

The State of Developmental States in Africa

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Abstract: The role of the state in promoting economic growth and social progress in the developing world has been a subject of deliberation globally among development experts and policy analysts. The state-led macro-economic planning seen largely in the late 20th Century, led to the emergence of new economies mainly in Asia with some in Africa experiencing economic success. Developmental state scholarly debates include attempts to explain why some developmental state theorists treat the state as a technocratic body separate from class relations which obscures the contradictory nature of state-led development. Scholars further argue that the conceptualisation of the developmental state is marked by methodological nationalism which leads to its proponents obscuring the global context of the developmental process, thereby reproducing a superficial external-internal contradiction. The research methods adopted are exploratory approach within an interpretivist research paradigm. Data analysed is mainly secondary acquired through desktop research. The study explores contemporary factors different to those previously known to have facilitated socio-economic development in these states. The East Asian experience illustrates that governments in this sub-region transformed their economies from agrarian to the most advanced industrial economies. To the contrast, in Africa, save for a few exceptions, countries continually experience challenges in attaining high levels of socio-economic growth and development. The state of underdevelopment in the region is currently supported by authoritarian regimes with leaders who often attempt to temper with the constitutions to extend their stay in office. The advent of COVID-19 pandemic is also shaping the development landscape in Africa as countries continue to receive funding from multilateral agencies to assist their economies. Further to these, incidents of embezzlement of state funds have also been reported in countries that were previously not associated with such.

Keywords: Africa, Asia, Development, Developmental state, Economy

1. Introduction

Early years of independence in Africa were characterised by state-led development which led to economic growth and improvement of social infrastructure in the short-run. This state-led development would ultimately fail to provide sustainable progress. African countries had not boarded on development endeavours of their own since gaining political independence in the 1960s and '70s. Nevertheless, the success of state-led economic development in the 1970s and 1980s in East Asia, gave rise to the growth of a new perspective in the development discourse termed as developmental state approach (Woo-Cumings, 1999:63). The term '*developmental states*' was first coined by Chalmers Johnson to explain how and why Japan modernized and grew its economy in a much shorter period than Western economies to become a world power after 1945 (Kanyenze, Jauch, Kanengoni, Madzwanemuse & Muchena, 2017:2). The exceptionalism of East Asia's success generated a vibrant debate centred

on the extent to which policy choices, institutional dynamics and external circumstances have shaped economic development (Singh & Ovadia, 2018:1033).

Asian countries began from humble beginnings raged with challenges that faced typical third world countries. To illustrate, Singapore was faced with high levels of unemployment and poverty, its GDP per capita was US \$516, and half the population was illiterate. South Korea lacked resource although it had a plentiful cheap and flexible workforce. In response, Singapore government established the Economic Development Board to make Singapore an attractive destination for Foreign Development Investment (FDI), it increased as foreign companies accounted for 75% of manufactured output and 85% of manufactured exports. This resulted in the country being the highest ranking country in the world (Abe, 2006:9-10). For South Korea the government noticed that Agricultural production was not the best route to take, the government developed its research which led the country to develop its

own high-tech goods, resulting in South Korea producing world-leading products and technologies like Hyundai, Samsung and Daewoo (Wade, 2018:519-535). Thailand and Indonesia are considered to be developmental states even though they do not share some characteristics of the high-performing Northeast Asian countries (Doner, 2005:327-9).

The theory of developmental state emerged from a series of experiences spanning the aftermath of the great depression but became vital in the period following World War II. Dominant among these experiences was notion of state intervention to address structural inadequacies in economic system (United Nations Economic Commission for Africa, 2011:95). Since the emergence of the developmental state as a model to deal with socio-economic challenges, the concept has warranted both social and political scientists to explore the nature, scope and role of a state that is developmentally orientated. Various definitions and concepts are attached to the notion of a developmental state (Tshishonga & De Vries, 2011:58-69). Leftwich (1995:401) defines developmental states as 'states whose politics have concentrated sufficient power, autonomy and capacity at the centre to shape, pursue and encourage the achievement of explicit developmental objectives, whether by establishing and promoting the conditions and direction of economic growth, or by organising it directly, or a varying combination of both'. To Johnson (1982:319,320) a developmental is one that is determined to influence the direction and pace of economic development by directly intervening in the development process, rather than relying on the uncoordinated influence of market forces to allocate economic resources. For Onis (1991:109-126), a developmental state is a state in which government is intimately involved in the macro and micro-economic planning in order to grow the economy.

