Civil Service Pay Reforms in Africa

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Introduction

This paper makes four main points. First, as agents of the state, civil services are essential for development outcomes and good governance. Second, African civil services have contributed to the continent's positive development outcomes and good governance but these contributions are rarely recognized as the civil service and civil servants, rather than problematic political institutional structures and actions, are blamed by political leaders and development partners alike for inhibiting development and better governance. Hence, the civil service has been subjected to perpetual rounds of reforms that have only further aggravated matters because the core issue of how to pay for quality civil service on a sustained basis has not been given the deserved emphasis.

Thirdly, therefore, this paper takes forward a critique of civil service reforms (CSRs) in Africa made some ten years ago that they have been a part of the problem rather than a part of the solution—because CSRs wrongly diagnosed Africa's civil service problems and came up with a flawed prognosis or with solutions that were wrong-headed. Civil services were wrongly perceived as over-sized and over-resourced, which further aggravated the marginalization, devaluation, and decay of a critical institution for state performance, economic, and governance improvement. Hence, in most countries, CSRs made African civil services to further degenerate rather than improve them. Only in a few countries that the political leadership prioritized and valorized their civil services and invested even more in their civil services so that they can play their crucial developmental and governance improvement roles. These countries have pursued different kinds of reforms other than orthodox ones promoted by international financial institutions that have practically taken over responsibility for development policy management in the region (Olowu 1999).

The final point that arises from the last point is thus that quality civil servants, especially at the highest levels, are expensive not only in monetary terms but also in terms of the time it takes to nurture them. Most African countries have lost the capacity to pay for quality civil service. This is in part due to the poverty of their economies but also to the political economy and structure of politics, globalization, as well as wrong-headed reform programmes that devalue the critical importance of quality civil service. Only where and when these issues have been adequately addressed are considerable improvements in the quality and performance of the civil service in Africa possible. This is also the key to overall development because an effective and virile civil service is essential for nurturing the renewed capitalist and governance revolutions sweeping through the continent.

One secret of the successful countries is that they made civil service reform a part of a comprehensive and strategic effort of overall political and economic reform. This is why the paper suggests at the end that countries in the region should adopt the Strategic Performance Management approach to resolve issues surrounding civil service pay, which is at the core of the quantity, quality and performance of the civil service and the state in the region.

Each of the above points is more fully elaborated in the paper in the following subsections. However, I start with a clarification of the key concepts: civil service and the state in view of the fact that diverse conceptions of these two institutions have been a part of the problem in Africa, especially in the context of international comparative discourse.

1. Civil Services are essential for development outcomes and governance improvement.

State as a social construct requires a number of capacities to achieve its primary objectives of a) geographical penetration, b) social regulation, c) resource mobilization, and d) efficient and credible resource allocation (Midgal, 1988). States require institutional capacities to achieve these goals. We adopt in this paper the five-fold classification of capacity into *political* (creation and sustenance of legitimate public institutions), *regulatory* (enforcement of laws over whole territorial space), *technical* (expertise to formulate and implement policies using advanced analytical tools), *administrative* (routine management of personnel and finance using objective management principles) and *extractive* (mobilization of revenues to underwrite state policies, programs) (Polidano, 2000). Of these five capacities, the most critical is technical capacity, which has been poorly developed in Africa for a variety of reasons (Olowu 2004,African Development Bank 2005). Civil services provide all five capacities except political capacity, which is provided by the three branches of government--the legislative, judicial, and executive arms.

Civil services are defined using three main approaches. In the first conception, civil services are defined as a system of employment and the rules that cover such issues as recruitment, selection, job evaluation, training and development, performance appraisal, expected code of conduct, political rights, limits and privileges. Most countries make a distinction between the civil service members—those recruited to serve in ministries headed by political executives—as against other public servants who serve in special departments and agencies of government. Second, the civil service is also conceived as instruments of governance, institutions that serve as the critical bridge between the state and administrative organs. Finally, civil services can also be defined in terms of their role in the policy process as policy authorizers, implementers, fixers, producers, arrangers, and clients and consumers.

The above-mentioned three critical roles of the civil service—as organs of employment, governance and policy-management–define its importance for the economy, polity and society. However, it is possible to also categorize their importance in five key ways.

