preference to retain the machinery of domination that they provided, and through the instrumentalities specifically of indirect rule these specific state forms would transmogrify into the despotic institutional architectures which cast a shadow even over the present (Mamdani 1996; Delius 2008). Despite the importance of this aspect of South African state formation, my concern here is with the central state, which because it was forged substantially through its accountability to a recognised civil society, and through industrialisation, is definitely distinct from others that lie below the Sahara. We will focus, in the pre-Union years, upon the state of the Cape, which is the best known, and reveals fairly clearly the challenges of industrialisation. We will begin, though, with the legacies of the pre-industrial era.

This particular state would be built upon the institutional inheritance of the Dutch East India Company (*Vereenigde Oost-Indische Compagnie,* the VOC). The administration established after 1652 has been noted mainly for its use by office-holders as a vehicle for self-enrichment. The Cape government was distant from its Amsterdam governing body, the Heren XVII. Executive appointments to the Cape were commonly made on personal and otherwise partial grounds. When in the Cape these executive appointees would have considerable room to build up their own followings through the distribution of public office and other benefits. The mercantilist system of monopolies, of licensing, and of commercial credit, which governed in particular opportunities for export and the provision of passing ships, encouraged individual straddling of public and private positions, which was accompanied by venal entanglements between the state and free merchants and producers. The relative absence of salaries, and the preponderance of fees as a source of remuneration, meant that extortion was a common practice. Detection and punishment of such deviance was hindered by the absence of an independent judiciary, and by want of restriction upon multiple office-holding, which often fused offices of oversight and practice in the same person (Schutte 1989; Peires 1989).

In this the VOC government in the Cape was not terribly far behind existing norms of administration. In fact, the status quo was generally accepted. Its excesses were periodically attacked by Cape burghers, released from company discipline in the early years of occupation in order to establish agriculture in the vicinity of Cape Town. But these Burghers, as they expanded into the hinterland, followed by government appointed

*landrosts*, tended simply to reproduce the same institutions on a smaller scale (Schutte 1989).

When the Netherlands was threatened by the first French Republic, Britain saw fit to occupy the Cape in 1795. The need to rely on the language skills of existing officials meant that there was continuity in personnel, and British governors themselves sometimes gave in to the temptations of the VOC institutional architecture. British rule did introduce into government a vigour that the now declining VOC did not possess. Rules were increasingly codified. By 1797, in order to stamp out corruption, the British raised salaries, created salaries in some places where they had not existed before, and suppressed certain avenues of remuneration by fees. The colony was ceded back to the Batavian Dutch in 1803. Governor De Mist, influenced by developments in a bureaucratising Europe, appeared on the path toward substantial reform. Little came of these intentions since his tenure was short, and he seems to have come to accept local conditions in any case (Freund 1989).

The British would reoccupy the Cape in 1806, this time to keep it from a now Napoleonic France. Absent formal treaty sanctioning annexation, and therefore in the context of uncertainty regarding the future, the British would again implement only limited changes. A process of centralisation was set in motion, occurring through the expansion of legal control to the Cape hinterland through the vehicle of the circuit court (Ibid 346-7; Sachs 1969-70).

These reforms were fairly limited. In its essence, the VOC state still remained. After 1814, when British annexation was confirmed, there would for a time be even less movement, and governors would fall even more easily into patronage and corruption, in a state which 'confused the business of government with the business of private gain' (Peires 1989: 492). Only from 1822 would the VOC institutional architecture come definitively under attack. British administrators, free market enthusiasts in an industrialising Britain, keen on turning the colonies into paying propositions, had appointed a Commission of Eastern Inquiry to reform the colonies (Ibid; Keagan 1996: 96ff). The commissioners, supported by newly installed governors in the Cape, as well as by an emergent British settler civil society, would by the late-1820s push through what Peires (1989) describes as a veritable 'revolution in government' (also Keagan 1996: 96ff).

The near absolute powers of the governor were curtailed by placing him within an executive council (Davenport 1969: 317-8). Improvements in roads and the postal service were planned. A relatively independent and professional judicial function was established, remuneration by fees was suppressed, the holding of multiple, inconsistent offices was eliminated, as was the system of licences and monopolies. These interventions are famous primarily because, especially as extended to the local level, they broke the hold of the patriarchal Boer upon the state, and like never before subjected the relationship between master and servant to impersonal law (see Crais 1992; Legassick 1993; Keagan 1996). In the sphere of bureaucratisation, however, the reforms were incomplete.

The next phase of reform would be under the colonial secretaryship of Sir John Montagu, who from his appointment in 1843, and with the governor often absent, came to dominate colonial government. He was sent by Lord Stanley, Secretary for the Colonies, at least in part to bring Cape finances under control. He would arrive to find the Cape administration in disarray, without a uniform list of regulations, and at least in part for this reason suffering from pervasive non-compliance, which in turn was reflected in weak control over the finances (Breitenbach 1952: 192-3). The revolution in government had also not nearly freed the Cape of the evils of partiality in appointments and other administrative decisions. Montagu himself had begun his career with the purchase of a lieutenancy in the army, he got his start on public administration by serving as private secretary to his uncle in Van Diemen's Land (Ibid 184). Keagan (1996: 211) notes that he was 'an instinctive autocrat who surrounded himself with people who owed him favours'. Certainly, Montagu was dogged by accusations of patronage and private accumulation through public office throughout his tenure. The plausibility of Breitenbach's (1952) arguments to the contrary is marred by his hagiographical representation of his subject. Keagan (1996: 242), furthermore, is convinced that Montagu was fond of partial and political appointments.

These issues aside, Montagu was clearly an able administrator bent on reform. Already in 1843 he attacked corruption by extending the system of auditing, bolstering the tender system, and suppressing the involvement of government officials in private enterprise. He rationalised and defined the scope and powers of government departments, he overhauled

and expanded the postal system, and he was prominent in the construction of roads and the improvement of Cape Town harbour. He also, importantly, extended meritocratic practices, in promotion but also through the inauguration of uncompetitive examinations in 1850, to be administered by a Board of Examiners consisting of departmental heads (Hutton 1883: ii-iv). In establishing these examinations Montagu was, in fact, moving ahead of contemporary British practice (Breitenbach 1952: 183-9, 194-5).

'Representative government', where an unrepresentative governor held executive power alongside an elected legislative assembly, came in 1854. In part it was a response to Montagu's attempts to impose new taxation to fund his schemes of public works, and to the agitation against executive aggrandisement and patronage that this provoked. Certainly, Montagu had succeeded in establishing, if in rudimentary form, certain of the key components of modern bureaucracy. During the course of representative democracy, however, some of these would fail to take. The system of examinations was a failure. Appointees who had passed were found to be of very poor quality. By 1864 attempts to strengthen the exams were not being acted upon. By 1873 the function was shifted from the Board of Examiners to the Council of the newly established University of the Cape of Good Hope, and from this point not a single candidate presented himself for examination. In the interim, examinations as a qualification for appointment had been lost sight of, and the personnel function had effectively drifted again into the patronage of the high-level executive (Hutton 1883: ii-iv).

It appears likely that this digression was a product of the generally low level of skills in the colony. It is probable that vacancies exceeded the list of those who had presented themselves for, and passed, examinations. In turn, this would have leant weight to the persistence of patrimonial tendencies not entirely eliminated under Montagu. The drift away from regulations regarding admission was, however, part of a broader phenomenon. In fact Montagu's uniform list of regulations as a whole had fallen into abeyance. A proliferation of *ad hoc* and often unannounced amendments would mean that, by 1883, the Hutton Commission of Inquiry could not determine 'what these regulations are, where they are to be found, and in how far many of those which appear to be still in force are in reality entirely or in part obsolete', with the result that the working of departments was 'in a large measure dependent upon the will of its head' (Hutton 1883: ii).

In effect, the core of Montagu's administrative reforms had failed to institutionalise. In our earlier terminology (Chapter 3), behaviour had not coalesced around a logic of appropriateness inhering in formal, state-sanctioned rules. The incentives across the hierarchy were not such as to persistently detect and punish deviation from rules, and reward compliance. For this reason rules had not become norms, imbued with moral value, nor had rule-following become routinised and taken for granted. The persistence of cross-cutting, patrimonial incentives could have done this, as would pervasive appointment of British expatriates, by proliferating interpretations of rules, and short-circuiting the learning process embedded in career paths. Of course, the incentives of sustained geopolitical competition were also absent.

