



# PanAfrican Journal of Governance and Development

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4. Research Notes: (3,000-5,000 words)
5. Commentaries: (1,000-3,000 words)
6. Book Review: (2,000-4,000 words)



## ***Editorial***

About the Department of Governance and Development Studies (GaDS) and PJGD..... 1

## ***Articles***

Use of ICT and the Application of E-Governance Strategies in Service Delivery by Local Councils in Cameroon: The Case of Local Councils in the Bamenda Municipality 3  
*Mbiydzennyuy Courage Sevidzem*

Occupational Injury and Factors Associated among Employees in Heineken Brewery Share Company, Harar Brewery Share Company and Awash Wine Share Company, Ethiopia 28  
*Teshome Wakjira*

Do the People Matter in Policymaking in Ghana? A Reflection on the E-Levy and Debt Exchange Programs 56  
*Edward Brenya, Samuel Adu-Gyamfi, Philip Nii Noi Nortey, Dennis Apau, Kwabena Opoku Dapaah*

Can Lamb And Lion Tango? Investigating Nigeria's Practice of Public Administration and Peculiar Challenges from Structural Functional Theory 78  
*Stephen Chinedu Chioke*

Implementation of Enterprise Risk Management: A Case Study of a Public Sector Entity in the Northern Cape, South Africa 106  
*Roberto Moses, Olubunmi Obioha*

Transformation Deferred: Disparate Development in Post-Apartheid South Africa (1994-2004) 128  
*Vivek N.D.*

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## **ABOUT THE DEPARTMENT OF GOVERNANCE AND DEVELOPMENT STUDIES (GADS) AND PJGD**

Department of Governance and Development Studies (GaDS) is one of the pioneer departments of Jimma University established in September 2007 and functioning as a constituent unit of the College of Law and Governance since September 2014. Since its establishment, the Department of GaDS is playing a vital role in the transformation of society and empowering the government institutions by producing professionals in the area of development and governance. Currently, the Master Program of GaDS has three specializations: (i) Governance and Development; (ii) Development Management; (iii) Peace and Conflict Studies whereas two more specializations (Gender Studies and Federal Studies) yet to be introduced.

The Post-Graduate Program of the Department clearly states its vision as “The Master of Arts Program in Governance and Development Studies (GaDS) institutionalizes a dynamic and strategic vision to provide an interdisciplinary, advanced, research-based and practical education in contemporary issues of national and international governance and development”. This stated vision at the same time echoes the vision of the Jimma University which “aspires to be one of the premier universities in Africa and renowned in the world by 2025”.

It is in pursuance of these stated visions of GaDS and Jimma University, the Center for PanAfrican Journal of Governance and Development (PJGD) is established to offer a platform of expression of new scientific inquiries to all intellectuals/academicians/scholars of the world in general and Africa & Ethiopia, in particular, to reflect on how governance and development can be promoted, strengthened and consolidated. As the nature of the journal is multi-, inter-, and trans-disciplinary, the scope of the journal ranges from the disciplines of political science, governance, development, leadership, national and international law, globalization, human rights, economics, environmental science, public policy, international relations, international organizations, gender, peace and conflict management, international political economy, multiculturalism, civil society, and related areas.

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**Use of ICT and the Application of E-Governance Strategies in Service Delivery by Local Councils in Cameroon: The Case of Local Councils in the Bamenda Municipality**

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**Abstract**

*The increasing use of information and communication technology (ICT) by Cameroonians has brought changes in citizen's needs and demands and has raised expectations on how services should be provided. Citizens need to carry out transactions (transactional services) conveniently and obtain accessible, reliable, and sustainable information (information services) from their local government. Unfortunately, this is still far from the reality in some selected local councils in Cameroon, given that they use ICT mainly for administrative and not service delivery purposes. Therefore, this paper's main objective is to establish a link between ICT usage and the empowerment of local councils in the application of e-governance strategies for information and transaction services delivery. The theoretical framework used in the paper included Technology Acceptance, Wider Dissemination, and e-governance Models. The stratified purposive and systematic random sampling techniques were employed to obtain needed data from the Bamenda I, II, and III municipalities in the North West Region. The findings of this paper revealed that a significant number of local councils are already using their ICTs to provide information services. However, none of them so far are using ICT for transactional service delivery purposes. Also, we observed a gap between citizen expectations and local council provision of information and transactional services. This paper found that the use of ICT to apply e-governance strategies would improve local council service delivery in terms of accessibility to information by citizens and sustainability of council information services, also promote transparency in transactions between the council and the citizens, and ease transactions between citizens and local councils in terms of time and cost. Thus, this paper recommends that local councils digitalize manual service delivery processes through their operational IT units. Also, for the Cameroon government to achieve the goals stated in the NDS30 Plan for a Digital Cameroon, it must consider effectively involving local councils in the national digitalization initiatives. This can be done by encouraging them to adapt their information and transactional service delivery procedures to more ICT-based strategies despite the challenges involved.*

**Keywords:** *ICT, E-Governance, Service Delivery, Local Councils, Cameroon*

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## Introduction

The digitalization of service delivery has been successfully assimilated by most governmental institutions, which now consider ICT to be a strategic tool to efficiently support the implementation of government service delivery and economic emergence policies at both national and local government levels. This development has impelled a furry of ICT policy-making in Africa and other developing countries (Chiumbu, 2008, p. 5). In the case of Cameroon, the emerging reality is that public administration, as well as local governance, are in transition to electronic (e)-processes (Sindeu, 2013, pp. 1-24). In Tandem with the 2016 strategic plan for a digital Cameroon by 2020, the National Development Strategy (NDS30) was adopted in 2020 as a new benchmark for public action that emphasizes the digitalization of administrations at the national and local levels in achieving development objectives of making Cameroon an emerging economy by 2035.

Evolving technologies are bringing changes in citizen's demands and governmental institutions. Thus, local councils must consider re-thinking and adapting their service delivery strategies to the ever-growing ICT-conscious generation. Digitalization has become a key driver of local government performance and service delivery. The digital transformation of public administration is expected to fundamentally reshape the institutional setting of local service (Kuhlmann & Heuberger, 2023). This paper focuses on the two primary services, "Information" and "Transaction", which local councils can provide as virtual services to the local populace.

The reason for focusing on these two services is, first, because, in recent times, information has become an integral part of everyday life, and the use of information and communication technologies has facilitated communication processes worldwide. Secondly, the effects of technological advancements have been felt everywhere. Even at local levels, citizens now expect to carry out transactions in more convenient ways and even through less costly channels. Lastly, the choice of focusing on the virtual services above is validated by the literature enshrined in the 2018 UN Survey Report on *e-governance*, which enumerates the different types of information and transaction services, as well as the most recent Cameroon ICT policy document (Strategic Plan for a Digital Cameroon by 2020) which in its strategic Area 4 states that a digital culture needs to be promoted by generalizing the use of ICTs in the society, encourages legal entities to use transactional services. This, for example, has to do with the government ICT oriented objectives to draft a law to govern online payments and digitalize the civil status and information

system of local communities, facilitate online payments, accompany the digital transition with the help of certified coaching institutions and ensure the availability and implementation of the ICT blueprint by all government institutions.

The strategic plan for the digitalization of Cameroon by 2020 links *e-governance* to service delivery in its "Strategic Area 4". It particularly elaborates on a good number of government-to-citizen (G2C) strategies aimed at promoting digital culture by generalizing the use of ICT in society. The main idea here is that the digital revolution will only make sense if the entire society adopts ICTs as a way of life. As such, the advent of the digital economy in Cameroon will unfailingly entail the generalization of the use of ICTs by private individuals, government institutions, and companies. The objective here is to improve citizens' living standards through better use of digital technology. This is the reason why for Cameroon to achieve the vision of becoming an emerging nation by 2035, it will imply the proper use of information and communication technology at both national and local levels of government in order to derive solutions to service delivery challenges and enhance the performance of local councils (Cameroon Strategic Plan for the Digitalization by 2020).

Kalsi et al. (2009, pp. 212–229) posited that e-government initiatives directly impact citizens by permitting them to derive benefits through direct transactions with governmental services. The local government, as the third-tier level of government, is one of the sectors that could be instrumental in materializing Cameroon's vision of a digital economy by 2035, as stated in the 2016 Cameroon ICT strategy policy document. It is at the level of local governments that significant changes that impact the lives of the community can be initiated.

This paper, therefore, seeks to examine how local councils can use their available ICTs to provide citizens within the municipality with some important information. One of the arguments raised by this research work is that decentralization was motivated by the government's quest for service delivery efficiency. However, the wave of technological advancement has proven a need for another step forward: embracing *e-governance* strategies in providing information and transaction services. This work also argued that decentralization is desirable, but where the ingredients necessary for its proper implementation are lacking, decentralization and service delivery at lower levels of government remain problematic. Encouraging e-government initiatives at lower levels of government could be a great ingredient that will not only accompany

the Cameroon Decentralization Policy but could also positively affect service provision through a number of initiatives aimed at modernizing the local council administration.

Based on the above facts, this paper claims that decentralization brings the government closer to the people, but digitalization brings the people closer to the government. Therefore, the need for strengthening the technological capacity of councils as major local service delivery agencies is central to this study as it entails undertaking a baseline assessment of the information and communication technology capacity needs of some local councils in the Bamenda municipality of the Northwest Region of Cameroon.

### **Statement of the Problem**

In recent times, the governance process in Cameroon as a whole is inevitably being challenged by a generation of highly informed youthful citizens who not only use new technologies for personal purposes but also use their information technology knowledge to attempt to influence government policy and programs at the political and public administration level. For example, the widespread information from individuals on social media and the ability of this information to influence citizens' perceptions and attitudes towards particular socio-political issues is increasingly rendering the ability of public authorities to exercise power over the citizens questionable.

Local governance in Cameroon is based on the need to use the local governments as major service providers. This noble objective, however, may remain far from being fully achieved given the changing trends of citizen demands based on the increasing availability and use of telephones, computers, and the internet. The case of Cameroon local councils is peculiar in that although the Cameroon government, through the August 2009 orders on the list of council workers, prescribes the different occupational groups, occupations, job categories, activities, and required skills, among which is the IT unit, most local councils have underestimated the importance of this IT unit and thus neglected the need to make them functional. This research holds on the premise that without employing technologically advanced strategies in information and transactional service delivery, local governments will inevitably continue to face more challenges in meeting the predominant ICT-based needs of their population.

In Cameroon, local council newspapers and notice boards provide traditional information service delivery channels for citizens. However, their reach remains limited to just a few. The inconsistencies demonstrated in government accountability in Cameroon end not only at the national level but also at the local level. If one were to ask how many Cameroonians know the



budget of their local councils, the response from the majority of citizens would be that they do not know. Analysis of citizen opinion on the likelihood for them to access some basic information from local councils, as can be seen in the Afro-Barometer survey data consulted by the researcher during the pilot study of this research work, reveals that the majority of Cameroonians (42.90%) think it is not at all likely for ordinary citizens to get information from their local councils on local government development plan and budget. Also, analysis from the same data shows that some Cameroonians still think it is not at all likely (20.5%), not very likely (8.2%), or just somewhat likely (23.6%) to obtain information from local councils on business registration. Citizens need to have access to information as this may enhance their trust and reliance on their local government.

Using ICTs has increased citizens' expectations of how services should be provided. It has, therefore, inevitably led to an increase in citizens' demand for ICT availability in providing essential services that they require from both central and local governments. Information and transactions, which are all essential virtual services that need to be accessed by citizens regularly, are increasingly posing a challenge to governance, especially at the local level. The lack of sustainability of information services provided by local councils and the problem of convenience in transactions between the council (service providers) and citizens within the municipality (service consumers) are also challenges.

The increasing citizens' need to obtain reliable, available, and sustainable information from their local government and to conveniently carry out transactions with their local councils is even making it more difficult for local council authorities. Fewer citizens have access to the information posted on council notice boards on site, and most citizens have experienced delays in processing documents such as council building permits and birth certificates, among others. The problem here is that local councils own a good number of ICT tools that could be used to address the problem of sustainability of council information services, but these councils use their available ICTs only for administrative purposes. Unfortunately, informed knowledge of the probable role that the application of digitalization strategies can play in mitigating these contemporary challenges of local government service delivery is still at large.

To examine the preoccupation above on how the use of ICT can help local councils to improve their provision of information and transactional services, this paper anchors on *e-governance* theories to analyze the extent to which the application of the Government to Citizen (G2C),

Government to Business (G2B) and the Government to Employee (G2E) models of *e-governance* can improve information and transaction service delivery outcomes by local councils.

### **Research Objectives**

The main objective of this paper is to establish the link between ICT usage and the empowerment of local councils in the application of *e-governance* strategies in their information and transaction services delivery in Cameroon.

Specifically, this paper sets out to *i)* identify the various measures taken by the Bamenda I, II, and III councils to use ICT provisions to facilitate information and transactional services, *ii)* examine citizens' perceptions of ICT use for the provision of information and transactional services by the Bamenda I, II, and III local councils, *iii)* assess the extent to which ICT application enhances the service delivery system of local councils in the application of the government-to-citizen (G2C), government-to-business (G2B), and government-to-employee (G2E) strategies of *e-governance*, and *iv)* evaluate local councils' constraints in using their available ICTs to apply *e-governance* strategies in delivering information and transactional services.

## **Literature Review**

### **Conceptual Framework**

#### **E-governance**

Okoronkwo (2010:1-11) defines *e-governance* as the application of electronic means of interaction between government, citizens, businesses, and internal government operations to provide an effective and efficient framework for collective problem-solving. This paper discusses the concept of *e-governance* in terms of local government digitalization initiatives through ICT availability and usage by local councils, the main local government institutions in Cameroon. *E-governance* strategies are ICT-based approaches to the provision of information and transaction services aimed at improving citizens' access to council information and creating convenient opportunities for citizens to carry out transactions with the local council even from a distance.

#### **ICT**

ICT is an abbreviation for "Information and Communication Technology". ICT is an umbrella term comprising all means of electronic communication, such as computers, mobile phones, networks, hardware and software, television, satellite systems, long-distance video chatting, and

others. Many authors have associated ICT with service delivery in their definition of electronic governance. In this paper, the concept of ICT is harnessed to explain how it can help local councils apply *e-governance* strategies to transform their internal and external relationships in order to improve service delivery outcomes.

### **Local Government and Local Council**

From the perspective of autonomy, Ogunna (1996, p.350) defines local government as a political authority purposely created by law or constitution for local communities by which they manage their public affairs within the limits of the law/ constitution. This definition entails that powers are given to local councils to have substantial control over local affairs, especially in the provision of services. It should, however, be noted that in this paper, we consider "local government" and "local council" to have the same meaning and can thus be used interchangeably. This is because, in Cameroon, the notion of local government is generally synonymous with local councils, given that the administrative technique of decentralization here is practiced within the context of a Unitary State.

### **Service Delivery**

Fox & Meyer (1995, p.118) define service delivery as the provision of public activities, benefits, or satisfactions to citizens. Here, service delivery relates both to the provision of tangible and intangible services. In this paper, two different types of services considered corresponding to the virtual services described by the 2018 UN *e-governance* survey report, which local councils can provide through the use of ICT, are as follows:

#### **Information services**

The information services of local councils are in line with the government-to-government model and the government-to-citizen model of *e-governance*. Here, the local council acts as a three-way medium of communication between itself, the national government, and the citizens at the local levels. The local councils become the information service providers, while the citizens are the information service consumers. Local governments need to provide people with information through ICT channels to help them make more informed choices.

#### **Transaction/transactional Services**

Transactional services include service delivery for high-volume routine transactions. It is highly linked to the government-to-citizen model of *e-governance*. Here, *e-governance* permits the local council to provide some degree of online interaction through which citizens can submit

complaints on council services online, apply for jobs within the municipality, and apply for and register new businesses. The transactional services to be considered in this study include:

- Payment of taxes online with the help of mobile money or bank cards.
- Online registration for civil status marriage, application for marriage certificates, online payment of registration dues, and online publication of marriage bands on the council website.
- Online registration for birth certificates and online payment of birth registration dues.
- Online payment for utilities such as registrations for installation of boreholes/water.

### **Theoretical Framework**

This study's theoretical framework of analysis mainly includes the Technology Acceptance Model (TAM) and the Wider Dissemination Models. The three main *e-governance* models applied in this study to derive proposed strategies for local councils are also discussed here. These include the government-to-employee (G2E), government-to-citizen (G2C), and government-to-business models (G2B).

#### **The Technology Acceptance Model (TAM)**

The Technology Acceptance Model (TAM) proposed by Davis (1989, pp. 319-340) is an information systems theory that models how users accept and use a technology. It generally deals with the prediction of the acceptability of an information system. Perceived usefulness is also seen as being directly impacted by perceived ease of use. In this study, the technology acceptance model was operationalized based on the context of Cameroon's local government realities. The Technology Acceptance Model (TAM) is appropriate for this research work, given that it helped us to design some questions at the level of our questionnaire on the perceived usefulness of ICTs for service delivery by local councils. This model was thus an instrument for clarity about the prediction of the acceptability of *e-governance* strategies for service delivery by local governments in Cameroon. This model is specifically useful because our study explores the possibility of the acceptability of *e-governance* strategies in service delivery by local councils. Given that our study interrogates the possibilities for a shift in paradigm from traditional strategies of information and transaction service delivery to technologically advanced strategies, the TAM gives our research a clue on the possibilities and challenges that local councils may have in accepting our proposed changes.

#### **Wider-Dissemination Model**

The Wider Dissemination Model proposed by Vikas Nath (2003, pp.1-13) is based on disseminating information relevant to better governance already in the public domain into the wider public domain through ICT and convergent media. This raises awareness among the citizens about ongoing governance processes and government services available to them and how they can benefit from them. This model is highly applicable to the study given that it examines the use of ICT by local councils as an opportunity for them to open up alternative channels for the local populace to access information about the municipality and validate existing information from different sources.

### **Models of *E-governance***

#### **Government to Business Model (G2B)**

This model entails that *e-governance* tools are used to aid the business community in interacting efficiently with the government to improve local social and economic development. Applying the government-to-business (G2B) model in this study on the role that ICT use can play in the application of *e-governance* strategies in local government service delivery is critical because one of the major sources of revenue for local councils is from taxes collected chiefly from businesses operating within the municipality. Therefore, a good environment is imperative to facilitate cooperation in the interaction between the local councils and business people. This study suggests that applying G2B *e-governance* strategies in local council service delivery could provide such an environment.

#### **Government to Citizen Model (G2C)**

This model concerns the activities carried out by public institutions with respect to citizens, for example, utilizing institutional web portals to provide online services, such as the presentation of individual tax status or the application for electronic documents from the registry offices. In Cameroon, this model could be significant for local government service delivery, given that decentralization brings the government closer to the people through the local government authorities, but this model will bring the citizens closer to the local government. The application of this model enables citizens to ask government agencies questions and receive answers. This model equally permits greater citizen access to local government information services and a cost reduction for citizens as they carry out transactions with the local council.

#### **Government to Employees Model (G2E)**

This model concerns the activities carried out by public institutions in relation to employees, for example, providing online services such as e-learning activities and refresher courses for employees through institutions who have advanced knowledge on how to initiate information technology in public institutions for efficiency in services. In focusing on service delivery, public services also need to focus on developing internal workplace environments that will ensure staff acts in a way that delivers high-quality services. In this research work, the author considered using this model because it can enable the identification of ways of developing the skills needed by workers in local councils to realize the new opportunities offered by ICT advancement, such as the internet. Applying this model in this research attests to the conception of electronic governance as a procedural approach to cooperative administrative relations, enabling local councils to perform their legitimately prescribed duties smoothly. The government-to-employee model (G2E) permits this study to capture some aspects of the delivery of interaction services both within the council workers and between the council workers and the citizens in need of various services.

### **Empirical Literature Framework**

Augustine E. et al. (2015, pp.197–207) conducted a study on assessing the effectiveness of using ICT components for service delivery in Etsako West Local Government Area of Edo State, Nigeria. Their study aimed to assess the use of ICT as a tool for effective service delivery in the Nigerian Local Government. The chi-square correlation test was used to test the significant association between ICT penetration in Etsako West Local Government in Edo State of Nigeria on the one hand and the relationship between the use of ICT components by staff of the local government in the performance of their duties and service delivery on the other. Their study revealed that there was a low level of ICT usage in the local government studied and recommended, among others, the need for the government to create opportunities for local government staff to own computers and be ICT literate for efficient service delivery. The study of Augustine E. et al. (2015, pp.197–207) corroborates with this research work, which primordially seeks to advocate that the advent of Information and Communication Technology (ICT) creates opportunities for its use to promote effective service delivery by local councils in Cameroon.

The research of Gilbert & Semwogerere (2015, pp.693-700) aimed to investigate the effect of ICT adoption and service delivery in Tororo District Local Government in Uganda. They had the objectives of establishing the ICT literacy levels, examining the service delivery mechanism,

determining the relationship between ICT and service delivery, and proposing a framework for ICT adoption in Uganda's Local Government. The results of their study showed that there is a strong inverse linear correlation between ICT and service delivery. The study recommends that local governments should invest more in ICT systems so as to strengthen ICT usage. This will, in turn, strengthen the quality of services delivered. Local government employees should be trained to equip them with modern ICT skills.

In examining the opportunities and challenges of using ICT for service delivery, Monga (2008, pp.52-61) analyzed the experiences of *e-governance* at the local, state, and federal levels of government in India. The study found that *e-governance* has revolutionized the quality of service delivery to the citizens by improving transparency in the administrative process, saving time due to single window service provisions, simplifying procedures, reducing corruption, improving office and records management, and improving the attitude and behavior of civil servants.

Salam (2016, pp.1-65) conducted a study on the impact of using ICT in *e-governance* for good governance through public service delivery. His study assesses the efficiency and implications of Bangladesh's district e-service centers and validates *e-governance* for good governance. The study findings revealed that due to the entrance of *e-governance* initiatives and information in *e-governance* services, the extent of accessibility in citizen satisfaction and effectiveness in good governance showed a high level of advancement. Also, e-service delivery positively impacts citizen satisfaction, and *e-governance* initiatives lead to good governance. This study and its findings, however, have some limitations as they fail to examine the information technology capabilities of the actors directly involved or in charge of service delivery.

Mugambi (2013, pp.1-37) conducted an elaborate study on the effects of e-government strategy on service delivery in the government ministries in Kenya. The research findings revealed that although the implementation of e-government was not very effective in all ministries, it improved the services. The study revealed that the use of e-government enabled database sharing, lowered the costs of delivering services, reduced the time taken to process a transaction, improved records management, eased working procedures, and improved staff productivity. Although the study recommends enacting policies to regulate e-government implementation, it fails to demonstrate the challenges associated with e-government implementation processes and explore the possibility of using *e-governance* by other stakeholders like the non-governmental sector and major service providers at county levels.

Sindeu (2013, pp.1-24), in his paper on the implementation of e-government in Cameroon, posits that major electronic government initiatives at the national level taken by the Cameroon government include but are not limited to the following: Management of State Personnel and Salaries (SIGIPES); Management of Public Finances (SIGEFI); Management of Customs Transactions (SYDONIA); Transport titles such as driving license, registration documents (SYSTAC); Electoral documents and biometry process (ELECAM); Civil status and identification documents (MINATD), Police Judicial system & database for prisoners by the Ministry of Justice and the project for Tender documents - Ministry of Public Contracts. For him, the local councils are the most basic level for implementing *e-governance*. In discussing the examples of some trends in e-government, Sindeu points out that local e-government is one of the paradigms within the framework of Cameroon's e-government trends. Reviewing this work for this study is vital given that the presence of various institutions in Cameroon that practice *e-governance*, as stated by Sindeu, indicates that carrying out a study on the concept of *e-governance* at local levels is quite contemporary.

### **Materials and Methods**

This study was conducted in the Bamenda Municipality of the Northwest Region of Cameroon, comprising three main Local Council areas: the Bamenda I, Bamenda II, and Bamenda II municipalities. It employed survey and case study research designs, with purposive and systematic random sampling techniques for field data collection. The study population included selected workers in councils who were directly or indirectly involved with delivering both information and transactional services and some systematically selected citizens who came to the local councils to obtain one service or the other. The target here was citizens who came to apply or register for their civil status marriages, citizens who came to the council to apply for or obtain their children's birth certificates, and any other service that could be classified as information or transactional. The total sample size was 181 respondents, with 37 local council workers and 144 citizens/business owners. The opinion sampling technique was employed in this study using questionnaires as research instruments. With the aid of SPSS, descriptive statistics was used to treat and analyze the data collected from the field. This study further employed the Chi-Square approach to test the association between using ICT and applying *e-governance* strategies in service delivery by local government service providers in the selected councils. The fourth objective of this study was verified thematically using the direct reporting technique since the responses were captured using open-ended questions. The open-ended questions required council



workers and citizen/business respondents to provide their points of view on the challenges local councils face or would probably face in using ICT-based strategies for service delivery.

For the qualitative source of materials, the technique employed here was documentary with the aid of instruments like textbooks, previous research works, newspapers, and the internet, which was used to get information about the use of ICT and the application of *e-governance* strategies in service delivery by local governments in Cameroon and elsewhere. Also, at the level of field data collection, interviews were conducted with the key administrators of the three local councils that made up the study area (Bamenda I, Bamenda II, Bamenda III). Those concerned with the interview mainly involved the Mayors, their Deputies, and the Secretary Generals of the local councils. The method of analysis employed by the researcher for the qualitative data obtained from the administration of the interview guide was a thematic analysis based on the direct reporting technique. Using the thematic analysis approach, the researcher was able to group the interview responses into themes or topics, which could give a clearer picture of the opinions sampled.

### **Results and Discussions**

- **Objective 1:** *To establish the relationship between the use of ICT, the application of government-to-business (G2B) strategies, and service delivery outcomes in local councils.*

### **Results**

**Table 1:** *Chi-Square Test Analyses of association between government-to-business (G2B) strategies and service delivery in local councils*

<b>Raw</b>	<b>Independent Variable</b>	<b>Dependent Variable</b>	<b>Pearson Chi-Square</b>	<b>p-value</b>
1	The local council should have a telephone database of business owners and use it to send text messages reminding business owners about tax payment datelines	If this council uses its ICTs to apply the above strategies, it will make the information services of this council more available to users or citizens	10.117	0.039
2	The local council should operate an online platform on the council website where both old and new businesses can be registered by simply filling out	If this council uses its ICTs to apply the above strategies, it will make the services of this council	14.991	0.020

	a form online indicating the type of business and location of business	more available to users or citizens		
3	The local council should provide a possibility where taxes could also be paid using mobile money, given that some businessmen may not have the time to come to the council and pay.	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	3.092	0.543
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	9.385	0.311
4	The council should do a quarterly online publication of the list of existing businesses, those that have paid their taxes, and those that have not.	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	3.290	0.511
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	13.943	0.083

**Source: Field survey by researcher**

### **Discussion**

The association tested in Row 1 of the chi-square table above shows a probability value of 0.039, which rejects the null hypothesis at a 5% significance level. This affirms that if local councils have a database of telephone contacts of business owners and use it to send them text messages reminding them of tax payment datelines, it will make information services more available to business owners and consequently encourage business people to pay their taxes. This aspect conforms with the high number of respondents who agreed and agreed strongly that sending congratulatory text messages to those who have paid their taxes and a gentle reminder to those who have not yet paid can help reduce interaction conflicts between council workers and business people.

**Objective 2:** *To establish the relationship between the use of ICT, the application of the Government-to-Citizen (G2C) strategies, and service delivery outcomes in local councils.*

### **Results**

**Table 2:** *Chi-Square Test Analyses of association between G2C strategies and service delivery in councils*

Raw	Independent	Dependent	Pearson Chi-2 (pdf)	p-value
1	Create more awareness of council programs and projects to the citizens through SMS	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	24.541	0.000
2	Give transaction notifications to citizens who come to the council for services that take time	If this council uses its ICTs to apply the above strategies , it will improve the quality of services provided by the local Council	3.499	0.478
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	13.054	0.080
3	Online registration for civil status marriage and application for marriage certificates	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	6.729	0.081
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	6.756	0.054
4	Online registration of new births and application for birth certificates	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	10.302	0.016
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	12.572	.050
5	Online application for building permits	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	5.661	0.226
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	12.823	.018
6	Online applications to use council facilities like the council hall and pay the dues through mobile money.	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	21.662	0.006

7	Online platform for citizens to book audiences with council authorities, e.g., mayor, SG, etc.	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	2.956	0.398
		If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	9.034	0.072

**Source: Field survey by researcher**

### **Discussion**

Use of ICT, application of G2C Strategies and Service Delivery Outcomes in Bamenda I, II and III Councils: Chi-Square Analyses

Row 1 on the above government-to-citizen chi-square analysis table gives a picture of the significant role that the use of telephone contact database of citizens by local councils can play in enhancing the provision of information to citizens. The probability value (0.000) shows a significant relationship between local council use of phone calls, messages, etc., and service delivery in terms of availability of council information to citizens. This is because it rejects the null hypothesis at a 1% significance level, meaning that if a similar study is carried out elsewhere, using different councils as case studies, there is a 99% assurance that the study will produce the same results.

For example, it is evident from the statistical analysis that local councils need to have the telephone contacts of key subjects within the municipality and even of household heads, which can enable the council to create more awareness of council programs and projects among the citizens through SMS or easily pass announcements about cleanup campaign days, vaccination schedules and other programs and projects through SMS. This is in line with the results in Row 2, which demonstrates that citizens will likely enjoy carrying out transactions with local councils if local councils can give them transaction notifications on services that take time. For example, a citizen drops an application for a building permit and receives a call from the council notifying him that his permit has been granted. This is better than allowing the citizens to spend time and money coming to check repeatedly.

The probability values (p-values) of Row 3, 4, and 5 above, which all reject the null hypothesis at a 5 to 10 percent level of significance, are an indication that the use of websites by local councils to apply the G2C strategies in information and transactional service delivery between the council and citizens will have a significant impact on the availability of these services and equally improve the quality of the services. For example, the proposed strategies by this study

are for local councils to own websites that provide a platform for online registration of civil status marriage and application for marriage certificates; online registration of new births and application for birth certificates; and online application for building permits. The results obtained from the chi-square analysis, as shown by the P-values of Row 3, 4, and 5, provide some scientific rigor to the link between the use of ICTs, the application of *e-governance* strategies, and information and transaction service delivery outcomes.

Row 6 indicates a highly significant association between the local council's provision of an opportunity for online applications to use council facilities and the increasing availability of such facilities to the citizens or users. The 1% level of significance, as can be derived from the P-value, shows that there is a 99% chance that every council that makes provision on its website for citizens to contact them over the use of some council facilities will increase the number of citizens who use and pay for council facilities.

The chi-square results in Row 7 are even more interesting as they reveal that a local council online platform where citizens can book audiences with council authorities like the Mayor, SG, etc., may not necessarily improve the quality of services provided by the council but will instead make the services more available to citizens. Statistically, this is evident in the 0.072 probability value, rejecting the null hypothesis at a 10% significance level. This means that if a similar study is carried out with other councils, there is an 80% chance that the results will prove the same. i.e., it will still be noticed that councils who provide an online platform for citizens to book audiences with their council authorities will make it more convenient for more people to do so than allowing them to come to the council premises over and over again before having the opportunity to meet the authorities.

**Objective 3:** *To establish the relationship between the use of ICT, the application of the Government-to-Employee (G2E) strategies, and service delivery outcomes in local councils.*

## Results

**Table 3:** *Analyses of the Association between G2E Strategies and Service Delivery in councils*

Raw	Independent	Dependent	Pearson Chi-Square	p-value
1	This council should Use ICT mediums for organizing council meetings	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	2.62	0.622

2	The council should have an intranet network available in all or most of the offices/services	If this council uses its ICTs to apply the above strategies, it will improve the quality of services provided by the local Council	0.758	0.860
3	This council should Use ICT mediums for organizing council meetings	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	15.197	0.050
4	This council should Use ICT mediums for coordinating council interactions with other local government stakeholders	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	9.520	0.049
5	The local council should provide in-service ICT training programs for council personnel	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	6.159	0.046
6	The council should have an intranet network available in all or most of the offices/services	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	9.621	0.041
7	The IT unit of the council should work closely with other units to facilitate accomplishing tasks in the council.	If this council uses its ICTs to apply the above strategies, it will make the services of this council more available to users or citizens	7.075	0.032

**Source: Field survey by researcher**

### **Discussion**

The Chi-Square table above summarizes the test results for the association between local council application of G2C strategies and service delivery outcomes regarding availability and improvement in the interaction relationships among employees in local councils. The results in Row 1 and 2 show that they are not significant because their level of significance is more than 10%, which is above the statistically acceptable level of significance, which naturally ranges between 1%, 5%, and 10%. This shows that there is no correlation between the dependent and independent variables in both rows. It means that even if local councils use ICT mediums for organizing council meetings, it will not significantly affect the quality of council meetings. Also, Row 2 indicates that merely having intranet services in councils may not necessarily have a significant effect on the quality of service provided by the council. However, linking the results of Row 2 to the results in Row 6, it can be observed that if local councils have an intranet

network available in all or most of the offices/services, it will significantly facilitate working procedures within the council as it will make such services available to council workers who are then main users.

