

Neoliberalism in the South African Post-Apartheid Regime: Economic Policy Positions and Globalisation Impact

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Abstract: The period of more than two decades of democracy, South African government has trampled into a policy revamp as a mechanism of crafting and crystallising new order of public administration in the new regime. It is envisaged that any society emerged out of liberation struggle may trample after one to two decade/s in power, which this view become relevant to access the performance of democracy in South Africa in relation to the policy perspective, economic impact in the context of globalisation. It is arguable that post 1994, government of the African National Congress (ANC) had establish its policy positions on neoliberalism, which create an opportunity to make a deep analysis through the scholarship of public administration. The paper is a conceptual analysis of the literature and empirical evidence on governance praxis, political ideology influence in the manner in which the post-apartheid government in South Africa have succeeded, failed and work in progress. The paper provides a historic reflection of neoliberalism in the context of New Public Management (NPM), policy direction of the post-apartheid, trade controls against the mineral resources, private sector influence on public sector, capacity of private sector and its impact on public service, fiscal position and economic growth etc. These concepts are engaged in the context of assessing the state and impact on the current era on maturing democracy. The methodology will summarily be some mixed methods inter alia: – qualitative and quantitative is used as a secondary data to often illustrate the impact on the focus areas. The paper is then concluded and recommendations of a scientific oriented solution in relation to topical strategic focus areas of the paper are provided.

Keywords: Neoliberalism, New Public Management, Policy perspective, Democracy, Political ideology, Economic perspective

1. Introduction

Many countries in a democratic space always get to be confronted by policy and economic perspective that is characterised by people centered alternative for empowerment and change the citizens lives out of bondage of triple challenges of inequalities, poverty, and unemployment. The new order of rethinking public administration offers an opportunity to create a consolidated system that ensures equal society, yet triple challenges are perpetuating the unequal society, which constitute the failure of policy direction of the government in the new era. It is necessary to understand what is underpinning these triple challenges by firstly defining what poverty is? According to Woolard (2002), the living standards are closely correlated with race in South Africa. While poverty is not confined to any one racial group in South Africa, it is concentrated among blacks, particularly Africans. The paper underscore that the system within which South Africa government has taken since post-colonial apartheid are based on the macro-economic neoliberal policies

and economic perspective that prioritise monetary and peculiar status of exchange to services rendered by public sector. Woolard (2002) argues that poverty is multi-faceted. It can be linked with hunger, unemployment, exploitation, and lack of access to clean water, sanitation, health-care or schools. It can be about vulnerability to crisis and homelessness. While clearly many of these issues are related to not having enough money, it is simplistic to ignore the non-material aspects of the experience of poverty. The paper notes the determination of the ANC government's aim of removing the black people in particular Africans out of bondage of the legacy of apartheid and navigate them into an economic active sectors of the economy. The ANC and the government have announced their determination to tackle many outstanding challenges. In 2010, government finally launched an AIDS campaign that did more than go through the motions. The disastrous outcomes based education experiment was abandoned and a national health-insurance scheme was being crafted, in which Marais (2011) argues that South Africa pushed to the limit tries to gauge

where South Africa's journey beyond apartheid is headed and why this is happening and it proposes some modest interventions that could bring the prospect of wellbeing and genuine emancipation within the grasp of millions more citizens. For a large proportion of society, job creation along the current development path does not offer a viable basis for social inclusion and wellbeing; wages and salaries are the main source of income for only about 5.9 million (57%) of the 10.3 million African households (Statistics SA, 2008c see in Marais, 2011). The emphasis of the paper is on the job creation, exchange control within the context of globalisation, and therefore the neoliberal policies perspective assisted in removing power from the public sector to the private sector to use government for financial resources as a means of providing service to the society. The conceptual analysis of New Public Management (NPM); Reconstruction and Development Programme (RDP); Growth, Employment and Redistribution (GEAR) conceptualise within the context of their impact on South African Government to create opportunity for foreign investment, which exploited the market, and the overall impact on the ordinary citizens.