Analysis from literature illustrates that a developmental state, as compared to non-developmental state has more prospects of bringing about rapid growth and development. The number of developmental states in the developing countries, especially in sub-Saharan Africa is really not that many. According to Taylor (2005:93), African states lack the capacity to pursue developmental state policies which hinder the countries to be developed like western countries. Developmental states have been observed to be able to efficiently distribute and allocate resources and invest optimally in

critical areas that are the basis of industrialization such as education. A developmental state in Africa must be able to administer such key elements as: an autonomous and competent bureaucracy with responsibility for development planning. The state should also be able to implement and develop mentalist coalition among committed political leadership, bureaucracy, private sector and civil society (Woo-Cumings, 1999:45). African countries have however faced multiple challenges. These include a debt crisis that compelled some these countries to embark on structural adjustment programs (SAPS) in order to access assistance from the International Monetary Fund (IMF), World Bank and other donors. These programs involved a complete turnaround of economic policies from the statist approaches of the post-colonial period to the market-oriented reforms of the 1980s and '90s (Camdessus, 1995).

2. Developmental States within the Realm of Public Administration

The discipline of Public Administration has multiple sub-disciplines hence placing the notion of developmental states within it can be challenging. Attempts by various scholars locate the concept within the realm of public administration has been linked to nationalism, development, public finance, bureaucracy and governance (Woo-Cumings, 1999:1). Mkandawire (2001) identifies two divergent views that characterize the debate on the developmental states in Africa. One view posits that the conditions which facilitated the successful East Asian Developmental states experiences do not exist in Africa, and another argues that following the failure of post-colonial state developmentalism and subsequent market-oriented structural adjustment what Africa needs is a "democratic, developmental and socially inclusive" strategy perspective.

According to Mkandawire (2001), the notion of developmental state has two components, 'ideological' and 'structural'. The ideological component considers a developmental state as a state that is "developmentalism" in its orientation. This type of state conceives its 'mission' as that of ensuring economic development, usually interpreted to mean high rates of accumulation and industrialization. The structural component speaks to a state's capacity to implement policies sagaciously and effectively. This capacity is institutional, technical, administrative and political. Leftwich (2000:160) and Kebede (2015:3638) organise and present a few

structural characteristics as the model of developmental states. Firstly, developmental states are perceived to be driven by determined developmental elites. They are driven by a sense of urgency to grow economically and industrialise to catch up with the developed countries.

All developmental states have been led by leaders who are relatively uncorrupted patriotic, visionary and nationalistic with genuine intentions to rapidly grow their country economically. One of such exemplary leaders is Park Chung Hee. Throughout the Park era, South Korean economy was deeply troubled with chronic economic stagnation. The Park government was often tainted with corruption and incapacity. Park's mode military rule was primarily aimed at weeding out corruption from its source and utilizing aid money for fundamental socio-economic desire to achieve economic development and this is what makes Park and the elites of his regime developmental elites. Secondly, a developmental state has a monocratic bureaucracy. Park Chung Hee was very successful in establishing his system on merit based on bureaucracy. He believed that merit is a source of commitment of political elites and in turn will inevitably result in positive outcomes in development (Kebede, 2015:3640). Thirdly, a developmental state is characterised by a relatively autonomous government in its ability to establish rules of the game *Vis-a-Vis* organised interest within the society.