Still, even if a failure to institutionalise bureaucratising interventions was a persistent theme in the history of the Cape state, British bureaucratic norms remained present, even if often honoured in the breach. Public servants were, much more than in the case of the United States, protected from dismissal on political or other partial grounds. It seems, moreover, that it occurred quite commonly, for instance, that the principle of meritocracy in civil service appointment was asserted, and that this assertion could be made to carry weight (see Breitenbach 1952: 183)

Another legacy of Montagu's incumbency, its relative interventionism, would also develop in important ways under representative government. In 1853 public expenditure sat at £268 111, after the introduction of representative government public expenditure would almost triple to £763 237 by 1861 (Cape 1905: xix). The expansion of state services, while facilitated by the woollen boom of the 1850s, was driven by the new representative legislature of 1854, which both produced demands for government services, and provided no vehicle with which to effectively mediate them.

The problem was general to pre-party political systems unencumbered by threats of international war, or assisted by autonomous bureaucracy. If the unrepresentative executive wanted to build, then it needed the representative parliament to approve the finance. In the absence of any well-articulated system of log-rolling, parliament could only mediate the competing demands of constituency-based representatives through its majoritarian decision-making principle. What this would mean, in the absence of other structures, was that any public works scheme would have to cater to the demands of fifty

per cent, plus one, of the colony's electoral constituencies (Purkis 1978: 41). Disciplined political parties can provide the structures needed to filter such demands further, but in the pre-industrial era such parties were unlikely. Of course representative democracy itself provided little incentive to mobilise into modern political parties, as the electorate could not constitute the executive (Le Cordeur 1990: 62-3). The condition, however, ran much deeper.

In the pre-industrial era a great deal of the colony's citizens simply did not have a great stake in state policy. Despite the fact that the colonial government had by this stage accrued to itself a large range of functions, their distributive reach was weak. Especially in the countryside and the northern frontier, but even in the towns, people continued to live lives that were independent of the state. They continued to live lives, moreover, that were often relatively independent of the formal economy, and of the market, and they commonly had little stake in the export trade, and little demand for imports. What this meant, in turn, is that the colonial state had limited extractive reach. Taxation, especially central taxation, did not figure heavily in the lives of a great deal of the colony's citizens. Where antagonisms could arise, in the sphere of class differentiation for instance, the option of exit across the vast frontier ensured, as it had in America, that they were not bottled up. In the final analysis, the incentives that control of state policy provided were not so great as to provoke large numbers of voters to take arduous journeys to sparsely distributed polling stations (see Giliomee 1987: 119; McCracken 1967: 35-6, 106).

Where the state did make an impression, on the other hand, was amongst the colonial economic elite. Large farmers, large landowners, and merchants did come within the reach of central taxation. They were burdened by, and benefited from, the public services that the state provided. Not least, they benefited from the contracts and patronage that public works would bring their way. For these reasons they would mobilise into politics. Elections, however, did not throw up logistical problems that were difficult to surmount, ones that required the dedicated resources and economies of scale of parties. Pre-industrial population levels, together with widespread political apathy, meant that voting populations were small. Notables, entrenched in localities, could secure election through the support of family and friends, bolstered by clientelistic distributions of employment and other perquisites through vehicles of local government and private enterprise (McCracken 1967: 37-43, 114-5; Le Cordeur 1990; Purkis 1978: 41).

Amongst the elite, on the other hand, the distributive issues that divided them divided too finely. Robust state intervention to support specific sectors, for instance, was not yet an issue, and so politics inhered largely in public works, meaning that it was played out amongst a series of localities (McCracken 1967: 50-1). Eastern separatism, for instance, while enjoying a wide geographical reach, was rooted fundamentally in a politics of pork. Concerns regarding Cape Town dominance would quickly give way, as soon as the mechanics of separation became an issue, to concerns with Grahamstown or Port Elizabeth dominance, until all that was left was localities. In this condition the Cape was far from unique (see Boix 2007).

So, in the absence of parties public works expanded according to the majoritarian decision-making principle, and for this reason they did so rapidly. Rising expenditure at this point intersected with the unrepresentative nature of the executive, and the system of patronage that it employed, to block a concomitant rise in revenue. It was widely believed, that is, that being unaccountable, the executive was predisposed to use public resources self-interestedly and wastefully, and reticence was expressed lest it used expenditure simply to augment its own patronage (Purkis 1978: 56-8). In general, since public works was not being sustained by additional taxation, it rested upon loans. Depression struck in 1861 – for Mabin (1984: 79) confirming the 'emergence of a cyclical pattern in the Cape's economy', and hence of capitalism – and in this context the insecure financial position of the Cape scared away British financiers, stalling public works by 1866 (Purkis 1978: 56-8). The Cape had, not for the first time, found itself in an unsustainable financial situation.

In these early years, however, public promotion of railways was protected from the politics of pork by the principle that localities would pay, combined with the uncertainty of a technology not quite matured. Given the high costs involved, and the long and uncertain wait for returns, government intervention was necessary, but the notion of government ownership was not yet accepted. It would promote by guarantee on interest, and the principle that localities would carry the burden was instantiated in a sub-guarantee. In particular, the government would guarantee to the Cape Town Railway & Dock Co. 6 per cent return upon its investment in constructing a line from Cape Town to

Wellington, and it would claim half of this from the ratepayers of the localities through which the railway ran.

The sub-guarantee would come to be detested. It rested upon all ratepayers regardless of whether they used the rail, it benefited distant localities more by helping them to compete with those closer to the Cape Town markets, and those just outside divisional boundaries benefited without even having to pay. Furthermore, the line was completed in 1862, and a branch from Salt River to Wynberg, financed on similar terms, in 1863. The 1860s depression therefore caused the sub-guarantee to fall heavily upon local ratepayers, and stagnant trade conditions meant that the full benefit of the railways was not achieved.

Partly for these reasons, the principle of the sub-guarantee tended to divide local interests in railway agitation. Small farmers and landowners received limited benefit from them, and often relied on transport riding to supplement their incomes. So, even as the railways undercut their livelihoods they would be made to pay for them on the same scale. The economic elite, on the other hand, stood to benefit a great deal more. The process of railway construction brought contracts and a boom in local commerce; the completion of the rail raised local property values; assured the commercial, industrial and administrative centrality of the towns it passed; gave farmers an advantage over their competitors; and eased the difficulties associated with ox-wagon transport, especially its unreliability in very dry conditions and wet, with all the advantages that this gave to commercial calculation and advantage. The stakes were raised, because for towns that lost out in railway agitation the cost was imminent decline (Purkis 1978: 42-53).

It was partly resistance from local small farmers that blocked agitation for a Port Elizabeth–Grahamstown line in 1862-3. Combining with economic depression, this meant that no other lines were built in the 1860s. By the 1870s the sub-guarantee was seen as too divisive an instrument with which to proceed, and was therefore already falling into abeyance (Ibid). All the key elements of subsequent developments thus come into view.

By 1870, that is, the Cape colonial state had settled into a number of key contours. It was definitely imbued with British bureaucratic institutions, but weakly. Public office was caught, though incompletely, in a politics of patronage, and in practices of nepotism and favouritism. Public works, moreover, was by this time embroiled in an unstructured politics of pork, into which, with the failure of the sub-guarantee, was slipping the politics of railways. In these contours the state would run its course. What blocked it, presently, was the constitution of representative government, which had descended into a legislative-executive deadlock around finance. What also blocked it was the deep recession of the 1860s.

The slump, however, had sent a stream of finance into the South African hinterland in search of profits, a 'spatial fix'. The finance was followed by the recently impecunious, many of whom rested at the Orange River, making a living as traders or ferryman, and seeking opportunity as prospectors. It was this movement that would eventually strike at the diamonds around the confluence of the Vaal and the Orange Rivers (Mabin 1984:

116-8). Unwittingly, the next phase in the development of the Cape colonial state was thereby forced.

### *Cape Colonial State Confronts the Age of Industrialisation*

The financial deadlock would give way in no small part in response to the windfall that followed. It was widely recognised by the 1870s that deadlock was holding back the prosperity of the colony, by the fiscal deficits that it created, and by the resulting reaction against the financing of public works. The most natural path was development towards responsible government, the fusion of executive and legislative power under settler democracy, the absence of which, amongst British settler colonies, the Cape only shared with Western Australia and Natal. Eastern separatism, distrustful of western Cape dominance, and reliant upon the British garrison, initially blocked this move. Governor Wodehouse, however, had by the early-1970s failed three times in his attempt to impose a 'Jamaica Constitution', which would reintegrate legislative power into an unrepresentative executive. In this context the British government, again in the interests of its own fiscus, forced responsible government into a *fait accompli*, and the first responsible ministry came in December 1872 (Purkis 1978: 58-66).

The Molteno government would be encumbered by the legacies of the pre-industrial age, but with the rise of industrialism, coming out of the fiscal injection provided by the initial diamond rush, the state would more and more take on an industrial hue. Molteno and his

Cabinet went in for telegraphs and irrigation on a fairly large scale, and expanded the range of other public services, but more than anything else it went in for railways, as already they slid into a politics of pork.