2. Neoliberalism Within New Public Management Context

The paper observes the emergence of NPM as adopted by the South African Government in the post-colonial apartheid as the class suicide of creating private sector influence more strong on the public sector given the capacity of the private sector to provide services and boost the economy. Arthur, Felts and Philip (2000) state that the rise of the NPM has sparked considerable criticism because of its affinity with the private sector and market models generally and has ignited a new round of efforts to sharply distinguish public and private organisations. But this serves to obscure the historical reality that public bureaucracy owes at least part of its ascendancy to the demands of capitalist enterprise. The policy perspective as observed by the paper becomes that of the contradiction between capitalist and socialist state/s. The socialist state was for a long time in the history of the class question that the Soviet Union was leading the debates and efforts to ensure the defeat of the agenda of neoliberalism, which was viewed capitalist in nature. Dzimbiri (2008) note that the state became a direct investor and provider, either because the private sector was not developed or was not

willing to invest in activities that were considered critical by the state. Yet in other countries, the state expanded its activities in emulation of the socialist ideology pursued by the Soviet Union during the communist period. Greater reliance on the public sector was also needed to check the concentration of wealth in private hands, end exploitation and ensure fairer allocation and distribution of scarce resources for development purposes (CAPAM 1996; Commonwealth Secretariat 2002 see in Dzimbiri, 2008). However, the paper note that the post South African context, the power of controlling the state at the centre has been private sector control of state machinery in order to maximise profit as opposed to fair distribution of wealth. From the policy perspective, Peet (2002) argues that the ANC has long stood for a development policy committed to improve living conditions for the black people in South Africa. Assuming power in 1994, the ANC adopted a leftist, basic-needs-oriented RDP as the popular foundation for its economic policy, and within two years, the ANC had switched to a rightist, neoliberal GEAR policy stressing privatisation, deregulation, and trade liberalisation. Habib and Padayachee (2000) note that the shift in economic policy, we would contend, was the result of the ANC's perception of the balance of economic and political power at both the global and local level. Habib (2003:236) argues that the ANC's implementation of neoliberal economic policies has meant disaster for the vast majority of South Africa's poor. Increasing unemployment and economic inequalities associated with neoliberal policies have also pushed even more of South Africa's population into the poverty trap. The paper argues that the citizens for over two decades being surviving the ravages of neoliberalism policies adopted by the ANC-led government in rethinking the new order of public administration, the consequences was entrenchment of capitalism which dictated to the public sector their profit interest against the poorest of the poor. The political system has then protected capital as the means of defining the relations of the state and the civil society. The paper further notes the over accumulation of private sector due to lack or rather absence of radical policy alternatives. Clarke (1992) suggest that the relationship of the state to the contradictory form of over accumulation is not established directly, but is mediated by the form of the state. The class character of the capitalist state is defined by the separation of the state from civil society, and the corresponding subordination of state and civil society to the rule of money and

the law. The paper notes the slow transformation and the interdependency of the state to the foreign market and private sector, in particular, the market conditions that are not favourable to the majority of the poor and the working class. Clarke (1992) argues that the political form of the state is determined by the class struggle, and most particularly by the struggles of the working class which arise as the working class confronts the subordination of social production to capital as a barrier to its own physical and social reproduction. The social foundation of these neoliberal economic policies created unequal society based on transforming even socialists to become aspiring 'bourgeoisies'. The paper posits that it changed the character of the envisaged economic transformation that was crafted by the ANC-led government in the context of the 'Freedom Charter'. Under socialism all the means of production are the property of the community. It is the community alone which can dispose of them and which determines their use in production. It goes without saying that the community will only be in a position to employ its powers of disposal through the setting up of a special body that the purpose (Von Mises, 2016), further suggest that there are many socialists who have never come to grips in any way with the problems of economics, and who have made no attempt at all to form for themselves any clear conception of the conditions which determine the character of human society. The paper observed an argument in the land question, which was argued that 'the land, must be given to those who work it', which find an expression with assertion of Von Mises (2016), which suggest that the owner of production of goods, who has manufactured goods and service, thus becomes their owner, now has the choice of either consuming them on their own or of having them consumed by others.