3. Theory and Practice of Developmental States

Literature traces the concept and evolution of developmental states to the post World War II era where the state played a leading role in promoting industrialisation in Japan and East Asia (Caldentey, 2009:27). The success of state-led economic development in the 1970s and 1980 in the East Asian countries gave rise to the growth of a new perception in the development address, which is the developmental state approach (Rapley, 2007:1-9; Woo-Cumings, 1999:63). Borrowing from Dore (1970), Johnson (1999:32-33) espouses Dore's observation that in the 1970s, Japan did not believe in the invisible hand. Japan flagrantly flouted all received principles of capitalist rationality to turn into the world's richest big nations and the model for other countries of East Asia including China. The East Asian counties questioned theoretical assertions of 'dependency theorists' and the World Bank who had made conclusions about the underdevelopment of Latin America.

Often understood in economic terms as the structural transformation of the national economy, the concept of development has been an elusive objective for many outside the advanced industrialized countries of the West. Despite the multitude of reforms rooted in the economic modernization paradigm of the 1950s, very few countries have succeeded in realizing sustained, rapid industrial development (Singh & Ovadia, 2018: 1033,1034). The idea that the state should play a leading role in economic development was central to early development economics (Chang, 1999:182). In Johnson's (1999: 37) view however, the issue is not one of state intervention in the economy as all states intervene in the economies for various reasons. The United States for instance, intervenes to regulate the economy whilst Japan intervenes to develop.

Common features descensible in the developmental state debate include: 'embedded autonomy' (Samatar, 1999:27; Leftwich, 1995). Autonomous and effective bureaucracy in the developmental state, this point in these state it is most outstanding as it has been proved in terms of, meritocratic recruitment and promotion incentives which shows rationality and high levels of prestige and legitimacy to bureaucratic officials (Johnson, 1982). Bureaucracy was able to influence industries decision making, on the other hand the state itself was disciplined in a manner that prevented greedy, disorderly rent seeking behaviour or abuse of power (Leftwich, 1995:412). Another feature is that of a development-oriented Political Leadership or developmental elite (Johnson, 1982). Leaders of successful developmental state leaders had high level of expertise and sufficient economic credibility. They were able to gain the trust and cooperation of the bureaucrats as well as the private sector (Huff, 2001:234). In addition, they were relatively uncorrupted, non-predators, had limited personal gains but they rather facilitated the expansion on national productivity (Fritz & Menocal, 2006:8-9).

Third, is Production-Oriented Private Sector, in the Asian countries production by the private sector has been the centre of the East Asian developmental states. These Asian countries believed in capitalism to promote the interests of the business sector, create conditions for capital growth and productivity improvement to achieve their goals. The states used a variety of instruments to prove and push domestic firms to meet domestic and international business standards, productivity levels

and organisational and technical abilities. The last feature is that of developmental state is that of performance-oriented Governance. In this point the developmental states were mainly concerned on major issues, firstly they valued the issue of poverty eradication, they addressed equity as they took power (Booth, 1999:304). In order for developmental states to achieve the aforementioned mandate they used strategies like protectionism, provision of industrial subsidies and programmes tied to performance standards (Wong, 2004:350). These countries maintained a favourable pattern of income equity and low cases of unemployment that means they fought for a near elimination of grinding poverty. This was then referred to approach of Growth with Equity (Chang, 2003), meaning that developmental states provided economic benefits to both the ruling elites and the general citizens. This point leads to a case of Botswana as developmental state (Leftwich, 2002:270).

Bresser-Pereira (2016:14) discusses models of developmental states in the moment of their industrial revolutions. First is the '*original*' central developmental state model of the countries that industrialized in the 18th and early 19th centuries, such as England and France. Second is the '*latecomer*' central developmental state model of countries that were not colonies, but belatedly achieved their industrial revolution, such as Germany and the United States. Third is the '*independent*' peripheral developmental state model of countries that were colonies or quasi-colonies of developed countries, but achieved a high level of national autonomy. These include countries such as Japan, Taiwan and South Korea, China, India, Malaysia and Thailand. Last is the '*national-dependent*' peripheral developmental state model of countries that did achieve the capitalist revolution, but, after the deep Foreign Debt Crisis of the 1980s, lost some of their national autonomy and started growing at a very slow pace, such as Brazil and Mexico.