In the last years of representative government the executive had resisted the implications. Since the rush began at the start of the 1870s it had generally been assumed that for financial reasons only one major trunk line was feasible, and that it's obvious aim was the diamond fields. On this understanding the ports of Cape Town and Port Elizabeth, and then East London, were drawn into agitation first, followed by their immediate hinterlands. Farmers further inland, seeing only benefit to the ports in these early years, generally opposed the additional taxation that railways involved. By 1872 the government, in these circumstances, proposed only to extend the Wellington and the new Uitenhage private railway. It hoped to fund these extensions by increasing export duties, and held that the construction of other railways was at this early time premature. A combination of easterners and farmers blocked the suggestion, and resting upon already existing revenue voted only relatively small sums to extend the railways from Wellington to Worcester and Port Elizabeth to Bushman's River respectively (Purkis 1978: 92-4).

The legislature did, however, agree to take out a loan to purchase the existing private companies. Negotiation with the privates was by this point an important impediment to extension, and with the sub-guarantee faltering it would be cheaper to buy them out than to pay the guarantee. The impending purchase would raise company shares and allow them to put maintenance on hold, so being in their pecuniary interest the owners of the

Cape Town Railway & Dock Co. and the Wynberg Company had themselves actively encouraged the early-1870s agitation for the extension of the Wellington line (Purkis 1978: 71-2). In 1873 the lines were nationalised, and the Cape Government Railways inaugurated.

By the time of nationalisation the Molteno government had come into office, and for a time it too tried to hold railway agitation at bay. The ministry had only been in office for six months, and had not had time to thoroughly go over the results of surveys into railway extensions. It was also exercising caution in waiting to see if the exhilarating increase in revenues would hold up, and hoped to avoid going in for increased taxation at such an early time in its incumbency. In the 1873 session it proposed, then, only to vote more money to complete the Worcester and Bushman's River extensions. It was, in result, immediately assaulted by both its political supporters and its enemies, who saw all the inherent benefits and threats of a railway construction programme, and many of whom had also begun buying up land speculatively along the routes that, it was presumed, railways would go. The support of all, friend and foe, rested upon the government seeing to their direct material interests, 'no higher loyalty could serve as an appeal against failure to do so' (Purkis 1978: 135-42).

In essence, the Molteno ministry was trying, and failing, to run against the ineluctable logic of its situation. Representative government had eliminated one barrier to the emergence of parties, but nascent industrialism had not yet eliminated the others. Nor had nascent democracy yet faced an historic issue, such as religious conflict, or a divisive

war, that would force the existing, localistic elite to agglomerate into opposing blocs. Caught in a pre-party system that demanded that the majority of local interests in parliament got pork, the Molteno ministry was inescapably compelled, as a matter of retaining office, to offer a comprehensive scheme of railway construction.

The Molteno Plan of 1874, therefore, marked the culmination of a little over four years of railway politics that would see a prudential executive assessment that only one trunk line was financially feasible, transmute into the profligate construction of four, from Worcester to Beaufort West, Port Elizabeth to Graaf Reinet and to Cradock, and from East London to Queenstown. These lines, in turn, would be accompanied by branches to Malmesbury, Grahamstown, and Kingwilliamstown respectively (see Purkis 1978: 158-64). In the subsequent four years the state would borrow over £4 000 000 to fund this scheme, dwarfing the previous record loan, taken to purchase the private railways, by roughly 5 times. Rushed surveys and estimates, and labour difficulties, would increase this sum to over £7 000 000 before construction was through (Ibid 166-7; Mabin 1984: 141-2, 268). It was, moreover, entirely unclear whether the scheme would ever pay. The only estimates on expected traffic were produced by the Chambers of Commerce themselves, which were hardly impartial, their figures almost certainly inflated (Purkis 1978: 167-8).

In 1879 and 1880 the Sprigg ministry thought to bolster its flagging support and augment its patronage by suggesting further schemes, which in the climate of railway politics were poorly conceived, and in the context of ongoing construction understood to be premature.

In 1881 the procedure was repeated, this time by the Scanlen government, with a good deal more success (Purkis 1978: 185-228; Mabin 1984: 149-56). Trunk lines were extended from Beaufort West to Hope Town, from Cradock to Colesberg, and from Queenstown to Aliwal North. A line connected the Western and Midlands trunks at De Aar and Naauwpoort.

At this point the railways had saturated the political map of the Cape. A majority now had railways, or could expect them to be completed shortly, and so could manage the politics of further construction. The preference over the next two decades was for northward expansion, to the now industrialising Kimberley mines, and then to the Witwatersrand after 1886, which was itself partly the product of a spatial fix emanating from the Cape after depression struck in 1881. The thrust north was facilitated by the ascendance in the Cape of a commercial and financial interest in the mines (Mabin 1984). More than this, it was by now recognised that the windfall produced by diamond rush had been converted into an albatross around the neck of government finance (Purkis 1978: 258).

In 1884-85, after the initial spurt in railway construction, but also after the costs of war with the Xhosa were for the first and last time thrown upon the Cape fiscus, charges on public debt topped a third of government expenditure (Ibid 253). The level was high, but not unknown to the British settler colonies of the time. The real problem was that the majority of this public debt was attributable to a railway system that, under present circumstances, would not pay. Net returns on capital invested were just over 2 per cent in

1885, and with interest on loans running at around 4.5 per cent (Purkis 1978: 252, 278). Things changed dramatically thereafter. The railway reached Kimberley on an imperial loan in 1885, and by 1887 Johannesburg was blowing up with Kimberley the closest railway. In that year the railways brought a profit above interest for the first time. In his next Annual Report the General Manager of the Cape Government Railways noted the importance of extending the line to the Rand, and warned of the threat posed by the Natal trunk line creeping up from the eastern seaboard (Mabin 1984: 260). The Cape Colony was being carried along its railways into the international politics of the interior.

In the interim, though, the Cape colonial state as a whole had been undergoing rapid transformation. The growth of nominal expenditure by the government of the Cape, which doubles as a crude indicator of growth of state size, had shot from £764 915 as the rush to Kimberley gathered pace in 1871, to £5 530 688 in the 1880-81 financial year as Kimberley began to industrialise in earnest. At 723 per cent in nine and one half years this was rapid growth by any comparison. In 1896-97, a decade after the rise of the Rand, that figure had climbed to £8 637 854, with a total of £1 921 809 accounted by railways on working expenses and maintenance alone (Cape 1905: xix). Railways helped bring the state into the lives of the Cape population; they facilitated its operations by speeding communication and brought public services to otherwise marginal centres. These railways, in turn, had grown from a mileage of 64 when nationalised in 1873 to a round 2 253 in the 1890s. At this scale they encapsulated for the state administration the challenges of industrialisation.

The coordination of train movements in real time over large distances is a highly complex process, one which extends well beyond the train movements themselves. Rolling stock, permanent way and other facilities are subject to complex procurement processes; to processes of manufacture and construction; and to rigid programmes of routine checking and maintenance; railway material of a wide variety, dispersed across the system in diverse warehouses must be monitored, linked to requirements, and distributed in timely fashion to point of use; cargo and passengers must be recorded, their movements standardised and tracked, and their comfortable passage ensured; a large number of personnel must not only be paid, but provided with accommodation, recreation, medical care, and even schooling for children; systems must be established for training and apprenticeship.

Further, when railways begin to run into hundreds of kilometres, and when warehouses, workshops, stations, and so forth disperse into a range of locations, it becomes impossible for higher management to exercise direct surveillance. Monitoring at the top can only really be established via the decentralised but routine collection, and communication to central analysis, of a wide range of statistical data dealing with revenue, expenditure, traffic volumes, ticket sales and collection, outputs from workshops, depreciation of rolling stock and way, and much else besides. The diverse processes that keep the system in operation are tightly interconnected. If a locomotive isn't properly checked today, it might cause an accident tomorrow, throwing the system off-schedule, and undermining routine. A high level of rule-driven bureaucracy becomes indispensable, to impose the

regularities in behaviour necessary for coordination and quality, to settle disputes, to strengthen accountability, and to monitor financial viability and performance.

In facing these challenges, however, the Cape colonial state, as we have seen, was initially poorly bureaucratised. In its operations it would exhibit all that we might expect therefrom. In the railways in particular colonial skills were exceedingly scarce. The colony lacked any institutions for technical education. The engineers and technical personnel needed to plan, survey, build and maintain lines, and to maintain and repair rolling stock, were imported, as were managers of all types, accountants, bookkeepers and experienced clerks, engine drivers, station foreman and masters, and even guards (Lyell 1969: 17). The situation improved over the years, but even by the time of Union a considerable portion of the staff were expatriates. Appointments made from within the colony, on the other hand, and perhaps also appointments made from without, were not free from the evils of patronage and nepotism (see Purkis 1978 generally; Hutton 1883: ii-iv, 485).