An outstanding remark in the table above is the significant correlation between ICT-based in-service training of council staff and the improvement of council services. This is demonstrated in Row 5, showing that providing in-service ICT training programs for council personnel will make the information and transactional services of the councils more available to both council employees and citizens. The association presented by Row 7 crowns it all with a 5% level of significance in the correlation analysis between the role to be played by the IT Unit in the application of *e-governance* strategies in the information and transactional service delivery processes of local councils. Row 7, therefore, attests that if the IT unit of the council works closely with other units, there is a high probability that it will facilitate the accomplishment of tasks in the council and consequently make council information and transaction services more available to both council workers, citizens, and the business community.

**Objective 4:** *Examine local councils' constraints in using their available ICTs to apply e-governance strategies in delivering information and transactional services.*

## Results

**Table 4:** *Qualitative analysis of objective four results using the thematic approach*

Theme	Grounding	Sampled quotations
Lack of basic knowledge of ICT use by most council workers	8	" Most council workers are not IT literate." "Lack of training for council workers on ICT use" "Personnel don't have knowledge on ICT use" "Lack of specialized competent staff in councils"
No policy framework for ICT use for service delivery by local councils	7	"What the government provides for us legally is the use of council registers, not online platforms." "There is no online platform designed by the Ministry of Decentralization and Local Development for local councils to use" "If the government tells the councils to use online services and shows them how to use, then it would be easier. But for now, it is difficult."
Council IT units are not functional	13	"IT unit is just on paper, not yet put in place" " Lack of permanent IT staff in council" "IT unit merged with secretariat" "No money to pay IT technicians constantly" " Poor relationship between the council IT unit and other units of the council"

		<p>"Inadequate computers in the council"</p> <p>"IT equipment is only for administrative use, e.g., typing council reports, letters, etc."</p>
Financial implications	15	<p>"High cost of internet charges"</p> <p>"High cost of maintenance of ICT equipment"</p> <p>"Training of staff on ICT use will be expensive for councils."</p> <p>"Lack of trust in the Cameroon mobile money system for payment of transactions in council"</p>
Resistance to change from manual to digital	9	<p>"People may still prefer to come to the council personally."</p> <p>"Personal relationship with council can be lost"</p> <p>"Not everybody knows how to use the internet, so they will refuse."</p> <p>"Large rural population"</p> <p>"Fear that the local population which is illiterate may not access ICT based services"</p> <p>"Fear that the use of ICT strategies may lead to unemployment"</p>
Poor internet services	5	<p>"Poor internet network"</p> <p>"Low voltage caused by irregular electricity supply"</p> <p>"Lack of council websites"</p>

**Source: Field survey**

Ranking the challenges from the highest to the least related sampled quotations, we had the following results:

**Table 5:** *Ranking of thematically grounded responses*

Theme	Grounding	Rank
Financial implications	15	1 <sup>st</sup>
Council IT units are not functional	13	2 <sup>nd</sup>
Resistance to change from manual to digital	9	3 <sup>rd</sup>
Lack of basic knowledge of ICT use by most council workers	8	4 <sup>th</sup>
No policy framework for ICT use for service delivery by local councils	7	5 <sup>th</sup>
Poor internet services	5	6 <sup>th</sup>

**Source: Field survey**

## Discussion

The ranking above is a more significant assertion of the alternate hypothesis, which states that the Bamenda I, Bamenda II, and Bamenda III Councils are more likely to face challenges in using ICT for applying ICT-based approaches to service delivery. This is evident in Table 5, showing financial implications (15) as the highest constraint councils are likely to face and poor



internet services (5) as the least expected constraint raised by council workers. Also, based on the ranking of the thematically sampled quotations, the second challenge is that council IT units are not functional or operational (13). Surprisingly, various responses related to resistance to change from manual to digital strategies were identified in the third (3<sup>rd</sup>) positions. The lack of basic knowledge on ICT use by most council workers and the lack of policy framework for ICT use in service delivery by local councils occupied the 4<sup>th</sup> and 5<sup>th</sup> positions, respectively.

This study was mindful that using ICT for service delivery is a relatively new concept many institutions in developing countries have yet to adopt. The level of acceptance of new technology is always accompanied by the realities surrounding the context for implementing such technology. To attain the objective of analyzing the constraints to the successful use of ICT for the application of *e-governance* strategies in service delivery, the researcher, through an open-ended question, sampled the opinion of both council workers and citizens/business respondents on the challenges they think the local councils face in using their available ICTs to apply *e-governance* strategies proposed by this study. The finding of this study revealed that although ICT enhances efficiency and enables better delivery of information and transaction services, the use of ICT for implementing *e-governance* strategies in local councils can face many challenges. These challenges include the following:

- The IT units are not well equipped, and some are not even functional
- Most of the council workers are not computer literate as personnel do not have knowledge of computer use, and councils do very little for in-service training of workers on the use of ICT.
- There is no clearly defined roadmap for the use of ICT for service delivery in local councils
- Resistance to accept new ICT-based approaches by some council workers, especially the elderly council workers
- Some local councils are rural, and the rural population does not have the same privileges as the urban population. Also, the fear here is that the illiterate local population may not access the ICT-based services. This study, through the review of Cameroon ICT policy documents, however, found that the construction of public digital spaces in villages is one of the objectives in the Cameroon government's priority action plan for the digital

economy in Cameroon, which aims to generalize access to broadband services for citizens, businesses, and households.

- Lack of knowledge of the advantages of ICT for administrative and service delivery purposes.
- There is a fear that the application of ICT-based approaches will lead to unemployment as ICT will now do most of the services rendered manually.
- Staff training will require more expenses, and the use of office automation can be very expensive.
- Lack of ICT-enabled facilities like websites in most councils.

The challenges enumerated above are highly related to the findings of Mozammel *et al.* (2013, pp.43-46), who researched to assess the potentialities, issues, and challenges of implementing *e-governance* in developing countries. A general remark on the challenges to the uses of ICT for service delivery purposes stated above is that a good number of solutions that could be proposed for each of the problems above exist equally. It was within the framework of analysis drawn from the realities of a most densely populated developing country in the world where good governance is badly needed (Bangladesh) that Mozammel *et al.* (2013:43-46) proposed a model for implementing a successful *e-governance* System that will suit citizen perspectives.

Although, indeed, the current impact of the use of ICT by local councils for service delivery could be biased in favor of the urban areas, adequate measures would likely be put in place by the Cameroon government to deal with this sad side by extending ICT usage opportunities to the rural areas as can be seen in the Strategic Plan for a Digital Cameroon by 2020. A more likely solution to the fear of urban/rural divide in ICT use for service delivery by local councils in Cameroon could be the point of view of Greenide (2002), who posits that: "*For rural areas, the real challenge is to find the best fit between their current development policies, strategies and the best ways to access and manage information.*" Given the importance of ICT in service delivery, the capacities of rural societies to absorb and adhere to the use of information technology to obtain services do not have to be underestimated. For Greenide (2002), it is imperative that a positive approach, despite existing constraints, carefully analyzes needs, using appropriate tools and methods to make part of a positive approach that considers the socio-cultural realities of the rural areas.

## **Conclusion**

The empirical analysis of this study based on a series of chi-square tests showed that most of the test results of correlation between the dependent and the independent variables had at least a 1%, 5%, or 10% level of significance, thus rejecting the null hypothesis which stated that "there is no significant relationship between use of ICT, application of *e-governance* strategies and information and transaction service delivery of local councils. The probability values obtained in the chi-square analysis were equally an indication that local councils who use their available ICTs to apply *e-governance* strategies in providing information services are likely to improve their service delivery outcomes regarding the availability and sustainability of their information services. Also, councils that use their available ICTs to apply *e-governance* strategies in the provision of transactional services will make routine transactions more accessible for citizens and equally ease transaction procedures for citizens and council workers. This finding is in line with the observation made by Mozammel *et al.* (2013, p.43-46) in a similar case study of Bangladesh, where they examined a citizen perspective *e-governance* model for developing countries. The use of ICT, as well as *e-governance*, has come to stay. The reality is that if adequately used, the positive side overrides the negative impact or constraints. Thus, instead of focusing on the probable challenges, local councils need to take up the courage to take advantage of the availability and use of ICT tools for better provision of information and transactional service.

### **Recommendations**

- Based on the finding that most local councils do not have functional IT units, this study recommends that local councils should take up the initiative of employing the right personnel in their IT units and making them operational according to the standards set by the Ministerial Order No.00136/A/MINATD/DCTD of 24 August 2009 to implement the standard list of council jobs.
- Local councils should use ICTs not only for council administrative reasons but also for information and transaction service delivery purposes.
- The Ministry of Decentralization and Local Development should organize seminars at local government levels to increase awareness of the possibilities of inculcating *e-governance* strategies in the service delivery process.

- There is a need for the development of local ICT expertise. The successful initiation of *e-governance* strategies by local governments to provide essential services will depend mainly on the availability of human resources and the capabilities of the local council.
- Local councils, especially those in urban areas, should encourage the combination of the use of both traditional service delivery processes and ICT-based service delivery processes.
- Finally, local councils should engage in digitalizing some manual processes of service delivery through their operational IT units. Also, for the Cameroon government to achieve the goals stated in the NDS30 Plan for a Digital Cameroon, it must consider effectively involving local councils in the national digitalization initiatives. This can be done by encouraging them to adapt their information and transactional service delivery procedures to more ICT-based strategies despite the challenges involved.

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# Occupational Injury and Factors Associated among Employees in Heineken Brewery Share Company, Harar Brewery Share Company, and Awash Wine Share Company, Ethiopia

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<p>Journal Volume &amp; Issue: Vol. 5, No. 1 (Feb, 2024) pp. 28 – 55</p> <p>DOI: <a href="https://doi.org/10.46404/panjogov.v5i1.5360">https://doi.org/10.46404/panjogov.v5i1.5360</a></p> <p>Received: 25 July, 2023 Revised: 28 December, 2023 Accepted: 20 Feb, 2024 Published: 28 Feb 2024</p> <div style="text-align: center;">  </div> <p>Copyright: ©2024 by Jimma University, Ethiopia. Under Open Access Journal, the creative common attribute 4.0 international license permits any interested person to copy, redistribute, remix, transmit and adapt the work provided that the original work and source is appropriately cited.</p>	<p style="text-align: center;"><b>Abstract</b></p> <p><i>Occupational injury is a serious global public health issue that causes morbidity, disability, and fatality at work. The food and beverage processing business has the most significant rate of occupational injuries, making it the most dangerous occupation among industrial industries. Various labor hazards have been reported to beverage workers. Against this background, the objective of the research was to assess the magnitude and predictors of occupational injury among employees in the beverage industry in Harar and Addis Ababa, Ethiopia. A cross-sectional descriptive study was conducted at a beverage factory, with 675 respondents chosen randomly. Qualitative data was collected through interviews with key informants. The data was analyzed using Epi-Data statistical software and SPSS. Multiple logistic analysis, descriptive analysis, binary logistic, and crude logistic regression analysis were used. A p-value of less than 0.05 was considered statistically significant. The occupational injury rate is 20.9%, with fingers and hands being the most common type of trauma. Sleeping difficulties, contract employment status, and technical field work are associated with injuries. 28-34-year-olds are 55% less likely, and one year of experience is 85% less likely. Challenges include inconsistent safety measures and a lack of organizational commitment, especially for contract workers. The prevalence of occupational injuries among beverage industry employees was high. Technical departments, contract employment, and the prevalence of sleeping problems were revealed to be risk factors for occupational injuries. At the same time, one year of experience and the age range of 28–34 were found to be protective. Among the study participants, difficulties such as poor use of personal protective equipment and a lack of a consistent supply of personal protective equipment were noticed. As a result, firms must increase occupational safety measures, such as providing and replenishing personal protective equipment, focusing on contract employees.</i></p> <p><b>Keywords:</b> Beverage Industry, Employees, Occupational Injury, PPE, Working Hour</p>
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## **Introduction**

### **Background of the Study**

Occupational injury is a problem associated with the engagement of citizens in any working environment. There is no area of work devoid of occupational injury and health problems. According to the Journal of Occupational & Environmental Health of 2014, there was a 2.9 billion economically active population and a report of four or more days of absence because of occupational injury by 6.03 million people. According to the International Labor Organization (ILO), there are 317 million occupational injuries and 320,580 fatal injuries. Fatal work-related disease was reported as 2.02 million, and total work-related mortality was 2.3 million. Its magnitude is higher in the developing than in the developed world (Takala *et al.*, 2014).

Occupational injury and safety are crucial concerns in both worlds to control factors related to occupational hazards. The aim of occupational health and safety is to eliminate or control the effects of hazards in the workplace. An industry that pays attention to occupational health and safety measures can dramatically reduce injury occurrence (Takala *et al.*, 2014). Currently, most occupational injuries are not adequately documented and reported, as awareness among employees is low, and companies neglect some of the incidents reported (Hse, 2008).

The hazard of occupational injury varies from sector to sector; agricultural, fishing, and forestry are the leading sectors in the developing world, while it is highest in the construction sector in the developed world. The manufacturing industry is associated with spine, hand, and wrist injuries (J.M Stellman, 1998).

The beverage manufacturing industry has two categories: alcohol and non-alcohol. The subgroups of the latter category encompass soft drinks, water bottling, fruit, juice bottling, caning, boxing, the coffee industry, and the tea industry. In contrast, the former subgroups are distilled spirit, wine, and brewing (J.M Stellman, 1998).

Though the ingredients and product types of the various beverage industries may differ, they share many characteristics. The work process involves using raw materials as input by an industry that employs both unskilled and semi-skilled laborers whose understanding of safety issues is limited, resulting in increased occurrences of occupational-related illness (Jeanne Mager Stellman, 1998).

The most commonly encountered injuries in beverage manufacturing are related to car accidents while transporting raw materials and products. Another common type of injury is associated with the use of chemicals for sanitizing bottles and treating wastewater plants. Chemical poisoning of employees and the environment is also another hazard during production. Moreover, slippery floors and working from high areas are among the factors causing occupational injury as they expose the sector's employees to the risk of falls and accidents (Dagnan, 2014).

This study has attempted to disclose the magnitude of occupational injury and its predictors among the employees in some beverage industries, ultimately informing concerned bodies to take prompt and sound public health measures to avert the problems.

### **Statement of the Problem**

The emphasis on industrialization by the government of Ethiopia in its new transformation plan has resulted in many domestic and external industries flourishing, creating a massive demand for a workforce and new employment areas. Many work-related injuries have emerged as major public health problems. Employees spend a substantial amount of their time in the workplace, and if the workplace is not conducive and employees do not have the appropriate level of awareness about their work and its related potential for injury, the risk has the highest probability of increasing. As the occurrence of occupational injury is not controlled, it causes fatality and disability and reduces productivity as well. It also increases compensation-related costs (ILO, 2014).

The 2014/2015 national labor statistics reported 5135 cases of work-related accidents and 43 fatal accidents from 12 regions and the federal reporting industry in Ethiopia. Though there are reporting problems, the figure mentioned is significant and shows a public health concern. From the distribution point of view, companies in Oromia take a more significant number, 2742, which is 53.4%, followed by Amhara with 987 (19.22%), and Addis Ababa has a share of 433(8.43%) (International Labour Office & Somalia; Federal Democratic Republic of Ethiopia, 2013). The highest magnitude of fatality is reported in the manufacturing industry. The brewing industry has a lot of production workers and problems related to the working area that have yet to be explored independently in Ethiopia, and there is only one study in Africa and Zimbabwe at two plants in Harare.



The research examines occupational health-related injuries among employees in a Rwandan brewery factory. It highlights the importance of occupational health, the types of injuries, the safety measures used, and the factors influencing their use. The study emphasizes addressing occupational health risks to prevent injuries and improve working conditions. The research suggests that improving safety measures, increasing awareness of occupational health risks, and addressing factors like alcohol consumption and job satisfaction can reduce employee injury prevalence (Mbonigaba, 2015).

Though much is said about the magnitude of occupational injuries in various sectors like construction, agro-industry, small and medium-scale manufacturing, and textile industries in Ethiopia, to the researcher's knowledge, no single study has been carried out in the beverage industry.

This study aims to determine the extent of occupational injury and the factors contributing to its occurrence in a subset of the beverage industry (Heineken Breweries SC, Harar Brewery SC, & Awash Wine SC) in Addis Ababa and Harar. It also aims to pinpoint the key issues that impact industry workers' general welfare and safety and provide employers with guidance on prioritizing factors that lower the risk of injury with local evidence.

### **Research Objectives**

The general objective of the research was to assess the magnitude of occupational injury and its predictors among employees in beverage industries in Addis Ababa and Harar, Ethiopia, from September 1- October 15, 2017, GC. In line with the general objectives, the specific objectives were: i) to determine the magnitude of occupational injury in the lifetime after employment and 12 months before the study; and ii) to identify factors associated with occupational injury among beverage industries.

### **Significance of the Study**

The findings of this study may be used by the Ministry of Labor and Social Affairs (MOLSA) in order to get insight into endorsing pressing regulations that may force the beverage industry to comply with the safety and health of employees, beverage manufacturing industry owners, and beverage industry employees to design and implement appropriate safety and health program in the working environment. It will also raise awareness among both employees and employers. Companies will save time and resources lost due to occupational injury on their premises. In

addition, this study makes an important addition to the existing literature and shows unexplored parts for future researchers.

## **Review of Literature**

### **Occupational Injury Status**

A case study on the effect of human factors on the occurrence of occupational injury events in construction projects shows an annual incidence of 1.5%. The same study showed that the highest injury is reported from 10 AM to 12 noon (Hamed Yeganeh, Z. Naserzadeh, 2016).

According to an interdepartmental comparative study in Nigeria's South Geo political zone, the mechanical engineering department has statistically lower work-related traumatic injuries than logging department workers (Owigho Peter Opreh, 2014). The study on factors associated with occupational injury at a beverage manufacturing company in Zimbabwe, Harare, indicated that 53.3% of respondents sustained workplace injury. Of those who encountered injury, 26% did not report the injury (Chimamise *et al.*, 2013). From two cross-sectional studies done in Ethiopia, the occupational injury among waste collectors in four zones of the Amhara region was 34.3%, and a similar study in Addis Ababa identified the prevalence of occupational injury as 43.7%. As per the study in four zones of the Amhara region, 50.7% of injured have visited a health facility to receive health care. Shorter years of service, low monthly salary, job-related stress, being illiterate, and sleep disturbance were the factors associated with injury among solid waste collectors in the Amhara region (Eskezia *et al.*, 2016).

### **Factors Associated with Occupational Injury**

Determining the factors associated with occupational injury is very important to designing protective mechanisms and helping to understand the factors associated with the study thoroughly. Most of the studies reviewed are associated with socio-demographic and work-environmental factors.

### **Socio-Demographic Factors**

Socio-demographic factors included in most of the reviewed literature are age, sex, education level, family size, and salary. A study done in south Ethiopia at Arbaminch Textile found an occupational injury prevalence of 31.4%. Among socio-demographic factors, low salary was associated with higher odds of injury. Similarly, another study showed that the occurrence is

related to socio-demographic factors - age and education are significantly associated with injury. An increase in educational level and age reduces the risk of injury (Chercos & Berhanu, 2017).

### **Work Environmental Factors**

#### ***Physical Work Environment***

Physical agents include chemicals, physical, biological, ergonomics, mechanical, energy, and driving. A study carried out in Zimbabwe on beverage industries showed that working in the packaging department, sleeping disorders, and working seven days a week without rest had a risk associated with it. The hazards identified in the study were noise, broken bottles, unguarded machines, and coal dust. The high-risk area was automated. The most common injury was cut/laceration, the most affected body parts were finger and hand, and the majority of injuries happened in the packaging department because of the breaking of bottles (Chimamise *et al.*, 2013).

Pertinent factors statistically associated with occupational injury in the study carried out in Addis Ababa are Personal Protective Equipment (PPE) utilization and household size. The odds of occupational injury among PPE non-users were lower than among PPE users, and injury was lower among respondents with a family size of five or more than a small family size (Bogale *et al.*, 2014).

Based on a report from ergonomics and safety evaluation at Colorado Brewery, employees were exposed to a combination of risk factors for developing work-related musculoskeletal disorders (WMSDs), including awkward posture, forceful extraction, and repetitive motion. From an interview and OSHA log of work-related injuries, the most common body parts affected were the upper extremities (shoulder and wrist). Failures to report accidents were also identified, and the reasons for not reporting vary according to their perception of effect (Ramsey *et al.*, 2011).

#### ***Psychosocial Environment***

Psychosocial environment factors include poor work organization, organizational culture, command and control management style, inconstant application and protection of basic rights, shift work issues, lack of support for work-life balance, lack of awareness and competence in dealing with mental health, illness, and fear of job loss related to mergers and acquisitions in recognition or the labor market/economy. As per the study done in the Zimbabwe Beverage industry, sleeping disorders and working for seven days a week without rest were independent

factors for occupational injury (Chimamise *et al.*, 2013). According to a twelve-month descriptive longitudinal survey at Nigeria paper producing company, a comparison of the engineering department and logging department carried out and indicated the difference in occupational trauma among departments - the prevalence was high among the logging department compared with the engineering department, and the departments were independent predictors of occupational injury (Owigho Peter Opreh, 2014).

### ***Personal Resources in the Workplace***

These include the availability of a supportive environment, health services, information, resources, opportunities, and flexibility that an enterprise provides to workers to support or motivate their efforts to improve or maintain healthy personal lifestyle practices and monitor and support their ongoing physical and mental health.

According to a study in Arbaminch, work environment-related factors like extra hour duty, health and safety training, and workplace supervision had significant associations after adjusting all factors. Among the behavioral factors, Personal Protective Equipment use and job stress are significantly associated with injury (Gebremichael & Kumie, 2015). Another institute-based cross-sectional study conducted to identify significant determinants of occupational injury in the Kombolcha Textile factory in northeast Ethiopia showed that working >48 hours, handling objects >20 Kg, visual concentration, timely maintenance of the machine, and sleep disorder were found to be significant factors (Yessuf Serkalem *et al.*, 2014).

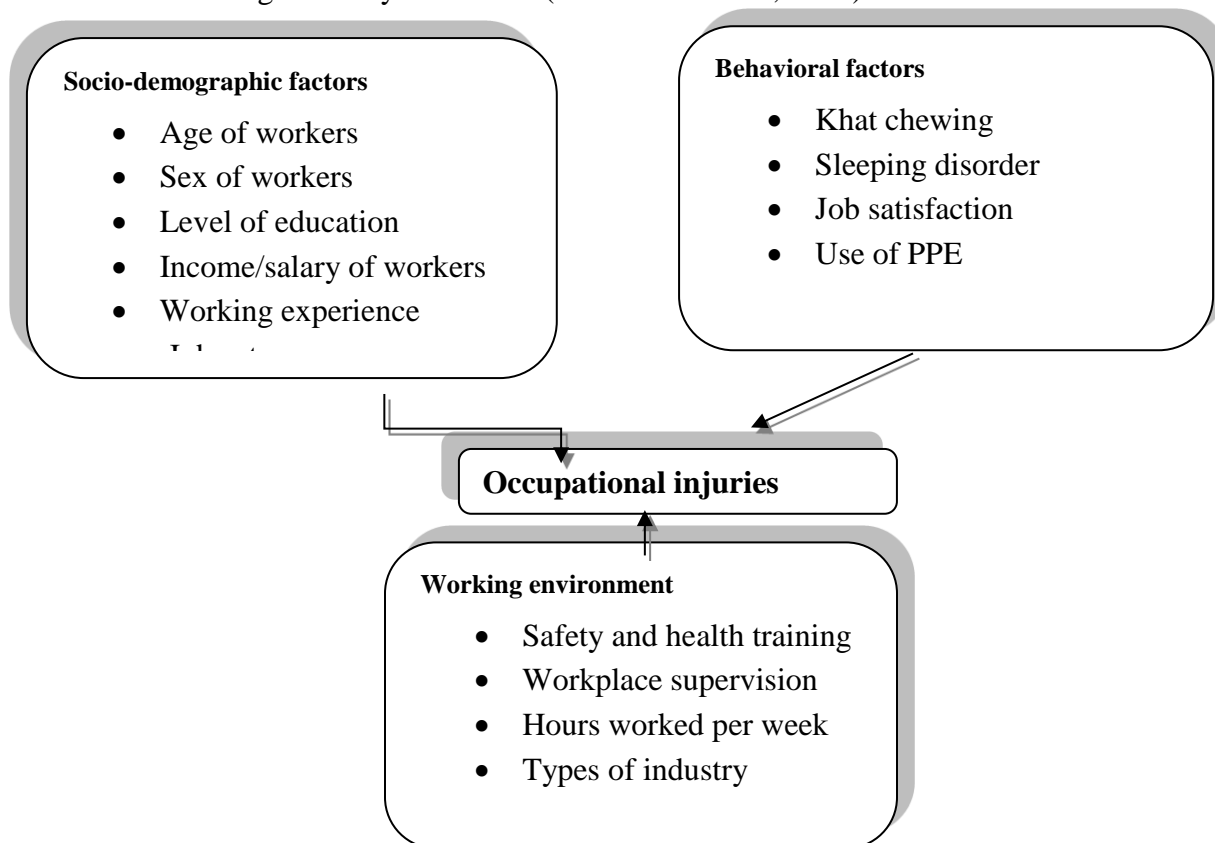
### ***Enterprise Community Involvement:***

Enterprises exist in communities and are affected by those communities. Since workers live in the communities, the community's physical and social environment affects their health. Activities, expertise, and resources are provided not only to the immediate local environment but also to the broader global environment (WHO, 2010).

Based on the above explanations, the factors contributing to occupational injury were reviewed from different literature as follows. According to a study conducted in Iran among construction workers, 79% of accidents occurred in far capitals, which shows the impact of distance from facilities. In the same study, 84% of participants with occupational injuries had a low education level, and 24.13% of accidents were due to non-election or absence of supervision (Hamed, 2016).

A study done in Mexico to identify the factors associated with fatal occupational injuries among workers affiliated with the Mexican Social Security Institute indicated that sex, age, work experience, and workplace condition have associations with occupational injury (Gonzalez-Delgado *et al.*, 2015). This is similar to the national survey done in Germany, which indicated that factors like age, sex, work characteristics, and length of working hours have an association with occupational injury (Rommel *et al.*, 2016).

According to a study done in a brewery in Zimbabwe, Harare, working in packaging is associated with working seven days without rest, having sleeping disorders, and being a contract worker. In addition, the majority of injuries happened during the day. In this study, smoking habits were not significantly associated (Chimamise *et al.*, 2013).



**Figure 1: Conceptual framework for occupational injury among beverage industry workers in Awash wine, HBSC, and Harar BSC September 2017**

## Research Methods

### Study area and period

In Ethiopia, eleven brewery plants are owned by seven firms. Currently, following a privatization policy, all eleven plants are privately owned.

This study was conducted among Heineken Brewery SC and Awash Winery in Addis Ababa and Harar Brewery SC in Harar, which have workforces of 794, 456, and 315, respectively. It was conducted from September 1 to October 15, 2017.

### **Study Design**

A descriptive cross-sectional study design has been employed comprising mixed methods, *i.e.*, quantitative and qualitative methods.

### **Population**

#### ***Source Population***

The source population for this study was employees of a selected beverage manufacturer in Addis Ababa and Harar.

#### ***Study Population***

The study populations for this study were all employees who get chance of randomly selected from HBSC, Harar Brewery SC, and Awash Wine SC employees involved directly in the production and distribution activities.

### **Inclusion and Exclusion Criteria**

All permanent, temporary, and contract employees involved in the production and distribution processes of the selected beverage manufacturing companies were included. Moreover, cleaners and all drivers transporting raw materials and products were included. All employees who are not directly exposed to production and distribution are excluded, besides self-collector drivers.

### **Sampling**

#### ***Sample Size Determination***

A single population proportional formula was used to determine the sample size for this study. The following assumptions were used: a confidence interval of 95% with a precision of 5%, and the prevalence of occupational injury was considered to be 53.3% based on research done in the Zimbabwe beverage industry (Chimamisa *et al.*, 2013).

$$N = \frac{z^2 p(1-p)}{d^2}$$

n=the minimum sample size required

p= prevalence of occupational injury in the beverage industry in Zimbabwe, 2008

$z$  = the standard value of confidence level of  $\alpha=95\%$

$d$  = the level of precision between the sample and the population

$Z=1.96$   $P=53.3\%$ ,  $d= 0.05$

$$n = \frac{1.96^2 0.533(1-0.533)}{0.05^2} \approx 383$$

Multiplied by 1.5, considering the design effect, equals 575, and 15% added by considering the non-response rate gives a sample size of 675.

For the qualitative department heads, a safety focal person and a labor union representative were selected.

All the documents, guidelines, rules, procedures, and safety signs posted beside the environmental setup were included.

Lastly, the sample size of 675/1,565 was decided for this study based on the largest figure from objective one. The intentional sample correction formula is not used to get a large sample size.

### ***Sampling Procedure***

Six hundred seventy-five samples were planned and drawn from all beverage-manufacturing companies in Addis Ababa and Harar. Based on the proportion of productive workforce size per institution, an institutional sample size was allocated. Based on the staffing proportion of departments (warehouse, brewing/cellar, packaging, technique, distribution, and support), sample sizes from each department were allocated for each beverage manufacturing company. For sampling, the list of employees in the breweries and departments was used as a sample frame.

After identifying the study population sample, they were stratified in two steps. The first step determined the weight of the sample among each beverage company, and the second step determined the sample among the departments of each beverage company based on the proportion of the population size. Considering the two-strata design effect of 1.5 in the calculation for objective one, A stratified simple random sampling method was deployed to get 675 sample units from all departments of each company.

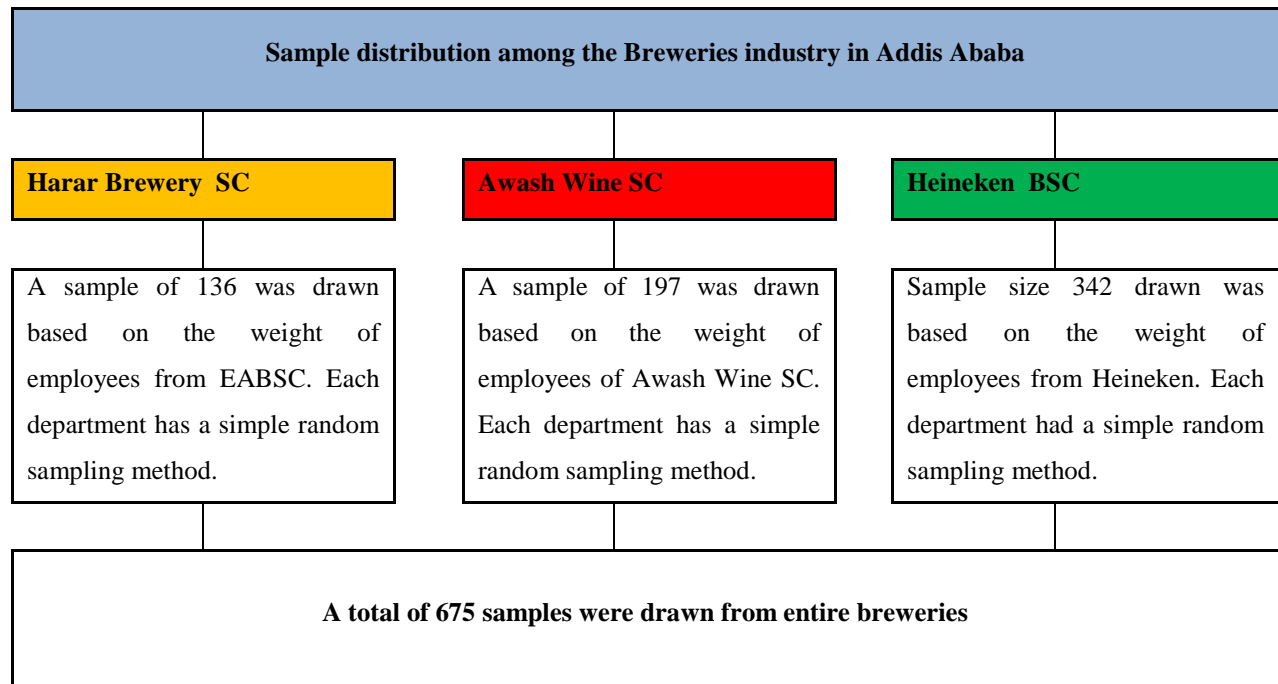


Figure 2: Distribution of Sample across the beverage industry in Awash wine, HBSC, and Harar BSC September 2017

The key informants were selected based on their responsibility and role. All team leaders of each department and labor union representatives are the respondents for the qualitative type.