4. Developmental States in Africa

A number of African states have been described as fitting the 'developmental state' framework. The following discussion discusses some of Africa's Developmental States. The list of countries discussed is not exhaustive. Success stories include Mauritius which is said to epitomize East Asian Developmental States model with characteristics of visionary leadership, appropriate development

ideology, effective and efficient public institutions, investment in human development (Shumuye, 2015:89). Botswana has been ranked as one of Africa's fastest growing economies in various indices. The country was amongst the poorest countries in Africa at independence (Tsie, 1998). British colonial authorities were quite pessimistic about Botswana's future prospects. Botswana's leadership was mindful of the enormous obstacles their country faced (Samatar, 1999:1). Kiiza (2006:1) affirms that Botswana's political institutions, coupled with competent and devoted leadership, in the main, aided her democratic and economic development the discovery of high-value minerals particularly diamonds, coupled with a prudent mineral management policy, helped Botswana to finance a Developmental State (Botlhale, 2016; Meyns & Musamba, 2010:45).

Inspired by the miraculous transformation achievement of Taiwan and South Korea's Developmental State model, in 2001, Ethiopia adopted and thrived by adjusting the East Asian state-led developmental state model to reflect its own historical conditions and enhance economic growth and wipe out poverty (Desta, 2019:39). According to Shumuye (2015:97), Ethiopia presents a success story and is praised by international organizations and donors as a model for the whole continent when it comes to a developmental state model for example the role of state intervention. The reason is that the public investment is the engine of growth in Ethiopia and the country is committed in tapping into its vast endowed natural resources and renewable energy potential. As discussed by Bagchi (2000:15), Ethiopia has almost absolute equal distribution of the national wealth between all income groups as compared to all African countries. Again, its success is coupled with low levels of corruption and significant reduction of people living below the threshold of extreme poverty.

South Africa has also been documented as a developmental state. Mathebula's (2016:46) study nonetheless challenges the notion that South African local government must be used as an architect in comprehending a developmental state, considering that building a developmental state in South Africa would necessitate necessary conditions for growing the economy. With regard to Zambia, Seshamani and Ndlovu's (2016:757) article found out that Zambia's history since independence shows that its development trajectory has been characterized most of the time either by 'too much state intervention and too

little market' or by 'too much market with too little state intervention', and that disqualifies her from being a developmental state. However, Mkadawire (2001:290) argues that there tends to be a lack of differentiation in assessing African states' performance and potentiality on the one hand and the achievements of East Asian developmental state on the other.

5. The State of Developmental States in Africa

5.1 Developmental States and the Impossibility Theorem

The advocacy for a developmental state in most instances is associated with the capitalistic ideology that the state should be at the forefront of economic development while also expediting a modern and industrial society (Akpomuvie, 2014:102). According to Meyns & Musamba (2010:27) literature which argues against the possibility of developmental states emerging in Africa sometimes commits the error of saying that developmental states cannot emerge, since they are not currently emerging. The arguing against the possibility of developmental states in Africa is termed "impossibility theorem". This notion that argues that the developmental state approach is not viable in Africa and, more especially express skepticism as to whether the East Asian development experiences can serve as a model for Africa (Mkadawire, 2001:295).

Musamba's (2010:31) impossibility theorem identifies the following as obstacles to developmental states in Africa, globalization has taken centre stage, none of the Tigers provide a model that can be replicated in territorial states of the Third World because of the uniqueness of the institutions, international relations and geographical conditions that characterized these countries, and the absence of state capacity in the would-be argues against the possibility of developmental states in Third World countries makes the developmental states an unrealistic option. Nonetheless, there is abundant literature documenting the evolution and trajectory of argues against the possibility of developmental states in Africa. Instead of debating the existence of argues against the possibility of developmental states in Africa the question asked by this section of this study, is what is the state of argues against the possibility of developmental states in Africa at the moment. Samatar's (1999:1) earlier African Miracle

debate arose as an antidote to this despondent view that sought to describe Africa's position as that of doom and hopelessness.