In the quest to review the literature on NPM is conceived as 'administrative argument' and 'administrative philosophy' (Hood, 1991 see in Kalimullah, Alam, and Nour, 2012), suggest that these two concepts were fraternal rather than identical twins. Kalimullah *et al.* (2012) argue that NPM points to the failures and inadequacies of public sector performance over time and the problems lying squarely in the nature and processes of public sector activity and traditional public administration. The paper note that from an administrative argument, NPM model the order of public administration that consolidate private and public sector efforts to improve the material conditions of the

citizens. However, from the empirical context, the shift of economic power to the minority perpetuated a monopoly capital against the reflection of the leftist ideological content which was sold to the people of South Africa by the ANC-led government. The NPM is viewed by the paper as the neoliberal system adopted by the South African government as a model of service delivery and economic perspective, which has not addressed the challenges of inequalities in the society and has only benefited the private sector in the global market to dictate profit agenda through liberal trades, privatisation due to the state only positioning itself as a regulatory body and handover the economy in the hands of private sector.

3. Post-Apartheid Policy Perspective

The colonial apartheid policies are argued by the paper as a capitalist of its own special type due to its nature of empowering the minority, which is the white monopoly capital. The controversy about the relationship between apartheid and capitalism is reviewed from an economic perspective, which (Nattrass, 1991) further states that the old 'liberal-radical' debate was concerned with the clash between neo-classical and revisionist Marxist economic ideas to the detriment of alternative economic perspectives. Over the past decade, however, social-democratic ideas have become more popular and represent a potential middle ground between the old extremes. Lipton (1986:3) suggests that if it is assumed that capitalists are a homogeneous group, and apartheid is a fixed social order, which the paper view it as a protector of a white monopoly capital. Bhorat and Kanbur (2005) argue that South Africa's formal baptism as a democracy in April, 1994, received international acclaim and recognition – which to this day serves as a model for other countries undergoing difficult and protracted political transitions. However, perhaps the greater struggle since the early post-apartheid days has been the attempt to undo the economic vestiges of the system of racial exclusivity. The paper argues that policy provide a platform for a turnaround strategy to improve from the old systems that has lost purposes, and therefore it constituted a natural course to rethink new policy perspective in the new era. Carmody (2002) observed that when South Africa achieved its transition to non-racial government in 1994, a debate took place about the future direction of economic restructuring. Two years later the Government of South Africa changed

its development strategy by adopting an orthodox economic reform programme. The South African economy is now rapidly globalising, but the nature of that globalisation differs significantly from that experienced by the rest of the region. The paper notes the first attempt to restore the dignity of the poor as part of the leftist ideological reform in the post-apartheid South Africa. In a bid to restore these imbalances, the government in 1994 introduced RDP whose one of the major goals was to address the house provisioning challenges. RDP was a developmental policy framework for socio-economic progress with five key programme areas, with objectives were to satisfy basic needs to empower people to decide where the housing projects should be located and their access to habitable, dignified and safe houses by the needy (Republic of South Africa, 1994 see in Manomano, 2013). The RDP policy is noted by the paper as the move towards building equal society as sold to the South Africans in the period leading to the first democratic elections by the ANC. Adelzadeh (1996) suggest that economically, RDP was successful in articulating the main aspirations of the movement for post-apartheid South Africa, that is, growth, development, reconstruction and redistribution, in a consistent macroeconomic framework, using the Keynesian paradigm. It proposed growth and development through reconstruction and redistribution, sought a leading and enabling role for government in guiding the mixed economy through reconstruction and development, and it argued for a living wage as a pre-requisite for achieving the required level of economic growth. However, the paper notes the fact that RDP implementation needed a strong fiscal footing from the state, in which the argument of the paper is the association of RDP failure due to fiscal capacity of the state. Although, RDP policy is still in existence, but it has seized to be a face of government macro-economic policy due to the turn of events in two years of democracy by introducing GEAR as a macro-economic policy. The paper also notes that RDP was also designed to deal with apartheid spatial Bantustan's arrangement. Crankshaw and Parnell (1996) assert that the aim of the RDP is to redress the inequalities created by apartheid. Unwittingly, however, RDP may perpetuate many of the social divisions which were created by the policies of National Party. This is because RDP emphasises the racial inequality caused by apartheid, and forgets that a central goal of apartheid policy was to drive a wedge between rural and urban Africans.