## Operational Definitions

Absence from work-related injury	This includes all absences due to the consequence of on-the-job injury, regardless of official sick leave. It captures unreported injury-related absences from work.
Agents	The contract holder who collects vast amounts of products from the factory to be dispatched to the end user
Department	The working area is segregated according to the activity they run, and it comprises a warehouse, brewing, cellar, packaging, technique, distribution, and support.
Distributor	This term is used for people who are involved in carrying products from factory to Agent store or outlet.
Lifetime occupational injury	Work-related injuries occur on the job and are a direct result of the tasks allotted to the specific job.
Occupational injury in 12 months	Work-related injuries occur on the job and as a direct result of the tasks allotted to the specific job 12 months prior to the study, and it excludes chronic exposure.



Occupational injury in 1 month	Work-related injuries occur on the job and are a direct result of the tasks allotted to the specific job in the one month prior to the study; it excludes chronic exposure.
Production General	It consists of engendering, maintenance, quality, and utility staff

### **Study variables**

*Dependent variable* - Occupational injury

### *Independent variables*

#### **Socio-demographic factors**

Age  
Sex  
Marital status  
Monthly income  
Educational status  
Employment status  
Experience

#### **Working environment factors**

Weekly working hours  
Supervision at the workplace  
Safety training  
Fulfillment of PPE  
Department  
Job category  
Sleeping problem  
Satisfaction in job

#### **Behavioral factors**

Khat chewing habit  
Smoking habit  
Drug use habit  
PPE utilization

### **Data collection tools**

This study used face-to-face interview questionnaires with close-ended questions, classified into socio-demographic, environmental, and behavioral factors, to assess occupational injury occurrences and their factors among beverage companies. The tool was adopted from a study done by Takele Tadesse (29%). The questionnaire was prepared in English and translated into Amharic by qualified professionals. For triangulation purposes, key informants' interview guides and institutional observation checklists were used as instruments.

### **Data Collection**

#### ***Data Collectors***

After a one-day training session, six data collectors and three supervisors were put into action for eighteen days. Three data collectors were involved for every chosen company in the study. Supervisors with prior experience conducting public health research were hired for the same duration to plan the study. The data collection tools and data collectors were assigned to the Gulele Soap Manufacturing Industry to conduct a pre-test on 5% (35) individuals for study and standardization of tools; thereafter, data collection commenced.

#### ***Data Collection Procedure***

Data was collected using an interview questionnaire from each sample unit. Data collectors who had taken the training and participated in the pre-test collected the data. The data from HBSC and Awash was collected in two weeks, and the data from Harar was collected over four days.

Data related to occupational health and safety were gathered by reviewing available documents in the manufacturing company using an observation checklist. In addition, key informants were interviewed using a key informant interview checklist and a voice recorder to capture their responses for further use. Key informants were team leaders in each department, the safety focal persons, and the labor union representatives of each company.

Employee compliance with PPE was observed on the spot during data collection using an observation checklist produced prior to data gathering.

#### ***Data quality control***

Due attention was given to preparing and translating the questionnaire, training data collectors and supervisors, and a pilot survey to standardize the tool and data collector. The data gathered from respondents was checked daily and run frequently to check for outliers and missing values for its quality, *i.e.*, completeness and consistency.

### ***Data Analysis***

Data entry was conducted using Epi data statistical software version 3.1, and after entry, data was transferred to SPSS version 21 packages where data cleaning and frequency analysis were done, and using frequency descriptive statistics, workers with injury and without injury were identified. The missing value was checked at this stage.

After checking collinearity, binary logistic regression analysis was done for the independent variable. The variable that yielded a p-value  $<0.2$  in the bivariate logistic analysis was taken to multiple logistic analysis to determine a predictor of occupational injury rate. Assuming a confidence interval of 95% and a strength of p-value less than or equal to 0.05 of the result taken for the significance conclusion. The findings are presented using frequency tables, graphs, and charts.

The qualitative data analysis was done using the conversation analysis method and key informant interview checklists. Responses were categorized and narrated using respondents' response concepts. The categorized concepts are listed and presented in the table and chart.

### **Ethical Consideration**

Ethical clearance was obtained from the Rift Valley University (RVU) Research Ethical Review Committee. The official letter obtained from RVU was submitted to three beverage companies (HBSC, Harar Brewery SC, and Awash Wine SC) where the study took place.

At the commencement of the study, the study title, purpose, possible risks, and benefits were clearly communicated to the study participants using the languages they commanded (English or Amharic). After gaining a clear understanding of the study's merits and demerits, each study participant was asked for informed consent on the questionnaire's first page. The researcher has kept the participant's responses confidential by omitting their name from the data-gathering tool. In addition, any records or responses will remain confidential. The study participants were informed they could refuse to give information even during data collection.

## **Result and Discussion**

### **Quantitative Data Analysis**

A total of 657 study participants were involved in the quantitative study out of the 675 workers selected, yielding a 97.3% response rate. The distribution of study participants across the

beverage industry was 197 (30%), 339 (51.6%), and 121 (18.4%) from Awash Wine SC, Heineken B SC, and Harar BSC, respectively. Concerning the distribution of respondents across departments, 198 (30.13%) of them were warehouses, 125 (19%) were packaging, 120 (18.3%) were distribution, 91 (13.9%) were support, 71 (10.8%) were techniques, and 52 (7.9%) were brewing or cellars.

### **Socio-Demographic Characteristics**

Regarding the socio-demographic characteristics of respondents, 501 (76.3%) were males; the median age was 28 years, with an interquartile range of 18–65 years. Participants who did not have formal education were 19 (2.9%), while those who completed 9–12th grade were 223 (33.9%). Close to half, or 313 (47.6%), were married; about employment status, 400 (60.9%) were permanent employees of their respective companies, while 262 (39%) were contract employees. The monthly median income was 3600 Birr, while the range is 700–60,802 Birr (Table 1).

*Table 1: Socio-demographic characteristics among Respondents of the beverage industry in Awash wine, HBSC, and Harar BSC September 2017(n=657)*

<b>Socio-Demographic Variables</b>		<b>Frequency</b>	<b>Percent</b>
Sex	Male	501	76.3
	Female	156	23.7
	<24 years (first quartile)	167	25.4
	24-27 years (second quartile)	140	21.3
Age category	28-34 years (third quartile)	191	29.1
	>34 years (fourth quartile)	159	24.2
	Total	657	100
	Illiterate	19	2.1
Education	Read & Write	5	0.8
	Grade 1-8	160	24.4
	Grade 9-12	223	33.9
	Diploma	109	16.6
	Degree and Above	146	22.2

Marital status	Married	313	47.6
	Single	326	49.6
	Divorced	13	2
	Widowed	5	0.8
Employment	Permanent	400	60.9
	Contract	257	39.1
Monthly income	<2000 (first quartile)	187	28.5
	2000-3599 (second quartile)	141	21.5
	3600-8000 (third quartile)	168	25.6
	>8000 (fourth quartile)	161	24.5
	Total	657	100.0

### **Characteristics of Occupational Injury**

In this study, 137 (20.9%) with a 95% CI of 18–23.7% have sustained a lifelong occupational injury (since employment). Seventy-three (11.1%) with a 95% CI of (8.9–13.3) sustained an occupational injury within 12 months prior to the study period, and injuries one month prior to the study accounted for 16 (2.4%) with a 95% CI of (1.4–3.8). The distribution of occupational injuries across the company: Awash Wine had 22.8% (45/197) for life, 9.6% (19/197) for annual, and 2.5% (5/197) in one month prior to the study. HBSC had 19.2% (65/339) for life, 12.5% (43/339) as annual, and 2.1% (7/339) in one month prior to the study. It was also disclosed that Harar BSC was 22.3% (27/121) for life, 9.1% (11/121) annual, and 3.3% (4/121) in one month prior to the study (Table 2). Regarding occurrences of injury among departments: warehouse 23.7% (47/198), brewing/cellar 17.3% (9/52), packaging 24.8% (31/125), technique 25.4% (18/71), distribution 17.5% (21/120), and support 12.1% (11/91).

Regarding types of occupational injury in lifetime, 43 (31.4%) had trauma on the finger, followed by skin laceration 41(29.9%). Similarly, among respondents who sustained an occupational injury in the 12 months, 24(32.9%) had an injury figure, followed by lacerations on various body parts, 21(28.8%). Finger injury was also common among respondents who had occupational injury in one month prior to study 9 (45%), followed by laceration on the body (40%), as presented in Table 2).

*Table 2: Type of occupational injury among Respondents of the beverage industry in Awash wine, HBSC, and Harar BSC September 2017(n=657)*

Type of Injury	lifetime injury after employment	occupational	Occupational injury within 12 months		Occupational injury within 1 month	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Head Face	9	7	6	8		
Eye	3	2	2	3		
Fracture	6	4	4	5	2	13
Poison	1	1	1	1		
MSK problem	27	20	13	18		
Skin laceration, cut	41	30	21	29	4	27
Trauma to finger.	43	32	24	33	9	60
More than one type	6	4	2	3		

Regarding the causes of injury, broken glass contributes for 41(29.9%), car accident 32(23.4%), hand tools 19(13.9%), machine 17 (12.4%), chemical 13(9.5%) slippery floor 12(8.8%) and burn 1(0.7%) illustrated in (table 3).

*Table 3: Causes of occupational injury among Respondents of the beverage industry in Awash wine, HBSC, and Harar BSC September 2017(n=137)*

Causes of injury	Frequency	Percent
Machine	17	12.4
Chemical	13	9.5
slippery floor	12	8.8
Hand tools	19	13.9
Burn	1	0.7
Broken glass	41	29.9
Car Accident	32	23.4
More than one causes	2	1.5
Total	137	100

Of the respondents who had an injury in the 12 months' time, 11 (15%) of them were admitted to hospital, 34 (46.5%) of them were absent from work in the range of 1-30 days, and a total of 293 working days were lost in the year.

### **Working Environment Characteristics**

The mean working hour for all respondents was 54.11 hours with std. deviation of 9.5. Of all, 383 (58.3%) work  $\leq$  48 hours a week, while 274 (41.7%) work  $>$ 48 hours. Of all, 541 (82.3%) had supervision in their workplace, 439 (66.8%) had taken safety training, and 543 (82.6%) had necessary PPE for their job.

Of all respondents, 150 (22.8%) had a sleeping problem. Of those with sleeping problems, 116 (77%) were caused by workload, 13 (9%) shift work, 10 (7%) stress, and 7 (5%) fatigue. Of all respondents, 529 (80.5%) of respondents were satisfied with their job. In comparison, 128 (19.5%) reported dissatisfaction due to low salaries 75 (59%), employing agency mistreatment 12 (9%), workload 10 (8%), dissatisfaction with management style 14 (11%), job stress for 8 (6%) and 5 (4%) due to long working hours.

### **Behavioral factors**

Of all respondents, 544 (82.8%) used the PPE required for their job, and the remaining 113 (17.2%) did not acquire proper utilization behaviors. Of the commonly used PPE, 509 (77.3%) of the workers were wearing safety shoes, 432 (65.8%) were wearing gloves, and 315 (47.9%) used a visibility jacket.

The reasons given for not using PPE were access to the devices 72 (63.7%), absence of awareness and lack of training 20 (17.7%), and the remaining due to improper supply of PPE 28(24.8%).

Regarding exposure to a drug substance, 19(27.2%) have tried Khat chewing in their lives, and 52 (7.9%) are using Khat at present. Of these, 31 (59.6%) chew occasionally, 19 (36.5%) chew every week, and only 2 (3.8%) use it daily.

Regarding exposure to smoking cigarettes, 55(8.4%) have tried smoking in their life, and of these, 12 (21.8) smoked in one-year time, and only 6 (50%) of those who smoked in the 12 months are reported as a current smokers. Four of the smokers smoked five cigarettes per day, while 2 smoked up to 10 cigarettes per day. Only 8 (1.2%) had exposure to drugs like Hashish and Shisha, and there is no one using the latter substances at present.

### **Factors associated with occupational injury**

Bivariate analysis was done to see the association between the dependent and independent variables like Department, Age, Education, Employment, Experience, Job Category, Weekly

Working Hours, Safety Supervision, Training, PPE fulfilled, PPE utilization, Presence of sleeping disorder, Job satisfaction, Frequency of Khat chewing, and Smoking at present was found to have a p-value of < 0.2. These variables were tested for collinearity diagnosis and model fitness prior to multiple logistic regressions.

After the test, department, age, education, employment, experience, job category, weekly working hours, safety supervision, training, PPE utilization, presence of sleeping disorder, and job satisfaction were found to be fit to the model and further analyzed in multiple logistic regressions.

### **Factors associated with lifetime occupational injury**

Respondents working in the Technique Department were four times more likely to sustain an occupational injury than supporting workers with [AOR: 4.08, 95% CI=1.18-14.11]. Respondents in the age group of 28-34 years were 55% less likely to sustain an occupational injury compared to the age group more than 34 years [AOR:0.45, 95% CI= .24-.87]. Being a Contract Employee was 2.4 times more likely to have occupational injuries compared to a permanent employee [AOR:2.44, 95% CI=1.20-4.94].

Employees with work experience of less than or equal to one year were 85% less likely to sustain an injury compared to those who had more than five years of experience [AOR: 0.15, 95% CI: 0.06-0.36]. Respondents who had sleeping disorders were 1.8 times more likely to develop occupational injury compared with those who did not have sleeping disorders [AOR: 1.81, 95% CI: 1.10–2.98]. The remaining departments, including weekly working hours, safety supervision, safety training, use of PPE, and job satisfaction, did not have a statistically significant association with occupational injury (Table 4).

*Table 4: Factors associated with lifetime occupational injury among Respondents of the beverage industry in Awash wine, HBSC, and Harar BSC September 2017(n=657)*

Variables		Lifetime OI		COR	AOR
		Yes	No		
Department	Warehouse	47	151	2.26(1.11-4.60)	.85(.24-2.96)
	Brewing/ Cellar	9	43	1.52(.58-3.95)	1.02(.28-3.67)
	Packaging	31	94	2.39(1.13-5.07)	1.96(.68-5.66)
	Technique	18	53	2.46(1.08-5.64)	4.08(1.18-14.11)
	Distribution	21	99	1.54(.70-3.38)	.83(.25-2.70)
	Support	11	80	1	



	<24 yrs.(1st quartile)	41	126	.78(.53-1.44)	1.19(.52-2.72)
<b>Age category</b>	24-27 yrs. (2nd quartile)	24	116	.55(.31-.97)	.63(.29-1.38)
	28-34 yrs. (3rd quartile)	29	162	.48(.28-.81)	.45(.24-.87)
	>34 yrs. (4th quartile)	43	116	1	
<b>Employment</b>	Contract	62	195	1.37(.94-2.01)	2.44(1.20-4.94)
	Permanent	75	325	1	
<b>Experience</b>	<=1 yr. (1 <sup>st</sup> quartile)	24	188	.32(.18-.55)	.15(.06-.36)
	2-3 yrs. (2 <sup>nd</sup> quartile)	50	172	.73(.45-1.17)	.53(.25-1.09)
	4-5 yrs. (3 <sup>rd</sup> quartile)	20	52	.96(.51-1.80)	1.08(.49-2.38)
	>5 yrs. (4 <sup>th</sup> Quartile)	43	108	1	
<b>Weekly working hrs.</b>	>48 HR	72	202	1.74(1.19-2.54)	1.51(.94-2.44)
	<= 48 HR	65	318	1	
<b>Supervision</b>	No Safety supervision	99	442	2.17(1.39-3.39)	1.67(.87-3.20)
	Safety supervision	38	78	1	
<b>Training</b>	No Safety training	62	156	1.92(1.31-2.83)	1.50(.89-2.54)
	Safety training	75	364	1	
<b>PPE Utilized</b>	PPE not utilization	32	81	1.65(1.04-2.62)	1.37(.73-2.58)
	PPE utilization	105	439	1	
<b>Sleeping problem</b>	Presence	42	108	1.68(1.10-2.56)	1.81(1.10-2.98)
	No sleeping problem	95	412	1	
<b>Job satisfaction</b>	Not satisfied with Job	32	105	.74(.47-1.16)	.75(.40-1.39)
	Satisfied in Job	96	424	1	

### **Factors associated with occupational injury among respondents 12 months preceding the survey**

Of all the variables tested for association of injury in the twelve months, only the presence of sleeping problems has a significant association in multiple regression analysis for occurrences of occupational injury in 12 months. Respondents who had sleeping problems were twice as likely to develop work-related injuries as those who did not have sleeping problems [AOR: 1.98, 95% CI= 1.10-3.53], assuming other factors are constant. The remaining variables, including job type, safety supervision, safety training, PPE fulfillment, PPE utilization, and weekly working hours, were not statistically associated with Occupational injury (Table 5).

*Table 5 Factors associated with work-related injury in 12 months among respondents in Awash, HBSC, and Harar September 2017 (n=657)*

Variables		12 month injury		COR	AOR
		Yes	No		
<b>Employment</b>	Contract	40	217	2.05(1.25-3.34)	1.29(.62-2.65)
	Permanent	33	367	1	
	Operator & Assistant	13	103	1.91(.73-4.98)	1.92(.65-5.49)
	Packaging	2	34	.89(.17-4.49)	.92(.16-5.15)
	Technique	6	54	1.68(.53-5.25)	2.05(.63-6.68)
<b>Job</b>	Loading unloading	34	182	2.82(1.21-6.60)	1.84(.63-5.34)
	Driver	1	45	.33(.04-2.81)	.26(.02-2.45)
	Cleaner	10	60	2.52(.91-6.97)	2.22(.64-7.61)
	Support	7	106	1	
<b>Safety Supervision</b>	not supervised	20	96	1.91(1.09-3.35)	1.12(.52-2.37)
	Supervised	53	488	1	
<b>Safety Training</b>	not Trained	35	183	2.01(1.23-3.29)	1.53(.83-2.80)
	Trained	38	401	1	
<b>PPE Fulfilment</b>	Not fulfilled	21	93	2.13(1.22-3.70)	
	Fulfilled	52	491	1	
<b>PPE Utilization</b>	Not utilized	18	95	1.68(.94-2.99)	1.11(.54-2.30)
	Utilized	55	489	1	
<b>Weekly working Hours</b>	>48 hrs.	40	234	1.81(1.11-2.95)	1.49(.83-2.67)
	<= 48 hrs.	33	350	1	
<b>Sleeping Problem</b>	Present	26	124	2.05(1.22-3.44)	1.98(1.10-3.53)
	Not Present	47	460	1	

### Qualitative Data Analysis

#### Key Informants Response

Twenty-five key informants were interviewed using an interview checklist that consists of questions on the roles of interviewees in safety intervention, the frequency of safety supervision, knowledge about the presence of policy, challenges in executing safety procedures, the cause of frequent workplace accidents, the existence of injury reports, the presence of dedicated safety personnel, and the role of the labor union in the company.

With regards to the respondent's role in the execution of safe working procedures, the team leaders from three beverage industries have given a response on the role they play in realizing a safe working atmosphere. 11 respondents described this as their role in controlling employee safety compliance and making routine vigilance for conformity to protocol. They responded that the task of educating and reinforcing safety materials is used and safe procedures are followed. 6 respondents have been involved in emergency response by giving first aid to the injured and facilitating the safe transfer of the victim. 3 of the respondents have mentioned that they use PPE. 2 of them declared that their department does not have a role in safety-related actions.

Regarding the presence of workplace safety supervision, 22 respondents confirmed the existence of workplace supervision. At the same time, 2 of them mentioned that there is no supervision, and one does not know about the issue. The majority (19) of those who confirmed the presence of supervision had reported daily follow-up as a routine task; 4 of them confirmed that the follow-up was twice a week, 1 attested that it was every week, and another respondent reported that it was every month.

In response to the existence of the safety policy, 19 (76%) confirmed the presence of the policy, 5 (20%) declared they did not own it, and 1 (4%) did not know about it.

Twenty-five respondents have responded regarding safety-related challenges in their respective departments. Six (24%) of these respondents stated that there was inconsistent provision of required safety material and inadequate facilities at work; eight (32%) confirmed that there were inconsistent behaviors of employees in compliance with safe behavior; and six (24%) reported on the issue of management retaining trained staff, as well as the challenge of turnover and socialization of new staff members. Four (16%) people were concerned about a nationwide lack of standardized occupational policy. The absence of appropriate workplace regulations for the nation's circumstances has presented difficulties for the business and its employees. Twenty percent, or five of them, said their team has no challenges.

Respondents have mentioned that the causes of frequent accidents among their team encompass accidents caused by sharp materials like fragments of broken bottles, chemicals, cut wounds, falling accidents, clashes, road traffic accidents, allergies, machines, and electric shock.

Twenty (80%) of respondents knew about the presence of reports on accidents, and five (20%) did not have information about the reporting.

## **Teshome Wakjira, *Occupational Injury and Factors Associated among Employees...***

All the respondents agree that their respective organizations have dedicated safety personnel, while the contract employees had reservations about proper support from dedicated safety personnel.

The respondents' responses regarding the role of labor unions were different: 7 (28%) reported that they were involved in safety audits; 4 (16%) stated that their function was not visible to them; 2 (8%) reported that they were involved in the creation of rules and regulations, and 2 (8%) did not know the roles of labor unions.

### **Record Review and walkway observation**

Observation of institutional setup shows that HBSC and Harar have safety induction sites with audiovisual demonstrations, and any person entering the compound is obliged to get safety induction and acquire a certificate of safety orientation. This facility does not exist in Awash Wine premises. The walkway is clearly delineated in Harar and HBSC throughout the compound, and there is no consistency in Awash Wine SC.

The packaging processes in Harar and HBSC have been automated, and the risks in the working areas have been reduced by using robotic machines that manage the entire task. Palletized materials are transferred using a forklift to the warehouse, whereas, in Awash, the labor force carries out the processes.

The clinics of HBSC and Harar are well equipped to meet the appropriate standards of the medium clinic, while Awash is a primary clinic with the capacity to give first aid for common minor trauma. Basic lifesaving training was given to HBSC and Harar employees, while this is not done in Awash. There is a fully equipped stand-by Ambulance on HBSC premises, but it is unavailable in Harar and Awash.

Protocol for emergency intervention is located in all the hazards found in all the sites in HBSC and Harar, which is not available in Awash. The trend of reporting incidents, accidents, near misses and unsafe actions is well accustomed in Harar and HBSC.

Incident and accident reports are maintained in all beverage industries. The records from HBSC and Harar include identification, injury type, outcome of injury, date, time, and department of rescue. However, the document in Awash Wine is not complete.

The annual prevalence of the three beverages industry was 14%, according to the records reviewed. The prevalence in the three beverage industries varies from 11% to 20%.

### Discussion

This particular study has tried to assess the magnitude of occupational injury and the factors associated with it among beverage industry employees. Based on this, the prevalence of lifetime occupational injury was more than one in five individuals [20.9 %, CI=18.0-23.7]. This is lower than the magnitude of one of the studies conducted in Zimbabwe and Rwanda, which were 53.3% and 72.7%, respectively (Chimamise *et al.*, 2013; Mbonigaba, 2015). Also, the magnitude is less than that of Arbaminch Textile Factory, which was 31.5 (Gebremichael & Kumie, 2015). The variation of magnitude may be related to the implementation of safety action, reporting of unsafe action, and full automation of HBSC and Harar, where most respondents were drawn. The prevalence of occupational injury in the 12 months of this study was [11.1%, CI=8.9-13.3], more than the annual prevalence of occupational injury reviewed by Eurostat through a self-reported injury and illness survey in all EU Member States of 3.2% (Takala *et al.*, 2014), incidence of case study in construction project 1.5% (Hamed Yeganeh, Z. Naserzadeh, 2016) and [ 2.8% CI=2.4-3.2] in Germany population survey (Rommel *et al.*, 2016) which is unlike the prevalence in survey conducted in Rwanda brewery (Mbonigaba, 2015). This shows that the burden is high in this study.

The common injury type for the lifetime was finger trauma, at 32%, and skin laceration, at 30%. This was the same for 12 months of finger trauma, at 33%, followed by skin lacerations on various parts of the body, at 29%. This finding is higher than the finding in Zimbabwe (Chimamise *et al.*, 2013).

Regarding factors associated with occupational injury, the age group 28-34 was less likely to sustain occupational injury than those above 34 years, while other socio-demographic factors like sex, marital status, education, and monthly income do not have a significant association in this study and hold in a similar study done in Zimbabwe (Chimamise *et al.*, 2013). However, the survey in Germany shows that the male gender is 3.16 times more prone to sustain injury (Rommel *et al.*, 2016). In a study done in the Kombolcha textile factory, being single was 2.21 times more likely to get an occupational injury (Yessuf Serkalem *et al.*, 2014).

Contract employees are 2.4 times more likely to have occupational injury compared to permanent employees in their lifetime [AOR: 2.44, 95% CI=1.20-4.94]. This is not significant

after adjustment in another study on the Zimbabwe beverage industry (Chimamise *et al.*, 2013). This might be due to the small sample size in the study done in Zimbabwe.

The presence of sleeping disorder was found to be an independent factor associated with occupational injury both in a lifetime and 12 months with AOR of 1.81 and 1.98, respectively, in multivariate regressions. This finding is similar to a study in Zimbabwe, where employees with sleeping problems were 2.26 times more likely to get injured (Chimamise *et al.*, 2013). The significance of both studies confirms that it is a determinant for occurrences of injury.

In this study, the technique department is significantly associated with occupational injury, and a similar finding was reported from a population survey in Germany (Rommel *et al.*, 2016). However, the study done in Zimbabwe showed that the risk department was packaging (Chimamise *et al.*, 2013). This difference may be explained by the presence of automation in two breweries (HBSC and Harar), which reduces human involvement.

The presence of a supervisor, safety training, and fulfillment of PPE has a risk of association in bivariate analysis and was not significant in the adjusted model in this study as well as other studies carried out in brewery industries of Rwanda and Zimbabwe (Chimamise *et al.*, 2013; Mbonigaba, 2015).

The responses of the qualitative study of this survey show the involvement of team leaders in routine supervision of safety behavior compliance, educating the employee on working procedures, and the existence of policy and pertinent safety signs, which indicates commitment and the embedding of safety culture.

Key informants presented challenges that may contribute to injury occurrences: inconsistent employee compliance with safe behavior, inconsistent provision of required safety materials, improper facility at work, failure of management to retain trained staff, turnover challenge, and socialization of new staff members.

As per key informants' responses, injuries were caused by sharp materials like fragments of broken bottles, chemicals, cut wounds, falling accidents, clashes, road traffic accidents, allergies, machines, and electric shock, which is consistent with the findings of this study and the literature on beverage industry risk.

### **Strengths and Limitations of the study**

The strength of this study is the use of qualitative and quantitative data with facility observation that gives insight into the findings.

The limitation of this study is that the sample size is not sufficient to explore annual prevalence and predictors like drug and substance use.

## **Conclusions and Recommendations**

### **Conclusions**

This study revealed that more than one-fifth of the study respondents experienced injury in their lifetime. In the last year, the prevalence is half of the lifetime, and the prevalence rate based on a review of beverage company clinic records is greater than the annual prevalence finding. The most commonly affected part of the body is the finger, which is attributable to the inconsistent use of protective gloves. Therefore, the provision of durable standard gloves and the replacement of damaged ones reduce injury occurrence.

Contract-based employment increases the risk of occupational injury due to concerns about job security and the perception that employees' jobs could be taken by other employees at any time.

### **Recommendations**

Stringent safety precaution measures, such as training focused on awareness creation, induction on safety rules, surveillance camera use, experience sharing, substitute modern technology, consistent use of safety equipment, embedding safety culture, proper implementation of safety policy, management commitment to safety, budget, and reporting culture, are reliable means of preventing occupational injury.

Factories are advised to work on eliminating or reducing workplace injuries, as this is useful in preventing employee morbidity, disability, and mortality. This can be attained by emphasizing proactive safety action. Therefore, it is advisable to revisit the work processes of departments that are exposed to potential risks, such as technical departments and risky jobs, including loading and unloading.

The common injury type identified brought the need for a proper supply of durable personal protective devices like gloves to avert finger and hand injury. Hence, it is recommended that beverage companies implement the following:

- The provision of durable gloves to prevent commonly occurring finger and hand injuries can easily prevent injuries that occur due to the unavailability or the use of torn gloves.
- The management of the sub-contracting agencies must also be vigilant to avoid work-related dissatisfaction.

- Attention has to be given to manage outsourced activities in order to diminish risks associated with contract workers.
- Sleep disruption due to long working hours is significantly associated with injury. Therefore, companies must consider avoiding or minimizing long working hours and adjusting the shift pattern accordingly.
- To explore more findings, a similar study needs to be carried out on a larger sample scale to identify factors associated with annual prevalence and drug and substance effects as well.

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## Do the People Matter in Policymaking in Ghana? A Reflection on the E-Levy and Debt Exchange Programs

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<p>Journal Volume &amp; Issue: Vol. 5, No. 1 (Feb, 2024) pp. 56 – 77</p> <p>DOI: <a href="https://doi.org/10.46404/panjogov.v5i1.5361">https://doi.org/10.46404/panjogov.v5i1.5361</a></p> <p>Received: 16 May, 2023 Revised: 14 December, 2023 Accepted: 20 Feb, 2024 Published: 28 Feb 2024</p>  <p>Copyright: ©2024 by Jimma University, Ethiopia. Under Open Access Journal, the creative common attribute 4.0 international license permits any interested person to copy, redistribute, remix, transmit and adapt the work provided that the original work and source is appropriately cited.</p>	<p style="text-align: center;"><b>Abstract</b></p> <p><i>The extent to which the masses have a say in matters concerning their lives is crucial in governance. It makes a significant amount of knowledge to say that people vote for elected policymakers to make policies that will make their lives better off and not the opposite. However, in the making of policies, the views of the people who either benefit or suffer the ramifications of policies are not taken into consideration. Therefore, the content analysis methodology has been employed in this study to systematically analyze secondary sources about the recent adoption of the E-Levy policy and Debt Exchange Program to ascertain whether the people mattered in adopting and implementing these policies. The adoption of these policies has raised a lot of controversies, with the public agitating and calling for its termination. The government of Ghana, being keen on continuing with the implementation of these policies as the only way out of the country's economic hardship, raises a lot of questions. After a systematic analysis of the literature, the paper argues that both policies were passed without the involvement of the people. The implication of the government's failure to adopt a participatory policymaking approach accounts for the citizenry's loss of trust in the government.</i></p> <p><b>Keywords:</b> Social Contract, Elitism, Participatory Policymaking, E-levy, Debt Exchange Program</p>
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### Introduction

Now and then, citizens are heard on the print and electronic media requesting the government's aid. Problems such as bad roads collapsed bridges, and lack of social amenities to support basic human needs, among others, are part of interventions the citizens of Ghana anticipate daily that

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the government will fix to mitigate the challenges they are bombarded with daily in the country. While some of these issues are addressed and others overlooked, scholars such as Thomas Birkland and John Kingdon make us understand that as a result of limited resources, governments cannot always pay attention to all the problems citizens in a country are faced with, but a relatively few which are categorized as being on the decision agenda are tackled (Birkland, 2015; Kin141). Dye (2013, p. 3) defines public policy as whatever governments choose to do or not to do. In John Locke's Second Treatise, he maintains that sovereign power resides with the people and that the people surrender this power to a higher authority for the preservation of their property; the higher authority is expected to act for the common good of the commonwealth (Locke, 1980). Inferring from Locke's Second Treatise, it is evident that the people vote for the elected policymakers to make policies that will benefit them. But more often than not, one finds the citizenry protesting against one policy or the other. Sometimes, policymakers pay heed to protests and make the necessary changes. Other times, policymakers go on with the intended policy amidst public outcry. Tisdall & Davis (2004, p. 131) view that the children and youth in the UK are regularly consulted in policymaking. A step taken by governmental departments in Westminster only makes a solid case that the people, regardless of age and class in the society, should have (if not a role to play) a say in the policies made concerning their very lives. The IMF explains debt restructuring or domestic debt restructuring as modifications to the contractual payment terms of public domestic debt (including amortization, coupons, and any contingent or other payments) that are made at the expense of the creditors, either through legislative or executive acts, through agreements with creditors, or both (International Monetary Fund (IMF), 2021). Also, according to the Electronic Transfer Levy Act of 2022, these electronic transfers are levied to generate income for the country. The implementation of this government electronic transaction levy of 1.5% (e-levy), which started in May 2022, ensured that transfers to and from mobile money accounts or bank accounts were levied.