5.2 Developmental States Issues in the 20th Century

Developmental states generally put strong emphasis on technical education and the development of numeracy and computer skills within the population. This technically oriented education is strategically used to capacitate government structures particularly the bureaucracy. The political and bureaucratic layers are populated by extremely educated people who have sufficient tools of analysis to be able to take leadership initiatives, based on level of decision making nodes within the government structure (Thompson, 1996:360-366). Developmental states have been observed to be able to efficiently distribute and allocate resources and invest optimally in critical areas that are the basis of industrialization such as education. A developmental state put emphasis on market share over profit. The developed segment of the South African capitalist system for instance, is sophisticated and it has a huge component of short term investments also known as "hot money" and this particularly makes short term profit (Taylor, 2005:93).

Many of the problems associated with these 'failed' state interventions were rooted in 'state capture'. Influential interest groups used the state to foster their own interests and extract rents rather than to promote a developmental vision (Fritz & Menocal, 2006:2). Some of the states that have been described as captured include: Togo; Tunisia under Ben Ali; Zimbabwe under Robert Mugabe and perhaps most topical in South Africa under Jacob Zuma (Zhuwakinyu, 2019). Very often, the perverse dynamics generated by large state involvement in the economy enabled politicians and bureaucrats to build a basis of political support by manipulating markets, frequently resulting in the very antithesis of development. At the same time, protectionist policies deprived states of imports – often without stimulating domestic production of sufficient quantity and quality (Fritz & Menocal, 2006:2; Lockwood, 2005).

While developmental states in the 21st century particularly in Asia conceived sound social policies (Takagi, KanchooChat & Sonobe, 2019:9), critics of developmental states however see African states

as lacking capacity to pursue developmental state policies something which often hinders development of countries to be at par with western countries (Taylor, 2005:93). What makes developmental state theorizing of interest comparatively is the argument that states make a difference in long term economic performance, that is variation across nations is neither randomly distributed over time and space nor simply the outcome of differential endowments in operating through markets (Herring, 1999:307). While a developmental state could have implications for a number of different sectors of a country's socio-political economy, in the African context developmentalism is manifesting most conspicuously in the natural resource sector (Nwapi & Andrews, 2017:237).

5.3 Innovation Systems, Creative Industries and Future Business

In order to survive developmental states in Africa, there is a need to generate innovation systems and creative industries. These states need to be concerned about the future of business more so that with the advent of Fourth Industrial Revolution (A4IR), governments are relocating to what is known as digital governments to intelligent governments. Some of the companies within the African continent have been internationalising in a bid to expand and thus become sustainable. This can only occur efficiently if governments make a deliberate attempt to create an enabling environment. To illustrate, Ghanaian firms do internationalize to other African markets (Cuervo-Cazurra & Genc, 2008:957-979). Despite these considerable efforts, Africa as a whole struggle to attract meaningful Foreign Direct Investment (FDI) which results in economic growth rates that are often low (Bonga & Mahuni, 2018). Firms within the borders of the respective countries find it difficult to thrive fully within local environments and this causes them to be shut out of the globalization train. The existence of the Southern African Customs Union (SACU) nonetheless lessens the effects of low investment rates trading in within SADC.

The various regional and international trading blocs such as SADC were created in an attempt to enhance economic growth and maximize welfare for each member state. Trade in goods and services constitute a major area of cooperation that supports the SADC goals of economic development and poverty eradication. The SADC protocol was therefore set up with intentions to liberate intra-regional trade

by creating mutually beneficial trade agreements thus improving investment and productivity in the region. This protocol eliminates barriers to trade, ease customs procedures, harmonize trade policies based on international standards and prohibit unfair business practices (Doing Business, 2019).