The paper notes the ANC-led government's strategic policy U-turn on RDP to GEAR policy, as the effort of glorifying private sector as a strategic partner in the stimulation of economic growth. At the crux of the paper, the impact of GEAR policy direction may be admitted that regardless of registering economic growth which has turned into no benefit to the society given its liberal nature of the profit front mechanism. Heintz (2002) states that the GEAR policies were launched in an environment where the Rand was depreciating and foreign exchange reserves were at an extremely low level. The strategy proposed a set of medium-term policies aimed at the rapid liberalisation of the South African economy. These policies included a relaxation of exchange controls, trade liberalisation, "regulated" flexibility in labour markets, strict deficit reduction targets, and monetary policies aimed at stabilising the rand through market interest rates. The paper note that from the leftist policy perspective, the private sector had more powers to dictate to the public sector and take over the economic control and power in the interest of capital and in the expense of the poorest of the poor. Therefore, the paper argues that GEAR did not assist in the acceleration of transferring the wealth of South Africa back to the people. The paper further assumes that the 'Freedom Chatter' is then a 'white elephant' that has no space due to the competition of capital. The paper further notes that in the literature to assess and demonstrate that majority of researchers demonstrated a leftist analysis of what GEAR has done to South African economy and its capitalist oriented motives. Streak (2004) argues that the GEAR promised to reduce poverty and inequality via a surge in economic growth. The economic growth engine in GEAR takes the form of a demand stimulus led by a rapid expansion in private sector investment. The text of the document presents growth in fixed investment and exports as the engines of growth, and suggests that public sector investment is as important as private sector investment. However, the paper also notes the strategy of the state to adopt GEAR necessitated by the poor fiscal standing to deliver the expectations of the RDP. Streak (2004) posits that the conservative to be the most important intervention required to facilitate growth and employment, because these measures lower interest rates, build confidence and ignite the private sector investment engine.

The paper suggests that due to the effect of GEAR on the lives of the citizens, the alternative policy

needed to be developed for new shift. It is important to reflect that June 2011 marked a new intervention in a form of National Development Plan 2030, with a view to cover the shortfalls of GEAR in taking the economy to the greater heights. The Diagnostic Report of the National Planning Commission (NPC), released in June 2011, sets out South Africa's achievements and its shortcomings since 1994 (National Planning Commission, 2013). The paper argues that the initial move to establish a planning commission was a cornerstone of a radical move to close the gap that has been opened by both RDP and GEAR policy/s perspectives and create a stand for a better South Africa towards 2030, while there is a firm believe from the labour movement that, the NDP is drafted to cover the failures of GEAR as a micro-economic policy in South Africa. The paper posits that the NDP's role is to consolidate all opportunities of maximising the potential for economic opportunities, and therefore a case in point is to give effect to the informal economy to contribute to the Gross Domestic Product (GDP). Valodia (2013) argues that building on the New Growth Path (NGP), the NDP proposed by the NPC, aims to reduce the unemployment rate from the current level of 27%, to 14% in 2020 (as per the NGP), and then to 6% by 2030. The informal initiatives is expected to create employment to the community in order to contribute to the overall strategy of addressing poverty among the community, it is however that this strategy has not yet being formalised to assess its significance in the closing of a gap for the low income generation as projected by the NDP. The employment scenarios outlined in the NDP assume that the sectoral contribution of the informal employment to total employment will continue at 22% – that is, the current pattern will not change (Valodia, 2013), further argues that this appears to be a rather short-sighted assumption for a plan that has employment creation as its core objective. Assuming that the informal economy will continue to make up 22% of total employment is simply not good enough.

The paper notes that the sustenance of the economic growth also depends on the NDP approach on education as a tool to ensure attainment of growth and innovation towards the attainment of the NGP as a cornerstone of the NDP milestone. Arnst, Draga, and Andrews (2013) suggest that there is an existence of some form of correlation between a country's ability to effectively educate its citizens and its capacity for economic development

and prosperity is recognised by South Africa's NDP, which is a visionary document that seeks to map out strategies towards achieving a more equitable and globally competitive 2030 South Africa, in which all of its inhabitants are freed from the shackles of poverty and our apartheid past of racial inequality. The paper admit that NDP constitute a filler of the gap to consolidate the failures of GEAR in the quest to premeditate the improved consolidated economic competitiveness of South Africa within the context of the global market, which has to be given an opportunity to change approach of public service, which the paper note that it requires a strong leadership to carry its demanding effort for economic transformation in South Africa.