The adoption of these two programs in Ghana raised a lot of controversies, with the public agitating and calling for its termination and the government keen on continuing with the implementation of these policies as it (government) perceives them as the only way out of the economic hardship the country finds itself. Relying on secondary data, this study seeks to draw a distinction between participatory and elitist policy approaches, unearth the consequences of each

of the two policy approaches, and ascertain the extent to which the interests and opinions of people count in making policies that affect their own lives in Ghana. Books such as Anderson (2011), Birkland(2015), Dye (2013), Locke (1980), and articles authored by Edelenbos (1999), Hiller, Landenburger & Natowicz (1997), Kpessa (2011), Mohammed (2015) have been handy in the writing of this piece. Other relevant databases were also helpful for the writing. The databases include Adams(2022), Agyeiwaa-Afrane et al. (2022), Anyidoho, Gallien, Rogan, and Boogaard(2022), Arhinful (2022), and Ahinsah-Wobil (2022).

The study begins with an exposition of the social contract theory as a theoretical framework. It then describes public policymaking and the contrast between elitism and participatory policymaking. Public policymaking in Ghana follows suit. Next, the two cases of E-Levy and Debt Exchange Programs are presented. Finally, the study ends with a discussion and conclusion.

## **Literature Review**

### **Theoretical Framework**

#### **The Social Contract Theory, Elitism, and Participatory Policymaking**

According to the social contract theory, man first existed in the natural world without the benefit of a government or any kind of laws governing him. The different segments of society experienced hardship and oppression (Laskar, 2013). They made two deals, known as "PactumUnionis" and "PactumSubjectionis," in an effort to get rid of these difficulties (Laskar, 2013). People sought to safeguard their lives and property by signing the first union agreement to create a society where people agreed to respect one another and exist in peace and harmony as a result of the contract. In order to guarantee the protection of life, property, and, to some extent, liberty of all citizens, the second agreement of subjection brought the people together. It ensured they vowed to obey an authority and surrender all or part of their freedoms and rights to that authority. Thus, the authority, government, sovereign, or state came into being because of the two agreements. In simple terms, the power of the government emanates from the people; hence, the government has been given authority by the people to make policies for the benefit of all in the society. The social contract theory manifests itself very well in a democracy. The theory postulates that the people get to have a say in whatever decision is being taken concerning their lives through their representatives (Locke, 1980).

Reflecting on the above, the members of a society under the pristine form of a social contract do not repudiate their natural rights just for the sake of it, but rather it is to ensure harmony or

proper co-existence superintended by the ruler(s). The government or leadership ought to be mindful not to lose their legitimacy due to the lack of faith in their governance by the people or the ruled. This has always been plausible within the community of people or state governed by a government that cannot deliver the public good and still does not shudder to push or implement policies that do not fit well with the masses.

Notwithstanding the above, public policy, like other terms and concepts in social science, is heavily contested. Several scholars have defined the concept differently. For instance, James Anderson, in his book *Public Policymaking*, defines public policy as a relatively stable, purposive course of action or inaction followed by an actor or set of actors in dealing with a problem or matter of concern (Anderson, 2011).

Birkland(2015) defines public policy as a statement by the government at whatever level of what it intends to do about a public problem. He maintains that the study of public policy is how we translate the popular will into practice. As the social contract theory opines, the translation of the popular will into practice could be seen as the fulfillment of the contract between the people and the government. The popular will is the will or interests of the majority in society, although Birkland argues that the popular will is debatable. Dye (2013) opines that public policy is whatever governments choose to do or not to do (Dye, 2013, p. 3). With no disputations, we infer that a government could choose what it wants to do or not to do but must do it within the confines of satisfying a certain social contract. If the governments could choose what they want to do or not to do with such ease, we may not be discussing a liberal democracy. This government could have illiberal tendencies even if it were democratic. Even if it were democratic, the discerning masses would have their turn in voting that government out of office. Indeed, public policy must be geared toward honoring the social contract that the government has signed with the governed.

Kingdon (2014), however, conceives public policymaking to be a set of processes, including the setting of the agenda, the specification of alternatives from which a choice is to be made, an authoritative choice among those specified alternatives, as in a legislative vote or a presidential decision, and the implementation of the chosen alternative (Kingdon, 2014). These definitions or conceptualizations should suffice in a broader or micro discourse on policymaking, including our current preoccupation. There is a direct aberration from the expectations and norms of a

discerning civil society, especially when the rulers subtly or glaringly ignore their role and representation in the policymaking agenda.

### **The Contrast between Elitism and Participatory Policymaking**

As asserted by various scholars, public policy is made to meet societal demands, but in reality, it is the governing elite's preferences and values. According to Dye(2013), policies flow downward from elites to the masses because the people the policies affect are viewed as apathetic and ill-informed about public policies, and elites shape public opinions on policy questions. He maintains that changes in public policies will, hence, be incremental rather than revolutionary. Several reasons have been propounded by scholars who support the elite approach to account for why the masses do not dominate the policy process. Some scholars assert that the lack of adequate financial resources and time plays a role (Kpessa, 2011; Rietbergen-McCracken, 2020). Others maintain that the masses do not possess the requisite knowledge and expertise necessary in policymaking (Hiller et al., 1997; Dye, 2013). However, are these enough reasons to deny the people the privilege to participate in the decisions concerning their very lives? According to the social contract theory, the government exists as a result of the people's decision to give up some power to one entity to make decisions for the betterment of the entire society (Locke, 1980). How, then, will the government know what is in the interest of the entire society if it fails to engage the people? Other factors include the tendency of conflict arising among the various stakeholder groups due to their opposing views and the possibility of raising the expectations of the masses that their views will be taken into account. This is not always possible in realpolitik. The tendency for conflict to arise is what politics is about and is an accurate indication of the presence of democracy. The duty of the government is to settle such conflict by ensuring that all stakeholders agree on a consensus. If policies are made on behalf of and in the people's interests, why are they treated as passive agents when making policies that concern their very lives?

Participatory policymaking is a process that approaches citizens more as a group to share in decision-making in which there is an explicit connection between citizens' input and policy decisions (Mohammed, 2013). Peters and Pierre define participatory policymaking as the engagement of ordinary citizens in formulating and implementing public programs (cited in Mohammed, 2013). Edelenbos (1999) opines that participatory policymaking refers to the process of making more room for the contributions of those people and organizations who are affected by policy plans. From the above definitions by these scholars, it can be deduced that

participatory policymaking is the exact opposite of elitism, or what Mohammed (2013) calls a bureaucratic style or exclusionary approach to policymaking. Participatory policymaking reflects the central idea of the social contract theory by ensuring that people have the opportunity to have a say in the decisions being made concerning their lives.

Countries such as Austria, Italy, and Ireland have adopted an ICT-based system in what they term as E-government as a means to bring the government to the doorsteps of their citizens, and by so doing, they provide the opportunity for their citizens to participate in the policymaking process (OECD, 2001). In countries such as the United Kingdom (UK), the opportunity to participate in policymaking has extended to children and the youth (Tisdall & Davis, 2004). Participatory policymaking may be in the form of contribution, information sharing, consultation, cooperation and consensus building, partnership, and empowerment (Rietbergen-McCracken, 2020).

Countries have adopted several instruments as a way to enhance public participation in policymaking. For instance, the city of Eindhoven in the Netherlands adopted "digipanel" - a citizens' panel on the internet, which allows a permanent group of citizens to be regularly consulted on different policy issues (Michels & De Graaf, 2010). Other Participatory instruments include information campaigns, consultative techniques such as interest group meetings, town hall meetings, workshops, and circulation of proposals (Mohammed, 2015). According to Michels & De Graaf(2010), participatory democrats argue that delegating decision-making powers alienate citizens from politics.

Some of the benefits of participatory policymaking include the adoption and implementation of better-informed policies (Michels & De Graaf, Examining Citizen Participation: Local, 2010; Rietbergen-McCracken, 2020; Edelenbos, 1999), more equitable policies, strengthened transparency and accountability, strengthened ownership, enhanced capacity and inclusion of marginalized groups and shared understanding of otherwise contentious issues (Rietbergen-McCracken, 2020; OECD, 2001). This ensures that the people are not alienated from the policy process. Michels & De Graaf(2010), just like Edelenbos (1999), assert that citizens may become more competent if they participate in policymaking because they will learn about policy issues and may acquire civic skills, such as debating public issues. Furthermore, the participatory approach leads to the legitimacy of the adopted policy (Michels & De Graaf, 2010; OECD,

2001). Above all these, participatory policymaking strengthens and consolidates democracy (Gramberger, 2001). Elitism, on the other hand, is likely to hamper democracy.

The question that arises is how elitism will hamper democracy. We believe that it comes as a result of the disregard for the consent of the people because the power of the government emanates from the people, even though in a constitutional democracy, a constitution may guide the actions of the rulers and the ruled. In several instances in Africa and elsewhere, when the government reneged or failed to provide the public good and sometimes did not listen to the complaints and expectations of the civil society, it culminated in insurrections and sometimes military interventions. It is critical to note that several uprisings that the continent of Africa has seen sometimes showed a vote of no confidence in the existing government due to woeful economic conditions due to mismanagement and a lack of faith in using elections as a democratic tenet to change government. Elitism disregards the masses; hence, the masses take back their power. In a democratic state, it is always envisaged that the power shall be taken away from the government through the ballot box or democratic elections. However, to emphasize, the people, that is, the governed, may revolt or rely on tendencies that are undemocratic. The reverse is true; when an undemocratic regime is put in place, it further emphasizes the exclusionary bureaucratic tendencies in decision-making or introducing policies and implantation of same.

### **Public Policymaking and Ghana's Debt Restructuring Program**

Mohammed (2013) categorizes public policymaking in Ghana into two eras: the democratic era and the undemocratic era. He maintains that the undemocratic era extended from Nkrumah's administration after the country's independence to Rawlings' PNDC's regime. The democratic era, on the other hand, began in 1993 till date (Mohammed, 2013). He further describes policymaking during the undemocratic era as an exclusionary bureaucratic approach to policymaking where the people have no say in policies adopted and implemented. For example, the Government of Nkrumah superintended the passing of the Prevention Detention Act (PDA) and the Act that made Ghana a one-party state. Also, the implementation of the Economic Recovery Program under Rawlings took an elitist approach (Gyimah-Boadi, 1990). Such policies during that era disregarded inputs, and to some extent, the government did not solicit support from the people. By extension, these governments violated the contract they had with the people, as the social contract theory postulates. Therefore, the policies they made were not directly in the interest of the people from whom they acquired their sovereign power. Sometimes, it is



construed with no equivocation that military leaders acquire their power through force. As a result, such an exclusionary approach in policymaking is much anticipated. The constitution is set aside, the people are ruled with decrees, and the might of the military leader and his apparatchiks prevail.

The above notwithstanding, under the fourth republic dispensation in Ghana, opportunities have been presented to Ghanaian citizens to participate in the making of policies that affect their very lives. For instance, the development and implementation of the Ghana Poverty Reduction Strategy I (GPRS I 2003-2005) and the Growth and Poverty Reduction Strategy II (GPRS II, 2006-2009) utilized the participatory approach to policymaking (Mohammed, 2013). Also, the review of the 1992 Constitution and the Reform to Social Security System (RSSS) utilized the participatory policymaking approach (Mohammed, 2015; Kpessa, 2011). Many engagements meant much work and deployment of resources but also good policies that received the people's acclamation, irrespective of the existing limitations that lie therein. The ruled are so inclined to policies that they have contributed to their promulgation and are willing to make sacrifices, if need be, to make them see the light of day and have a glowing success.

Debt exchange, debt restructuring, or debt swap has recently become one of the most used phrases in Ghana's media space. As used by Lazard (2021, p. 2), the term refers to agreements between a creditor and a debtor where the old debt is changed for a new one, providing some financial respite for the debtor and reallocating cash flow to specific goals. Debt exchange, as used by Ghanaian government officials, politicians, and experts, is similar to Lazard's definition above and refers to how the government of Ghana will handle the enormous debt it has accumulated over the years, which many believe is the root of the country's economic difficulties (GhanaWeb, 2023). According to the IMF, debt restructuring or domestic debt restructuring refers to modifications to the contractual payment terms of public domestic debt (including amortization, coupons, and any contingent or other payments) that are made at the expense of the creditors, either through legislative or executive acts, through agreements with creditors, or both (International Monetary Fund (IMF), 2021). The International Monetary Fund (IMF) has warned that COVID-19-related policy changes and economic shocks may make domestic debt restructuring more common. On December 5, 2022, the Ghanaian government unveiled the

Domestic Debt Exchange Program (DDEP) for exchanging domestic debt (Financial Stability Council, 2022).

In the aforementioned program, the Ghanaian government offered a voluntary exchange opportunity for a package of New Bonds that the country would be issuing in exchange for about GHS137 billion in domestic notes and bonds, including the Energy Sector Levy Act (ESLA) and Daakye bonds (Financial Stability Council, 2022). Treasury Bills are held by individuals (natural persons) in their entirety, and notes and bonds are not exchanged (ibid.). Individual bonds were added after changes in the program. The news caused some controversy among the general public, the labor community, and other interested parties; in response to strike threats, the government modified some DDEP specifics (GhanaWeb, 2023). The controversy arose due to the government failing to engage the relevant stakeholders of the policy as the participatory policymaking approach postulates it should. According to the government, the goal of this initiative was to reduce debt swiftly, efficiently, and transparently. In this regard, the Government of Ghana has been trying hard to reduce the effects of the domestic debt exchange on investors holding government bonds through the use of an exchange offer (thebftonline, 2022; Ministry of Finance, 2022). It appears the government has been using an elitist approach concerning this policy.

With the DDEP, the government is attempting to change the interest it promised the Ghanaian who provided her with a loan (the bondholder) and the time frame for which the lender is expected to receive his interest and principal back (GhanaWeb, 2023). This defies the very idea of the social contract theory as the government is doing whatever it takes to do things it perceives as correct and in its interests, but on the other hand, it does so to the disadvantage of the people involved. The government's approach toward participants in this domestic debt exchange program seems to minimize the impact on individual bondholders and reassure them that their investments will not be impacted. The government promises not to apply a principal haircut to qualified bonds. Individual bondholders will not be affected by this change and will be able to exchange their current bonds for new ones with extended durations and stepped-up interest rates (thebftonline, 2022). Under the domestic debt exchange, local bonds with 2027, 2029, 2032, and 2037 maturities are being exchanged for new ones with annual coupon rates of 0% in 2023, 5% in 2024, and 10% from 2025 till maturity (Akorlie & Inveen, 2022).

### ***Reactions toward the Domestic Debt Exchange (DDE) Programme***

As noted earlier, the unveiling of the DDE program caused some uproar, particularly in the labor sector. The government received threats of strike actions and opposition to the program, forcing them to change several program details (GhanaWeb, 2023). Due to the government's failure to consult with bondholders and other stakeholders prior to the program's launch, some individuals and groups believed that, even though participation in the DDE program was optional, the government was imposing the program on bondholders (Adams, 2022; Business Ghana, 2022). It has been argued elsewhere that it is only in an autocratic state that a government could be able to impose its will on the people, but Ghana is a democracy, and for that matter, the approach the government ought to be using is that of participatory policymaking but not the reverse.

The Trade Union Congress (TUC) and the University Teachers Association Ghana (UTAG) are two major organizations that reacted to the DDEP and voiced their concerns or grievances about how it would harm their interests. Being a labor group, the Trade Union Congress was deeply concerned about the DDEP and how it may harm the interests of its members. Given that a sizable portion of employee pensions are invested in government bonds, Congress emphasized that there had been no prior engagement with the labor sector. The Congress also reassured its members that it would continue to advance their interests and that not a single “pesewa” of their pension funds would be lost to the Debt Exchange Program (Business Ghana, 2022). This defies the social contract theory since the government is expected to act in the interests of the people and not otherwise.

The University Teachers Association Ghana (UTAG) stated that it took significant issue with any intervention that would worsen the position of the already struggling university teachers (Modern Ghana, 2022). Their worries centered on the potential harm the DDEP might have on the Ghana Universities Salary Superannuation Scheme (GUSSS) and their Tier Two and Tier Three Pension Funds (ibid.). In a statement, UTAG hinted, “We reiterate our vehement opposition to any strait-jacket implementation of the announced debt exchange program. It should not in any way affect... returns of the hardworking Ghanaian” (Arhinful, 2022; Modern Ghana, 2022). UTAG further stated that they were ready to brainstorm and assist the government with lasting solutions to address the current economic crises (Modern Ghana, 2022). This clearly shows how willing the relevant stakeholders are to cooperate with the government and suggest ways to help the government develop the best policies. The essence of participatory

policymaking is for the government to get all the necessary information concerning any policy it wishes to implement. It must effectively do the same by reaching out to the people and coming out with the best policies in the interests of the people, as the social contract theory postulates.

The government's domestic debt exchange program was also opposed by the Ghana Federation of Labor (GFL), representing all recognized trade unions and workers' associations. This was because of potential negative impacts on employees and retirees (Business Ghana, 2022). Mr. Abraham Koomson, Secretary General of the GFL, pointed out that before choosing IMF assistance to deal with Ghana's economic problems, the government had not shown good faith in negotiations with organized labor. To prevent any labor disturbance, the Secretary-General urged the government to respect labor union positions (Business Ghana, 2022).

Financial, political, and economic professionals and think tanks also provided their opinions and expectations of the program in light of the political, social, and economic circumstances surrounding the DDEP. The government faces this opposition because it has taken an elitist approach to the DDE program.

Interacting with Ghanaian Times, Professor John Gatsi, the Dean of the University of Cape Coast School of Business, criticized the government for launching a debt exchange scheme without first engaging creditors in negotiations. He emphasized that debt restructuring was impossible without the participation of creditors (Adams, 2022). He claimed that the government had broken its agreement with creditors by setting its own interest rate and coupon maturity date, claiming that this might undermine investor trust in Ghana's financial market and even portend the collapse of the financial market (Adams, 2022).

Rev. Dr. Samuel Worlanyo Mensah, a Chartered Economist, claimed that the government's proposed debt exchange program did not include practical solutions to the economy's problems. He asserted that the economy urgently requires proactive measures and initiatives to increase investor confidence (Annang, 2022). In an interview with GBC News, Rev. Dr. Mensah remarked that to relieve investor community concerns, the government should stop stretching the truth (Annang, 2022). It is prudent of the government to be truthful to the people, especially in times of crisis, as that is the only way for the people to support the government and trust in their capability and credibility to come out with the right policies to take the country out of such crisis. The social contract between the people and the government requires trust between the two parties

for the contract to hold. The absence of this would be problematic; it does not support why the people would give power to the government in the first instance.

According to another economist, Peter Tekper, the government's debt restructuring initiative is accompanied by financial uncertainty. He advised the administration to proceed with caution since this action would just fuel the panic in the system. He predicted that 2023 would be a difficult year for the nation, saying it is regrettable that problems extend beyond the scope of governments (Annang, 2022).

The government was under pressure to change several DDE details due to the responses and actions of interest groups and individuals. The government issued a statement on January 31, 2023, through the Ministry of Finance, offering new bonds to citizens and retirees (Ministry of Finance, 2023). This is very evident; if the government had consulted the people in the first instance, there would not have been the need to change the several DDE details as it did. A participatory policymaking approach would have prevented all the bottlenecks the government has been presented with concerning the DDE program.

### **Regulatory Tools to Mitigate Financial Stability Risks from the Domestic Debt Exchange Program**

The Financial Stability Council issued a statement to evaluate the viability of the DDE and how the government would guarantee the protection of bondholders' and investors' money two days after the DDE was announced. The Financial Stability Council is chaired by the Governor of the Bank of Ghana and has members from the Bank of Ghana, Ministry of Finance, Securities and Exchange Commission, National Insurance Commission, National Pensions Regulatory Authority, and Ghana Deposit Protection Corporation. The Financial Stability Council, established in 2018, is mandated by an Executive Instrument to identify and assess threats, vulnerabilities, and risks to the financial sector's stability (Financial Stability Council, 2022). The Financial Stability Council described in its statement the various steps the government has/is taken to reduce the risks from the DDE. They include regulatory forbearance on liquidity and solvency, Ghana Financial Stability Fund, and accounting treatment.

- **Regulatory Forbearance on Liquidity and Solvency**

In the first instance, regulated companies and programs that voluntarily participate in the debt operation will temporarily have their regulatory capital and liquidity requirements reduced by the financial sector regulators. Any new regulations that may negatively affect liquidity or solvency will also be suspended or delayed by regulators. Each regulator will eventually inform its regulated firms/schemes of more detailed reliefs (Financial Stability Council, 2022).

- **Ghana Financial Stability Fund (GFSF)**

The Ghanaian government and its development partners will contribute GHC 15 billion to the GFSF, which is currently being constituted. To the extent that they take part entirely in the Debt Exchange, financial institutions will receive liquidity from the Fund. With effect from the date the Debt Exchange is completed, all financial institutions (banks, SDIs, pension schemes, collective investment plans, fund managers, broker/dealers, and insurance companies) that fully participate in the Debt Exchange are eligible to access the GFSF for increased liquidity support. The Financial Stability Council is creating special operating rules for the Bank of Ghana to operate the Fund. The use of the GFSF will be continuously supervised and advised by the Financial Stability Council (Financial Stability Council, 2022).

- **Accounting Treatment**

To establish a uniform approach to the accounting treatment given to the Debt Exchange, regulators are already in contact with external auditors of financial institutions and will offer guidelines (Financial Stability Council, 2022).

The Financial Stability Council further stated that it will carefully monitor the results of the above-mentioned measures and the effects of the Debt Exchange on financial institutions and the overall financial system. The measures will be regularly assessed and adjusted when necessary to ensure that they are as successful as possible in preserving the stability of the financial system and safeguarding deposits, pensions, policyholder funds, and investor funds and assets (Financial Stability Council, 2022).

### **Ghana's E-Levy Policy and its Ramifications**

Over the years, Ghana has been saddled with much financial constraints in running the affairs of the state. Governments have come into power relying on internally generated revenue and

seeking funds from international organizations to engage in developmental projects. Ghana generates revenue through taxes on income and property, taxes on domestic goods and services, international trade, and value-added tax and a major source of domestic revenue mobilization is the collection of road tolls. Governments do this to improve the people's livelihood with the aim of upholding and fulfilling their part of the social contract. The Ministry of Road and Highways directed the discontinuation of road tolls following the announcement by the Ministry of Finance to scrap tolls on all public roads. According to the finance ministry, the government observed that the collection of tolls poses more harm than good, hence the need to abolish collection at all 37 tolls in the country. The minister further stated that the traffic generated at the various toll booths across the country informed the decision (Ahinsah-Wobil, 2022). Just recently, under the auspices of the NPP government, an E-levy bill was proposed to provide a more efficient way of raising revenue in the state.

According to the Electronic Transfer Levy Act 2022, these electronic transfers are levied to enhance revenue mobilization. There is also the argument for broadening the government's tax base to provide for the needs of the citizens and other related matters (Parliament of the Republic of Ghana, 2022). Together with the increasing debt-to-GDP ratio and budget deficit, the government announced this new revenue item in the 2022 Budget and policy statement and set the electronic levy at a rate of 1.75%. The transactions that have been levied include mobile money transfers, mobile money merchant payments, in-store payments using point-of-sale (POS) devices or QR, e-commerce/online payments, and bank-to-mobile money transfers (Agyeiwaa-Afrane et al., 2022). The Ghana Revenue Authority was mandated to collect and account for e-levy. Taxes are meant to build strong and great states. It is required for a good society as long as the social contract theory is concerned. The people, as part of honoring the contract, are expected to pay taxes, and the government does its part by using such taxes to implement policies in the interests of the people. Could it mean that governments just make policies with no consultations? Or can it refuse to engage the citizenry concerning the same?

Proponents of this electronic transfer levy believed it would present an opportunity to tap into the rapidly expanding user base of mobile money services and the profits of their providers while representing a relatively simple and transparent means of collection. This proposed bill was met with great opposition from the opposition party and the ordinary Ghanaians, but it was

eventually enacted by the Parliament of Ghana. According to Ackah and Opoku (2021) and Nyabor (2022), as cited in Anyidoho et al. (2022), the tax was immediately challenged on several grounds, including the notion that it violated principles of taxation by potentially placing a double burden on taxpayers, that e-levy will push lower-income people and small owners out of the digital economy, that it may roll back progress on the digitalization of the Ghanaian economy and increase the hardship of the workers in the informal economy already hard-hit with the COVID-19 pandemic. In research conducted by Appiahene et al. (2022), which analyzed the sentiments held by some Ghanaians on Twitter, they concluded that a considerable percentage of Ghanaians were neither delighted nor unhappy (neutral) with the policy because the average person had little or no awareness of the policy. The vehemence of the NDC Members of Parliament (MPs) and the insistence of the ruling party, the New Patriotic Party (NPP) MPs, resulted in a brawl between the MPs on both sides during voting on the Bill. Again, the government opted for an elitist approach concerning the E-Levy policy. Appiahene et al.'s research proves that if only the government had utilized a participatory approach, there would be minimal to no opposition to the policy because the government would have at its disposal several policy options from which to choose the best.

The then minority leader in parliament, Hon. Haruna Iddrisu, expressed his dissent in parliament as follows: "The financial institutions of this country should not be subject to this punitive, insensitive tax. It would be a disincentive to the private sector of Ghana."

The Bill was subsequently withdrawn by the government. In the face of widespread public opposition to the tax and inability to immediately marshal the numbers to pass it in parliament, the government of the day applied the process Kingdon (Kin141) would call 'softening up', which involved the administration embarking on a nationwide campaign to sell this form of collecting tax to the Ghanaian public (Government of Ghana, 2019). It is evident that the government had no intention of engaging the people and only did so after it realized it needed the people's support to pass the E-Levy bill into law. In a report by Cooper (2022), the ruling Members of Parliament reintroduced the Bill on Tuesday, when many opposition MPs were absent. A surprise move, which analysts had previously said would be one of the only ways for the tax to be passed. There would not be the need for such a move if the government had adopted a participatory policymaking approach.



The implementation of this government electronic transaction levy of 1.5% (e-levy), which started in May 2022, ensured that transfers to and from mobile money accounts or bank accounts were levied. The e-levy impacted mobile money transactions in the following ways: mobile money transfers completed on wallets from the same electronic money provider, mobile money transfers completed via different electronic money providers, bank accounts to mobile money wallets, mobile money wallet to bank accounts, and the like. Though raising money through a levy to promote development is a good thing, the Ghanaian populace was of the view that the e-levy on mobile money transactions would destroy the broader diffusion of the mobile money industry in Ghana. The argument was that the levy would discourage people from using it since it taxes their meager money held in mobile money systems, leading to the disruptive inclusiveness of the unbanked population in the financial and banking industry. The E-levy was imposed on the people, especially considering all the events that accounted for the passing of the bill into law. The people were denied the privilege to make inputs concerning the E-Levy policy, and the government resorted to a more elitist approach with regard to the same.

According to the government of Ghana, the e-levy tax, which covers mobile money payments, bank transfers, merchant payments, and inward remittances, was estimated to raise up to 6.9 billion Ghanaian cedis in 2022 (Cooper, 2022).

### **Materials and Methods**

With the prime motive to explore the extent of public influence on policies in Ghana, this paper employed the content analysis approach to systematically analyze the content of appropriate secondary sources like books, academic journals, reports, and reputable websites pertinent to the topic under review. Some of these materials were sourced from popular publishing websites like Wiley, Springer, Taylor and Francis, and Elsevier. Books such as Anderson (2011), Birkland (2015), Dye (2013), Locke (1980), and articles authored by Edelenbos (1999), Hiller, Landenburger & Natowicz (1997), Kpessa (2011), and Mohammed (2015) have been instrumental in the writing of this work. Other relevant sources that were consulted in the writing include Adams (2022), Agyeiwaa-Afrane et al. (2022), Anyidoho, Gallien, Rogan, and Boogaard(2022), Arhinful (2022), and Ahinsah-Wobil (2022).

Using secondary sources through document analysis enables researchers to verify information, identify trends, and make grounded conclusions, leading to the overall validity and credibility of

the work. Therefore, through employing such a method, we have made a great deal to systematically examine existing documents in the crafting of this contribution in order to draw reliable conclusions that are useful for policy, among other things.

## **Results and Discussion**

### **Did The People Matter in the Domestic Debt Exchange Program and the E-Levy?**

In the discussion section, we turn our attention to the question, did the people of Ghana matter in the domestic debt exchange program and the E-Levy policy? As previously stated, the government decided to restructure or swap its bonds for new ones modified with new interests and new durations in order to get the interests and principal as stipulated in the DDEP due to the economic crisis that the Ghanaian economy was experiencing. When the initiative was announced, there was some uproar in the finance and labor sectors as worried interest or labor groups opposed the program to defend the "interests" of their members. Although the government repeated that participation, particularly by private bondholders, was highly optional, the actions of these groups led it to omit pension funds and include individual bonds (Ministry of Finance, 2023). The government claimed it could close the DDEP with over 80% participation of eligible bonds as of the time of writing (Ministry of Finance, 2023).

Ghana's politics require transparency, responsibility, and participation as a democratic nation. Transparency is required in the sense that all government actions should be carried out in an open manner for everyone to see and to know. Accountability is also essential to help the government to take full responsibility for its actions and respond honestly to the public and other stakeholders. Also, the participation of the citizenry is very crucial. When the government engages the public or civil society and other stakeholders in its actions, it can gain more support from the populace and make a meaningful impact on the right policies and the implementation of the same to better the lives of the citizens of Ghana.

There was no prior consultation with the financial industry, individual bondholders, stakeholders, or the general public, despite the fact that the government made participation in the DDEP voluntary, especially for individual bondholders. There were no 'softening up', as Kingdon (2014, pp. 127-131) terms it, to educate the people and create awareness of the DDEP to ensure favorable passage with little or no opposition. Likewise, in the E-Levy policy, the government only felt the need to engage the people through the town hall meetings when there were a lot of

agitations concerning the policy. The aim of the town hall meetings was to explain things to the public and get their support but not to ask for their views and other inputs per se.

Answering the question, "did the people matter in the domestic debt exchange program?" is a more complicated issue than treading a horse through the hole in a needle. The government claims the DDEP is essential to help protect the economy and enhance Ghana's capacity to service its public debts effectively. Significantly, the protection of the economy is and should be done in consultation with the various stakeholders. Such consultation should result in the satisfaction of both parties (the government and the bondholders). As earlier noted by Prof. Gatsi, the government's choice of strategy and determination of its own interest and maturity date of coupons will or may dampen investors' confidence. As previously stated, decreased investment portends terrible news for the banking sector, which significantly impacts the people. According to the IMF (2021), such domestic exchange programs are carried out at the expense of the creditor, in this case, the typical Ghanaian. Given the lack of prior engagements with the people, it is difficult to state that the people mattered in the adoption, design, and implementation of the DDEP.