5.4 Developmental States in the Era of the COVID-19 Pandemic

Like the rest of the world, the African region faces the global challenge of the spread of Covid-19 pandemic. Responding to the plight of the pandemic, countries put into place measures such as: lockdowns to ensure extreme social distancing; strict restriction of cross border movements; awareness creation and prevention in a bid to prevent and contain the spread of the Coronavirus. In East Africa, the Intergovernmental Authority on Development (IGAD) resolved to manage the pandemic with standard measures across the region. The same approach has been adopted in the SADC and ECOWAS sub-regions. A number of African countries declared a state of public emergency in a bid to curb the virus. By April 2020, these countries included among others, Senegal, Ivory Coast (Africanews, 2020), Ethiopia, Liberia (New York Times, 2020), Nigeria (in three states) (Telegraph, 2020) Lesotho and Botswana. A similar response by South Africa called state of disaster was declared by government. While the country has the "Emergency Powers Act" of 1994, Ghana introduced a new piece of legislation named "Imposition of Restrictions Act" to supplement the Emergency Powers Act (The Conversation, 2020).

Effects on economies have been immediately felt. Key sectors of the African economy sensitive to slowing global demand include tourism, agriculture, oil, and mining. Disruption to supply chains, plummeting commodity prices and a shutdown of the aviation sector are assured (Masie, 2020). Shutting down the majority of businesses particularly in the private sector meant no revenue thus potential to have stringent measures by some of the companies to either withhold employee salaries or retrench. According to the World Bank (2020) countries affected most by COVID-19 such as Italy, Germany, UK, USA had already predicted to rescind into recessions due to other factors with the pandemic likely to plunge most sub-Saharan countries into unanticipated recessions. The advent of COVID-19 is also likely to negatively affect strides achieved in the universal path to achieve sustainable development

goals by 2030 (United Nations Development Programme, 2020). Governments are faced with demand risk when forecasted demand figures are not achieved (Wang, Chen, Xiong & Wu 2018; Monk, Levitt, Garvin, South & Carollo, 2019).

5.5 State Intervention to the COVID-19 Pandemic

The following discussion is a brief overview of how specific African countries are responding to the COVID-19 pandemic. The response is linked to development as measures taken represent the countries' policy action towards ensuring a sustained health and economic progress amid the challenge of the pandemic. These countries include Botswana, Nigeria, Kenya, South Africa and Uganda.

Botswana's state developmental role raises some paradoxical issues and questions for its own internal lessons as well as for other countries and alternative interpretations and challenges regarding the orthodox approach to the role of the state in development. In this context, Botswana has in many respects been similar to the development success of the "East Asian Miracle". There is consensus today that it is neither logical to expect nor possible to copy and paste the Asian path which occurred in its own unique context. Thus, today's developing countries do not need to possess all the Asian characteristics, but they can forge their own ways through experimentation and learning conditioned by domestic and global circumstances (Maipose, 2012:210).

Regarding Botswana's response to the COVID-19 pandemic, the country implemented among others, Tax relief, Wage Support Scheme, moratorium on debt repayments, finance a wage subsidy amounting to 50% of salaries of affected businesses (1000-2500 pula per month for a period of 3 months;) finance a

waiver on training levy for a period of 6 months (150 million pula), Build-up of fuel and grain reserves, as well as acquisition of relevant medical equipment and improvement of water supply. The Government has set up a COVID-19 (Coronavirus) Pandemic Relief Fund into which it will inject P2billion. The private sector has been called upon to generously contribute to the Fund (International Monetary Fund, 2020; KPMG, 2020). For Kenya, the World Bank Group Board of Directors approved \$50 million in immediate funding to support Kenya's response to the global COVID-19 (coronavirus) pandemic under a new operation – the Kenya COVID-19 Emergency Response Project. Emergency funding for medical diagnostic services, surveillance and response, capacity building, quarantine, isolation and treatment centres, medical waste disposal, risk communications and community engagement as well as for strengthening of the country's capacity to provide safe blood services. In Nigeria, contingency funds of N984 million (\$2.7 million) have been released to Nigeria's Center for Disease Control, and an additional N6.5 billion (\$18 million) was distributed for purchasing more testing kits, opening isolation centre and training medical personnel. A grant of N10 billion (\$28 million) was released to the Lagos State to increase its capacity to contain the outbreak (International Monetary Fund, 2020).