First, they promote good governance. Schiavo-Campo and McFerson (2008: 176) capture this well when they submitted that 'an efficient government workforce is a necessary condition for genuine accountability, transparency, participation, and the rule of law. It is not a sufficient condition for good governance—without the right political accountability mechanisms, the best government workforce can accomplish little. However, a very bad civil service is sufficient in itself to eventually produce bad governance'

Second, the civil service is critical for the provision and production of public goods and services. With the good news coming out of Africa that the region might be experiencing its capitalist revolution in the midst of a global economic crisis, it has also become evident that the quantity and quality of public services might become the major constraints to the triple forces of global trade with consequent growing foreign direct investment, urbanization and improved communications links, especially with the rapid growth of mobile phones and Internet connectivity (Kapstein 2009). Some would even argue that this is the primary goal of the civil service—provision of public services and goods that private sector providers would not or cannot provide for a variety of reasons. These goods and services are referred to as infrastructures and they constitute the precondition for any form of development in any society. One author recently showed that African countries show a difference in the quality of their infrastructures, which clearly mirrors the quality of their civil services (Calderon 2009).

Thirdly, the civil service is essential for complex policy making that guarantees an enabling environment for strong development performance; such complex policy making is also innovative, using the most advanced and relevant information and technology.

Fourthly, the civil service is equally critical for effective and efficient fiscal management. Neither revenue collection nor budgeting can be managed effectively without the competence and integrity of civil servants. A nucleus of permanent officials with some continuity and institutional memory is essential to provide advice and oversee the complex operations throughout the country.

Finally, the quality of civil service affects institutional development: better rules lead to more efficient management and vice versa. Hence, good civil service is both cause and effect of institutional development. For instance, effective decentralization is impossible without commitment by the senior officials to bring about the appropriate legislation and capacity development initiatives that would make it succeed.

Hence, whereas civil services as agents of the political system were subject to associated systemic corruption—sinecures, subjectivity and politicization—they have evolved in most of the industrialized countries in the 19th century into a distinct institutional entity separated from partisan politics and transformed into permanent professional organizations with competitive entry, accountable use of public resources and competitive remuneration systems and benefits, including pension.

Critical to the civil service is its higher echelons. Officers at these levels must not only be proficient, but must also set the moral tone for the civil and other public services and other social institutions. This group provides professional leadership and takes responsibility for the accountable use of public resources, while also providing quality advice in the public interest to political leaders. Even though some aspects of the new public management system challenged this institutional artifact, both the developed and newly developing nations have rediscovered their importance in recent times (see OECD, 2001; Mahbubani, 2008). The World Bank has acknowledged this in some of its annual publications on development (see especially 1997 and 2004). However, as we shall show below, it has not always carried the implications of this analysis into the reforms of civil service promoted in the African continent.

The key to attracting and retaining high quality skills in the civil service generally and in the higher civil service in particular is competitive remuneration. Globalization has given further imperative to this factor as human resources can now move and settle in any part of the world. Unfortunately, African CSRs have given an inadequate focus to the matter, and the results of such reforms have been less than expected.

2. African Civil Service's Contribution to Development and Good Governance

The sterling contribution of Africa's civil service to development and good governance lies in the past and in a number of outlier countries in the present time. The civil service as an institution was originally bequeathed to Africa as a part of the colonial legacy. It was an institution that originally was forged to serve as an instrument for promoting the colonial powers that ruled Africa. As the countries approached independence, this institution was further refined to ensure that it could serve the new political leadership. There is documented evidence that this institution served its purpose. For instance a comparative assessment of Nigerian and Ugandan civil services (each located in the western and eastern sections of the continent) showed how these two countries' civil services contributed commendably to economic growth and good governance both before and immediately after political independence (Olowu 2001). The paper contrasted their performance then with their performance in the 1990s and demonstrated a severe decline. This paper reviewed a survey of African bureaucrats (senior civil servants) and noted that

- in contrast to their Asian and Latin American counterparts, African bureaucrats felt that they were no longer responsible for the formulation of economic policy in their countries. This role has been taken over by Breton Woods Institutions.
- while relationships between African bureaucrats and the private sector had improved as the two had become more cooperative in the last two decades (1980-90), only in a few countries do bureaucrats discuss major policy changes with their private sector counterparts.
- the level of bribery has increased in African countries and had become a serious problem in some countries, as bribery helped to double the salaries of civil servants in countries such as Kenya and Nigeria.
- Overall service provision had declined for most African countries, with the exception of countries such as Botswana and Eritrea.
- Overall bureaucratic quality is high in a few countries in the region—such as Botswana, Tunisia, Namibia, Mauritius, and Eritrea, but poor for the rest including Breton Woods Institution favorites such as Uganda and Ghana (Court et al 1999).