Regarding the E-Levy, the issue of whether the presiding speaker could vote had to be settled in court. In order for the majority, the New Patriotic Party (NPP) in parliament to get the Bill passed, irrespective of the stiff opposition by the NDC, which was further exacerbated by a hung parliament, including the absence of Hon. Adwoa Sarfo, the government did not seek for a compromise or a consensus building. This amplifies the government's lack of interest in the desires or expectations of the masses within the state concerning the E-levy.

The two policies under discussion were policies the government pushed and got passed as a result of the financial crisis in the country. Others have questioned whether these are the only ways out of Ghana's economic or fiscal challenges. Indeed, it can be argued that the DDEP and the E-levy policies were passed and/or engineered without consulting the people to give them the opportunity to have a say in determining their own destiny. The government adopted an elitist approach regarding both policies, but a participatory approach would have been much better.

### **Conclusion and Recommendations**

This research discussed the art of policymaking within the theoretical framework of the Social Contract Theory. It also sheds light on the contrast between elitism and participatory

policymaking. The focus of the research, however, was on policymaking in Ghana. The paper continued by analyzing the Debt Exchange Program and the E-levy. Among other things, it found that both policies were passed without the involvement of the people. In other words, the people had no special say regarding either policy. The public and relevant stakeholders were consulted only when passing the E-levy, which, in particular, became difficult. The struggle the government went through in order to get both policies passed only proved the lack of support for them. Both policies were imposed on the people from whom the government derived its power and sovereignty to make policies on their behalf and in their interest. This defies the spirit and soul of the social contract theory.

The implication of the government's failure to adopt a participatory policymaking approach regarding both policies is the citizenry's loss of trust in the government. Some people find ways or means to avoid paying the E-Levy. The citizenry would have been willing to adhere to both policies if only the government had made them a part of it. Notwithstanding the new policies, Ghana is still struggling economically. The country is in an economic decadence; the government had to introduce three new taxes, all in the name of generating revenue to curb the economic hardships faced by the country. Elsewhere, citizens might have revolted against their governments because of their failure to adopt a participatory policymaking approach over an elitist approach, especially concerning certain critical and crucial policies.

We recommend that Ghanaians learn lessons from this quandary and hope that subsequent governments will do better in the foreseeable future. Based on the magnitude of the opposition to such policies, the participatory policy approach should be given priority in Ghana as it delves into the significance of involving citizens in the policymaking process, and governments must follow suit.

Further research should explore the enhancement of good governance through participatory policymaking. The information researchers provided suggests that participatory policymaking is "democracy in action." Therefore, it will make a great deal of knowledge if further academic investigation is made on the implications of citizen engagement, transparency, and the overall democratic health of the country. This will, in no small way, unleash the challenges and successes associated with following participatory approaches in the policymaking process in Ghana. It would also be important to explore the challenges associated with elitist policy

approaches and how they can hamper democracy. That notwithstanding, additional research may explore the appropriate times when elitism would be suitable

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## Can Lamb And Lion Tango? Investigating Nigeria's Practice of Public Administration and Peculiar Challenges from Structural Functional Theory

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<p>Journal Volume &amp; Issue: Vol.5, No.1 (Feb, 2024) pp. 78 – 105</p> <p>DOI: <a href="https://doi.org/10.46404/panjogov.v5i1.5362">https://doi.org/10.46404/panjogov.v5i1.5362</a></p> <p>Received: 12 April, 2023 Revised: 17 January, 2024 Accepted: 20 Feb, 2024 Published: 28 Feb 2024</p>  <p>Copyright: ©2024 by Jimma University, Ethiopia. Under Open Access Journal, the creative common attribute 4.0 international license permits any interested person to copy, redistribute, remix, transmit and adapt the work provided that the original work and source is appropriately cited.</p>	<p><b>Abstract</b></p> <p><i>There is a gap in scholarly literature that has yet to be filled by scholars regarding the practice of public administration, challenges, and viable policy roadmaps for urgent governance situations in Nigeria. Anchored on functionalism, this study specifically examined the historical, phenomenological, and philosophical investigation of Nigeria's practice of public administration, the challenges of Nigeria's public administration, and how the politics-administration dichotomy influences Nigeria's practice of public administration. The type of data sought established the study through the qualitative method. Data were collected through primary and secondary means, and content analysis was performed. Drawing from interviews with professional administrators, this study revealed how corruption, godfatherism, irresponsible and irresponsive leadership, poverty, and procedural violations troubled public administration. Also, Nigeria's public administration is characterized by a politics-administration dichotomy with its negative inputs and resultant effects. Due to the pervasive effect of these challenges, the country is not a developmental state and lacks appropriate governance structures that can usher in sustainable development (SD). Nigeria should be made a developmental state through robust development policies and effective implementation by responsive political leadership and administrative practices devoid of corruption, godfather politics, and procedural violations.</i></p> <p><b>Keywords:</b> <i>Developmental State, Governance Structure, Politics-Administration Dichotomy, Procedural Violation, Weaponization of Poverty and Inequality</i></p>
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### Introduction

Public administration practice and practice of public administration sound alike, yet they are not the same and could be somewhat confusing. Distinctively, public administration practice is the activity performed by the government in administering the public, but the practice of public

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administration entails public administration in action or the act of administering the public *via* policy implementation. Public administration practice could be seen as the noun, while the practice of public administration is the verb. However, in its plural form, public administration practices include policies, programs, reforms, principles, and others that are used for effective public administration. The central focus of this study is the practice of public administration, which in Nigeria, like every other federalist polity, takes place at the local, state, and federal levels. Presenting a historical perspective, Abonyi (2005, p.1) stated:

*At the very beginning, public administration took a different dimension and meaning from what is obtainable today. In medieval Europe, for example, it was all about the King and the way he ran the whole state affairs. All the employees were working at his discretion or rather helping him to execute his directives.*

The Royal Government in 17<sup>th</sup>-century France was a personal government. All political actions were taken in King's name (Gladden, 1972). This was somewhat of a selfish style of administration as the gamut of the activities was centered on satiating and assuaging the whims and caprices of the King. So, Nigeria must have wrongly copied the old practice of administration. This leads us to the question: Can lamb (public administration) and lion (aforesaid and other challenges of public administration) tango? This study contributed to existing literature by interrogating the foregoing.

The culture of self-centered administration has been the prevalent public administration practice in Nigeria. Leadership has constantly revolved around the chief executive, loyalists, and cronies. Thus, Nigerian public administration is not people-oriented. The question is, why this obnoxious trend? The point is on who truly wields absolute power, which, according to Onah (2009), belongs to the people, and a democratic society should be based on the predominance of the majority's will/interest. The primary policy objective of every responsible administration should be to grow the economy and improve the living conditions of the people (Dike, 2009, p.27). So, part of the innumerable problems of Nigeria's public administration are a lack of sound administrators, displaced priority, and the hijacking of absolute power from the electorate who gave legitimacy to the government. Thus, this paper contributed to knowledge by examining

other critical challenges hampering Nigeria's practice of public administration through expert opinion and documentary evidence.

Researchers of public management have done considerable work on public sector performance (Pollitt & Bouckaert, 2004; Raudla *et al.*, 2016; Talbot, 2010), but the challenges bedeviling the practice of public administration; the historical, phenomenological cum philosophical discourse on the practice of public administration; and influence of politics administration dichotomy especially in the Nigerian context are scarce if not empirically unknown. This study was situated within the structural functionalism theory with threefold questions: What constitutes the historical, phenomenological, and philosophical practice of public administration in Nigeria? What are the challenges facing the practice of public administration in Nigeria? What does the politics-administration dichotomy entail, and how does it influence the practice of public administration in the Nigerian context? This research examined the above fundamental questions.

### **Study Objectives**

The specific objectives were to: i) Conduct historical, phenomenological, and philosophical investigations on Nigeria's practice of public administration; ii) Examine peculiar challenges disturbing Nigeria's practice of public administration and, iii) Interrogate the concept of the politics-administration dichotomy and how it influenced Nigeria's practice of public administration.

### **Review of Literature and Theoretical Foundation**

Although public administration is concerned with strict implementation of the policies/resolutions of government through its agencies or any other proxy acting under its direction (Chioke, 2022a, p.59), public sectors of many sovereign states of the world have faced acute pressure meeting up with their expected value creation responsibilities (Ndukwe *et al.*, 2022); and in addition, they appear highly incapacitated in ensuring effective service delivery (Chioke *et al.*, 2020; Idike *et al.*, 2020; Ukeje *et al.*, 2020) due to human capital development related issues (Chioke *et al.*, 2023; Zayum & Agbodike, 2021). It is certain that:

*When an outsider enters a new ecological system, even if the public administrator is more skilled and professional, he does not necessarily function as effectively as those who have familiarized themselves with the environment over centuries. The newcomer is likely to look more ridiculous if*

*he is too arrogant to realize that he has something to learn from the natives*  
(Rodney, 1972, p.46).

This is the problem with Nigeria's practice of public administration because the leaders snubbed the chances of learning from the indigenous technocrats who understand local needs and politics. Concerns have, therefore, been on the lack of proper understanding and management of public organizations, which culminated into a significant challenge for the capacity of public bureaucracies to attain the will of the state through competent administration. Consequently, one must seek to adequately understand the rudiments/nitty-gritty of public administration in various countries worldwide. Considering Nigeria's practice of public administration and possibly beyond,

*It can be understood that public administration has two definitions - the field of study and the activity point of view. Public administration as a field means the study of administrative actions to gain better insight. In short, this is more of theory than practice. Public administration as an activity is the implementation of the knowledge gained in the discipline (Chioke, 2012, pp.20-21).*

As an activity in Nigeria, it should be primarily concerned with executing plans for sustainable growth and development. In order to ensure sustainable development (SD), as Chioke (2023) argued, questions about leadership, public accountability, and other problems must be scientifically understood. For one to fully appreciate the role of Nigeria in South-South relations, it is necessary to understand the character of the Nigerian state, its level of development, the basic thrust of its foreign policy, its role in the regional and world systems and internal forces that impinge on her development (Chukwuemeka, 2022, p.3).

Public administration is the machinery for implementing government policies (Adebayo, 1984, p. 4) for value creation. Cabral *et al.* (2019) contend that value creation is the collaborative efforts of the players in the public and private domains. Hence, Okigbo and Nsiegbunam (2000, p.7) posited: "Public administration is the management of scarce resources to accomplish the goals of public policy." The onus is on public administration to ensure the management of scarce resources while collaborating with private sectors to guarantee value creation. Cabral *et al.* (2019) submitted that both public and private sectors create public values, but as observed by

Kivlenience and Quelin (2012), tensions among competing interests hamper its proper distribution, and as such, there is a need for harmonization among the players (Ndukwe *et al.*, 2022). Competing interests among the actors in local politics directly affect good governance, especially when the government, *via* its public administration, fails to perform its obligations effectively. Therefore, Eberinwa *et al.* (2022) rightly submitted that there is good governance when the government rises up to its responsibilities.

Since the public administrator is seen as the guide of the administration of government, there is, therefore, the question of who guards the guardian (Bello, 2022). Regarding this, administrative ethics/code of conduct is vital to guard the guardian – public administrator. Again, laws are made for organizing and coordinating human and material resources of public organizations. If the laws are not enacted and maintained, public organizations would go to extinction. To maintain order in society through public administration, principles, laws, and codes of conduct must be followed. Against this backdrop, Bello (2022) contends that ethics are accountability standards by which the public scrutinizes the work conducted by the members of public organizations. Put differently, "ethics are considered as internal personal checks, that is, a sense of personal responsibility, while accountability is the process of applying external checks on public administrators (Rosenbloom & Kravchuk, 2002, p.556)." Operationally contrived, ethics are both internal (personal) checks and external checks (moral values and public service code of conduct) that guarantee public accountability.

Administration occurs due to the complexity of people and existing public facilities, and public administration is the implementation of state goals/policies (Chioke & Ewuim, 2022). There are pertinent issues depicting that the relevance and/or essence of government cum practice of public administration in many countries tilt towards development. To understand this, one gleans as follows:

*The essence of government is to provide goods and services for the welfare of the people, maintain peace and security against internal insurrections and external aggressions, maintain law and order through law enforcement agencies, solving unemployment problems by creating jobs for eligible job seekers, regulating economic activities in order to protect the economy from economic desperadoes as well as ensure economic growth and development, protect and preserve the rights of the citizenry, maintaining*

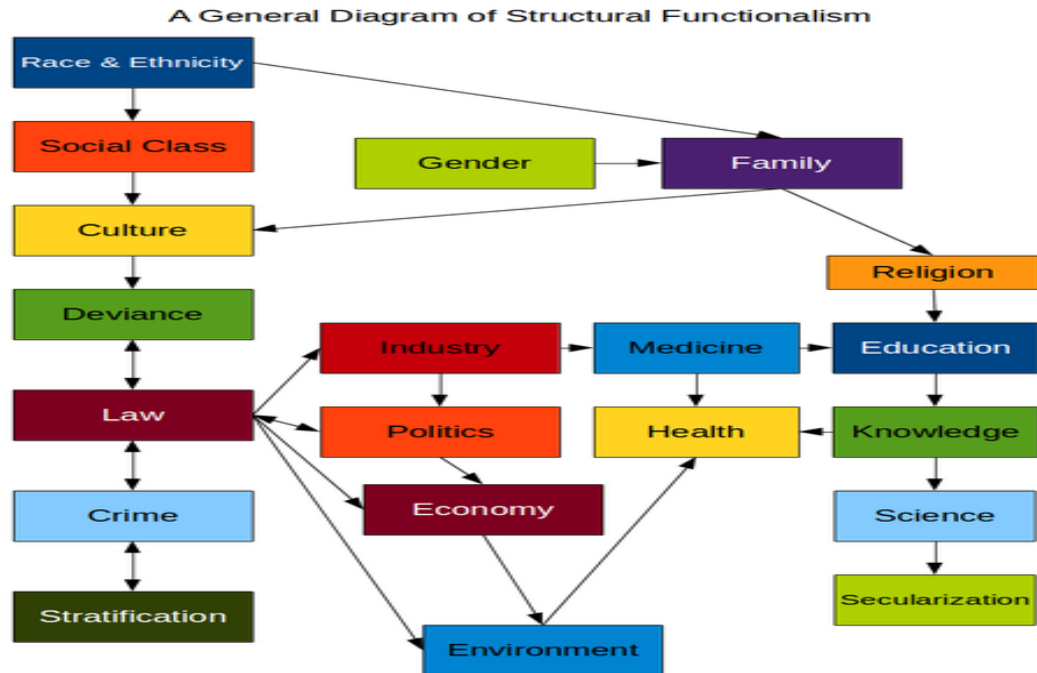
*interrelationship with other nations of the world (Eberinwa et al, 2022, p.60).*

Accordingly, “the duties and functions of the administrative pillars (bureaucrats) vary greatly from one establishment (public sector) to another due to the onerous task given to those public sectors by the constitution (Chioke, 2012, p.19).” Traditionally, the duty of the public sector is to enhance/improve citizens' welfare through goods and service delivery like education cum health (Ramadhani & Vain, 2022), which are non-excludable and non-rival (Malkin & Wildavsky, 2016). Non-excludable suggests that no beneficiary can be excluded from accessing those goods, and by non-rival, it means that the production costs of those goods do not increase with consumption (Ramadhani & Vain, 2022). Regarding this, “the public interacts with public administration in several roles as client, customers, contractor, regulate, participant, and litigant as well as in street-level encounters (Rosenbloom & Kravchuk, 2002, p.473).” So, organizations’ functions are not the same but must be engineered toward attaining the goals saddled upon by the interplay of politics and administration (Chioke, 2022). There are debates that politics and administration are not the same in practice. In Nigeria, there seems to be a tiny demarcation between politics and administration in practice, which is the emphasis of politics and administration dichotomy theorists.

### **Structural Functional Theory/Functionalism**

According to Gómez-Diago (2020), structural functional theory emerged in the early 20th century and is associated with authors like Émile Durkheim, Talcott Parsons, Herbert Spencer, and Robert Merton, who dominated American social theory in the 1950s and 1960s. Structural functional theory perceives society as a structure with interrelated parts designed to meet the biological as well as social needs of the people in the society (Chioke, 2022b). As a theory, functionalism focuses on the functions performed in society by social structures such as institutions, hierarchies, and norms (Gómez-Diago, 2020). The basic rationale in functionalism includes social structures, functions, manifestations, and underlying roles (Paul *et al.*, 2017). Functionalists say that society is comprised of structures. There are inputs into these structures that can make or mar societal functions through the practice of public administration. This study interrogated the inputs into governance structures that mar the society.

For further inquiry, the conceptual model of functionalism surfaces below:



**Source:** Wikibooks (2023)

This diagram shows that various institutions in the country are interdependent and may not survive without an interplay. It implies that "When one institution in society changes, other institutions accommodate that change by changing as well, though the ultimate effect is to slow overall change (Wikibooks, 2023)." Herbert Spencer popularized a common analogy that presents parts of society as organs that work for the proper functioning of the entire body (Urry, 2000). However, the intermingling cum interplay of several societal structures has introduced diverse challenges in Nigeria's public administration. Functionalism revolves around terms like the concept of structures and functions. Almond (1960) aptly contended that all systems perform two basic sets of functions – input and output. How? These functions are performed through the instrumentality of a functional public administration with adequate conventional public governance practices. The argument of functionalism is that society operates in the way the human body does (Chioke, 2022b) so as to enable proper functionality of the body as a whole (Urry, 2000) when an adequate enabling environment has been created. The units of the society are the governance structures and technocrats/administrators that are germane for creating public values and meeting societal exigencies and emerging needs. Public administration and the

bureaucracies in which it excels are part of the social institutions. Why? Public administration in Nigeria and beyond solves social and governance-related problems in order to attain socioeconomic cum political wills of the state.

The theory of structural functionalism is suitable for analyzing this study's broad aim as this study is on the existing social structure or governance structure (institutions) that enables the practice of public administration and the attendant social functions. Holmwood (2005) asserted that functionalists perceive that society should be seen as a system of co-dependent parts. In the present analysis, bureaucracies, for example, are of social structure (institution), and government at all levels in Nigeria constitutes the governance structure. Therefore, it is important to explore the challenges of these structures. The government in Nigeria includes the executive, legislature, judiciary, and other important parts, making up the whole. Based on the existing social contract, it is the expectation of the public that these organs execute various public policies that are socioeconomic in nature in proportion to their statutory functions. Fundamentally, this study's theoretical framework views the state, organization, and the world as a complex and composite system with interrelated parts (Chioke, 2022b; DeRosso, 2003; Lenski, 2005). As a complex system, Nigeria is not devoid of critical challenges that hinder the smooth operations of public administration and mar the chances of Administrators (both past and present) performing optimally. Applying functionalism, this study succinctly examined the issues hampering the effective practice of public administration, which are believed to have emanated from the interplay of governmental/societal institutions.

### **Materials and Methods**

The research method is a scientific way to obtain data for specific purposes (Darmadi, 2013). The scientific method means that research activities are based on the characteristics analogous to science: rational, empirical, systematic, and so on. The author applied qualitative design/method in presenting and analyzing the cardinal questions and objectives that guided the paper. According to Creswell (2014), qualitative research is a means for exploring and understanding the meaning individuals or groups ascribe to a social human problem. This forms part of the justification for the author's use of the qualitative method of data collection. Data were collected through interviews, textbooks, journal articles, inaugural lecture materials, and author's observation. Interviews were adopted to examine the peculiar challenges confronting the practice

of public administration as perceived by participants, which spread across Nigeria's federating units through Facebook in order to minimize the cost of traveling. Using the purposive sampling technique, Bureaucrats whose identities were not disclosed were interviewed. Interviewee 1, 2, etc., were used to demarcate their views.

## **Results and Discussions**

### **Practice of Public Administration in Nigeria: A Historical, Phenomenological Cum Philosophical Investigation**

Examination of the medieval governance practices seen on the international scene portrays the similitude in the practice of public administration prevalent in third-world countries like Nigeria. Pertinently, "civil service of the modern ages keep documents for future government references, but contrary to that of the ancient ages, the documentaries are for the effectiveness of administration for the comfort of the public, and not for an individual's (King's) satisfaction" (Abonyi, 2005,p.2). Given this prominent philosophy from the ancient Western world, wherefrom Nigeria copied its practice of administration and administrative practices, this study observes that Nigeria failed to see leadership from a managerial function perspective. Imperatively, "The managerial function of leading is simply the process of influencing people so that they will contribute to the goals of the organization (Ibeme, 2020,p.434)." Nigeria is bedeviled by poor governance structures, which have hindered the effective practice of public administration. These structures produced the culture of criminality, ethnicity, parochialism, godfatherism, and other associated ill structures existing in the Nigerian public sector. Levy and Spiller (1994) perceived the governance structure as a mechanism societies use to prevent regulatory discretion and solve conflicts that may arise, given the constraints on regulatory discretion. Their definition aptly captured the current structure of governance lacking in Nigeria, yet nothing tangible has been done in that regard. There is an abundance of:

*Arguments as to whether Nigeria is a failed or failing state. However, almost all stakeholders, especially those interested in sustained growth and development, agree that Nigeria is not working. Since political independence in 1960, except for a few dotted years, the country has been on the decline economically, politically, and socially (Nwankwo, 2022, p.5).*

Governance structures are of great essence to any organized political setting, but the problem is that Nigeria is far from being an effectively organized polity.



The military came into Nigerian politics and administration in 1966. Furthermore, “with the advent of the military culture in Nigerian politics, things degenerated quickly, and Nigeria became the abyss of chaos and disorder (Nwankwo, 2022, p.28).” Nigeria, even though she still exhibits characteristics of sovereignty, has since stopped existing in the minds of her citizens, as evidenced by the high level of apathy and unpatriotic displays by her electorates, especially genuine agitators seeking political independence. Resultantly, citizens’ engagement and participation are not noticed, and Nigerian public administration is on the side of a poorly structured economy as Nigeria still wallows in a mixed economy wherein the state is predominantly domineering in the nation's economic affairs while the private sector is merely being tolerated. It could thus be deduced that the extent of public-private partnerships in Nigeria is low and, therefore, inadequate to engender sustainable development. This appears to be prevalent in other African climes, especially Kenya. Collaboratively, "Kenya historically has had a liberal political economy in which the state is prominent in economic affairs while the private sector maintains a privilege" (Ochieng & Maxon, 1992). This feature has allowed for crony capitalism, wherein the political elite own large private companies and benefit from inside deals (including land deals) unknown to the average citizen (John & Ambreena, 2013). The success of a developing state means that there must be a distinction between its bureaucracy in charge of economic growth and all the most powerful interest individuals so that it can set and attain huge economic targets (Meyns & Musamba, 2010). Why? Onah (2020) contends that every sovereign state has essential principles that form the basis of its existence and the objectives it aims to achieve for the good of the people. The worst is that the Nigerian federating partners are slaves benefitting from the crumbs that fell from the federal government (Chioke, 2021b).

Nigeria's public administration seems to have disequilibrium between competition policy and competition law. To draw meaningful lessons from this, a distinction between the two interrelated jargon needs to be clarified. Khemani and Dutz (1996) defined competition policy as "those government measures that directly affect the behavior of enterprises and the structure of the industry." The objective of competition policy is to promote efficiency and maximize welfare. There are two elements of such a policy. The first involves ensuring the existence of a set of policies that encourages competition in both local and national markets. This would include a liberalized trade policy, relaxed foreign investment and ownership requirements, and

economic deregulation. The second is legislation that prevents anticompetitive business practices and unnecessary government intervention – competition law. An effective competition policy fosters establishing a business environment that improves static and dynamic efficiencies, leads to efficient resource allocation, and one in which the abuse of market power is discouraged through competition (Chakravarthy, 2016). Writing the foreword to the book, 'Pursuing Competition and Regulatory Reforms for Achieving Sustainable Development Goals,' Mukhisa Kituyi, Secretary-General of UNCTAD, stated that, "One of the fundamental aims of competition policy and law is to increase competitive market pressures by addressing anticompetitive business practices, as well as anticompetitive State regulations and measures. When these pressures are absent, especially due to monopolies or cartels, higher prices, lower quality products, and economic injustice will prevail." There abound clear evidence that there is the humongous absence of competitive market pressures, thereby giving room for the undesired presence of monopolies, inflation, and quantity in place of quality as exemplified by lower quality products that have flooded the Nigerian markets and economic marginalization championed through divide and rule policy.

### **Peculiar Challenges Troubling the Practice of Public Administration in Nigeria**

It takes two to tango, so agreement makes the law. The question is: Can the practice of public administration and challenges tango? They neither mutually coexist/agree nor tango because they are not birds of the same plumage that congregate for identical purposes. The following different ordeals have contributed to making it impossible for diverse ethnic nationalities that are constituents of the former Southern and Northern Protectorates of Nigeria to agree in the best interest of all, irrespective of tribe and political affiliations.

Data for this study spotted corruption. On its effect as regards the practice of public administration, Interviewee 1 noted:

*Corruption impairs the growth and development of human resources needed to ensure high-quality public sector performance in Nigeria. It can do no good but drag the level of economic development in nations like ours, where mediocrity has eroded merit, and nobody cares about it.*

Nigeria's Corruption Perceptions Index (CPI) shows that Nigeria's problem is acute corruption, worse than the world's recent dreaded pandemic, COVID-19. The Buhari administration

promised to fight corruption, but it did nothing significant, as evidenced by the CPI ranking in Table 1, which painted the country with lurid colors.

Table 1 Nigeria - Corruption Perceptions Index

Date	Corruption Ranking	Corruption Index
2022	150 <sup>o</sup>	24
2021	154 <sup>o</sup>	24
2020	149 <sup>o</sup>	25
2019	146 <sup>o</sup>	26
2018	144 <sup>o</sup>	27
2017	148 <sup>o</sup>	27
2016	136 <sup>o</sup>	28
2015	136 <sup>o</sup>	26

Source: <https://countryeconomy.com/government/corruption-perceptions-index/nigeria>

Another cankerworm identified in this study is godfatherism. In Nigeria's democracy, the godfather syndrome as a structure is damaging (Umahi, 2013) even as the issue of godfatherism in Nigeria's public administration remains critical (Chioke, 2020). On the correlation between godfatherism and the practice of public administration, Interviewee 2 submitted that:

*No meaningful administrative reform can take place in an administration influenced by the non-ruling elites, otherwise known as political godfathers.*

In another strand of response, Interviewee 3 contends that:

*The problem of Nigeria vis-à-vis the practice of public administration and governance is the disease called political godfatherism. It has never allowed our administration to blossom and will not if it is not legally checked.*

Democracy in Nigeria has not been fully established, and the phenomenon of godfatherism has endangered the democratization process and the socioeconomic lives of the citizenry (Ohiole & Ojo, 2016, p. 11).

The problem of irresponsible and unresponsive leadership is part of the major hiccups that have formed a coalition with allied challenges confronting public administration practices and practice

of public administration. Elekwa (2009, p.64) commented on responsiveness: "good governance requires that institutions and processes try to serve all stakeholders within a reasonable time frame." On whether irresponsible and unresponsive leadership affects the practice of public administration, Interviewee 4 wrote:

*When leaders fail to take responsibility for their actions, it can lead to a lack of accountability, which creates a culture of corruption and impunity. Additionally, when leaders are unresponsive to citizens' needs and concerns, it leads to a breakdown in communication and trust, making it more difficult to address issues of public concern. Responsible and responsive leadership is critical for effective public administration and the well-being of society.*

Emphatically, Nigeria has witnessed different leadership challenges in recent times that make the attainment of SD impossible (Chioke, 2023). Drawing from the above, this study aligns with Ukeje (2006), who found that effective bureaucratic leadership is missing in Nigeria's journey to good governance and improved quality of life. Consequently, employment in the civil service should be based on technical qualifications (Chioke, 2012,p.88), but the reverse is the case – mediocrity/nepotism, public administration becomes a means to intangibilities, which leads to low quality of life. This is perhaps the most glaring way of seeing Nigeria's irresponsible cum unresponsive leadership.

Next is the problem of poverty and inequality. Poverty is most noticeable in least developing societies, where about half of its populace lives in abject poverty (The United Nations, 2017). Despite decades of successful oil and gas exploration in Nigeria, the state has remained the poverty headquarters of the globe. Bad governance has not enabled funds realized from successful years of oil and gas exploration to successfully enthrone the improved standard of living of the masses, indicating that the country is relieved by acute poverty. The reason for this could be understood from a resource curse perspective. Interviewee 5 stated how poverty affects the practice of public administration thus:

*In Nigeria, poverty hinders public administration in several ways. For example, poverty can make it difficult for government officials to implement policies/programs effectively because people living in poverty may not have the resources or education needed to fully participate in those programs.*

*Poverty can make it more difficult for government officials to collect taxes and revenues, which limits the ability to fund important public services.*

Differently, Interviewee 6 stated:

*Public administration lays emphasis on four types of resources viz: Human, Material, Financial, and Information resources, and if any of these resources are lacking, there will be a serious problem. Public administration cannot do without financial resources. Human personnel and material information resources cannot work successfully without sufficient finance. An administrator cannot carry out any logistical plan without money. If otherwise, there will be a consequential system in all the spheres of administration/human life.*

What must be done to stem this tide? To arrest the nation's economic tangle, Nigeria needs a transformative leader to build a solid foundation for lasting sociopolitical stability and sustainable economic growth and development (Dike, 2009). This would achieve self-actualization for all. According to Abonyi (2005, p.75), self-actualization refers to individuals growing, maturing, and achieving a deep inner retrospection or self-worth related to their job and organization. Hence, a rethink is needed with urgent attention for effective public administration. Another challenge is procedural violations (disregard for the rule of law) in Nigeria's public sector. Ethics demands that: "Public officials must act according to laid-down rules and procedures and in the event of a violation, the court has right to question the legality of their action (Okigbo & Nsiegibunam, 2000, p.26), but this is lacking in Nigeria. Concerning the effect of procedural violations *vis-à-vis* practice of public administration, Interviewee 7 said:

*When procedures are not followed, it can be challenging to ensure that decisions are made fairly and consistently. This can erode public trust in the government and create a perception that the system is unfair. Additionally, violations of procedures can lead to lawsuits, which are costly and time-consuming for the government.*

Also, to understand the matter, this study raises pertinent questions: How many procedural violations committed by the Administration of President Buhari were questioned and successfully annulled through litigation? How has the present administration fared in terms of

obedience to the rule of law? Under the present political leadership, the administration has not been able to prove beyond reasonable doubt that Nigeria respects the rule of law.

### **Politics-Administration Dichotomy: The Dominant Character in Nigeria's Practice of Public Administration**

Theoretically, "Politics-administration dichotomy is a concept that sees the political and administrative fields as different entities " (Chioke, 2012, p.23)." Collaboratively stated, politics-administration dichotomy as a theory constructs the boundaries of public administration and demonstrates the normative relationship between elected officials cum administrators in a democratic setting (Svara, 1998). Several scholars propagated debates on such dichotomous analogy as follows:

*The administration dichotomy is attributed to Woodrow in his 1887 essay named 'The Study of Administration'. He sees politics and administration as two different fields. Frank J. Goodnow was another ardent proponent of this concept, and in his publication named, 'Politics and Administration' in the year 1900, he believes that while the former has to do with determination of the will of the state and the latter executes the will determined by the former (Chioke, 2012,p.23).*

However, Luther Gulick advocated that it was impossible to separate the two (*Ibid*). The dichotomy was advocated because the dichotomous demarcation of labor and authority between elected and administrative officials increases the accountability and planning ability of public administrators (Demir & Nyhan, 2008). To developed states, this is the reality on the ground, but to African states, more especially Nigeria, the dichotomous division of labor cum authority between elected and administrative officials has not increased the accountability and planning ability of her teeming bureaucrats/technocrats. This is where the matter lies.