A dearth of specialist skills, recruitment from overseas into all levels of the organisation, from multiple professional experiences, and a generally high-level of mobility in the staff, all of these things never conduced to the institutionalisation of behaviour around rules and procedures. By 1893 a House of Assembly Select Committee discoursed about the ‘deplorable amount of confusion in the General Manager’s Department, resulting in divided authority, a considerable and expensive multiplication of official routine, and a lack of control over subordinates’ (De Waal 1893: xi).

On the ground this was reflected, most graphically, in rampant illicit enrichment at the expense of the stores department. At one point a private detective was appointed to look into this matter. While *in cognito* this detective was invited by railway guards to travel up and down the line free of charge, without ticket. Along his journeys he discovered that unauthorised withdrawals from stores trains were both widespread and accepted. Those who consciously benefited from the practice included, amongst others, a range of different categories of railway employees, private storekeepers, the Roman Catholic Church, and a local drunk, one James Leonard. A visit to the Railway Hospital brought him to a publicly appointed doctor operating a private trade in medicine, his merchandise obtained without authorisation from the stores train. Despite being a perfect stranger, one employee even suggested to the detective that if he were inclined to establish a store, then the employee would provide him with sufficient goods to carry on business (Ibid lv-lviii).

More generally, the collection and use of statistics was neglected, and the published returns on traffic were admittedly incorrect and misleading. Complaints about the railways at this time ran the gamut from lack of lavatory accommodation, the civility of officials, the imperfect distribution of rolling stock, to the irregularity of the trains (Ibid viii-ix). As regards the latter, it was noted in damning terms that

> The bad management of the Colonial Railways is complained about not from one system, but from all systems; not from one or two commercial communities, but more or less from all important commercial communities. The reference to irregularities in the evidence is of such a character as to be absolutely puzzling by its extent and variety. (Wilmot 1893: vi)

These sorts of revelations and the complaints that prompted them were, nevertheless, a sign of, as well as a product of, a will to change. From 1893 examinations were again put into operation. In 1899, however, a Select Committee found that at least 33 per cent of appointments had passed no examination, and the examinations were themselves pitched at a very low level: applicants who had passed standard seven were given preference, and did not have to write (Lyell 1969: 24). By 1905, however, a public service commission of inquiry that investigated the railways congratulated the stores department for its comprehensive auditing of stock. Importantly, after taking evidence from the principle Chambers of Commerce it 'was gratified to find that, apart from rates and fares… they had no criticism to offer on the general administration of the [railway] department' (Graham 1905: 31). It did, however, again raise the issue of inadequate oversight flowing from the general manager's office; it discovered grave improprieties and ill-discipline at the locomotive workshops in Salt River; it found further a range of very specific but relatively minor variations from instructions and procedure, the most egregious being the use of government employees to do private work, but at private cost, and deviations from tender procedures, but to the benefit of the administration; significant over-staffing was flagged and put down to the usual democratic pressures (Graham 1905a).

The progress that was achieved appears to have been an aspect of a general movement for efficiencies in the public administration as a whole (see esp. Graham 1905b). The railways, however, were subject to unique pressures. They represented the most technically sophisticated and practically important organisation of state in the country, in

terms of its revenue and expenditure, and also in terms of its pervasive influence upon the lives of the commercial and agricultural, as well as now the mining, community. Beyond this, it had since the age of profligacy from 1881 increasingly found itself both in grave financial difficulties, and bound up in competition with other government railways for the traffic of the interior, and especially of the Rand.

Weak bureaucracy embedded in the history of the state had led it, then, to falter in the first steps toward industrialisation, and the challenges of industrialisation in turn had caused it to improve. On the other hand, the convergence of weak bureaucracy with nascent democracy and nascent industrialisation had produced a railway system that, cumulatively speaking, appears never to have paid. The resulting search for efficiencies, to keep up the fiscus, but also to compete for the interior traffic, would however rebound upon and strengthen the process of bureaucratisation. The railways to the north, in their turn, would be the chains that would pull the Cape Colony into the Union of South Africa.

### *The States of South Africa and their Unification*

The Union of South Africa would incorporate four states that had followed their own historical trajectories, if all decisively determined by the windfalls of mineral revolution. Their railways had also gone through their own paths of development, which would collide at the Rand, and provide a key determinant of unification. The British imperial

intervention of 1899-1902 would undo Boer republicanism, and therefore open the way. It would also, however, decisively redirect the trajectories of the old Boer states, and at the very same time help forge modern political parties with an antagonistic orientation toward the new British substitutes. It is to these developments that I now turn.

The Cape railways had struck out to a burgeoning Johannesburg by financial necessity. It passed through Bloemfontein via agreement with the Orange Free State. The Free State itself only bought the Cape railways that lay within its territory in 1898. It quickly went into agricultural branch line construction, but only managed two before the outbreak of war (see Pels 1937). The Free State administration, on the other hand, has primarily been an object of nationalist self-congratulation, sparked by Lord Bryce's observation that it constituted a 'model republic' (see Muller 1969; Marais 1989: Ch. 13). No hard conclusions can be drawn therefrom, except that the Orange Free State did attract into its presidency a series of able administrators, that its traditions were largely those of the Cape, and that the threat especially of the Basotho, and then of the British, may have conduced to the pursuit of administrative efficiency.

The Cape line would arrive in Germiston in 1892. Railway development in the *Zuid-Afrikaansche Republiek* (the ZAR) had been conducted, like much Krugerist developmentalism, by way of concession and geopolitics. The first railway concession was granted to the *Nederlandsch en Zuid-Afrikaansche Spoorweg-Maatschappij* (the NZASM) to provide Kruger with an outlet to the sea independent of British authority, ultimately at Delagoa Bay (Van der Poel 1933). The *Oosterlijn* met the Cape line in late-

1894, ending a lucrative two year monopoly of the Rand railway traffic for the Cape railways and ports. Thereafter the Pretoria-Pietersburg Railway Company was given a concession to build and operate a Pietersburg connection, apparently as a military contingency against the northern chiefdoms. Otherwise Kruger and the NZASM showed a marked preference for railways to mines, perhaps, as Van der Poel thought, to placate Uitlander grievances, but also likely to generate revenue for a state that was in a difficult spot.

The ZAR administration in general was notoriously inefficient and corrupt. Its financial relations with the NZASM itself were obscure (Van der Poel 1933). After the discovery of gold, like all the colonies of South Africa, it grew explosively, and gained a measure of capacity by the efforts of administrators brought down from the Netherlands. By the end of the nineteenth century, however, this state was still notable as a vehicle for accumulating speculative investments in land and concessions, and soliciting bribes, and Marks and Trapido conclude that its social base in a pre-modern agricultural class rendered it irredeemable, its ability to provide the infrastructure needed to sustain the Rand mines problematic (Marks and Trapido 1979; Trapido 1980).

The Cape was finally joined in 1895 by the Natal line from Durban. The railway politics of Natal had been conducted upon much the same lines as that in the Cape. It had only one port, however, so was only weighed down by one trunk line, and this trunk line in turn was sustained by a robust stock of premier colonial coal. So in comparison to the Cape, the Natal Government Railways, and therefore Natal, were financially in a much

better place (see Busschau 1933). In the sphere of administration, however, Natal appears to have been substantially worse off (see Smith 1903).

The politics of railways, and the customs that they brought down to their ports, that followed the meeting of these states on the Rand was both straightforward and intractable (see in this context Van der Poel 1933; Thompson 1960). On the back of the Rand traffic the Cape had experienced a remarkable release from its otherwise very stubborn financial difficulties. When met by the competition of the other lines it would see its prospects evaporate. These other lines were shorter, hence they provisioned the Rand more cheaply, and the ZAR benefited more financially from the *Oosterlijn*, because it was the longest in the NZASM fold.

Necessarily, this reality then shifted competition into the sphere of international politics, where it would take the form of attempts to secure by diplomacy and threat what couldn't be secured by the market. Here considerations of equity would be complicated by the market positions and financial contingencies of the participants, and at this level the Cape would persistently demand more than either the market or equity would allow. The impasse that these contradictions involved produced a great deal of political conflict between the states before the South African War, most acutely expressed in Kruger's 1895 decision to close the Transvaal border to Cape traffic, and the British government's subsequent ultimatum to open it or risk a show of force. It would continue to produce conflict after the war, especially since Portuguese East Africa had by the end of the nineteenth century become the chief reservoir of mine labour, so that by 1902 Milner had

traded the right to secure this labour for a 50 per cent share of the Rand traffic to Delagoa Bay.