In contrast to this overall poor performance assessment in the 1990s, the civil services of Nigeria and Uganda in the decade of their political independence (1960 and 1962) were singled out for sterling performance at the local and central levels. Uganda had a highly sophisticated municipal system that ensured that its municipal organs were quite effective. At the national level, Uganda's civil service was characterized as 'strong, reliable, reasonably impartial and corruption-free, the best in sub-Saharan Africa'. The civil service was also 'well paid and highly motivated' with positive characteristics of a British Whitehall meritocratic attributes—an independent, non-political public service commission to manage the civil service, open competition, strong commitment to objectivity, neutrality and integrity and attractive conditions of service including free, subsidized housing, medical benefits, paid leave, security of tenure and a generous pension package. Even though relatively small (22,131 in 1960 and increased slightly to 22,560 at independence in 1962), it was associated with an economy of almost miraculous proportions of steady growth (5% of GDP, 7.5% of private investment, 15% internal investment between 1962 and 1971) without the rigid class divisions of Kenya or the poverty of Tanzania—the two countries with which Uganda was then in an economic union. Furthermore the country's social and economic systems were very good with a world-class university at Makerere from which the elite of the higher civil service was recruited. It had 'an excellent road and rail network, a reliable communication infrastructure and good health and educational systems' (Kisubi, 1999).

Similarly, Nigeria, being the largest sub-Saharan African country with a federal political arrangement, had regionalized civil services in each of its three large regions. These regions were by far richer and more effective than the federal government. The western regional government was singled out for its extraordinary performance and described by a close observer and student of Nigerian politics as 'a pacemaker in model for other civil services in Anglophone Africa, matching the British civil service in terms of formal organization and formal working' (Murray, 1978). The political head of that region (a man not given to showering praises) noted that the civil service that served his government was 'exceedingly efficient, absolutely incorruptible in its upper stratum, and utterly devoted and unstinting in its many and onerous duties' (Awolowo, 1960:264-5). Private sector observers upheld this view and the attributes were shared by other regional services as well. The civil service performance earned Nigeria in the late 1950s and 1960sthe reputation of a stable democracy. The civil service lived up to this expectation in the manner in which it helped to ensure that the country did not break up due to differences among the political elite in the years leading up to the three-year civil war and its terrible aftermath. It could not avert the civil war, but it was credited with bringing about a quick recovery and reconstruction after the war and also with successfully translating Nigeria's new found oil revenues (one of the key issues that fuelled the civil war) into critical economic and social infrastructure . Yet this Nigerian civil service was a relatively small one, only 30,000 at the federal level at independence in 1960 and increasing slightly to 45,154 in 1974, compared to its size of almost 300,000 in 1990! The Nigerian economy grew at 7% GDP per annum, largely buoyed up by oil, but the deliberate looting of the public treasury by civil servants in collusion with political operators that had become the order of the day in the 1990s was wholly unknown in those early years.

The point, of course, is that the case of these two countries was not atypical. Civil services declined generally in most African countries from the 1970s on. The the most important reasons for this unfortunate development are highlighted next (see Adamolekun, 2002 for a more elaborate discussion).

The first was the policy of indigenization. Second was systematic politicization of the civil service's higher echelons and finally there was the drift to dictatorship and military rule. Each of these political developments led to a situation in which several of the key bureaucratic values of merit, objectivity, political neutrality and integrity became casualties. For instance, the Uganda public service commission was changed from an independent to an advisory body to the president, and its advice was not binding on the president, who had powers to appoint anyone to the civil service. Even district boards that serviced the local governments were similarly treated. In the same vein, 10,000 civil servants in Nigeria were dismissed by the military in 1975 following a military coup with another military administration fully introducing politicization of the higher civil service as part of its reform of the civil service! This was reversed with the advent of civilian rule in 1994 but the damage had been done and the Nigerian civil service would never be the same again.