Considering the administrative practices in Nigeria and other underdeveloped polities, the following question is cogent and urgent: Does such a dichotomy exist between the twin fields of politics and administration? According to Onah (2005,p.12), "recent experience in the functioning of government indicates the absence of dichotomy between policies (policy-making) and administration." If the dichotomy exists, it means that administrators may no longer project adequate plans that properly serve the purpose of administration. Again, the offices of administrators are indirectly rendered redundant if the planning function is denied them (Chioke,

2012, pp.24-25). Additionally, public administrators contribute to the style, pace, and tone of the execution of policies (Bello, 2022). So, the dichotomy does not and should not even exist. The argument is that if there is no dichotomy/separation of functions of the political and administrative classes, lawlessness/abuse of public offices and inefficiency may arise. As a result, administrative ethics should be adhered to, preventing tendencies of abuse of public offices and the inability of the electorates to hold public officers/administrators accountable. Commenting on public administration, Ewuim (2008,p.175) submitted:

*As a field of practice, it involves the mechanisms through which the wills and aspirations of the state are articulated and crystallized and then translated into tangible actualities. In other words, due to the complexities of the modern government, public administration is no longer limited to only policy implementation. Today's public administration is very much involved in policy formulation. This is because the average public administrator (civil servant) is a professional in his/her own domain who uses his/her technical competence and experience to help politicians articulate and coin the spirit and language of government policies.*

Individually or collectively, public administrators play an active role in formulating public policy (Bello, 2022, p.1). This study thus sees the advocacy cum practice of politics and administration dichotomy as the dominant character and/or venom in the country's practice of public administration for the following reasons.

Although the politics and administration dichotomy is traditionally used to express the demarcation that exists between politicians and bureaucrats (Chioke, 2012; Goodnow, 1900; Wilson, 1941), the term is herein contextualized as the differential that exists between the written code and the practice. Regarding the written code, politics herein symbolizes the political campaign promises/manifestoes, and in practice, administration represents the realities after the campaign – public administration practices. For example, the federal character principle in Sec 14 (3) & (4) of the 1999 Constitution of the Federal Republic of Nigeria stated that:

*(3) The composition of the Government of the Federation or any of its agencies and the conduct of its affairs shall be carried out in such a manner as to reflect the federal character of Nigeria and the need to*

*promote national unity and also to command national loyalty, thereby ensuring that there shall be no predominance of persons from a few State or from a few ethnic or other sectional groups in that Government or in any of its agencies. (4) The composition of the Government of a State, a local government council, or any of the agencies of such Government or council, and the conduct of the affairs of the Government or council or such agencies shall be carried out in such manner as to recognize the diversity of the people within its area of authority and the need to promote a sense of belonging and loyalty among all the people of the Federation.*

Invariably, Nigeria, in theory, has no room for sectionalism, an indirect rule system, and a divide-and-rule policy, but in practice, it is deeply rooted in day-to-day activities. According to Achebe (2012), the indirect rule in Igbo land was more difficult and challenging to implement as colonialism was executed through warrant chiefs. In many Nigerian states, indirect rule was subtly retagged, '*local administration*', and forced the Nigerians who would ordinarily reject such kind of colonial yoke. Consequently, Nwankwo (2022, pp.6-7) argued: "the past and present leadership of Nigeria, with all their best intentions for the country, could not address the devastating problem of decayed infrastructure, decline in the provision of social services, rising poverty, unemployment, massive corruption and recently dangerous insecurity challenges and secessionist agitation because they do not know where the rain began to beat the country and therefore, cannot say when and how Nigeria could come out of her present quagmire and hopelessness for the benefit of the majority of her citizens."

### **Discussions**

Nature has its own pattern and is thus uniquely designed to function in the pattern of its maker. Assuredly, "The child at birth is a biological being. He is physically helpless and depends on both parents and others around for everything (Anikpo *et al.*, 2007,p.35)." Due to the governance structure in place, the poor masses, in the same vein, are at the mercy of government for almost everything. They are not getting what they had depended on the government for survival. This is the irony of governance in underdeveloped states, especially with regard to this study's *locus classicus*. Nigeria's practice of public administration has not metamorphosed into a developmental state. A developmental state, according to Nwapi and Andrews (n.d), has shown



commitment and capability to pursuing nation-wide development with clearly defined ideological cum institutional obligations. Johnson in Nwapi and Andrews (n.d) highlighted four key defining elements of a developmental state:

*The existence of (i) a small, inexpensive, elite bureaucracy consisting of the best managerial talents, whose duties would be to identify the industries to be developed and the best means of developing them, (ii) a political system conducive to the bureaucracy to take initiatives without interference from vested interests, (iii) "market-conforming methods of state intervention in the economy", such as the avoidance of overly detailed laws that constrain administrative creativity and the utilization of public corporations, especially the mixed public-private type, to implement policies in high-risk sectors, and (iv) a pilot agency within the bureaucracy, such as Japan's Ministry of International Trade and Industry, that is characterized by internal democracy, functions like a think tank, and has a duty to coordinate industrial policy formulation and implementation.*

Johnson found the aforestated elements well-pronounced in the Japanese economic model, which had no precise replica anywhere in the world, including the industrialized polities (Nwapi and Andrews, n.d). So, the developmental state concept was used by Chalmers Johnson to depict solid interventionist strategies used by Japan that produced continued speedy industrialization and/or lasting financial growth (Jewellord & Jesse, 2018). There are two components of the developmental state – the ideological and the structural. The ideological component sees a developmental state as a state that is developmental in orientation. Its goal is to ensure economic development – that is, a high rate of accumulation and industrialization. The structural component speaks to a state's capacity (institutional, technical, administrative, and political) to implement policies sagaciously and effectively (Mkandawire, 2001).

Conversely, given the politics and administration dichotomy and other imponderables, Nigeria had poorly continued its public administration, leading to a state of infrastructural decay with its zoological (zoo-like) underpinnings. Corroborating this, Nwankwo (2022, p.47) contended, "Since attaining independence from Britain in 1960, Nigerian leadership is described generally

as a Giant Zoological Garden of Africa where irrationality prevails.” This irrationality is perhaps a sequel to the ineffective execution of anti-graft laws and human capital development programs in Nigerian sectors. This implies that Nigerian leaders are politics and administration dichotomists who promised the masses quality education but are not practically interested in education, as shown by the incessant strikes by academic unions.

Public administration and politics are closely intertwined and can hardly be separated for goal attainment and value creation. The two hardly tango in Nigeria, given the political-related issues injected into the polity. Again, the practice of public administration and the challenges thereof do not tango for the imperialistic interest of those who forced the marriage of inconvenience upon the masses. This study spotted corruption as part of the ups and downs, contextually called ‘lion/challenges.’ Corruption has increased to the extent that an average citizen now associates corruption with Nigeria’s democracy (Ogundiya, 2010) and slows the pace of economic development (Ikejiani, 1995). What has corruption done in Nigeria? To Ikejiani (1995), corruption "leads to non – achievement of goals." Permeating all the nooks and crannies of the country's public life, corruption successfully impaired SD. The executive arm of government is responsible for the hindered development through its non-strict implementation of checks and balances (corruption). This has worsened the situation as the corrupter and the corruptee regularly undermine the progress of the country.

Reviewed literature shows that godfatherism is among the challenges troubling Nigeria’s practice of public administration. Godfatherism and administration are now institutionalized in Nigeria’s contemporary politics (Famulusi, 2012). Among the detrimental results of godfatherism on state, development is financing non-profitable needs and interests of godfathers (Chioke, 2020), leading to limited state funds and endless war against democracy (Chioke, 2022c). This challenge manifests in Nigeria’s component units, specifically Enugu State. For instance, Ndubuisi (2011) submitted that Enugu State lost a colossal amount of money that would have been used for capital projects to settle political godfathers in the state. Given this, there is a correlation between godfatherism and instability. Studies have shown that the high level of political instability in Enugu State is in lieu of the activities of godfathers (Chioke, 2020; Chukwuemeka, 2012; Ndubuisi, 2011). This affects the practice of public administration cum public administration practices. Thus, there exists a parasitic relationship between godfatherism and politics/administration, which more often than not results in unhealthy political rivalry,

chaos, maiming, banditry, and terrorism as a weapon of political distraction and propaganda – the game plan and technique of the non-ruling elites. This grossly affects public administration and democracy on different fronts.

The history of governance/public administration and the whole gamut of the country's politicking processes after independence shows that Nigeria has produced several irresponsible leaders at both the federal cum state levels. What is leadership? Accordingly, it has been stated that:

*Leadership from a global dimension entails planning the will of the state (public policies), budgeting the amount of materials and money needed for the execution of the will of the state, organizing via the establishment of structures in the form of interrelated functions and determining of the activities required for the attainment of the will of the state, directing by the continuous task of making decisions and embodying those decisions into the general order and interest of the state, coordinating by bringing together different parts of the general order/interest and the human resources involved in it and reporting the activities attained and those yet to be attained to the appropriate authority usually the electorate (Chioke, 2023, p. 101).*

Nigeria has experienced responsible and irresponsible leadership bedeviled by accountability challenges/issues (Chioke, 2023), which ensured that people do not manifestly see leadership as a psychological process of influencing followers (subordinates) and providing guidance, directing and leading the people in an organization towards the attainment of the objectives of the firm (Ibeme, 2020, p.434). Political accountability relationships give managers the discretion to be responsive to the needs/concerns of elected officials and the general public (Lakoma, 2023), which is lacking in Nigeria. Irresponsible leadership is a product of corruption and associated societal ills. The question is: what makes one a responsible leader/administrator and also an irresponsible leader/administrator? As a man, the ability to provide for the children's needs makes him a responsible and responsive man and vice versa. The same applies to leadership in the broader unit of society/the globe. A responsible cum responsive leader is a beacon of hope. If leadership is action, responsible leadership is taking responsible action

(Grahame, 2016). On the effect of the poor leadership recruitment process on Nigeria's development, Nwankwo (2022, p.47) wrote:

*Suppose the quality of the people is high (high moral quotient, high intelligence quotient and high physical quotient – in that order), life in the country will be pleasant to the extent that the people's quality is excellent. If it is low, existence will be as bitter in proportion to the degree of lowness. Depending on the people in the garden, a nation may have a Garden of Paradise, a Garden of Eden, or a Zoological Garden.*

However, the overwhelming presence of irresponsible and irresponsive leadership in the practice of public administration and public administration practices mar the gains of democracy and creates a sort of Zoological Garden with its numerous pathologies.

The study demonstrated that poverty and inequality currently antagonize Nigeria's public administration. It is the purview of this paper that what we see now in Nigeria is the cumulative effects of poverty and inequality occasioned by bad governance. The economic problem of the 1980s, particularly in Africa, Nigeria inclusive, was hinged on the incapability of states to help pilot the helm of economic development and prosperity, as opined by Wade (1990) in Ukwandu (2019). This study submits that part of the problem of Nigeria is the weaponization of poverty and inequality of all forms – contextually seen as deliberately making people poor and unequal so that they can be easily influenced to accept all manner of abnormalities thrown up by corrupt political class. Despite her extensive human and capital resources, poverty increased in Nigeria between 1980 and 2005, showing that the conduct of its economic activities was inadequate (Joseph, 2009). Recently, different indicators in Nigeria show that the majority of her citizens are wallowing in abject penury (Chioke, 2021a,p.19). Generally, there is multidimensional poverty in Nigeria, but:

*Multidimensional poverty is higher in rural areas, where 72% of people are poor, compared to 42% in urban areas. Approximately 70% of Nigeria's populations live in rural areas, yet these areas are home to 80% of poor people; the intensity of rural poverty is also higher: 42% in rural areas compared to 37% in urban areas. Sixty-five percent of poor people – 86 million – live in the North, while 35% - nearly 47 million – live in the South (National Bureau of Statistics, 2022, p.xiv).*

This is rather unfortunate as Nigeria is abundantly endowed with mineral deposits, which ought to have translated into tangible results for effective public administration. In Africa, especially Nigeria, the challenge before governance is the problem of poverty. Men are poor, women are poorer, and children have inherited their parents' poverty. The government that impoverished them is wallowing in poverty of the psyche - the worst of them as it affects community development and administration of the general system.

The next problem is a procedural violation. Nobody is above the law, but this is merely in theory, as some cabals/institutions in Nigeria are, in reality, above the law. Independent National Electoral Commission (INEC) violation of electoral laws/guidelines is just an instance. Therefore, Nigeria must ensure that the "performance of tasks must not violate existing enabling laws and the constitution of the land (Chioke & Mbamalu, 2020, p.393)." This ensures effective public administration, which is the thoughtful use of available resources through leadership that ensures strict observance of processes in public settings within the ambit of statutory provisions. In contradistinction, procedural violation is a big obstacle to public administration as it socializes the public with deviant culture/rebellion. Procedural violation is, therefore, a step towards an ungovernable society (anarchy). Having exhausted the discussion on the identified challenges, the researcher presents a discussion on the next finding of this study.

Nigeria's politics and administration dichotomy is deeply rooted in the hegemonic sense of marginalization – a dangerous ploy leading the country into the Bermuda Triangle. This is Nigeria's most cherished implement allowed to flourish like the palm tree and grows like the cedar in Lebanon. How? During the election, the Northern oligarchy tours around the country campaigning for votes, but when electioneering processes are concluded, the people, especially the Igbo and other nations, become the lamb that must be sacrificed in order to propitiate existing political gods for a smooth ride through the state apparatus/administration for the sacred cows. In terms of politics, Nigerian citizens vote for the Chief executive, but in administration, the marginalized are left out in the decision-making processes, while the sacred cows are faithful/properly administered and taken care of. This leads us to the traditional lens of politics and administration dichotomy. Technically constructed and relayed, there is a huge dichotomy between politics and administration in Nigeria before and even now. This is merely an illusion

for those who benefit from this trend at the federal level. Therefore, the federal government has remained a source of worry to many who believe in one Nigeria because it kept promoting marginalization (Chioke, 2022a). This results from the born-to-rule ideology of the state actors – another form of politics and administration dichotomy that places unnecessary demarcation between two units that ought to be one in practice. "Born to rule mentality relegates the principles of equal rights, equal justice, equity, and fairness " (Chioke, 2020,p.284)." Following the ongoing practice of relegation of the principles of equal rights in the administration of the country, this study agrees with Udentia (2017:9); thus, it was unthinkable to make plans for the future of Nigeria without the participation of the Igbo ethnic group in such activities. In this context, Ewuim's (2008, pp.175-175) treatise is remarkable to mention: "Public administration is the theory and practice which deals with the efficient and economical management of public affairs, which involves the formulation and implementation of government policies to ensure social equity. This implies that the policies of government should be formulated and implemented for the good of every member of the state; and not just for the few elites." This is the missing link in Nigeria's governance/practice of public administration.

### **Conclusion**

Since functionalism speaks about structures that negatively or positively influence the workings of the organization/polity, this paper examined government structures and their influence over public administration in Nigeria as an organization. This study made it apparent that public administration and the challenges in the Nigerian context cannot tango; the challenges have occasioned a lack of robust policy frameworks effectively implemented for national development. This implies that there are public policies in Nigeria that were contrived but not implemented, and some were sometimes poorly implemented due to the interplay of conglomerates of issues raised. Hence, lamb and lion cannot tango to achieve the dividends of federalism and democracy. Viewed from structural functional dimension, this study agrees that the already highlighted problems constantly negate social practices. As argued by Susser (1992), social practices have a functional role in sustaining the system as a whole.

Given the pervasive effect of peculiar challenges disturbing Nigeria's practice of public administration, it is concluded that Nigeria is not a developmental state and lacks appropriate governance structures that can usher in SD. It is thus recommended that Nigeria should be made

a developmental state through robust development policies and effective implementation by responsive political leadership and administrative practices devoid of corruption, godfather politics, and procedural violations. This study *inter alia* provided new insights on how politics and administration dichotomy constitutes major challenge to Nigeria's practice of public administration.

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**Implementation of Enterprise Risk Management: A Case Study of a Public Sector Entity in the Northern Cape, South Africa**

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**Abstract**

*Since the advent of South Africa's democracy in 1994, there has been an increasing demand by stakeholders for several public services due to a variation of complex and challenging events that have taken place and reported both in social and academic circles. In the context of the Northern Cape, there has been a continued increase in unemployment and poor service delivery coupled with an inability of the Department of Economic Development and Tourism (DEDaT) to achieve clean audit reports from the Auditor-General of South Africa (AGSA). This development raises questions about the implementation of ERM processes. Thus, this study aimed to assess the implementation of ERM processes using DEDaT as a case study. The study sought to determine the ERM systems currently deployed and the extent to which the ERM components are utilized by DEDaT. Data was gathered through in-depth interviews using a qualitative approach. A sample of eighteen participants who are ERM role players at DEDaT described their knowledge and experiences on the implementation of ERM systems and how the components are applied. From the findings, two main themes, namely, 'ERM systems deployed at DEDaT' and 'perceptions on ERM components that are utilized,' emerged with related subthemes. The study revealed that DEDaT has ERM systems in place, however there were gaps in key areas that need improvement to enhance the ERM instrument. Furthermore, the research found that a set of eight components were utilized to implement the ERM process. The study suggested recommendations to management for further research and policy direction on implementing ERM in the public sector.*

**Keywords:** *Enterprise Risk Management, Risk Management, Public Sector, Risk, Risk Management Process*

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## **Introduction**

Governments all over the world are frequently faced with a variety of multifaceted and perplexing events that necessitate setting up sufficient controls to ensure that public value is supplied. The weaknesses exposed at various establishments both at international and domestic levels, such as Enron in the United States, governance failures and financial crises at Eskom, Transnet, and the SABC, the occupational health and safety weaknesses at Life Esidimeni and the outbreak of fire in Johannesburg at the Bank of Lisbon Building in September 2018, which resulted in three human lives being lost have left stakeholders with decreased confidence and increased reputational risk exposures. In the case of the Bank of Lisbon building, it was found that the bank was unsuccessful in meeting the terms of the occupational health and safety (OHS) standards due to the building only receiving a 21% compliance score (Times Live, 2018). This contravenes the Occupational Health and Safety Act (S.8 OHSA, 1993). Similarly, Enron, graded in the top ten of America's biggest companies, had to file for liquidation in 2001 due to corruption, fraud, and corporate governance failures. These undesirable occurrences highlight the impact of risks arising from within an organization largely due to unethical actions or flouting standard operational processes. Literature suggests that enterprise risk management (ERM) is "one of the best ways in which risks can be managed" (Hopkin, 2014; Rossouw, 2018). ERM is described as "the process of identifying major risks that confront an organization, forecasting the significance of those risks in business processes, addressing the risks in a systematic and coordinated plan, implementing the plan, and holding key officials responsible for managing critical risks within the scope of their responsibilities" (Hampton, 2015). It is the "progression conducted by the administration to understand and deal with risks that could affect the establishment's ability to accomplish its objectives" (Reding *et al.* (2013). According to Lam (2003) the ERM instrument "would be responsible for the direct management of risks, coordinate ERM actions and provide overall risk monitoring for the administration."

This article focuses on ERM in the public sector. This is informed by the increasing demands by stakeholders on several public services for profitable and sustainable operations. Public sector organizations are accountable for services such as providing health care and education,

protecting the environment, regulating the industry, and paying social services, and all involve some degree of risk (Chapman, 2011).

### **Statement of the Problem and Rationale for the Study**

The ERM processes of the Department of Economic Development and Tourism (DEDaT) in the Northern Cape had been highlighted as inadequate to detect and prevent control deficiencies (The Auditor-General Report, 2019). This undesirable situation has the potential to worsen the state of unemployment in the Northern Cape (Statistics South Africa, 2019), the inability to achieve and maintain clean audits (Department of Economic Development and Tourism, 2019, 2017 & 2016) as well as non-achievement of set objectives (Department of Economic Development and Tourism, 2018 & 2019). From all indications, it appears risk management within the public sector is mainly focused on putting risk management frameworks in place (Kenosi, 2016; Nel, 2019). Currently, there is little or no study on the implementation of risk management within the public sector. Risk management is still regarded as a burden, and there is inadequate cooperation among risk management implementers and oversight structures (Kenosi, 2016). This paper, therefore, seeks to illuminate the ERM systems deployed in the public sector.

### **Aim and Objectives of the Study**

The aim of the study was to assess the ERM processes deployed in the public sector, using DEDaT as a case study. Flowing from the main objective, the specific objectives were: i) To identify the ERM systems that are currently deployed in the Department; and ii) To establish the perceptions of the stakeholders on the ERM components that are utilized by DEDaT.

### **Literature Review**

#### **Components of the Enterprise Risk Management Process**

Previous studies indicate that the enterprise risk management process can be separated into segments and may comprise some connected elements (Perry & Hayes, 1985). The proposed ERM process involves eight main steps that are explained as follows:

#### **The Internal Environment**

An establishment's control environment consists of a "variety of internal factors, which provide the foundation for the organization's ERM approach as well as discipline and structure" (Caron, Vanthienen & Baesens, 2013). According to Funston (2003), the ERM process commences with assessing the internal and external environments surrounding the establishment's strategy for achieving its institutional objectives, the organizational culture, including internal controls, and

the risk threshold levels of the establishment. He further elaborates that the control environment is an imperative component of the ERM process, as insufficiencies in this environment are often the cause of risk and internal control weaknesses (Funston, 2003). A recent study by Hopkin (2017) reports that the "internal setting of an establishment is about its culture, its available resources, the receiving of productions from the ERM process and the assurance that these influence behaviors, as well as supporting and providing governance of uncertainty" and ERM (Hopkin, 2017). The internal context can include governance structures, policies and strategies, institutional capabilities and standards, models, and guidelines adopted by the establishment.

### **Objective Setting**

In a performance management context, "objectives must exist before employees can identify events potentially affecting their achievement." Objective setting can be described as the alignment of the establishment's commercial risks with its corporate and business goals and objectives (Gates *et al.*, 2012). According to Hopkins (2017), the internal context concerns objectives, the capacity and capabilities of the institute, and the institution's core processes that are in place.

### **Risk Identification**

Having confirmed and clearly documented the establishment's objectives, it is essential to identify all the actual and potential risks and threats relating to processes, assets, reputation, and strategy. Funston (2003) asserts that the next activity after objective setting in the ERM process is the creation of a risk identification methodology. Several studies have revealed that uncertainties cannot be controlled if they are not acknowledged (Valsamakis *et al.*, 2000; Young, 2006). According to Taran, Boer, and Lindberg (2013), risk identification is the identification of numerous events that will have an adverse impact on objectives in areas of strategic, operational, cultural, financial, technology, compliance, and hazard risks.

### **Risk Assessment**

Risk assessment encompasses the acknowledgment of uncertainty and the assessment to determine the significant risks facing the establishment, project, or strategy (Hopkin, 2017). Assessing risks encompasses management's consideration of all identified risks at an inherent and residual risk level (Marchetti, 2012). Another study asserts that risk analysis can be done either quantitatively or qualitatively, with the quantitative measures using numerical techniques,

such as calculation of probabilities, and qualitative analyses that are subjective non-numerical techniques to determine the extent of risk exposure (Rouse, 2010). Several authors argued that the risk assessment segment serves as the basis for the subsequent step in the ERM process, namely the development and implementation of risk response plans (Leopoulos *et al.*, 2006).

### **Risk Response**

Risk response plans should be identified for the various risk exposures after the uncertainties have been identified and the contributing factors or root causes have been established. When determining risk response, management ought to assess the likelihood and impact of the risk, cost versus benefit, as well as potential opportunity in achieving stated objectives" (Marchetti, 2012). The risk response plans comprise the identification of internal control options, selecting an internal control option, and implementing the selected internal control (Shortreed, 2010). Hopkin (2017) emphasizes that the internal control measures to manage risks should embrace judgments about whether to tolerate, treat, transfer, or terminate.

### **Control Activities**

According to Caron, Vanthienen, and Baesens (2013), control activities are the policies and procedures developed to implement the risk mitigation plans defined by management. Previous studies have reported that risk control actions should focus on controlling risk implicit uncertainties, specifically the impact of losses and the probability of loss occurrence (Valsamakis *et al.*, 2000; Young, 2006). Control activities help ensure the necessary processes are implemented to support an establishment's objectives. These internal control processes transpire throughout the establishment, at strategic and operational levels, and in all functions (Rae *et al.*, 2008). One of the techniques to certify that internal controls are executed is to have Standard Operating Procedures (SOPs), Operational Plans, procedures manuals, or business processes for every business unit in the establishment, including the regular review of approved administrative policies and strategies.

### **Information and Communication**

The information and communication component involves identifying, capturing, and communicating relevant information (Caron *et al.*, 2013). An ERM information system necessitates effective processes, an appropriate infrastructure, correct data, and well-timed reporting in order for management to make knowledgeable resolutions (Funston, 2003). Risk information will support management in articulating the establishment's risk framework, and risk



and action owners should be empowered to take action to prevent a low risk from escalating (Dickinson, 2001). Shortreed (2010) asserts that there must be widespread risk communications among participants and discussions with other specialists in the establishment to ensure the accuracy and efficacy of accomplishments in the ERM plan.

### **Monitoring**

Risk monitoring is recognized as the concluding stage of the ERM process. Generally, establishments ensure the efficiency of their ERM techniques and actions within the limitations set by administrative policies and procedures (Hollman & Forrest, 1991; Young, 2006). Monitoring risks involves examining the effectiveness and appropriateness of the risk response plans (Marchetti, 2012). Risk monitoring and evaluation are fundamental to the uninterrupted enhancement of ERM, as most methodologies to risk maturity study how monitoring and evaluation lead to actions and noticeable developments (Shortreed, 2010). Monitoring and evaluation are the activities accepted to confirm that the ERM instrument works according to the institution's ERM framework and materializes at the appropriate level of cost and effort.

### **ERM Framework and the Implementation of ERM within the Public Sector**

The British Standard Institution (2011, p. 8) describes an ERM framework as “a set of components that provide the foundations and administrative arrangements for designing, implementing, monitoring, reviewing and continually improving ERM processes throughout the establishment.” This definition was corroborated by Shortreed (2010), who explains that the foundations of an ERM Framework include the policy, objectives, mandate, and commitment to manage risk (strategy); the administrative arrangements, which include plans, relationships, accountabilities, resources, processes, and activities. In addition, the ERM framework should be entrenched within the establishment’s overall strategic and operational policies and practices (Shortreed, 2010).

The essence of an establishment’s ERM framework is to facilitate ERM processes that identify the associated risks, assess the risks, manage the risks within an appropriate framework, and are supported by risk communication and consultation as well as monitoring and evaluation (Shortreed, 2010). A structured ERM framework with clear ERM processes supports the establishment of ERM effectiveness (Hopkin, 2010; Merna & Al-Thani, 2008). Several risk management standards describe an ERM framework and processes as the main building blocks

for efficacious risk management. Thus, enterprise risk management must be part of the establishment's strategy in the field of superiority, and it can be argued that it affords the necessary framework for continuous enhancement, total employee participation, a systematic approach, informed decision-making, communication, and management commitment (Paraschivescu, 2016).

Given the importance of ERM to an organization, the roles and responsibilities of all ERM role-players must be adequately defined and agreed upon in an ERM Framework to manage any uncertainty regarding the scope of responsibilities and the structure of ERM oversight. Alvarez (2005) avers that one of the greatest encounters in the business environment is the establishment of an enterprise-wide risk management framework that incorporates the many facets of uncertainty at the operational level. Furthermore, a study conducted by King (2001) highlights that an effective framework provides the ability to identify significant risks to the establishment, identify root causes for manageable risks, categorize risks as manageable and uncontrollable, assign uncontrollable risks to mitigation categories, and provide measurement response on variations in risks and relate them to management actions.

### **Enterprise Risk Management in the Public Sector**

Every industry is confronted with risks, particularly those functioning "at high capacity with a massive number of employees and resources like the public sector" (Kong *et al.*, 2018, p. 3). The public sector has recently faced various complex and challenging events, and adequate processes are required to ensure that the perceived public value is maintained at certain levels" (Ahmeti & Vladi, 2017). Therefore, the ERM practices in the Public Sector are intended to enhance governance, specifically to respond to stakeholders' demand for improved control of public resources and to focus on exploring risks existing in the government's contractual affiliation" (Bakar *et al.*, 2019).

The events of public sector establishments, which comprise health care services, education, environmental protection, and many other divisions, are strongly tied to the existence of uncertainty that needs to be identified, evaluated, monitored, and managed as a part of the ERM process (Kapuscinska & Matejun, 2014). Therefore, managing risk and preventing accidents within the public sector rests on activities and interfaces among role-players at different system levels (Rasmussen, 1997; Leveson, 2004).

What becomes imperative is the effectiveness of the ERM process, which mainly hinges on the administrative solutions accepted by the establishment (Kapuscinska & Matejun, 2014). Public sector establishments, such as local government, are generally enormous and slow-moving, making it problematic to get any sort of ERM strategy executed (Ene & Dobrea, 2006). According to McPhee (2005), the ERM processes in government are gradually better understood; however, understanding these elements and the connected processes does not guarantee the appropriate treatment of risks in an establishment.

The study conducted by Martin and Wanna (1996) (in Kapuscinska & Matejun, 2014, p.132) argue that managers in public sector establishments should not concentrate only on ensuring an appropriate place for management instruments. However, management should also execute an assessment of the entire establishment and, through their actions, influence the strategic and operational levels of its function. To ensure appropriate implementation of ERM processes, public sector administrators can use internal auditors' support (Kapuscinska & Matejun, 2014). The authors further explain that since internal auditors possess the skills and knowledge, establishments can appropriately implement both preventive processes and processes that reduce risk. Gherai and Balaciu (2013) argue that internal audit reports can also be used as support since such reports comprehend evidence regarding best practices to be performed in public sector establishments to be included in ERM processes.

Municipalities handle many requirements and objectives and have sophisticated administration and regulations; ERM in the public sector becomes more complex and challenging (Nilsen & Olsen, 2005). The case study of Leung and Isaacs (2008) also supports the notion that ERM in the public sector is very problematic, primarily from countless interests involved, such as political influence. Braig, Gebre, and Sellgren (2011) agree that managing uncertainty in government is more complex than in the private sector. For instance, as a sphere of government, municipalities have to abide by several requirements and objectives, coupled with high levels of bureaucracy and regulation.

### **Theoretical Framework**

This study utilized the Agency Theory to explain the implementation of ERM in the public sector. Literature suggests that Adam Smith is possibly the first author to highlight the existence of an agency problem, and since then, it has been an encouraging factor for economists to

improve on the aspects of agency theory (Panda & Leepsa, 2017). Agency Theory revolves around creating a relationship between one person who decides on the work to be done (principal) and another who executes the work (agent). The principal is the employer, and the agent is the employee who manages the establishment on the employer's behalf. These two parties have different and conflicting goals and interests, so there exists a conflict called the agency problem (Panda & Leepsa, 2017). In line with this theory, there is a general view that agents have interests and behavioral biases that conflict "with the best interests of" the principal. In any organization, top management is responsible for ensuring that organizations are managed to meet the interests of all stakeholders.

Thus, Agency Theory is linked to the focus of this study on the implementation of ERM in the Public Sector since ERM, as a management instrument, can assist an organization in accomplishing its commercial goals and eventually capitalize on stakeholders' value (Bowen *et al.*, 2006; Nocco & Stulz, 2006). In this study, the state represents the principal while top management, represented by the Head of Department (HoD), the Executive Management, and the Chief Risk Officer (CRO) act as the agents. Agency theory encourages top management's commitment to ERM implementation to create and enhance the stakeholders' value as opposed to the current practice of only putting risk management frameworks in place.

### **Methodology**

This study adopted a qualitative approach and was exploratory. The study was conducted at DEDaT in the Northern Cape Province, South Africa. DEDaT is the government department in charge of economic development and planning, as well as promoting and growing tourism in the South African province of the Northern Cape. The choice of DEDaT as a case study aimed to reveal ERM implementation in public sector institutions. The target population for this research study was the ERM role-players of DEDaT, ranging from ERM implementers, ERM assurance providers, and Small, Medium, and Micro Enterprises (SMMEs) who indirectly contribute to the achievement of departmental objectives. The key role players in the ERM sector are depicted in the following diagram.