4. Trade Controls Against Mineral Resources

The ANC-led government is expected to be guided by the "Freedom Chatter", in which specifies that the mineral resources beneath the soil must be transferred to the people as a whole, and this important policy statement premeditated the use of the mineral resources to benefit the society, which this section of the paper wishes to observe the contemporary issues around trade controls and beneficiation from the practical and scholarly point of view. In conformity with the above statement as Shackleton, Campbell, Wollenberg, and Edmunds (2002) suggest that evidence from a number of studies on the impacts of natural resource devolution policies in several Asian and Southern African countries from the perspective of local people. Devolution outcomes are assessed in terms of who has greater benefits and decision-making authority. Shackleton *et al.* (2002) argue that the last two decades have witnessed a paradigm shift in conservation and natural resource management (NRM) away from costly state-centred control towards approaches in which local people play a much more active role. These reforms purportedly aim to increase resource user participation in NRM decisions and benefits by restructuring the power relations between central state and communities through the transfer of management authority to local-level organisations. Yet, the reality rarely reflects this rhetoric. The paper note that the prevalence of white monopoly capital still dominates and control the mineral sector on the basis of what was negotiated to settle the apartheid system in South Africa and therefore, concept of "beneficiation" is suffocated politically due to the elitists

interest in the mineral and energy sector, which continue to perpetuate the economic *status quo* of white supremacy. Southall (2004) suggest that much of this confusion is a product of the nature of South Africa's bargained transition. Given the emphasis laid by the ANC on racial and national reconciliation, early ideas about BEE floated by the government tended to be imprecise and relatively non-threatening to white interests. Having conceded democracy in 1994, the objective of the white capitalist class has become to provide for a limited, formal deracialisation by winning over key elements of the national liberation movement (NLM), and by carrying through neo-liberal reforms of the economy to make it more globally competitive. In the quest to demonstrate that there is only a portion of political elites who benefited from the mineral resources through investment in the mining sector, in which Southall (2004) argues that Gold Fields South Africa rapidly followed suit with the sale of 15% of its shares to Mvelaphanda Resources, a company chaired by former Gauteng premier Tokyo Sexwale. This purchase was funded by Mvelaphanda incurring a debt of R2.8 billion, some R300 million coming from Gold Fields with the further inflow intended to come from a R1 billion plus share issue (*M&G*, 13-19 June 2003 see in Southall, 2004). The paper argues that the portion of the society benefited labour which in the past has been argued in the public domain that slavery is at its best, which labour movement has called for better wage in the mining sector. The paper further argues that the call for 'nationalisation' revert back to the failure of beneficiation as a policy statement reflected through 'freedom chatter' that these mineral resources has to be transferred to the people as a whole. The paper in its conclusive argument note that the mineral and energy complex in South Africa reflect the *status quo* of neoliberalism that extract profit margin in South Africa due to the capacity to empower industrialisation project that is geared to local beneficiation, therefore the mining sector is designed to fit the competitive market in the expense of the poorest of the poor citizens.

5. Public and Private Power Relations

While the paper acknowledge that the economic stance of South Africa has been pro-rich as a strategic move to attract foreign investments, therefore this section reflects its impact on the state relations with the private sector that is shifting from

the ordinary citizens to the private sector due to private investments that they are making to sustain the economic power. In the literature of building a neoliberal state, Wacquant (2010) states that the punitive slant of recent shifts in both welfare and justice policies points to a broader reconstruction of the state coupling restrictive "workfare" and expansive "prison fare" under a philosophy of moral behaviourism. The paternalist penalisation of poverty aims to contain the urban disorders spawned by economic deregulation and to discipline the precarious fractions of the post-industrial working class. The state relation with the private sector in the post-apartheid era is noted by the paper as a contingency economic rehabilitation, which have pushed international market in the expense of the society, this provide a contradictions of the policy alternative of the post-apartheid state due to fiscal challenges to implement the people centered government as envisaged by the 'freedom chatter'. Wacquant (2010) further states that the new government of social insecurity put in place in the United States and offered as model to other advanced countries entails both a shift from the social to the penal wing of the state (detectable in the reallocation of public budgets, personnel, and discursive precedence) and the colonisation of the welfare sector by the panoptic and punitive logic characteristic of the post rehabilitation penal bureaucracy. It is, therefore, that the system creates/d insecurities as private sector take a centre stage and dialectically get to dictate terms to government as the major contributor to the South African economic growth.