In summary, politicians and political developments had systematically denuded the civil service of its value to society and then of its core attributes. The result has been a systemic decay of the civil service. In some cases, such actions were taken as a part of reform of the service. As we show below, external efforts to promote reform have further aggravated matters rather than ameliorate them in many cases.

3. Paradoxes of African Civil Service Reforms

The earliest administrative reforms were undertaken in Africa in the 1970s shortly after independence (most African countries became independent around 1960, Sudan and Ghana in 1956 and 1957 respectively, but Namibia much later, in 1990). The objective of those reforms was to transform the inherited bureaucracies from colonial systems that were meant to maintain law and order in the colonies to the benefit of their colonial masters into administration entities that could promote development. This meant efforts at increasing the scope and effectiveness of these administrative systems.

Unfortunately, the 1970s witnessed two oil shocks that sent the world into recession. Many African countries had built economic, political, and administrative systems that promoted political autocracy and economic autarchy, both of which undermined productivity and effectiveness. They became heavily indebted and were forced to undertake the second set of reforms---associated with liberal structural adjustment reforms that led to severe cutbacks of the public sector in the early 1980s (first wave as described above). By the early 1990s, however, it was already becoming clear that these cutback measures did not improve productivity either. In fact, they led to serious hemorrhage of the public services instead of providing an enabling environment to unleash private sector possibilities. Indeed, African governors at the World Bank made the point that these reforms pursued quantitative (cost and size reduction) rather than the more pressing and important qualitative issues.

A third round of public sector reforms therefore ensued with the countries pushing for new public management type reforms focused on capacity building and development to promote the three Ms (markets, managerialism and measurement [second wave]). It is useful to point out the major strengths and merits of this new reform initiative for African countries. On the positive side, it brought relief from the cutback management associated with stabilization and structural adjustment programmes (SAP) reforms. On the other hand, it failed to address the reality that neither market, democracy nor Weberian type bureaucracies was as yet fully established in these countries. Hence, programmes of marketization (privatization, contracting out, etc.) had to involve the public sector much more than were expected by its protagonists. Also, the absence of interest groups that supported and promoted these reforms meant that the only protagonists of reforms were governments acting in concert with aid agencies. Finally, building the capacity of the public sector to promote reforms meant undoing some of the reform programmes promoted under SAP, namely, rightsizing as against downsizing, capacity building instead of capacity retrenchment, cultural versus structural transformation, etc. By 2000, this epoch led to a fourth round of reforms focused on service delivery to the citizens as customers. The MDGs agreed by world leaders in 2000 gave new fillip to this focus on service delivery.

TABLE 1: AFRICAN POLITICAL ECONOMY AND ADMINISTRATIVE REFORMS

	1960 – 1980	1980s	1990s	2000 - 2005	POST-2005
Political Economy Orientation	African Socialism/State Capitalism, Commanding Heights	Structural Adjustment, Economic Liberalism	Governance Improvement	Poverty Reduction & Rebuilding Country Systems for MDGs/PD	Ditto as in 2000-2005
Prevailing Admin. Reforms	Development Administration & Indigenization	Cut-back management: Cost and size reduction of the public service, privatization & commercialization	NPM, Capacity Building, Market reforms, Performance Management, mainly for Human Resources	Service Delivery, Budget Reforms, MTEF, budget support and donor harmonization	Strategic Performance Management

Key: MDGs= Millennium Development Goals / PD= Paris Declaration / NPM= New Public Management

In spite of these reforms, African public services were mired in a multi-dimensional crisis of mission, internal management and performance—whether in terms of output or outcomes. The most graphic facts relate to the declining quantity and quality of infrastructures: physical (such as transportation, electricity), environmental (water, sanitation) and human (health, education, etc.) and some of the states themselves had fallen into the group of countries designated as failed or in deep economic and political crisis; the World Bank referred to these as Low Income Countries under stress.

These reforms failed to address the human resource management crisis that confronted these countries—the steady decline of supply and demand for high quality skills for the civil service in an age of globalization. This has had major disastrous consequences for the continent as we show in the next section. With only a few exceptions, most reforms were oblivious of this fact.