Rate wars would ensue, and tensions between the now four British colonies build. The Cape railways in particular were again sinking into the red by 1898 (Mabin 1984: 284). A series of inter-colonial conferences called to resolve the matter would reveal that industrialisation, in effect, had already bound the colonies together, and its effective and harmonious administration now required a centralisation of authority up to the level now occupied only by the ineffectual structures of the Office of the High Commissioner of South Africa (see esp. Jameson 1906). More particularly, by sharing the burdens of the Cape, and the benefits of the Rand, the Union of South Africa would in an instant resolve the impasse over railways and the customs that they brought. The decision to move toward Union would be definitely announced, by Jan Smuts, at a railway conference in 1908.

If the South African War had not itself resolved the railway problem, it would fundamentally shape the form of the subsequent unified state. In the Transvaal Colony, and plausibly in the Orange River Colony too, British capture would first gut the existing administrations and then subject them to a most remarkable episode of state formation. During and after the South African War Lord Milner and his Kindergarten sought to ensure the British connection, and most probably the gold that this connection brought to London. In order to do so they would attempt to establish, in Milner's words, 'an administration so competent and so imposing as to enforce an unwilling respect – a

system which self-government, when it comes, is not likely altogether to destroy' (in Le May 1965: 157). In these endeavours they were supported, in socially close but conflictual manner, by a rapaciously critical press, by the Randlords themselves, and by expatriate mining engineers who personally had breathed the fresh air of Progressive Era America (see esp. Marks and Trapido 1979; Breckenridge 2004; Denoon 1973).

In railway administration this was reflected in a high level of operational sophistication (see ICC 1908). The NZASM had aided the South African Republic during the war, after which it was purged of the Hollander personnel that had heretofore dominated it. The motley assortment of recruits that had then found a home in the Imperial Military Railways, which amalgamated the Transvaal and Free State systems, and then the Central South African Railways, were later subjected to vetting through examinations, and promotions were subjected to a system of certificates (Lyell 1969: 36-7). Partly for these reasons the Inter-Colonial Council that governed the interior railways was generally considered to have presided over a golden age of apolitical railway administration in South Africa. In railway construction, in particular, it showed a marked preference for completing the railway network through important connecting lines, generally remunerative short lines to mines, and for long branches through some of the most fertile agricultural districts, at least in part intended to improve agricultural production and thereby lower the cost of living on the Rand.

The future South African state would coalesce around that of the Transvaal, and this new state would appear to have reflected the legacies of all the states that came to make it up.

On the railways there is evidence for this proposition in the findings of the 1912 Workshops Committee, which noted that the workshops of the former Central South African Railways exhibited significantly higher levels of operational efficiency than the Cape, which was then followed by Natal (see Gilmour 1912: 7-8). A (cursory) review of embezzlement cases brought before the Railway Board reveals a similar pattern.

The war would also shape the unified state through its influence upon the terms of the unification negotiations. Negotiations would be framed, that is, by the impetus that the war gave to the rise of modern political parties in the region. Industrialisation itself had already done some work here. In the Cape parties emerged first, because industrialisation modernised its state first, increasing its expenditure and sphere of intervention, and therefore sharpening its salience as a political prize. Many politicians who were subsequently prominent in the Afrikanerbond, South Africa's first modern political party, cut their teeth in agitation for railways and public works in the decade after the onset of diamond rush and responsible government. Yet such a pork-barrel politics could still easily divide, and the Afrikanerbond left railway politics to its local branches. More important for the cohesiveness of the party was the state's increasing ability to subsidise farming – cleaving it from the more *laissez faire* merchant and mining interest – and its increasing prominence in taxation – forced upon the citizenry by railway and war debts. The extension of education increased the significance of language, and indeed the first Afrikaans and Dutch language movements were responding to the new importance of formal employment, in the private sector but also in the state, to the life chances of the Dutch inhabitants of the country (Giliomee 1987). These developments, and the

cleavages that they involved, would inform South Africa's party system for much of the twentieth century.

If parties could now be sustained by material issues, however, it was war that provided a major impetus to their creation. The 1877 British annexation of the Transvaal, and the subsequent First Freedom War, was important in the creation of the Afrikanerbond (McCracken 1967: 109). The Jameson Raid and prelude to the South African War subsequently clarified Cape politics into a party system, with the emergence of the British-aligned Progressive Party (Ibid 105-20). The South African War, and subsequent Reconstruction, then extended much the same party system to the interior colonies (see Denoon 1973). The key exception to these developments was the overwhelmingly English[15] Natal, where the remnants of its pre-party system extended well into Union in the form of its marked preference for returning independents to parliament.

Judging solely from the limited reach of railway schemes in the Cape after 1900, and in the Transvaal and Orange River Colonies after self-government was granted in 1906 and 1907 respectively, the new parties of South Africa were able to exercise more control over construction than had been the case in either the Cape or Natal.

Even more importantly, the rise of ethnically defined parties revealed a key weakness of the new states of the interior: their achievements rested upon the introduction of large numbers of imported British administrators, widely seen as agents of British imperialism. Indeed all of the colonial states contained this defect. In 1912 around 85 per cent of the

[15] At least in relation to inter-white politics

Union's civil servants were English-speaking (Giliomee 1979: 146). Both the Botha and Fischer governments that came into power in the Transvaal and the Orange River Colony, on Het Volk and Orangia Unie tickets respectively, exhibited distrust in the existing administrations, and were criticised by the English press for revealing partiality in retirements and appointments (Thompson 1960: 265-6). The police and prisons may have been 'purged', though relatively mildly, to make room for Afrikaner constituents (*Star* 28/02/1909). At the National Convention which defined the South Africa Act these tensions would be written into the founding document of the Union.

When questions arose, as they ineluctably would, as to the sorts of guarantees and independence to be given to the public service of the Union, they would cleave upon ethnic lines, with Afrikaners hoping to give the incoming government a free hand and English South Africans attempting to ensure a large measure of administrative independence. In the end section 142 of the Act provided for a Public Service Commission but left its structure and its powers to the Union Parliament, and section 145 provided that no public servants would be dismissed for not having a command of English or Dutch (Thompson 1960: 265-9).

Reflecting the prominence of the railways in bringing South Africa to Union, the provisions framing the unified railways were much more elaborate. Here too (particularly strong) arguments in favour of independence (see esp. Kerr 1907) were, already within the Transvaal delegation which dominated these discussions at the National Convention, hedged by a desire for political control (Thompson 1960: 285-6; also Union 1916 [1966]:

300). In terms of section 126 of the Act of Union the control and management of the railways was to be placed under a Railway Board, of no more than three members, enjoying security of tenure on the model of judges. Beyond these members, however, the Chairman of the Board would be a politician, the Minister of Railways.

Section 117, moving against prior practice, established a Railways and Harbours Fund separate from the Consolidated Revenue Fund. Section 130 provided that every proposal for the construction of new lines of railways 'before being submitted to Parliament, shall be considered by the Board, which shall report thereon, and shall advise whether the proposed works or line of railway should or should not be constructed'. Implicitly, then, it could be understood that the formulation of proposals rested with the Minister, or the Cabinet, as it always had in the colonies of South Africa. However, if 'any such works or lines shall be constructed contrary to the advise of the Board', and only then if the Board was 'of opinion that the revenue derived from the operation of such works or line will be insufficient to meet the costs of working and maintenance, and of interest on the capital invested therein' then 'it shall frame an estimate of the annual loss', and after this estimate was approved by the auditor-general the annual loss would have to be made good from the Consolidated Revenue Fund.

The Transvaal would ensure that the railways wouldn't be utilised as a vehicle for taxing the interior. not only by separating the railway budget, but also by providing in section 127 that the earnings of the railways were not to exceed expenses, 'So far as may be'. The railways were, moreover, to be administered on 'business principles', a vague term,

especially in the context of the railway economics of the time, and that in doing so due regard would be had 'to agricultural and industrial development within the Union and promotion, by means of cheap transport, of the settlement of an agricultural and industrial population in the inland portions of all provinces of the Union'. Jan Smuts, returning to the Transvaal from the National Convention, would infamously hail the inclusion of these principles in the Act of Union as the 'Magna Carta' of the interior.

The unification negotiations, therefore, involved an effort to exclude politics from railways and the broader administration. These efforts would reap very limited dividends, for politics would be entangled within the very letter of the new state's founding document. If the politics were just right then the dangers contained therein could be avoided. But the politics was already not right.