The paper posits that neoliberalism is capitalist in nature, and the state power is control not in the interest of the people, but that of capital. Chomsky (1999:8) intensify the argument that neoliberalism, on the other hand, is indeed "capitalism with a gloves off". It represents an era in which business forces are stronger and more aggressive, and face less organised opposition than ever. Therefore, the analysis of the paper is that neoliberalism is deepening elitism in the society due to access to means of production to shift state power to dominate interest group than the society as a whole. In this political climate, they attempt to codify their political power on every possible front, and as a result, make it increasingly difficult to challenge business – and next to possible – for non-market, non-commercial, and democratic forces to exist at all (Chomsky, 1999:9).

6. South African Fiscal Position and Economic Growth

It is ideal to determine the impact of the economic shift given the policy dynamics of the democratic government of South Africa and its ability to attract the competitive world of market. The paper moves from a premise that the policy shift from leftist RDP to rightist capitalist GEAR has been necessitated by negative or poor fiscal footing of government of South Africa from 1994 era. Ansari (2016) suggest that the removal of capital controls in 1995 rendered the Treasury dependent on portfolio inflows as a means of stabilising long-term government bond prices above a certain threshold in order to access capital at rates below the equilibrium level in a semi-closed economy. The paper underscores that the GEAR policy removed a little that government would have generated to the market as a means of South Africa to position itself in a competitive market and therefore rendered government policy shift to international market and investors. The comparative performance of the South African economy from the 1960s to the 1990s was unimpressive. The rate of growth began to decline gradually from the mid-1960s, and the 1980s saw a performance which was not strong enough on average to prevent a fall in real GDP per capita (du Plessis and Smit 2007: 670 see in Lundahl and Petersson, 2013). The fiscal footing of the state always determines the strategy to ensure that the response to societal challenges is according to the agenda of a developmental state. The literature affirms that the turn of events from RDP and GEAR was a move perhaps for a greater possibility. Lundahl and Petersson (2013) posits that the industrial efficiency has been raised by greater exposure to competition from overseas and the economy has become much more diversified and less vulnerable to commodity price swings. In the process, the rate of economic growth has more than doubled on average since the end of apartheid in 1994. The paper suggests that the economic strategy of any country determine its financial development, which ultimately provide and generate new ideas for economic growth. Beck *et al.* (2011 see in Menyah, Nazlioglu and Wolde-Rufael, 2014) suggest that even after recent policy changes including financial liberalisation and development and further attempts at integration into the world market, many African countries are still showing only limited economic progress. Africa's financial systems have progressed over the past

20 years. However, the promise of the efforts in liberalisation, privatisation and stabilisation in the 1980s has only been partly fulfilled and the benefits of deeper, broader, and cheaper finance have not yet been reaped. In a conclusive reflection, the RDP would have not been a sustainable policy direction alone in post-apartheid South Africa, and therefore the slow economic growth, which was experienced between 1999 to 2003 would have not being there and it might have slowly generated state of emergency and mark the collapse of the economy of South Africa, however the slow growth is only benefiting few given the legacy of apartheid that majority of citizens are generally dependent of selling their own labour for support their families and are generally super-exploited due to private market profit priority.

7. Conclusion and Recommendations

The paper proved that the socialist slogans that was sold to South Africans in the era before democracy in 1994 was swallowed by the material conditions of the running a poor state with charitable ambitions. The arguments presented in support of the conclusion provide basis to understand that the task of governance from outside the trenches of running the state are different from what you see in every day governance praxis, particularly those who are involved in the running of the state. The apartheid system was an oppression by race as a fixed order of public administration, and therefore the new era defined as democracy may be concluded that South Africans survived neo-liberalism as a fixed order of public administration in democracy that disadvantaged the society in the quest to clarify private capital. On the other hand, the literature proved that the post-apartheid government in South Africa would have not survived the RDP as a policy framework due to the poor fiscal performance the democratic government has inherited from the colonial-apartheid regime. The paper recommends a radical gradual pilot on nationalisation of national economic key points that will assist in shifting the power from the private hand to the empowerment of the society for at least three years. This recommendation would assert the state power relations with private investors and remove state as a regulator of the economy. The paper note that challenges of African countries need African solutions, and therefore the second recommendation is the imposing of high tax for international entities that does business in South

Africa and focus on capacity to develop local capacity to sustain the economy. The strategy would assist revenue from corporate taxes compared to income tax. The paper also, finally, recommends building state capacity to deliver services to the society as compared to the dependence on private sector skills.

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