4. HUMAN RESOURCE MANAGEMENT DILEMMAS AND PAY IMPROVEMENT REFORMS

The key to effectiveness and good governance is capacity—both institutional and human. Appropriate institutional incentives must exist for high productivity, but even this is impossible in the absence of scarce skills.

African countries confront three dilemmas to which neither the pay systems nor the civil service reforms undertaken have responded. The first is that the demand for and supply of high quality human (technical) resource skills have fallen over time for the civil services of most African countries. And, in an era of globalization, such indigenous experts are moving into countries where they can attract the highest pay to support their families. This is further complicated by the fact that due to a number of factors (ageing populations, new technologies, mobility of multi-national businesses and finance, etc.), the rich countries are attracting skills from the developing world with elaborate skilled migrant programs. There is now a clear consensus that this could have an impact on poverty reduction efforts in poor countries.

However, some argue that the brain drain could actually become brain gain under certain conditions. If the sending countries are able to receive huge remittances–some countries like the Philippines and Cape Verde receive over 20% of their GDP from remittances, higher than development aid—such remittances can actually stimulate the economy.

Poor (African) countries thus confront a dilemma: they need their scarce skills, but given the erosion and compression of salaries paid to scarce skills in the public service, there is both internal and external migration of such skills—out of the public service and out of the country respectively.

The problem is compounded by the decline of the higher educational system in particular. Many African countries have not been able to invest in higher education, preferring to focus scarce financial resources on basic education (Awortwi, 2008). Donor policies (e.g., stabilization/adjustment including cutback management) and practices of creating enclaves have further aggravated matters because they ensure that expatriates earn huge monies at the expense of indigenes. But many African national governments, as we saw, also departed from meritocratic recruitment into patronage and ethnicity and the dominance of privileged groups in access not only to good jobs but also to quality education. Hence, on both the supply and demand sides, scarce skills have become difficult to attract and/or retain.

A study sponsored by the British Department for International Aid (DFID) estimated that while brain drain (the emigration of tertiary educated persons for permanent long stays abroad) was a global phenomenon for all countries and especially developing countries, the latter lost 10-30% of their skilled talents in 1990 but Africa was the worst affected among the world's regions. The continent lost 75% of its tertiary educated work force followed by Asia/Pacific (52%), Latin America (48%) and Eastern Europe (20%) (Lowell & Findlay, 2001:5). Paradoxically, it is the poorest countries that actually require the services of the scarce skills for which they are unable to pay in a globally competitive market and must therefore lose them to richer and better-resourced countries. With respect specifically to Africa, the United Kingdom *Commission for Africa* (2005) laments that the continent spends an estimated US$4 billion annually to recruit some 100,000 skilled expatriates who replace some 70,000 African professionals or managers that leave annually to work abroad. Complex push and pull factors underlie the decision of African professionals and managers to migrate but the consequence is that high quality of professionals and managers declined precipitously in most public and private sectors of African countries in the 90s and in the new millennium—in spite of increased aid commitments by donors[1].

Available research on the subject suggests that there is an optimal level of emigration for each country, a point at which emigration's losses are counterbalanced by its positive effects (Lowell and Findlay, 2001:7, see also Farrant et al, 2006). Table 2 suggests that most countries in the region are not close to this norm. Furthermore, only a few countries have been able to address this issue sustainably, as we shall see below.

TABLE 2: ESTIMATES OF THE BRAIN DRAIN FROM AFRICAN COUNTRIES: EMIGRATION RATES FOR TERTIARY EDUCATED, 2000

% Of Nationals with Tertiary Education abroad	**COUNTRIES**
>50	Cape Verde, Gambia, Seychelles, Somalia
25-50	Angola, Equatorial Guinea, Eritrea, Ghana, Guinea Bissau, Kenya, Liberia, Madagascar, Mauritius, Mozambique, Nigeria, Sao Tome & Principe, Sierra Leone
5-25	Algeria, Benin, Burundi, Cameroon, Chad, Comoros, Congo DRC (formerly Zaire), Cote d'Ivoire, Djibouti, Ethiopia, Gabon, Guinea, Malawi, Mali, Mauritania, Niger, Morocco, Rwanda, Senegal, South Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, and Zimbabwe

[1] The Organization for Economic Cooperation and Development (OECD, 2006) estimated that even though 25% of Overseas Development Assistance or $US15billion were spent per annum on capacity development, mostly in African countries, capacity actually declined during this period. Similarly, World Bank's Operations Evaluations Department found that less than 40% of projects completed by the end of the 1990s –most of these in Africa--had significant, sustainable institutional development impact. World Bank, *Capacity Building in Africa*: An *OED Evaluation of World Bank Support, (2005)* and the UN's Millennium Report, *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals* (2005).