***The South African State in the Age of Industrialisation***

Any history of bureaucracy in liberal democracy must countenance the ways in which parties, and the systems that they constitute, relate to and orient themselves around the state. In South Africa the first party systems, forged in industrial capitalism and war, would contain within their very genes the seeds of the politics of bureaucracy of the next century. Boer and Dutch, soon to become Afrikaners, had been subjected to foreign conquest, and the imposition of what many saw as a foreign state. They had, furthermore, been relatively excluded from the benefits of capitalist industrialisation. For these reasons

the state became seen both as an object of distrust, and its employment and policy as an avenue for ethnic advancement. On the other side stood English South Africa, not burdened by the status quo, with lesser moral claims rooted in history and distributive justice, but stronger claims from efficiency. Pure and simple patronage would become imperceptibly entangled within these new dynamics.

Debates about bilingualism as a qualification for office, which favoured the more often bilingual Dutch, quickly emerged around the new state. Further, when Botha was invited to form the first Union government his administration was quickly accused of following Transvaal policies of retrenchment and replacement with political supporters (e.g. *Star* 08, 12, 29/07/1910, 13/08/1910, 02/09/1910, and so on). Despite the passing of the first election political appointments at high levels remained (e.g. *Star* 01, 02, 16, 27/06/2011). In these years it does seem, however, that politicisation of public servant appointments remained relatively limited and largely confined to administrative leadership (e.g. *Star* 16/02/1912). After some initial foot-dragging, the Public Service and Pensions Act of 1912 did establish matriculation or uncompetitive examination as a qualification for entry into the civil service. Essentially this was an advance on previous practice, and because vacancies exceeded the list of applicants competitive examinations were at this stage not possible (Brookes 1930: 344). The Act also gave the Public Service Commission fairly wide powers, and a measure of independence, but this position would be immediately complicated.

From the start the Public Service Commission was regarded with suspicion by the government. It was involved in turf wars with departmental heads, who in the colonial states were accustomed to having a relatively free hand in internal organisation. It also came into conflict with the Treasury, with which it shared decision-making power over scales of pay and posts. In 1912 the Public Service Commission's authority was defied in 112 cases, in 1913 in 98 cases. By 1914 an amending act reduced the Commission's powers, and by 1915 its Chairman resigned under protest. His position remained unfilled; in terms of the South Africa Act the Commission was therefore acting *ultra vires* until a 1915 Act of Parliament retrospectively validated the existing situation. In general, in these years, the Public Service Commission was mired in understaffing and neglect (Brookes 1930: 335-40; Marais 1989: 198-201; see also *Star* 27/02/1914).

In 1920 the Graham Commission of Inquiry into the Public Service issued its Fifth Report, advocating a rejuvenation of Public Service Commission powers, and a strengthening of its staff complement. When the South African Party had shed the nationalists, then, and orchestrated the incorporation of the English-speaking Unionists, what Brookes (1930: 340) described as the 'Golden Age' of the Public Service Commission dawned. In these years the Commission was 'both strong and trusted', but when the Pact of Nationalists and Labour took office in 1924 the descent was sharp. Nationalists were sometimes explicit in their views about 'an imperialistic, jingoistic bureaucracy of head officials, created by Lord Milner… [who] naturally do their best for their own countrymen and only tolerate us Africanders as hewers of wood and drawers of water' (in Star 20/11/1925). In light of such views they politicised the public

administration more thoroughly than their predecessors, and were more aggressive in their assertion of bilingualism as a qualification for appointment and promotion. Conflict occurred with the Public Service Commission over high-level appointments, and the Public Service Association complained that career paths were being undermined by pulling Afrikaners from lower levels in the civil service. By 1926, upon the expiration of commissioners' terms of office, the Commission was for the first time entirely reconstituted, and thereafter took a relatively deferential attitude (Brookes 1930: 341-2; *Star* 19/08/1927, 30/08/1928, 28/05/1929). By this time the list of applicants to civil service positions was exceeding vacancies, but as competitive examinations therefore became a live possibility, the process of bureaucratisation had stalled (Ibid 344). On this level the South African state would now be about as bureaucratic as it would ever be.

In these years the now South African Railways would not be free of these tensions. The Board was used for political appointments, complaints regarding the unrepresentative nature of the railway administration were regular, and bilingualism was a perennial issue (e.g. *Star* 31/07/1908, 05/10/1912, 27/10/1916, 02/06/1921; Union 1912: 512ff). Despite these strains, however, these railways would during Union follow a very different trajectory to the public service. In 1913 regulations were laid down for entrance requirements into the railway service. Salaried staff required a matriculation or wrote a standard VII equivalent examination. Waged employees wrote a standard VI equivalent. In a problem that surely affected the state as a whole it was often not possible, even given these low standards, to find suitably qualified personnel, so the General Manager was

empowered to reduce qualifications in affected districts. Promotion was also subject to examination in the relevant railway subjects.

Despite skills issues it would appear that the railways attained a reasonable level of operational proficiency in the early years of Union. Complaints from the public were largely distributive in nature, to do with the level of rates, or the distribution of rolling stock. The railway administration, in fact, continued to bureaucratise. Training facilities, generally a neglected area in the first two decades of Union, were from the 1930s augmented, and competitive examinations for incoming clerical staff were established in 1935 (Lyell 1969: 56). The railways remained absolutely central to the activities of a great many groups in society, and it would seem that this reality continued to hold weight.

The real problem on the railways was of a very different nature. It had been burdened with a number of unprofitable lines from the pre-Union years. The Cape system especially seems, cumulatively speaking, never to have paid its way. Further, while during Union the South African Railways would retain a measure of purely administrative autonomy, politicisation of high-level railway decision-making in areas like rates, construction, and a range of others would occur swiftly. The inconsistencies written into section 126 of the Act of Union would at this point play a prominent role.

The Railway Board, in its essence, represented a precocious and unwieldy attempt at balancing the need for state enterprise independence with the desire to retain some degree

of political control. Quite basically, the Minister of Railways, on the one hand, and the independent Board members on the other, occupied divergent structural locations. The Minister, that is, was beholden to politics; while the ordinary Board Members were beholden only to the constitution and the administration. The Minister would be subject to political time, in accordance with the rhythms of parliament, and party congresses, and elections; while the Board Members would be subject to administrative time, where decisions often could not wait for the politics, or where making rational decisions might take longer than the exigencies of politics allowed. Yet these people, for these reasons facing very different pressures, would routinely sit in the same decision-making forum, where ordinary Board Members would have the majority, but the Minister would have political power, and the power of Chairman. The result would be a strong tendency toward conflict unless the Minister was subject to just the right sort of politics, a politics which favoured 'business principles'. There was, however, little chance of such a happy convergence.

In the context of the railway issue the politics would cleave in *sui generis* ways, and most potential groups had something to benefit from the politicisation of railway decision-making. White agricultural communities across the country, and the towns and cities that served them, could hope for, and would push hard for, uneconomic, politically-motivated, agricultural lines. They could also hope to maintain and extend artificially low rates for agricultural inputs and produce, which by this stage were normally below cost, and with the development of down traffic had ceased to play the business role of providing remunerative return journeys for otherwise empty trains. Workers and poor whites would

benefit from the extension of expensive white labour on the railways, which had been used for relief in the Cape Colony for some time now, and was inaugurated for similar purposes on the Central South African Railways in 1902. The coastal industrial and commercial centres did not suffer from high railway rates, for some time after Union their ports were actually subsidised by such rates, and they could hope to maintain their manufacturing pre-eminence by disadvantaging the interior through such rates.

Naturally the direction suggested by all these interests would bring costs. These costs, however, could be pushed elsewhere. The large inland industrial centres, especially the Rand, Kimberley and Pretoria, had been growing out of all proportion to the rest of South Africa, and therefore offered a huge and highly remunerative traffic which could be used to subsidise these other commitments. Geographically uneven development, furthermore, was matched by a constituency-based electoral system that distributed political power relatively evenly through the territory, and favoured the rural areas. The inland industrial centres, and especially their capitalist, commercial and professional elements, were the only constituency unambiguously in favour of 'business principles'. High railway rates meant high costs for luxury goods and intermediate inputs, high living costs, and therefore also high costs for labour (e.g. *Star* 29/02/1912, 05/02/1913, 05/03/1913). The electoral system would ensure, however, that these interests were a perpetual minority in this politics. Certainly, there were economic limits to the extent to which they could be taxed for the benefit of others, and as cash cow they could not be entirely neglected. They would, nevertheless, be taxed, and the gold mines especially.