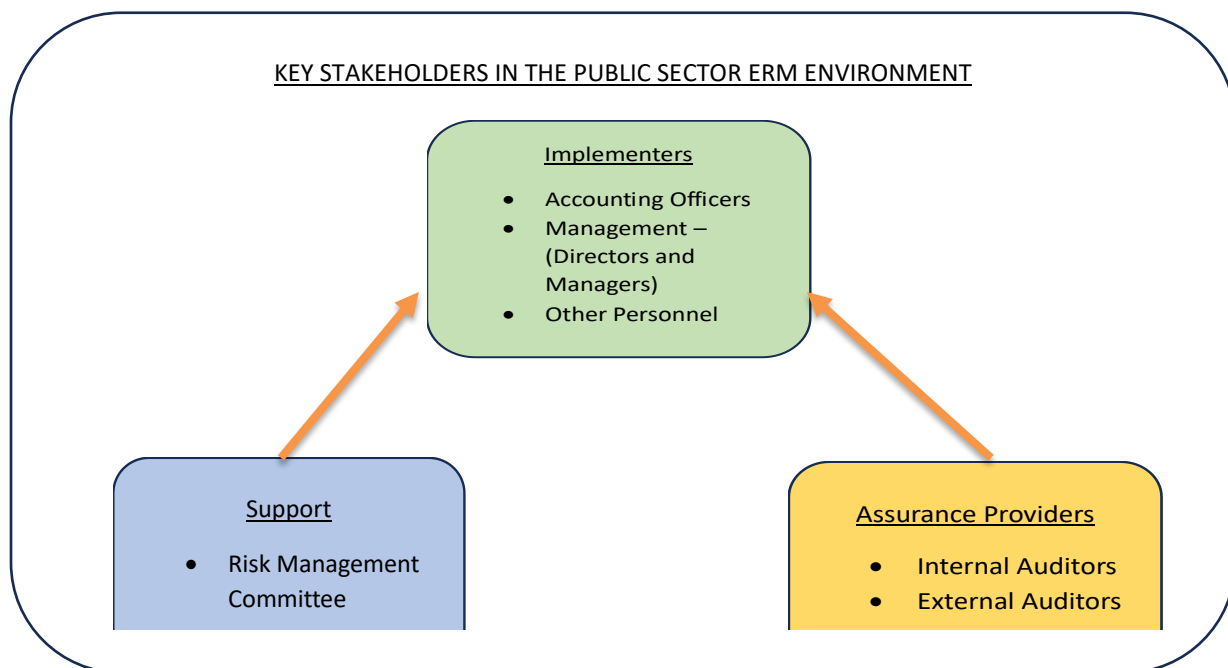


Figure 1: Description of the Key Stakeholder in the Public Sector ERM Environment

Source: Adapted from National Treasury (2010)

Data was collected through in-depth interviews and document analysis to answer the research questions. Individual members of the Department (DEDaT) and external stakeholders were interviewed. The diverse perspectives of internal and external stakeholders provided insights into understanding the research problem. The selection procedure used in this study was a purposive sampling technique, as it enabled the selection of individuals who had the knowledge to provide the required information for the study. A sample of 19 individuals was chosen from various institutions, all of whom form part of DEDaT's ERM environment.

The sample size of internal stakeholders interviewed was nine. The nine individuals comprised the Accounting Officer, two Chief Directors, two Directors, two Deputy Directors, and two Assistant Managers. The sample frame for the internal stakeholders is highlighted in Table 1 below.

**Table 1: Sample Frame for the Internal Stakeholders**

Internal Stakeholders	Total employees	Sample size
Accounting officer	1	1

Chief Director	8	2
Director	16	2
Deputy Director	17	2
Assistant Manager	24	2
<b>Total</b>	<b>66</b>	<b>9</b>

The study targeted officials at the management level as these officials are familiar with and understand the processes of ERM and are responsible for the ERM instrument in the establishment. Therefore, they were key in providing valuable insights and responses to the study. The sample size of external stakeholders interviewed was ten. The make-up of the ten is as follows: two officials from the Office of the Auditor-General, two individuals from the Office of Internal Audit, two enterprises the Department financially supported, two members of the Department's Audit Committee, and two officials from the Provincial Accountant General (PAG) office who render a support function to departments and municipalities on risk management. The sample frame for external stakeholders is indicated in Table 2 below.

**Table 2: The Sample Frame for External Stakeholders**

<b>External Stakeholders</b>	<b>Total employees in the establishment</b>	<b>Total employees assessing the DEDaT ERM environment</b>	<b>Sample size</b>
Auditor-General Office	160	17	2
Internal Audit Office	58	12	2
Financially supported enterprises	535	-	2
Audit Committee Department	5	5	2
PAG Office	33	8	2
<b>Total</b>	<b>256</b>	<b>42</b>	<b>10</b>

To answer the research questions, data was collected through in-depth interviews with the ERM role-players of DEDaT and document study. Data were thematically analyzed using inductive

reasoning (Creswell & Poth, 2017). The six-phase framework was followed to analyze the data obtained from participants (Papadopoulou *et al.*, 2021). The six-phase framework consists of the following steps: i) becoming familiar with the data, ii) generating initial codes, iii) searching for themes, iv) reviewing themes, v) defining themes, and vi) writing up the findings. Consequent to the finalization and transcribing of the interviews, data was organized in a meaningful group in order to generate codes. Coffey and Atkinson (1996, p. 27) state that "coding can be thought about as a way of relating our data to our ideas about these data." After generating codes, the codes were then organized into broader themes.

## **Results and Discussion**

### **ERM systems that are deployed at DEDaT**

The first objective was to identify the ERM systems currently deployed in the Department. The findings of the study revealed that DEDaT has ERM systems in place. It was found that the ERM systems comprise an approved ERM Framework (Policy, Strategy, Committee Charter, and annual ERM Implementation Plan), a fully capacitated ERM unit, a departmental risk register, and a functional Risk and Ethics Management Committee. Thematically analyzing all the collected data led to common sub-themes, with the first being the development and approval of an ERM Framework. One of the participants disclosed that "*The CRO drives the ERM processes regarding the consultative development and approval of the ERM Framework consisting of an ERM Committee Charter, ERM Policy, ERM Strategy, and risk register.*" This disclosure supports findings from a literature review from Chapman (2011), which found that the purpose of an ERM framework is to assist an establishment in integrating ERM into its management processes so that it becomes a routine action and to ensure that information about risk resulting from the ERM process is adequately reported and is used as a basis for informed decision making. According to Shortreed (2010), an ERM framework supports the ERM process for decision-making and aggregates risk information, risk management, and performance of risk controls in the establishment. Through document study, it can be concluded that DEDaT's ERM Framework has been recently reviewed by management, recommended by the ERM Committee, and approved by the Head of Department.

The next thematically analyzed sub-theme was oversight performed on ERM by Governance Structures. This sub-theme took into consideration the "tone at the top and decision-making" in

an establishment (Ring *et al.*, 2016). The finding revealed that oversight roles are performed by established governance structures such as DEDaT. For instance, one of the participants articulated: *"At the strategic level, the ERM Committee performs an oversight role on ERM processes and advises the Accounting Officer on the state of ERM, with quarterly reporting to the Executive Management Committee."* Another participant also disclosed, *"Management meetings have a standing agenda item for ERM under Accountability Matters where the ERM Committee reports are presented and discussed"*. The findings from these participants are in line with a previous study that indicates that the oversight of the ERM processes employed by an establishment is one of the most vital and challenging functions of an establishment's board of directors, and it is the board's responsibility to work with executive management to establish the appropriate "tone at the top" to ensure that risk and ERM remain at the forefront of the strategic and operating resolutions made within the establishment" (Branson, 2010). The findings further revealed that the risk and ethics management reports are quarterly presented and discussed at the Risk and Ethics Management Committee (REMC) and Extended Executive Management Committee (EEMC) meetings.

A further sub-theme found within objective one is implementing the ERM process. The sub-themes revealed that ERM processes are implemented on a continuous basis at DEDaT. One of the participants stated: *"The ERM processes are coordinated by the CRO, and these processes are continuous."* This finding is consistent with the literature, which suggests that ERM is a process that is implemented by people in the establishment (Moeller, 2007). The ERM process at DEDaT is facilitated and coordinated by the ERM unit and implemented by management and other personnel; ERM oversight is conducted by the ERM Committee, EEMC, and the Audit Committee and is continuous.

The integration of strategic ERM with departmental strategy was identified as a further sub-theme within the identification of ERM systems deployed at DEDaT. To analyze the participants' suggestions regarding strategic ERM, one of the participants disclosed that *"Risks are discussed when strategic sessions are held by Program Managers for each program"*. Another participant remarked, *"The reporting of ERM is a standing item at strategic sessions, Program and Sub-Program meetings."* These findings revealed that DEDaT is aligned with literature which highlights that for the ERM tool "to be effective, ERM must be part of the strategic planning



process and the strategy execution processes" (Frigo & Anderson, 2011). From these findings, it can be concluded that ERM is part of the Department's strategy.

The last sub-theme centered on the development and maintenance of the risk register. The findings for this sub-theme revealed the existence of a risk register, which is maintained at DEDaT. One of the participants stated, *"A risk register is maintained for each program, and it is regularly updated."* Another participant emphasized, *"A risk register is utilized to record all identified risks."* The findings within this sub-theme support that of Hopkin (2017; IRM, 2010), which indicates that the risk register is a record of the significant risks faced by an establishment, the controls currently in place, additional controls required, and responsibility for control activities. In the context of DEDaT, through document analysis, it was found that a risk register is maintained for strategic and operational risks per program and is annually reviewed.

#### **Perceptions of the stakeholders on the ERM components that are utilized by DEDaT**

The second objective was to establish the perceptions of the stakeholders on the ERM components that are utilized by DEDaT. This study found that DEDaT utilized eight components to implement the process. This is consistent with previous studies, which recommend that compliance with the ERM Committee of Sponsoring Organizations of the Treadway Commission (COSO) standards should be measured in eight areas (Hampton, 2015). One of the participants remarked, *"The department is making use of eight ERM components as outlined in the ERM Strategy, and the ERM process is implemented continuously by way of approved policies and procedures."* Support for these findings from the participants on the continuous ERM implementation comes from Hopkin (2017), who suggests that successful implementation of an ERM initiative is an ongoing process that involves working through the components on a continuous basis. The author further asserts that establishments should ensure that the ERM process is repeated as often as necessary to overcome the difficulty of a static snapshot of the status of the risks facing the establishment, and this will ensure that ERM remains a dynamic activity (Hopkin, 2017). It was further revealed that progress on the implementation of ERM components is reported quarterly to the Risk and Ethics Management Committee (REMC).

The sub-theme on internal environment setting the foundation for ERM was identified. The findings revealed that the ERM process starts with the risk management philosophy, risk appetite, risk tolerance limits, integrity and values, departmental structures, policies, and

procedures. One of the participants pointed out that *"The risk registers of all programs are reviewed annually, and this includes the identification of new / emerging risks, the evaluation of the effectiveness of the existing controls and the materiality levels of the identified risk."* This finding is supported in literature which states that an establishment should determine the "risk appetite and risk tolerance levels and evaluate the existing controls as well as embedding a risk-aware culture and align ERM with other activities in the" establishment (Hopkin, 2017). Not having a defined risk appetite points to the lack of boundaries in place that guide what establishments pursue (Ogotu *et al.*, 2018). Through document analysis, it was found that risk threshold levels are contained in the departmental strategy and risk register. A risk tolerance model is part of DEDaT's approved ERM Strategy.

A further sub-theme was found through thematic analysis of the objective setting for the achievement of long-term goals. The findings revealed that objective setting at DEDaT happens annually. This position was confirmed by one of the participants who said: *"Annually, objectives are set, and risk identification sessions are facilitated and coordinated by the ERM unit."* This statement from this participant supports the view of Moeller (2007), who indicated that an establishment must institute a series of strategic objectives that cover its operations, reporting, and compliance activities. According to him, these strategic objectives are high-level goals that should be aligned with an establishment's mission or vision. All the departments are required by the PFMA and the Framework for the Managing of Program Performance Information (FMPPI) to set strategic objectives every five years and annually review these objectives.

Risk identification of key risks and risk factors was identified as a sub-theme within the second objective. The findings revealed that risk identification occurs regularly, and several risk identification tools and techniques are utilized. For instance, one of the participants mentioned, *"Risk identification formally occurs once a year with quarterly informal reviews."* Overall, within risk identification, the participants' views of regular risk identification support research conducted by Chapman (2011), who suggests risk identification is a conversion process, usually facilitated by a risk expert where experienced employees generate a series of risks and opportunities. From the findings, it can be concluded that risk identification sessions at DEDaT happen formally once a year through workshops and quarterly informal risk identifications with performance and audit reports as sources.

The present study also uncovered another sub-theme on risk assessment based on likelihood and impact. The findings revealed that risk assessments are conducted for every identified risk. It was confirmed that *"Risk assessment at DEDaT happens annually in line with the requirements of the Public Sector Risk Management Framework (PSRMF)." Chapman (2011) suggests that the purpose of the risk assessment stage is to provide a conclusion of the likelihood of the risks and opportunities occurring and their impact, should they happen. Document analysis further evidenced that DEDaT's risk assessment methodologies include risk rating guides for likelihood and impact.*

Findings from another sub-theme on risk responses to manage key risks revealed that risk responses are developed for each risk factor. One participant indicated, *"The risk response plans of DEDaT include ERM policies, strategies, risk assessment methodologies, and performance management."* This finding aligns with research from the literature review from Reding *et al.* (2013) assert that risk response is an action, or set of actions, taken by management to achieve a desired ERM strategy and can be characterized as risk avoidance, reduction, sharing, or acceptance. In the environment of DEDaT, it was found that response plans are formulated for all identified risks, and these are contained within the risk register.

The control activities to confirm that the policies, procedures, and operational plans that are being implemented were identified in this study. The findings revealed several approved departmental policies, operational plans, and system descriptions exist for all the Programs. One participant disclosed that *"ERM controls such as segregation of duties, fraud management, internal controls, and procedures are in place."* Another participant further stated, *"Implementation of continuous ERM activities is done by approved policies and procedures."* These findings are in consonance with the COSO definition of control activities as the policies and procedures necessary to ensure identified risk responses are carried out (Moeller, 2007). The findings show that DEDaT has approved policies and SOPs in place, which are reviewed regularly.

Another sub-theme on information and communication of ERM revealed that ERM is reported and discussed at various departmental oversight structures on a continuous basis. One participant disclosed that *"Risks are discussed to the extent that each Program and Sub-Program identifies risks about their area of operations."* The participant further stated that Management meetings

have a standing agenda item for ERM under "Accountability Matters," where the risk management committee reports are presented and discussed. These findings agree with the literature, which indicates that pertinent information is identified, captured, and communicated in a form and time frame that enables people to carry out their responsibilities (Reding *et al.*, 2013; Hopkin, 2017). In the context of DEDaT, the study findings revealed that ERM information and communication are reported quarterly at various committee meetings, namely the Risk and Ethics Management Committee (REMC), the Extended Executive Management Committee (EEMC), the Information Technology Steering Committee and Departmental Strategic sessions. Finally, regarding the sub-theme on monitoring and evaluation to ensure the ERM process is working, findings revealed that monitoring and evaluation are executed by management, risk management, and external assurance providers. This view was corroborated by one participant who stated, *"Monitoring and evaluation of identified risks takes place on a quarterly basis."* Also, another participant narrated that *"Action plans are designed and monitored on a regular basis with the top risks being prioritized and progress on the management of these risks are reported every quarter."* These findings contrast with literature that suggests that the monitoring and evaluation module is necessary to ensure that all modules of an installed ERM process continue to work efficiently (Moeller, 2007). It was also revealed from the findings that the monitoring and evaluation component at DEDaT is implemented quarterly in line with the approved ERM implementation plan; however, not all the installed components function effectively since significant internal control deficiencies were identified by external ERM assurance providers.

### **Conclusion**

This study investigated the implementation of ERM in the Public Sector using the DEDaT in the Northern Cape as a case study. It sought to identify the ERM systems currently deployed in addition to ascertaining the extent to which these ERM systems are utilized. The findings provided answers to the research questions that guided this study. The qualitative results showed that ERM systems are in place at DEDaT, and the utilization of an ERM process, which consists of eight components, is continuously implemented by management and other personnel. The findings further revealed that oversight roles are performed by the established governance structures at DEDaT, and ERM is part of the Department's strategy.

### **Recommendations**

Given the importance of implementing a successful ERM in an institution, management should take full ownership and accountability for the process and provide continuous support to the ERM unit to enhance the performance of the Department. There should be concerted efforts to undertake a regular gap analysis of the ERM Framework and process to address any shortcomings and challenges in the ERM process. There is also the need to incorporate ERM in the performance appraisals of management and regularly assess them in line with the performance management system. Further, management should incorporate ERM capacity building as part of the departmental Training and Development and Skills Development Programs and Personal Development Plans of the ERM unit and provide ongoing awareness to empower all DEDaT personnel on ERM. Lastly, management should build a strong ERM culture that embraces "general awareness, attitude and behavior of staff towards risk and the management of risk within the" Department.

Furthermore, future research should investigate the participation of executive management in the implementation of the all-inclusive ERM process. This study also suggests that there should be an investigation into project risk management to ascertain why many projects in the Public Service are not completed on time and not within budget. Another area that should be considered is the study on the probability of the South African Government to develop legislation or a regulation on ERM for the Public Service to implement and adhere to.

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**Transformation Deferred: Disparate Development in Post-Apartheid South Africa (1994-2004)**

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<p>Journal Volume &amp; Issue: Vol.5, No.1 (Feb, 2024) pp. 128 – 155</p> <p>DOI: <a href="https://doi.org/10.46404/panjogov.v5i1.5364">https://doi.org/10.46404/panjogov.v5i1.5364</a></p> <p>Received: 26 May, 2023 Revised: 14 December, 2023 Accepted: 20 Feb, 2024 Published: 28 Feb 2024</p>  <p>Copyright: ©2024 by Jimma University, Ethiopia. Under Open Access Journal, the creative common attribute 4.0 international license permits any interested person to copy, redistribute, remix, transmit and adapt the work provided that the original work and source is appropriately cited.</p>	<p><b>Abstract</b></p> <p><i>The role of the state in promoting development and economic transformation in South Africa has been the subject of diverse viewpoints and discussions. With the transition to democracy in 1994, progress on various socio-economic indicators has been achieved due to the macro-level programs instituted by the African National Congress (ANC) led government. The current economic situation in South Africa, influenced by globalization, involves various powerful entities such as global and national capital, the apartheid elite (mostly white), and the emerging black elite connected to the ANC. These dynamics have an intricate impact on the working class, reshaping power structures in the country. This article delves into the developmental impact of key socio-economic programs of the ANC, notably the Reconstruction and Development Program and the Growth, Employment, and Redistribution Plan. It explicitly examines access to basic services like housing, electricity, water, and sanitation, shedding light on their impact. The focus also extends to the persistent issues of unemployment and resulting income inequalities within South Africa. These programs' effects on these societal challenges are thoroughly analyzed. Ultimately, the article highlights the starkly unequal developmental outcomes, showcasing how significant portions of South African society remain excluded despite these initiatives.</i></p> <p><b>Keywords:</b> Political Economy, South Africa, Race, Class, Development</p>
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**Introduction**

The role of the state in promoting development and economic transformation in South Africa has been the subject of diverse viewpoints and discussions. This article attempts to critically evaluate the macroeconomic policies instituted under the democratic South African government. It seeks to analyze whether they have fostered large-scale transformation in the socio-economic conditions of its citizens. This question is framed and explored through a political economy

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assessment of the intended aims of the various macroeconomic policies of the African National Congress (ANC) led government during the first decade of democracy that spans the Nelson Mandela and Thabo Mbeki (the first term) presidencies, from 1994 to 2004 and its actual developmental impact. The following introductory section begins with a discussion on the motivation and background of the article. A brief survey of the literature is set out thereafter. The subsequent sections present a historical background to the evolution of the ANC-led government's macroeconomic policies, the key actors involved in the process, and its eventual developmental impact on employment and income distribution. In analyzing these key factors, the attempt is to present a scenario where the changing patterns of class formation, race relations, and income distribution have come to be characterized by increasing inequality within South African society.

### **Freedom Charter and Will of the People**

Since 2012, South Africa has been experiencing a spate of protests termed as 'service delivery protests.' Many of the protests were characterized by violence, looting, and destruction of property. The situation came to a head with the internationally reported "Marikana Massacre."<sup>9</sup> of August 16, 2012 (Satgar, 2012). The violence that ensued between South African police forces and striking unionists resulted in the killing of 44 people, a majority of whom were mineworkers (Satgar, 2012). Reflecting on the South African public's anger against the growing inequality and poverty in the country, radical sections of the ANC made vociferous demands for the nationalization of all mines as a measure to distribute wealth more equitably (Cherian, 2012). These demands, in a certain sense, echoed the seminal document - the Freedom Charter<sup>10</sup> (Department of Education, Republic of South Africa, 2005)- a statement of the core principles for a democratic South Africa of the future, adopted in 1955 by the South African Congress

9 The clashes involved South African Reserve Police, Lonmin security officers, members of the National Union of Mineworkers (NUM), and striking mineworkers of the platinum mine owned by Lonmin in the Marikana area of South Africa.

10 The Freedom Charter (2005) envisioned a non-racial South Africa, where "The People Shall Govern!" and where everyone would enjoy equal access to the law, land, wealth, and well-being. With the democratic elections of 1994, a new Constitution was adopted, including many of the sections ratified in the Freedom Charter (2005), including equality of race and language. However, it did not include sections that called for land redistribution and industry nationalization.

Alliance, which consisted of the ANC and its allies, the South African Indian Congress, the South African Congress of Democrats, and the Colored People's Congress. The Charter would often be invoked by the ANC during the following decades as its guiding economic and political doctrine. As Hein Marais pointed out, the 'will of the people' was seen in light of the possibility of a post-apartheid South Africa where "...liberal democratic rights could be combined with a welfarist socio-economic order" (Marais, 2011, p. 22).

The democratic elections of 1994 ushered in the ANC-led government. Its many challenges included tackling chronic poverty, unemployment, and the highly visible inequality between the predominantly rich whites and the poor blacks. In order to address these issues of broad-based socio-economic development, the government instituted a combination of macroeconomic policies, including the Reconstruction and Development Programme (RDP) in 1994 and, soon after, the Growth, Employment, and Redistribution (GEAR) program in 1996. However, two decades after the transition to democracy and implementation of these macroeconomic policies, large sections of South African society are yet to witness the economic and social transformation envisioned by the Charter's founding principles. Data related to livelihood, employment, access to basic services and other indices of development are indicative of the despondent situation of South Africa's masses. For instance, Naomi Klein noted,

“... between 1991 and 2002, the unemployment rate for black South Africans more than doubled, from 23 percent to 48 percent. Of South Africa's 35 million black citizens, only 5000 earn more than \$60,000 a year. The number of whites in that income bracket is twenty times higher, and many earn far more than that amount” (Klien, 2008, p. 206).

The problems plaguing post-apartheid South Africa have given rise to a new economic reality that still separates South Africans along racial lines. In analyzing the situation, Marais stated, "Two very different worlds have emerged within the country – one with affluent first-world standards applying mainly to white South Africans (9.2 percent of the total population), and the other, an impoverished world, populated by the majority of its black population who make up approximately 79.5 percent of the total population of the country" (Marais, 2011, p. 43).

In light of the above, this article attempts to analyze and assess the objectives and subsequent impact of the ANC's pursuit of these macroeconomic policies, with a specific focus on issues of access to basic services, opportunities for employment, and income inequality.

### **Research Questions**

In light of the above, this article attempts to answer the research questions below: i) How did the policies implemented in post-apartheid South Africa between 1994 and 2004 contribute to or hinder the reduction of socio-economic disparities across different sectors and demographics within the country?; ii) What were the key factors and mechanisms that perpetuated disparate development patterns during the first decade after apartheid in South Africa, and how did these disparities manifest across various sectors and communities?

### **Methodology**

The study adopts a political economy approach to examine the interplay of political, social, and economic factors in shaping the trajectory of post-apartheid South Africa. The research design for this study is a qualitative case study. Employing a case study approach allows for an in-depth exploration of the specific context and dynamics of South Africa during the chosen time frame – 1994 to 2004. This approach is well-suited to capture the complexities of the political and economic transformation processes within a specific country.

A comprehensive review of relevant primary and secondary sources was conducted. This involved examining policy documents, government reports, academic articles, statistical data, and other publicly available sources related to the political and economic developments in South Africa during the specified period. Several socio-economic policy documents were significant in shaping South Africa's political economy between 1994 and 2004. Some of the key policy documents during this period include:

**Reconstruction and Development Programme (RDP):** Introduced in 1994, it aimed to address socio-economic disparities inherited from apartheid through infrastructure development, job creation, and social services.

**Growth, Employment, and Redistribution (GEAR):** Implemented in 1996, GEAR focused on macroeconomic stability, privatization, and liberalization to stimulate economic growth, job creation, and reduce poverty.

**White Papers:** Several White Papers were issued during this period, outlining specific government policies in various sectors such as employment, health, education, land reform, and more.

**National Development Plan (NDP) (1994-2004):** The government formulated strategies under the NDP to guide the country's socio-economic development and address unemployment, inequality, and poverty.

These documents reflected the evolving strategies and approaches of the South African government in addressing socio-economic challenges and driving development within the post-apartheid era. The purpose of document analysis was to gain a historical understanding of the policies, programs, and institutional changes that shaped post-apartheid South Africa.

The collected data was analyzed through a thematic analysis approach. Thematic analysis involved identifying recurring patterns, themes, and concepts within the data. The analysis was guided by the political economy theoretical framework, focusing on understanding the power dynamics, institutional arrangements, and economic structures that influenced the development outcomes in post-apartheid South Africa.

### **Review of Literature**

Academic and policy debates concerning development in contemporary South Africa have often revolved around the competing developmental models espoused by the Government of South Africa at various times. Following the transition to democracy in 1994, the ANC-led government promoted development as its first and basic principle of state policy. The initial contest over economic ideas had emerged between competing views on economic management. On the one hand, the old regime advocated the neoliberal Normative Economic Model (1993), and on the other, the ANC supported the Keynesian approach based on the Macroeconomic Research Group (MERG) Report, 1993, and the Reconstruction and Development Program (1994) (Padayachee, 2006, p. 2). A similarly fierce debate was witnessed within the ANC, between the older left-leaning factions and a section of the emerging neoliberal political elite from within the Congress Alliance representing the ANC, the Congress of South African Trade Unions (COSATU), and the South African Communist Party (SACP) (Padayachee, 2006, p. 3). The latter group eventually emerged successful, with the MERG report being shelved in favor of the RDP. The RDP, which was initially showcased as serving the real development agenda of the ANC alliance, was then replaced by the Growth, Employment, and Redistribution (GEAR) Plan (1996), which emphasized the urgent need for macroeconomic growth and stability. A number of themes and issues emerged from these debates and discussions on developmental models in South Africa. While the essential elements of political economy, such as politics, power, and

class, continued to underlie the modes of inquiry and scholarship, the literature reveals the shifting concerns of scholars within the development discourse on post-apartheid South Africa.

The literature on the political economy of post-apartheid South Africa can be broadly classified into three approaches. The first approach is characterized by neo-Marxist scholars such as Patrick Bond (Bond, 2000) and Hein Marais (Marais, 2001), who view the political economy of post-apartheid South Africa as essentially a struggle between the forces of capital, especially international capital and its institutions such as the World Bank and International Monetary Fund and largely undifferentiated masses of South Africa. In reducing the analysis to critiquing the role of capitalism in the processes of economic development, this approach is insufficient in addressing the underlying class structure of the post-apartheid South African society. While essentially criticizing the ANC's macroeconomic, housing, and urban infrastructural policies and the increasing thrust towards privatization by the state, this approach lacks an empirical analysis of the effects of the policies on the masses. The political analysis within this approach is also limited and does not extend beyond the fact that the ANC had compromised on its liberation movement ideology and shifted to a neoliberal stance (Seekings & Nattrass, 2002).

A second approach, as espoused by scholars associated with the labor movement within South Africa, focused on the shifting macroeconomic policies of the South African government as a factor of interactions between the state, business, and the labor movement led by the Congress of South African Trade Unions (COSATU) (Adler & Webster, 2000; Gelb & Webster, 2004). The analysis underscores and lauds labor's achievements and influence, especially in terms of labor legislations such as the Labor Relations Act, 1995 and its subsequent amendments and the institution of the National Economic Development and Labor Council<sup>11</sup> (NEDLAC), a forum for dialogue between organized labor, business, and the state. In adopting a dichotomous view of South African society as echoed in the 'two nations' (one rich and white and the other poor and black) characterization by Thabo Mbeki in 2003, this approach neglects the developmental impact of these macroeconomic policies. In emphasizing the compromise between sections of

11 NEDLAC is a collaborative institution that brings together the South African government, organized business, organized labor, and other organized community groupings on a national level to discuss and reach a consensus on issues of social and economic policy. Its aim is to make economic decision-making more inclusive and to promote the goals of economic growth and social equity.

the labor movement and the pro-capitalist elite of the ANC alliance in formulating macroeconomic policy, this approach bypasses the differentiated levels of development witnessed by certain classes (Southall, 2004). This is most evident in the rise of a small group of wealthy and politically connected 'emergent' black population, beneficiaries of the Black Economic Empowerment (BEE) strategy, adopted as legislation by the ANC government from 2003 onwards.

The third emergent approach in the literature on the political economy of post-apartheid South Africa acknowledges the decisive role of capital (especially the increasingly fluid movements of finance capital in a highly integrated global market economy) in influencing macroeconomic policies and their developmental outcomes. The scope of analysis of this approach is, however, not limited to just the analysis of capital and labor as opposing forces. As Seekings and Natrass pointed out, "...it is simplistic to view a society like South Africa simply in terms of capital and labor" (Seekings & Natrass, 2002, p. 2). This approach extends elements of the Marxian political economy framework to an empirical analysis of the developmental impact on the underlying class structure in post-apartheid South Africa. Focusing on the distributive and redistributive consequences of the ANC's macro-economic policies, this approach is more appropriate for validating the evidence on changing patterns of class formation and income distribution in post-apartheid South Africa.

### **Evolution of Macroeconomic Policies in South Africa**

#### **The Transition Era**

With the democratic elections of 1994, South Africa witnessed an overhaul of its constitution and socio-economic policies. In preparation for the formal negotiation processes with the ruling National Party, the ANC had to formulate a broad socio-economic plan encompassing the different classes, political traditions, and cultures that comprised its constituency. The mobilizing instrument the ANC would adopt in presenting its socio-democratic constitutional principles for a post-apartheid society was the programmatic Freedom Charter. In its attempt to organize as broad a populace under the banner of African nationalism, however, the ANC would desist from making any precise and explicit discussions centered on the broad statements of the Freedom Charter (Natrass, 1994).

The transition in South Africa occurred against a profound transformation in the world order. The fall of the Berlin Wall and the disintegration of the Soviet Union signaled the end of the



Cold War. The so-called Fukuyamaist 'End of History' fostered a scenario where the West and the Bretton Wood institutions, such as the International Monetary Fund (IMF) and the World Bank, helped to establish and prevail. These institutions, characterized by a certain orthodox neoliberal economic ideology, promoted the freedom of the market economy and large-scale privatization of the public sector. The period also witnessed the early days of globalization's boom, further integrating the South African economy into the capitalist world economy and thus making it more dependent on international trade and foreign capital. The transitional process witnessed a political and legislative power shift to the ANC and its allies, most notably the COSATU. However, while political power allowed the ANC to envision a socialist democratic South Africa, its fundamental vision to transform the socio-economic milieu of its predominantly black impoverished population was discredited (Cheru, 2001).

### **Reconstruction and Development Program and the Rise of Thabo Mbeki**

The ANC leadership's constantly shifting socio-economic ideology during the post-apartheid era was partly a result of the lack of in-depth understanding of the socio-economic realities of the day. In part, it was also the result of growing tensions between the ANC and its alliances in deciding the nature of the post-apartheid socio-economic policies. As the ANC focused on mobilizing political support for the elections of April 1994, it realized the need for a consensus on national policy. Consequently, before the elections, the ANC, in a temporary return to the platform of growth through redistribution, introduced the Reconstruction and Development Program (RDP) (Gumede, 2008, p. 91).

The RDP presented an integrated and coherent socio-economic policy framework. It sought to, as the introductory section in the RDP White Paper: Discussion Document states, "... mobilize all our people and our country's resources toward the final eradication of the results of apartheid and the building of a democratic, non-racial and non-sexist future. It represents a vision for the fundamental transformation of South Africa" (African National Congress, 1994). It provided a precise and comprehensive commentary on the social, economic, and political injustices perpetrated under the apartheid system. It also listed its major policy programs, which, when operationalized, would redress the abuses of the past inflicted against the majority of the South African society, including providing for the basic needs of its poorest members, developing its

human resources, rebuilding the economy, and democratizing the state and society (African National Congress, 1994).