The government is reviewing its 2020 budget and, given the expected large fall in oil revenues, announced plans to cut/delay non-essential capital spending by N1.5 trillion (close to 1 percent of GDP). A fiscal stimulus package in the form of a COVID-19 intervention fund of N500 billion (\$1.4 billion), has been approved by the President to support healthcare facilities, provide relief for taxpayers, and incentivize employers to retain and recruit staff during the downturn. Import duty waivers for pharmaceutical firms will be introduced. Regulated fuel prices have been reduced, and an automatic

Table 1: Financial Commitment to the COVID 19 Pandemic

Country	Government contribution	Source
Botswana	US\$163,632,128	KPMG (2020) International Monetary Fund (2020)
Kenya	US\$50,000,000,000	World Bank (2020)
Nigeria	USD\$2,7 000,000,000	International Monetary Fund (2020)
South Africa	US\$27,374,521,114	Planting (2020); Omarjee & Magubane (2020)
Uganda	USD\$1,3 000,000,000	International Monetary Fund (2020)

Source: Authors

fuel price formula introduced to ensure fuel subsidies are eliminated. The President also ordered an increase of the social register by 1 million households to 3.6 million to help cushion the effect of the lockdown (International Monetary Fund, 2020).

South Africa's response entail measures such as tax relief, Special National Disaster benefit Fund, Unemployment Insurance Fund, Solidarity Fund, Bridge Financing, Bank Relief, Debt Relief Fund, and Repo Rate Cut. President Cyril Ramaphosa's plan to inject R500 billion into a social and economic support package is the country's biggest one-time fiscal outlay and is almost ten times the amount spent in preparation for hosting the Soccer World Cup ten years ago (Planting, 2020; Omarjee & Magubane, 2020). In Uganda, the authorities have used part of their Contingency Fund in the FY2019/20 budget to finance approximately USD 1.3 million of the Ministry of Health Preparedness and Response Plan from January to June 2020. The government has passed a supplementary budget of about US\$80 million to support critical sectors such as health and security at the frontline of this pandemic. The government has increased health spending and announced a package of measures to mitigate the social and economic impact of the pandemic.

This includes a food distribution campaign; expedited repayment of domestic government arrears to the private sector suppliers; boosting the lending capacity of the state-owned Uganda Development Bank (UDB) to provide affordable credit to support private sector companies to reorient their production towards COVID-19 response related items; the deferment of tax payment obligations for the most affected sectors; the introduction of tax exemptions for items used for medical use; the support with water and electricity utilities and the expansion of labour-intensive public works programs. Close collaboration and support measures in cash and kind are ongoing with the private sector, inter-governmental agencies and other stakeholders (International Monetary Fund, 2020).

6. Conclusion and Recommendations

Despite the multitude of reforms ingrained in the economic modernisation paradigm of the 1950s, very few countries have succeeded in achieving sustained, rapid industrial development. The exceptionalism of East Asia's success, as such, instigated a vibrant debate centred on the extent to which

policy choices, institutional dynamics and external circumstances have shaped economic development (Singh & Ovadia, 2018:1033). The developmental state model has recently drawn a lot of attention as a means to achieve accelerated economic growth in the least developed countries of the world, particularly in Africa. The state remains the primary authority to take intervene in the development process. The world experienced the Great Depression, then the Great Recession and is now experiencing, the Great Lockdown. Similarly, the world has witnessed a series of contagious diseases from Ebola, SARS, Avian Flu, HIV-Aids, and now COVID-19. While scientific studies indicate some potential similarities between such diseases, COVID-19 is unique.

This disease caught the world by surprise and will continue to negatively affect the world economies. In an expected and reactive development, governments across the world have been injecting billions into their economies so as to stimulate economies affected immensely by the Great Lockdown. Granted, the private sector in most countries has been pledging donations but these have not by any means been close to what governments have intervened with. Developmental states as such, continue to exist and intervene in the economies of the countries of the world in a bid to sustain their development process. The developmental state historically has been, and must continue to be the central development oriented institution because it is the state that guarantees and regulates another equally fundamental institution: the market, a merely economic institution (Bresser-Pereira, 2016:16)

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