This combination of state institutional architecture and the politics thrown up by the social structure virtually ensured that much maligned ‘Cape methods’ would continue to prevail on the railways. The Board found itself sanctioning uneconomic commitments, such as Cape coal, and then waiting for the Minister to bring the matter before parliament. It found itself rushing surveys to reach parliamentary deadlines. Most problematically, it began sanctioning the construction of railway branch lines even while determining that they would not pay. Parliament showed itself to be mystified, and the opposition repeatedly demanded legislative clarification of the Boards functions (e.g. Union 1911: 2382, 2421-55, 2759-65, 2845-6; Union 1912: 713ff; and so on).

Predictably, at least in retrospect, the Ministerial Chairman and his Board quickly came into conflict (see Union 1915, 1916a, 1916b, 1916 [1966]: 299ff). On the view that Board control was being undermined and the constitution being evaded, the six years after Union saw the resignation of a number of Board members, complete with public recriminations (*Star* 10/02/1914). By 1916 the Railway Minister would push through the Railway Board Act, which on an ambiguous turn of phrase in section 126, stating that the control and management of railways would be exercised ‘through’ a Board, turned that entity into a mere advisory body. Within the decade Board position would be reduced to a prize sinecure for declining politicians with little, if any, experience of railways, and no adequate experience of railway management (*Star* 15/04/1929, 31/08/1929).

The mechanisms, in terms of section 130, through which uneconomic burdens could be thrust upon general revenue were, in line with these developments, never activated. It

would have been impolitic to raise general taxation in the substantial amounts necessary when costs could more safely and less publicly feed through the railways to the Rand and a minority of others. In the first years of Union a portion of railway revenue was being moved into general revenue, and this activity was suppressed in four years in line with the South Africa Act. The railways were, however, burdened with a perpetual £455 000 in interest charges for loans that didn't exist, the capital having been paid for by way of general revenue by the colonial railways. In this matter the national Treasury was following a valid legal interpretation, if an iniquitous one, of a fuzzy clause in the Act of Union (esp. Frankel 1928: 78-82). In the absence of section 130, however, the separation of general and railway revenue would in the long term come to be counter-productive. The inland industrial centres could no longer be taxed through the railways for the benefit of general revenue, but nor would the burdens of the railways fall upon general revenue. Instead they would weigh upon the railway administration, undermining its own ability to invest, to adjust rates, and so forth. Indeed, this would be the key inconsistency incorporated into the institutional architecture of the railways by the politics of unification.

The results of politicisation, in construction, were somewhat less explosive than the earlier experience of the Cape. The combined mileage of the railways at Union stood at 7 574, which was increased to 13 284 by 1930. The rate of construction over these years was a round 286 per annum, as compared to 168 in the first thirteen years of responsible government in the Cape. But in relation to the finances of the Union, and the landmass that it covered, the results were much less problematic. The reason is that unlike in the

Cape, the majority interest in the politicisation of railway decision-making did not translate directly into a need to speak to a majority of parliamentary interests in each railway construction bill. South African parties by this stage had a considerable level of discipline. It was now enough for future railways to be promised. Actual decision-making power was thoroughly absorbed into Cabinet.

What this meant in practice, at least in the early years of Union, was that the Minister of Railways, himself running free of Board constraint, would informally solicit proposals for new construction from other Cabinet members. Since these members were not experts, and since they were obliged to mobilise political coalitions, this was not necessarily conducive to more rational railway lines, even if it was conducive to a measure of restraint. The Minister and his Cabinet were regularly accosted with specific demands for branch lines and deviations both inside and outside of Parliament, and certainly accusations to the effect that railways were being built as favours to political clients, or factors in intra-party log-rolling, were common (e.g. *Star* 24/04/1912, 15/03/1919, 07/07/1920, 31/07/1924). Even the South African National Union, peak agricultural association, would make these claims, in the process suggesting that agricultural development was being hampered (*Star* 05/02/1917).

Moreover, since many of these Cabinet members had large interests in agriculture and land speculation a clear conflict of interests existed. The use of railway policy by politicians as a vehicle for private accumulation, however, was rarely flagged. The Union's first cabinet crisis occurred when Minister of Finance, Henry Charles Hull, was

left out of the loop in Cabinet railway planning (Union 1912: 2773-9, 2816ff). This was a most remarkable occurrence in and of itself, but it is unclear now what to read from it. In his time as Finance Minister of the Transvaal Colony Hull was himself implicated in short-circuiting Central South African Railways decision-making, in order to secure an important railway station to his Georgetown constituency (*Star* 25/06/1910; Union 1911: 449-52).

These matters aside, the continued accumulation of uneconomic commitments meant that the railways were running heavy. The Cape system weighed the South African Railways down, especially after rates along its lines were reduced to parity with other systems (esp. SAR&H 1912: 132-3, 1913: 127-8, 1914: 154-155). To this was added, primarily, more non-paying branch lines and below cost agricultural rates, and the latter would only become heavier as development proceeded and volumes increased (e.g. Le Roux 1929: 11). An expensive line built for military purposes to South West Africa in 1915 fell to the railways, as did the unremunerative South West Africa system incorporated after the conquest of that country. The emergency transportation of livestock during times of drought tied up rolling stock and increased costs. White labour during these years generally hovered at between 3 000 and 5 000 workers. These burdens may have been worthwhile from other perspectives, but for the railways they meant, in the first instance, a perpetual problem of underinvestment and under-staffing.

By 1928 the Locomotive Engineers' Mutual Aid Society complained that 'Government is like an individual who has bought a motor car and finds he has not got sufficient money

to run it properly. New lines have been opened all over the country, yet the lines we have cannot be run properly' (in *Star* 07/05/1928). At this point engines were going in for repairs and coming out untouched, strained drivers were unable to prepare engines adequately before trips, and were enjoined to run trains too fast. These developments were accompanied by a spike in railway accidents in the late-1920s (Ibid). In addition, the workshops were effectively starved of finance since Union (esp. SAR&H 1925: 13-9); the grain elevator scheme of the 1920s came slowly and incompletely, greatly increasing costs; key interventions such as the electrification of the Durban main line came late (Frankel 1928: 274-80); and the alternative (straighter) main line to Durban, a most important corridor, especially today, never came at all (*Star* 18/05/1914).

What these burdens meant, furthermore, was a revenue structure that relied excessively upon a small volume of relatively high-rated goods, constituting a subsidy on many low-rated goods and other unremunerative commitments (see esp. Horwitz 1938). As a result, when the economic cycle bust the room for manoeuvre was strictly circumscribed. In terms of the constitution the railways couldn't run a surplus during the good times, but more importantly it struggled to raise rates during the bad. Since uneconomic commitments were developmental, demand was extremely elastic as rates rose. Since remunerative rates were therefore high, these also stood close to the limit of the ability of the traffic to bear them. Effectively, any attempt to raise rates, in response to a decline in traffic, and the distribution of high fixed costs over smaller volumes, quickly became self-defeating as traffic was crowded out.

In the first 10 months after Union the railways had produced a surplus of a round £1 700 000. After rates were reduced and unremunerative commitments added this had been converted to a deficit by 1913-14, and renewals, betterment, rates equalisation, and superannuation funds were already being starved (Star 29/04/1914). Then, in the context of post-war recession, and higher labour costs consequent upon the introduction of war bonuses and the eight hour working day, between 1917 and 1923 an accumulated deficit of £5 100 000 emerged. John William Jagger, businessman and arch-fiscal hawk, as Minister in the early-1920s astutely but harshly brought the financial situation under control. His options were to raise rates, pursue efficiencies, or to bring the deficit to bear upon general taxation. When rates failed to bring increased revenue by 1921 it was realised that the first option was exhausted, and rates thereafter reduced to bring in more traffic (*Star* 22/03/1921; SAR&H 1922: 5). The large deficit would have seriously unbalanced the general budget, so the option of increasing taxation appears not to have been followed. Instead Jagger fell upon the staff, with heavy reductions in remuneration and retrenchments (Meth 1982). Although this was probably the least impolitic option, it was said that Jagger saved the railways only to lose the elections. In 1924 Smuts's South African Party gave way to the Pact, with the railway vote an important, but by no means the only factor (O'Dowd 1970).

The next Minister of Railways, Charl Wynand Malan, applauded his predecessor, and with the boom setting in, and on sound financial footing, proceeded to accumulate uneconomic commitments. These came in the form primarily of a fairly extensive

programme of branch line construction in 1925, and the rapid expansion of the white labour scheme, under General Hertzog's 'civilised labour' policy.