The policies for affirmative action and programs to meet basic needs, including housing, education, and public services, were in line with the perceived social-democratic ideals of the ANC alliance. However, the suggestion to reorient the economy arose as a result of the ANC's past experiences with corporate capital and international institutions, as well as the realization of the inevitability of integrating with the capitalist world economy. A central proposal of the RDP was that the South African economy could not be rebuilt in isolation and had to adjust to the pressures of the IMF, the World Bank, and the open market tenets of the General Agreement on Tariffs and Trade (GATT) to benefit from strong economic growth through international trade and commerce (African National Congress, 1994).

The assumption was that strong economic growth would provide the base to tackle the massive levels of unemployment and also bring about a more equitable distribution of wealth and income. Further, the centrist Thabo Mbeki was appointed as the head of a special committee that would oversee a new growth and development strategy that would make the RDP's goals more feasible. In taking up this role, Mbeki saw an opportunity to pursue policies reassuring corporate capital of a stable economy and aiding their business and profit interests. Accordingly, at an Intergovernmental Summit on development, he stated, "'A [new] strategy of growth with development would underpin all RDP targets, to be streamlined into six pillars which would address poverty, employment, crime, and good governance within a powerful competitive South African economy [that would] secure the wealth of the country and promote investment" (Mbeki, 1996). It was perceived that the twin focus on growth rather than redistribution and macroeconomic stability rather than service delivery would boost investor and business confidence in the fragile South African economy.

### **Adoption of GEAR and Political and Economic Outcomes**

By 1996, Mbeki had gained complete control over the government's economic planning and initiated processes for a new economic plan that would bolster support from the business community and further the credibility of the ANC government in the international arena. In analyzing the genesis of the GEAR plan, which was introduced only two years after the formal adoption of the RDP, it becomes imperative to consider why the ANC government suddenly

abandoned the RDP. By 1996, it was increasingly evident that the RDP could not deliver on much of its promises.

According to Terreblanche, the new government failed to build a new and more equitable economic system as well as transgressed on its obligations laid out in the RDP (Terreblanche, 1999). Another key cause was the government's severe lack of resources and capacity to rebuild the disparate South African society. This was further bolstered by a lack of political will from the ANC, which was keen on drafting an alternate plan. One of the more compelling reasons, however, was that the ANC government had to gain the support and confidence of corporate capital to ensure that the economy would not collapse. The internal conflict within the ANC alliance also saw a shift in decision-making from the earlier collective and consultative processes to a centralized leadership under Mbeki.

The GEAR plan was introduced to the South African public on June 14, 1996, by the then finance minister, Trevor Manuel, who termed the plan to be 'non-negotiable'. It would become the focal point of South Africa's growth and development path. Devised under much secrecy, the team of mainstream economists who drafted the plan proposed a strategy that would entail a series of adjustments to the economy that would rapidly increase economic growth and aid a more optimal utilization of the labor force. The GEAR plan envisaged an integrated approach to macroeconomic growth that would generate 400,000 jobs annually, increase exports by 8.6 percent annually, drastically improve social infrastructure, and generate an annual economic growth rate of 6 percent by the year 2000 (African National Congress, 1996). It aimed to achieve these goals through a number of prescriptive measures, which included (African National Congress, 1996):

- Reduction in the budgetary deficit through diminished state expenditure
- Liberalization of trade and financial control through reduced tariffs and caps to encourage increased and more unrestricted flows of capital
- Privatization of non-essential and unproductive state enterprises and limited privatization of other state-run utilities
- Maintenance of a stable exchange rate that would remain at a competitive level
- Extension of investments in physical and social infrastructure to enhance and address the

backlog in delivery of services

- Extension of tax incentives to encourage increased investment in competitive and labor-absorbing projects
- Enhancement in the flexibility of the labor market and wage restraint among organized workers.

The GEAR Plan suggested that redistribution of wealth and income and reduction in social inequities would be achieved through increased job creation and more concerted efforts from the state on public expenditure. Mbeki further endeared to business interests by positioning the GEAR plan as a radical shift in the government's macroeconomic policy. At a conference arranged for business leaders towards the end of 1996, he stated,

"The policies and objectives embedded in GEAR are a pragmatic balance struck between our domestic economic demands and the realities of the international context. These policies and objectives emerged after a thorough analysis of global trends and the specific conditions in our economy," Thabo Mbeki quoted (Gumede, 2008, p. 109)

The period immediately following the adoption of GEAR, however, did not see many investments and capital inflows. The resilience witnessed in the aftermath of the introduction of GEAR was quickly cut back by the Asian financial crisis of 1997-98. South Africa's financial and currency markets took a plunge as foreign direct investments and other private investments dried up. Between May and August 1998, the rand was devalued by nearly 16 percent against other major currencies (Gumede, 2008, p. 111).

### **Shift in Racial Nature of Actors Involved in Policy Making**

It is in this context that the ANC alliance returned to power after the 1999 elections. This also solidified the central position held by Mbeki within the ANC alliance as the COSATU and SACP were increasingly sidelined in the policy-making process. Since the beginning of the transitional period, the policy-making process in terms of research, consultation, and the drafting of policy documents was influenced by a predominantly white-oriented group of academics and professionals on behalf of the ANC alliance. The ever-evolving political and economic environment presented opportunities for new sets of policy actors to emerge, and the period after 1999 witnessed an increasing participation of blacks in policy debates and in drafting policy documents.

The growth of the black middle classes and elite, partly due to the Black Economic Empowerment (BEE) program, enhanced the influence of a number of different black interest groups, such as the Black Management Forum (BMF) and the Black Business Council. These groups later merged into the Black Economic Empowerment Commission (BEECOM), which championed a redefinition and enactment of the Black Economic Empowerment (BEE) program into a broad-based Statutory Policy Act in 2003. A key number of black individuals also contributed to the Small Business Amendment Act and to strategize policy frameworks.

These policies aided the progress and economic empowerment of a small section of the black African capitalist class, as indicated by various developments. The overall BEE ownership of the top 100 companies (ranging across various sectors, including resources, finance, and media) traded on the Johannesburg Securities Exchange (JSE) increased from 3.86 percent in 1997 to 9.37 percent in 2002 (Jack, 2003). Similarly, the percentage of black South Africans engaged in governance and top management positions in the top 100 companies of the JSE evidenced an increase from 1.2 percent in 1992 to 13 percent in 2002 (Bond, 2000, p. 61). On a related note, the number of companies from the top 100 list with black directors on their boards was only 11 in 1992. Within a span of ten years, the corresponding figure had gone up to 71 companies (Jack, 2003).

The increasingly active participation of blacks in the framing of policy as well as trade and business was an indication that the political power shift from the minority white to majority black was found, not only in the electoral process but also (by a smaller yet significant extent) in the policy-making process itself. However, whether this shift has led to socio-economic gains for the majority of blacks is a different story, as most of these new actors have been influenced by socio-economic interests that lean towards the same neoliberalism that is endorsed by ANC's leadership.

### **'There Shall Be Houses, Security and Comfort!'**

Service delivery in South Africa played a significant role in political discussions and appraisal of the government's achievements in the first decade of its democracy. With a large majority of black South Africans being denied their basic right to decent houses, water, electricity, and other services during apartheid, the expectations and demands from the polity were for a quick turnaround. Historically, the classical declarations in the Freedom Charter envisioned a post-

apartheid South Africa, where all children would benefit from free education, all citizens would have decent housing, not suffer from hunger, and have access to preventive health schemes, free medical care, and hospitalization (Department of Education, Republic of South Africa, 2005).

Aspects of the visionary document were modified and translated into definite targets, and minimum standards were set for measuring these in the RDP. In fact, the ANC-led government was elected to power in 1994 based on its social mandate captured in the RDP, which focused on land restitution, housing, health facilities, water, and sanitation. However, over the span of ten years, through sectoral White Papers, budgetary shifts, and an overall shift in macroeconomic policy to the GEAR, policy priorities shifted from redistribution and development to fiscal stability.

While studies indicate overall progress had been made on most indicators, including housing, access to water, sanitation facilities, and electricity, very few of the stated objectives as envisioned in either the RDP or the GEAR policy documents had been met (Khosa, 2002) (African National Congress, 2003) (Hemson & O'Donovan, 2006). A number of the targets were also delayed and clearly not achieved within the stipulated time period of completing various social infrastructure projects (Hemson & O'Donovan, 2006). One of the main reasons cited by the ANC-led government for these backlogs was the increasing impact of urbanization, characterized by densely populated urban areas such as Cape Town, Durban, Johannesburg, and Soweto (African National Congress, 2003). The other reason brought forward was that the splintering of households into smaller (more nuclear) units accentuated the pressures on an already strained infrastructure system (Statistics South Africa, 1999). While this had exacerbated the demands for increased housing subsidies, it also entailed an increase in demands for other services such as water, electricity, health, and education. However, a more important trend underlying this factor was that the rapid increase in households was concentrated among the majority of the poor, most dependent on public services (Charlton & Kihato, 2006). Of the increased number of households registered during the period 1996-2001, 93 percent of the increase was witnessed among poor African households (Hemson & O'Donovan, 2006). These factors, including changes in demographics, the static conception of the population by the government while fixing targets, and low levels of service delivery, further added to the backlogs in service delivery. It also indicated that backlogs among the dispossessed tend to grow at a faster rate than the rate of increase in delivery in many sectors.

### **Impact on Service Delivery of Water, Electricity, and Housing**

At the time of the transition to a democratic state in South Africa in 1994, about 14 million people did not have reasonable access to water, and about 21 million (nearly half the total population) did not have adequate sanitation (toilets and refuse removal) (Department of Water Affairs and Forestry, 2004, p. 4). The rural population was worse off, with nearly half the rural population without access to clean water and one person in seven having some access to sanitation facilities (African National Congress, 1994, p. 28). In 1994, only 55 percent of all households had access to electricity (Hemson & O'Donovan, 2006, p. 29). Further, the urban-rural divide was quite evident. Whereas approximately 85 percent of urban areas had access to electricity, only 28 percent of rural areas were connected to a public electricity line (African National Congress, 2003). And while almost 100 percent of whites were linked to the national power grid, the corresponding figure for Africans was only 37 percent (Gumede, 2008, p. 99). According to a conservative estimate by the ANC, the housing backlog for both urban and rural areas was 3 million units (African National Congress, 1994, p. 27). A Council for Scientific and Industrial Research (CSIR) report cited in the Race Relations Survey 1994-95 estimated that, of the 2.2 million formal housing units, only 25 percent were occupied by African households (South Africa Institute of Race Relations, 1995). It also indicated a total shortage of 1.3 million houses among African households in urban areas (South Africa Institute of Race Relations, 1995).

With regard to the accessibility of water by the public, the ANC-led government's policy framework stipulated in the RDP that the right to access clean water is a fundamental principle of the South African state's water resources policy and promised 'water security for all' (African National Congress, 1994, p. 28). In line with the policy recommendations stipulated in the RDP, the ANC-led government brought out the first comprehensive water sector policy document, The White Paper on Water and Sanitation, in November 1994 (Department of Water Affairs and Forestry, 2004, p. 5). It defined basic water supply as "a standpipe supplying 25 liters per capita per day within 200m of the household and with a minimum flow of 10 liters per second" (Department of Water Affairs and Forestry, 2004, p. 5). Intent on showing its commitment to addressing past service imbalances, the ANC government initiated 12 projects, which came to be known as the Presidential Lead Projects, with an initial budget of R282 million (Department of

Water Affairs and Forestry, 2004, p. 5). Its aim was to provide access to basic levels of service to nearly 1.7 million people (Department of Water Affairs and Forestry, 2004, p. 5). The program roll-out was further bolstered by hundreds of newer projects with allocated funds totaling R629 million, R950 million, and R1 billion, respectively, for 1996, 1997, and 1998 (Department of Water Affairs and Forestry, 2004, p. 7). While the program roll-out was commendable, and the milestone of the one-millionth person receiving a basic water supply from the RDP program was achieved in May 1997, the government accepted that processes leading towards universal basic service coverage was slow and extended its stipulated target from 2001 to 2006 (Department of Water Affairs and Forestry, 2004, p. 7).

With respect to electricity, the government mandated investments of R12 billion to implement an accelerated and sustainable electrification program that would cover 2.5 million households by the year 2000 (African National Congress, 1994). The progress for increased access to electricity under the RDP was relatively more successful. By 2003, nearly 78 percent of all households had access to electricity (Hemson & O'Donovan, 2006, p. 29). Informal and traditional dwellings benefited significantly more than formal settlements in the urban areas. More than a third of all informal and traditional dwellings had access to electricity by 2003, as opposed to only an additional 19 percent of households in the urban setting (Hemson & O'Donovan, 2006, p. 29).

On the housing front, at a minimum, the government's objective through the RDP was to construct one million low-cost houses by the year 1999 (African National Congress, 1994, p. 27). The RDP also mandated as a minimum housing standard that all housing must provide protection from weather, a durable structure, and reasonable living space and privacy (African National Congress, 1994, p. 27). It also stipulated that all houses must include sanitary facilities, storm-water drainage, direct energy supply, and convenient access to clean water (African National Congress, 1994, p. 27). Moreover, it prescribed the implementation of legislation that would address issues such as tenants' rights, squatters' rights, the rights of people living in informal settlements, community reinvestment by banks, protection from evictions, consumer protection, land restoration, community participation in planning and development and anti-discrimination protection (African National Congress, 1994, p. 27).

Between 1994 and 2003, approximately one million houses were completed under the RDP subsidy scheme, which had a strong bearing on service levels in general (Hemson & O'Donovan, 2006, pp. 22-23). The 'RDP' houses, which are typically serviced with on-site running water,



sanitation, sewerage services, and electricity, provided a substantial fillip to the prevalence of ancillary services such as water, sanitation, and electricity. Between 1994 and 2003, subsidies were issued to nearly 2 million people with an approved expenditure of R24.22 billion (African National Congress, 2003, p. 25). Moreover, nearly half a million houses that were built in the Apartheid era were transferred to African occupants through the discount benefit scheme (African National Congress, 2003, p. 25). One of the biggest targets of the new government was to build one million houses before 1999. To this effect, 5% of the state budget was set aside for the provision of housing. However, during these years, it is estimated that the actual budget was, on average, in the range of 1.5% only (Bond & Khosa, 1999). Between 1996 and 2001, there was a marked increase in the number of people living in all varieties of dwellings. During this period, the number of households living in shacks had increased by 26 percent, the number of households living in formal dwellings had increased by 32 percent (or 7.7 million households and there was a marginal increase of people living in traditional dwellings (Hemson & O'Donovan, 2006, p. 23). Despite the progress on these various fronts, the RDP failed to address the key issues of the housing crisis.

In 1996, with the shift in the ANC government's macro-economic policies from the redistribution oriented RDP to the exclusively growth focused GEAR; the government felt a need to revise its social and sectoral policy framework (African National Congress, 1996, p. 15). In terms of aims and objectives, GEAR reiterated those mandated in the RDP. The state committed a further R1.5 billion to augment projects related to water and sanitation (African National Congress, 1996, p. 16). It also stated, "Improved water and sanitation is typically the first priority of rural communities" (African National Congress, 1996, p. 16). To attain a higher rate of economic growth, it also asserted the requirement for increased public expenditure and accelerated rates of capital investment in the electricity and housing sectors (African National Congress, 1996, p. 16).

However, during the years following the adoption of GEAR, the government felt there were inefficiencies in municipal delivery and expressed an increasing need to engage private-sector partners in the delivery of services. Accordingly, a number of projects were initiated through partnerships with private-sector enterprises under a Build, Operate, Train and Transfer (BOTT) contract basis (Department of Water Affairs and Forestry, 2004, p. 11); management contracts;

and fixed-term concessions that varied from 5 to 30 years; or alternatively, some form of corporatization (Pitcher, 2012, p. 250). While many of these initiatives aimed at increasing the rate of service delivery, the shift in focus to increased cost efficiency resulted in compromising the consistency, sustainability, and quality of the services delivered (Bond & Khosa, 1999).

The period immediately following the adoption of GEAR witnessed large-scale budgetary cuts apart from a strict fiscal discipline being enforced on various government departments (Charlton & Kihato, 2006). The emphasis shifted to efficiency and optimization of resources in the allocation of funds. A vast majority of infrastructure and development-related projects were also shifted from the purview of the national government to the local governments, which were supported by shoestring budgets (Atkinson, 2007). With the government focusing on revenue maximization, there was the added issue of reduction in spending on free services targeted at the poorest sections of society coupled with optimization of capital expenditure to sustain the extension of services (Bond & Khosa, 1999). The cost-recovery policy, introduced as an incentive for better demand management and sustainability of services and infrastructure, and the increasing commodification of provisions under basic needs further undermined the position of the poor. The high levels of disconnections were seen in the large numbers of poor households who were illegally cut off from access to such basic services as water, electricity, and housing. According to David Macdonald and John Pape (McDonald & Pape, 2002), by 2001, the number of people affected by water cut-offs was fewer than 10 million, with the same number affected by electricity cut-offs (and about 7.5 million people experienced both). As a result of failure to pay for their water and/or electricity, approximately 2 million people were evicted from their houses, and a further 1.5 million people had their properties seized (McDonald & Pape, 2002).

The greater irony of developments in the post-GEAR period was that the ANC government aggressively promoted that its social spending had increased during the early 2000s as a result of increased savings from budgetary cuts during the late 1990s. As the then minister of finance, Trevor Manuel, stated, "...the fiscal consolidation of the late 1990s has provided the resources to accelerate the implementation of the RDP at a pace even its authors could not have forecast" (Manuel, 2006). However, various studies, most notably a review of service delivery issues between 1993 and 2004, have shown that the provision of basic services increased at a faster rate during the period 1993-1999 than from 1999-2004 (Bhorat, 2004).

**'There Shall Be Work and Security!'**

South Africa's economic structure, argue Asghar Adelzadeh, Cynthia Alvillar, and Charles Mather (Adelzadeh et al., 2001, p. 235), is largely inherited from the apartheid era. They state that the legacy of apartheid limits access and participation and perpetuates the vulnerability of its majority black African population. Its structural problems can be classified into three categories-key micro- and macroeconomic attributes, backlogs in advancing human resources and social services, and labor market constraints on job creation and poverty eradication (Adelzadeh et al., 2001, p. 235). Micro- and macroeconomic attributes that have contributed to high unemployment and poverty include (Bhorat, 2004) (Marais, 2011, p. 178):

- Slow, zero, or negative growth since the early 1980s: Between 1982 and 1994, the real Gross Domestic Product (GDP) growth rates were below 3 percent. Since 1995, the real GDP has averaged annual growth of slightly over 3 percent.
- Substantial capitalization of production processes since the 1960s: Between 1960 and 1995, the use of capital relative to labor more than doubled throughout the economy.
- Underdeveloped home market: The high level of poverty among the majority of the population has led to their extremely limited purchasing power.
- Wealth and decision-making were concentrated in the real estate and financial sectors of the economy.

The persistence of poverty and unsustainable livelihoods in South Africa is directly linked to significant backlogs in investment in human resource development and the delivery of basic social services, such as education, health, and housing, to the majority of the population (Adelzadeh et al., 2001, p. 238). These backlogs have led to a lack of skills development, access to social services, and access to critical economic assets such as land and credit (Bhorat & Kanbur, 2006). The current difficulties of the labor market cannot be separated from the policies of apartheid. The difficulties in South Africa's current labor market are deeply rooted in the historical legacy of apartheid policies, which systematically marginalized certain population groups and created enduring socio-economic disparities. Data consistently shows that historically disadvantaged groups, such as black South Africans, experience higher unemployment rates. Even decades after apartheid, the Quarterly Labour Force Survey (QLFS) by Statistics South Africa demonstrates disparities, with unemployment rates among black South Africans

significantly higher than among white South Africans (Murray Leibbrandt, 2009). Despite legal efforts to address wage inequalities, there are still wage gaps between different racial groups in South Africa. Reports from institutions like the South African Labour Market Observatory highlight these disparities, indicating that historically disadvantaged groups tend to earn less compared to their white counterparts (Tinarwo, 2021). Apartheid policies also created structural economic imbalances, leading to ongoing spatial inequalities and unequal access to economic opportunities. This contributes to persistent unemployment and underemployment among certain communities, particularly in historically marginalized areas. This legacy continues to shape the labor market landscape. These policies dispossessed the black population from their self-sustaining economic base while actively undermining their ability to create a new one. They also created a massive landless, low-wage labor pool to service white capital (Marais, 2011).

### **Impact on Employment Generation and Income Inequality**

The stark contrast in socio-economic conditions for the minority white and majority black population at the time of the transition to the post-apartheid era was evident in the levels of poverty and inequality. As William Gumede (Gumede, 2008, p. 98) points out, in 1993-94, nearly one-third to almost half of the South African population was classified as poor. A strong racial bias could be noticed underlying these poverty figures. Of the 71 percent Africans, 10 percent Coloreds, 16 percent whites, and 3 percent Indians that constituted the total South African population, the corresponding figure of poor was nearly 95 percent for Africans, 5 percent for Coloreds, and nearly 1 percent for whites and Indians combined (Bhorat & Kanbur, 2006). Poverty distribution was also marked by gender and urban-rural dichotomies. Households headed by women were 50 percent more prone to poverty than households headed by men (Gumede, 2008, p. 98). Further, 75 percent of the population that was housed in rural areas accounted for 50 percent of the population labeled poor (Bhorat & Kanbur, 2006). Income distribution as measured by the Gini coefficient<sup>12</sup> of .61 for 1993 revealed further underlying disparities within the post-apartheid South African society (Bhorat, Westhuizen, & Jacobs, 2009).

<sup>12</sup> The Gini coefficient is a measurement of the income distribution of a country's citizens. It is represented through a number that varies between 0 and 1, with 0 representing perfect equality and 1 representing perfect inequality. In the case of South Africa, the Gini coefficient of .61 in 1993 reveals the vast disparity (among the worst in the world at that time) in income distribution within the population. In other words, the average income per capita of the richest 10 percent of households was 125 times higher than that of the poorest 10 percent.

The huge disparity based on racial lines was a key underlying factor for other indices of welfare and development as well. The primarily uneducated black workforce was instrumental in sustaining the apartheid economy. In the post-apartheid period, the legacy of the inferior Bantu Education policy<sup>13</sup> The lack of a skilled labor force further strained the economy. Unemployment, which stood at 30 percent of the economically active population in 1993, was also divided racially, with 39 percent of Africans remaining unemployed as opposed to 5 percent of whites (Gumede, 2008, p. 99).

In attempting to analyze the effects of the government's policies on the emerging class structure of post-apartheid South Africa, one can notice that it comprised three major groups of classes (Seekings & Nattrass, 2002, p. 2). The upper class/ elite comprised an increasingly multi-racial population. Workers across a range of classes, including the 'semi-professional' class (teachers and nurses), the 'intermediate' class (i.e., white-collar workers in public and private sectors), and most of the 'core' or urban industrial working class constituted the middle rung. At the bottom were the marginalized sections of the working class (farm and domestic workers and their dependents) and households where no one was employed.

The formation of this class structure was also a result of the various labor legislations instituted by the multi-racial democratic government led by the ANC. Since 1994, new legislation and institutions have been introduced in collaboration with labor (Moleke, 2006). While the government sought regulations that would positively affect growth and efficiency, labor unions were more concerned about greater security for workers. Labor market flexibility, which would have aided the fixing of cheaper wages by the capitalist class, was a hotly debated issue since workers generally associated it with insecurity and lowering of wages (Houston, 2001). In order to balance the bargaining arrangements between employer and employee representatives, the

13 The Bantu Educational system formalized through the Bantu Education Act (1953) was designed to 'train and fit' Africans for their role in the then evolving apartheid society and was instrumental in the racist compartmentalizing of education. Prior to the apartheid government's Bantu Education Act, 90% of black South African schools were state-aided mission schools. The Act demanded that all such schools register with the state and removed control of African education from the churches and provincial authorities. This control was centralized in the Bantu Education Department, a body dedicated to keeping it separate and inferior. The 1953 Act also separated the financing of education for Africans from general state spending and linked it to direct tax paid by Africans themselves, with the result that far less was spent on black children than on white children.

government instituted the National Economic Development and Labour Council (NEDLAC) (Marais, 2011). Among the significant new pieces of labor legislation, the Labor Relations Act (LRA) 1995 was instrumental in extending protection to workers from all sectors, including farm and domestic workers (Adelzadeh, Alvillar, & Mather, 2001). It embodied the philosophy of collective bargaining as a means to achieving harmonious industrial relations and economic growth and bound the country to International Labour Organisation (ILO) conventions (Moleke, 2006), which would aid in keeping a check on the exploitation of workers at the hands of the capital class.

As a result, the organized African working class began to enjoy household incomes above the median levels enjoyed by an average South African, but incomes were still largely below the mean levels of the average South African (Seekings & Nattrass, 2002, p. 4). While they still earned much below the levels of income of the privileged elite, their semi-privileged status enabled them to support government policies that would protect their status. Thus, they supported policies that would avoid increased labor absorption, leaving large sections of unorganized and unskilled workers out of the labor force (Adelzadeh, Alvillar, & Mather, 2001). The organized class of workers also resisted any moves by the government to increase tax rates since that would entail them contributing more to the fiscal redistributive scheme than being net beneficiaries of the policy (Moleke, 2006).

The poorer and unskilled working class sections of society, though electorally strong in number, had a lesser capacity to influence government policies. This was because of a variety of reasons (Seekings & Nattrass, 2002, p. 5). Firstly, their expectations of increased material gains in the short term were limited, and also because they recognized the limited resource capabilities of the government. Secondly, the poor did not have much of an alternative in terms of voting for a pro-poor party other than the ANC. Thirdly, while the poor are cognizant of the immediate benefits in terms of access to basic services such as RDP housing, water, and electricity, their ability to attribute government responsibility to the shortage of employment opportunities for the unemployed is not as clear. Thus, while being critical of trade unions' activities for impeding job creation and agitating against immigrant populations, taking up increasingly scarce opportunities for employment, the poor continued to favor the ANC government electorally (Seekings & Nattrass, 2002, p. 5).

In the period after the adoption of GEAR, the ANC government promised an annual increase in employment by 4,00,000 jobs and to achieve an annual economic growth rate of 6 percent by the year 2000 (ANC, 1996). As a result of the South African economy becoming increasingly capital and technology-intensive, the nature of employment was also increasingly focused on skilled workers (Bhorat, 2004, p. 1). Thus, in shifting away from unskilled labor, between 1993 and 2000, employment in the non-agricultural, private, and public sectors fell each year (except 1995) by an average of 1.7 percent (Gumede, 2008, p. 120). The agricultural sector was the worst hit, with commercial farms shedding nearly 1,40,000 jobs during the ten-year period between 1993 and 2003. In the manufacturing sector, most notably in the labor-intensive mining sector, formal jobs dropped from 1.6 million in 1990 to 1.2 million in 2004 (Gumede, 2008, p. 120). Typically, most of those who lost their jobs were low-level and unskilled. Job creation in the informal sector, excluding agriculture, was more rapid, but most of those jobs were casual and low-paid. There was also a rise in the number of 'working poor' – people who have formal jobs but remain poor. In 1995, they numbered an estimated 9,00,000; by the end of 2003, this figure stood at 2 million (Altman, 2005).

#### **'All Shall Be Equal Before the Law!'**

During the same period, there was also increasing evidence of declining inter-racial inequality (though, on average, there were still wide disparities) (Whiteford & Seventer, 2000) cited in (Seekings & Nattrass, 2002, p. 14). On the other hand, intra-racial inequality witnessed an increase, with the incomes of the richest ten percent of African households having seen an increase of 17 percent and the incomes of the poorest 40 percent of African households falling by 21 percent. The real beneficiaries of the government's policies were increasingly the better-off African households.

Thus, in securing a lion's share in the increased income, the better off African households (though a small number compared to the white middle and upper classes) contributed significantly to expanding the South African middle class. Despite being a smaller segment, better-off African households experienced upward economic mobility post-apartheid. Reports from the South African Institute of Race Relations (IRR) and Statistics South Africa indicate that a portion of African households, primarily in urban areas, moved into higher income brackets due to increased educational opportunities and better access to employment post-1994 (Matose,

2013). This section of the South African population benefitted from increased opportunities as a result of improved access to education, removal of any remaining restrictions on upward occupational mobility, and targeted affirmative action policies by both the state and private sector. A segment of better-off African households gained access to professional careers and entrepreneurship opportunities. Studies by the University of Cape Town's Southern Africa Labour and Development Research Unit (SALDRU) highlight the rise of African professionals and business owners contributing to the growth of the middle class (Simone Schotte, 2017). While upward mobility was largely restricted to the semi-professional class (teachers, nurses, and manufacturing foremen characterized by limited authority at their places of employment) during apartheid, the new set of policies by the ANC government also led to increased opportunities that were hitherto denied to the African population. The Black Economic Empowerment (BEE) program was instrumental in placing the rising African middle class in senior and managerial positions across the public, para-statal, and private sectors (Southall, 2004). There was also a rise in the black corporate class, which by the end of 2000 had captured nearly 6 percent of the market capitalization on the Johannesburg Stock Exchange (JSE) from a one percent stake they enjoyed at the start of 1995 (BusinessMap, 2001, p. 25). Some business tycoons such as Saki Macozoma, Tokyo Sexwale, and Cyril Ramaphosa played key roles in the drafting of policy documents, such as the BEE policy, the amendment of the Small Business Development Act, strategy framework documents, and the subsequent transformation policies such as Accelerated and Shared Growth Strategies (ASGISA) (Southall, 2004).

These developments simultaneously occurred with an increase in people who were not engaged in any form of regular employment (Moleke, 2006). Many of them did not have the necessary skills to secure jobs in a skill-intensive economy even when the growth rate had picked up (Seekings & Nattrass, 2002, p. 17). The emphasis on the casualization of labor and out-sourcing further exacerbated the situation and marginalized this underclass of South African society (Moleke, 2006). To conclude, while the upward mobility of a minority of African people led to decreasing inter-racial inequalities, overall class inequalities showed little sign of abating.

### **Conclusion**

In assessing the impact of the ANC government's macroeconomic policies with regard to social development and service delivery, it can be concluded that while there has been substantial progress from the abysmal conditions of the apartheid era, the achievements can be at the most



patchy and uneven. While it indicates that households in urban areas have benefited more than rural households and that a greater number of African households have shifted from informal shacks to formal dwellings, the poor and marginalized households have witnessed lesser benefits accruing from government subsidies and service provisions. The government's policies aiding a certain class of relatively affluent Africans who have the ability to sustain a higher level of income and thus access to services were further marginalizing the poor with relatively fewer resources and ending up paying a greater price to access the same basic services. As a result, inequality is probably becoming more prevalent than ever in South Africa, with the poorer sections of society becoming more impoverished and positioned further away from the socio-economic transformation promised as part of the transition to democracy.

South African society, in the first decade of its democracy, evolved into more than a nation divided by interracial inequality. The divisions within the country are better explained through the nuances within the varying classes that make up South Africa. The multi-racial upper class now comprises not just the elite but also a new set of African professional, managerial, and business households. The earlier 'intermediate' class now boasts of a new set of upwardly mobile skilled urban population. While the underclass, though still a marginalized class of outsiders, comprising the many unemployed as well as agricultural workers and domestic employment, continues to grow. Racial differences still permeate income levels across South Africa. However, while the changing nature of the rich is a substantive aspect of transformation within South Africa, the larger egalitarian transformation of its society through increased employment opportunities and substantial redistribution of wealth cannot be ignored.

To conclude, South Africa's transition into a multi-racial democracy under the ANC-led government reflected a corresponding shift of the party's policy orientation from that of large-scale reconstruction and development of the South African economy through redistribution of wealth and investments in social welfare sectors to that which prioritized macro-economic growth and stability. In the process of this transition, the marginalized sections characterized by low levels of skills, chronic endemic poverty, and high levels of unemployment were further marginalized, leaving a small section of the multi-racial upper class and an emerging black African middle class to benefit from the government's policies. While there is clear evidence of increased levels of welfare on almost all counts of development as compared to the dismal social

welfare levels recorded at the time of the dismantling of the apartheid system, the ANC-led government's social and macroeconomic policies have not significantly transformed the socio-economic situation of large sections of South African society, especially the poor and marginalized class and the unskilled labor force. This further indicates that the economic policies do not function in a manner that is beneficial to all sections of South African society, giving rise to developmental outcomes that are highly unequal and continuing to exclude vast sections of its population.

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