In the same moment, however, the menace of road motor competition was beginning to make itself felt. It would strike at passenger traffic and high-rated goods, first on the relatively superior roads on offer in urban economies, gradually extending out to encompass long distance trunk roads to the coast, and then rural roads along branch lines (e.g. Horwitz 1938: Ch. 1). In the process, the industrial centres of the interior, especially, would be provided with the means through which they could break the monopolistic hold of the railways, and restrict its use of them for the subsidisation of others. By 1930 the policy of branch line construction would explicitly be discontinued, more or less indefinitely. The railways, however, were still weighed down by their historical commitments. Even further, in a 1933 calculation its high-rated traffic amounted to 58 per cent of the railway's revenues but only 15 per cent of its volumes (Union 1934: 17; also Le Roux 1929: 16; Union 1930: 3668ff). This was despite the highly remunerative coal traffic, set at 'extortionate' rates given their value, being included under low-rated tariffs (Frankel 1928: 175-80).

All countries, to varying degrees, would move against unrestrained road motor competition, but South Africa's response would be especially severe. From the mid-1920s the South African Railways would begin augmenting its operations to meet this threat, instituting stronger liaison with its customers, new and more regular services, and faster trains (esp. Le Roux 1929: 42, 60). At the same time it would push for a political

solution by way of restrictive legislation. In 1929, Malan, well aware of the skewed rates structure (*Star* 10/09/1929), was acting pre-emptively when he established the Road Motor Competition Commission. By 1930 he was moving out ahead of the coming depression in pushing the Road Motor Carrier Transportation Act through Parliament. The Act suppressed road transportation for reward by requiring licensing by a system of road transportation boards. In a move that was protested vigorously by the opposition these boards, however, would be placed firmly under the control of Cabinet, and by implication the Minister and the railway administration (Union 1930: 3682ff). These interests would proceed to come down heavily on road, already the legislation was stringent.

When depression came in the late-1930s the Minister followed the Jagger path of avoiding taxation and falling on the railway staff (but Ibid 3672). He left, however, the rather large contingent of unskilled white labour largely unscathed (Meth 1982). If cutting at the skilled in favour of the expensive unskilled represented an unusual managerial move, then it probably reflected political calculation. The staff remained heavily Anglophone, and white labour decisively Pact. It may be, even, that the Pact government used its white workers – which had grown during its incumbency from 4 760 workers in 1924 to 15 722 in 1930 – as a mobile voting force to be dispatched to tightly contested constituencies (*Star* 12/03/1927, 16/04/1927). Since the largest electoral division in 1929 polled only 3 822 votes, this would have represented a formidable weapon.

Malan then again turned to road motor to ease his difficulties. Amending legislation of 1932 subjected not only road transportation for reward, but also road transportation undertaken in the course of own business to licensing, farmers being exempted. Since the needs of the railways would govern licensing, this represented the crushing of road motor transportation (see generally Horwitz 1938: Ch. 2). It was legislation equalled, it appears, only by some of the continental countries of Europe, and of Japan, where *dirigisme* was strong, financial pressures more acute, and road inherently much more competitive in virtue of short distances and high-quality road infrastructures.

The trajectory of the South African Railways would not be defined by its imperfect bureaucracy. If anything, the railways remained too central to the lives of its inhabitants to allow for much regression at this level. Rather, its trajectory would be defined, albeit layered subsequently with other developments, by the politics of its substantive railway policy in these years, which cumulatively produced this initial inability to adapt to road motor, a technology that would more than anything be definitional of its capacity today. The menace of road competition had reared its head, only to be legislated out of existence because the railways constituted by this history were not particularly capable of competing. A comfortable hiatus of 47 years, when road competition was gradually reintroduced from 1977, was not conducive to much progress in this regard. In the interim the stimulus of competition was effectively gone. The railways would expand massively to account for South Africa's economic development, but on an already limited skills-base. They would, moreover, ossify in their 1932 form, and fall into a long future of underinvestment and atrophy.

Such was the history and early development of the modern South African state, and its railways. We will pull these threads through our general conclusion.

## General Conclusion

South Africa, as we saw in Chapter 1, sits today in a paradoxical position. The existence of a capacitated state is increasingly, and for good reason, seen as central to our practical endeavours, but at the very same time it remains an area of relative neglect. In the past the state was implicated in gross injustice and oppression, and so for the social science academy it was something to be challenged, not built up. The discipline of public administration, in its turn, is subject to the competing commitments of vocational training and consultancy. In the gap thereby revealed the study of state capacity in South Africa has fallen by the wayside. For the student who approaches it, the story of the capacity of the South African state remains shrouded in mystery. Public debates about it are mired in myth.

In Chapters 2 and 3 we examined, in great detail, existing work on state capacity. Despite its being marred by incoherence and fragmentation, this body of knowledge is a starting point. That said, a great deal of work still needs to be done. Isolated factors must be brought into process, methodological individualism must be hedged with a concern for structure, a dose of empiricism is necessary, a debate must be had. The proliferation of partial explanations currently on offer cannot optimally locate key points of intervention, because these partial explanations don't yet form moments in a real, complex whole, in a system.

In bringing these pieces together, furthermore, there is an important space for historical work, more than is commonly imagined. Certainly, this is because process takes shape in and through history, and the state is process. Equally importantly, as was suggested in Chapter 4, it is because implicitly we all already recognise this. To distribute praise and blame, or in other words, to practice politics, we draw upon our conceptions of what the state is 'made of', and how it was so made. Historical social science can in this context correct pervasive misconception, laying the ground work for more rational, demystified public debate. In this spirit, and in comparative spirit, in Part 2 I traced central aspects of the South African process of state formation, the trajectory of its modernisation, against a range of others.

Britannica was always relatively marginal to the Roman Empire. In 407 one Flavius Claudius Constantinus was raised up as the leader of rebellious British provinces, and in an attempt to usurp the throne of the Western Empire he would lead Britannica's Roman garrison over the English Channel and into Gaul. Early military successes were followed by defeat. Roman soldiers would never again set foot upon British shores. By 409 Roman rule was thrown off forever. Decades later, Ertman (1997: 159) relates, civil war broke out between the remnants of the Romano-British elite and the Saxon *foederati* who had long settled in the country's south-east. The institutional architecture of the old Roman state was in this deluge swept away, laying the basis for unencumbered state building half a millennium later, especially after William the Conqueror brought England into Western European geopolitics after 1066.

Such was the contingency of subsequent developments, and within these confines their necessity. England would go on to establish strong local government, then linked to strong national assemblies, which in their turn would forge a precociously bureaucratic state. Ruling the waves between the eighteenth and nineteenth centuries, Britain would transfer the bureaucratic norms involved to the United States of America, and to its other settler colonies. America cut the imperial link early, and would veer into the state of courts and parties. The British settler colonies would remain within the imperial fold for much longer, bureaucratic states would there be established, but weakly, to be forged then in industrialisation. South Africa would, however, from this point follow its own path.

In this country industrialisation would bring the modern state, in the interior colonies by way of foreign imposition, but the ethnically exclusive nature of industrialism and of the state would generate countervailing pressures. The state would be distrusted, and at the same time it would be the central vehicle for ethnic advancement, but this ran against bureaucratic institutions, would ultimately stall bureaucratisation, and politicise the administration. The South African detour was but the inevitable product of an ethnically skewed industrial capitalism, one that undermined and excluded ethnic majorities.

Our narrative at this point ended in 1930, by 1948 it transforms into ‘the historiography of decline’ considered in Chapter 2. In fact, the pressures that produced this decline were immanent in the industrial situation which gave rise to the modern South African state. They were there from the beginning, as it were. And if ‘decline’ does capture reality, it

seems clear that it did not occur from a dizzying height. South Africa, comparatively lacking in administrative skills, was in bureaucratisation behind its sibling settler colonies even before it began decline. It never had competitive examinations, and it struggled with skills, with politics, and with the institutionalisation of formal rules and procedures more or less throughout its existence. South Africans, in other words, have never quite gotten things right. It would be cynical now to blame others for getting things wrong. The golden age never was, if anything it lies ahead.

If the historiography of decline, then, is subtly mistaken, or if it can be read as such, then simultaneously it is substantially incomplete. By aggregating over all these many organisations of state it misses unevenness in the development of state capacity, and elides a whole world of other determinants. The railway administration, as we saw, was in these years left relatively unscathed by the pressures that stalled bureaucratisation in the central administration. It continued to bureaucratise, and more completely. It, however, was early scarred when nascent democracy (of the racially exclusive variety) confronted industrialism; it was then entangled in the politics of geographically uneven development that this industrialism produced. The inconsistencies that these built into the institutional architecture of the railway administration left it uniquely unprepared for the challenge of road motor. In fact road was crushed, to allow the problems on the railways to persist.

These alternative histories may well pervade the South African state. There is a whole world that awaits discovery. We can, indeed, begin to start talking about other things.

Perhaps, however, we should for now put all these suggestions on ice. My work is still a work in progress. It remains incomplete. And hopefully my word will never be the last one. So on to a new historiography of state capacity in South Africa.

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