<5	Botswana, Burkina Faso, Central African Republic, Egypt, Lesotho, Libya, and Namibia

Source: Davesh Kapur & John McHale 2005

A second dilemma arising from years of salary decompression (see next section below) as politicians pursue egalitarian goals at the expense of quality civil service has been a tendency for the salaries of people in the lower cadres of the civil and public service to be higher than those paid to counterparts in the private sector while the salaries of those with expertise stagnate. The result is an excess of staff—whose data are poorly and corruptly kept, leading to a large number of ghost workers—in the junior and generalist cadres but scarcity and huge vacancies in the superior and highly skilled cadres.

A third important dilemma that is readily evident in most African countries is the tendency for scarce skills to concentrate in the central government headquarters and in the largest cities whereas the real needs for civil servants exist in the rural communities—for health, agriculture, education or small scale and rural industrialization. It is therefore common to find a lot of officials at the headquarters with little or nothing to do while the health clinics and field administration systems lack essential staff. Remuneration and other reward systems, the system of public sector budget disbursement, capital development programmes, and the absence of effective monitoring systems of excessively centralized governments further aggravate the situation. The result is that basic services are lacking in the rural communities, which further drives away good staff. For most countries, the local government systems remain weak in spite of several rounds of decentralization or local government reforms. In Ghana, for instance, whereas the local government reform proclaimed a bold policy whereby districts would be semi-autonomous and able to handle their own finances and human resources, these key resources have remained in the central government on the ostensible reason that local governments and decentralized agencies lack capacity (Ayee, 2004). The scene is not too different in other countries as well –

the difference is in degrees rather than in substance. In Uganda, bold reforms on local governance since 1993 have led to major improvements on the ground and districts bodies have been empowered to manage their personnel. However, the financial resources of the councils have been eroded: the world-acclaimed graduated tax that formed the backbone of the country's municipal councils has been abolished and no substitute has been put in its place even in the urban centers. The result is a situation in which local governments have not been able to attract and retain the critical skills that they require. In Nigeria, much more resources have been poured into the country's revitalized local government system, but the poor accounting at that level has not allowed these resources to translate into critical skills or the desired development.

The national and local state complements each other in the provision of public services. In fact, in most industrialized countries, the local state has a substantial responsibility for the services that are used by citizens--from basic services like education and health, which must be tailored to the needs of the community, to infrastructures such as water, roads, utilities, to planning and land use management, etc. In sample OECD countries, the local state is responsible for almost 30% of total government expenditures (TGE) and 12.8% of the GDP—some spend as much as 60% of total government expenditure while it ranges from 61% (Canada) to 12% (Portugal). In contrast, in developing countries, local government expenditure is only 23% of TGE and 5.7% of national GDP, which also reflects in relative employee size. In a recent survey of local governments in OECD countries, Wollman and Bouckaert (2006:17) found that even though local governments have suffered attrition in the Western world since the 1980s as a result of private sector-like innovations (the new public management), their operations remain sizeable (Table 3).

Table 3: The Local and National State in OECD and Other Countries

Country	LG Employees as % TG Employees (2000)	LG Expenditures as % of TG Expenditures (2003)
United Kingdom	52.4	28
Sweden	82.7	45
France	48.4	18
Germany	88.5	35
Australia	88.8	30
Belgium	65.6	36
Canada	86.9	61
Italy	42.1	31
Netherlands	25.8	35
USA	86.5	47
China	93.3	55.6
Malaysia	31.8	19.1
Bolivia	11.3	36.3
Chile	34.3	8.5
Indonesia	29.4	14.8
RSA	44.4	49.8
Nigeria	10	23
Uganda	12.6	8

Sources: Wollman and Bouckaert 2006, ILO 2001, Kersting et al 2009.

Whereas other developing countries in Asia and Latin America have begun to enhance the capacities of their local state, only a few countries have gone beyond paying lip service to the development of the local state in Africa. Table 4 reflects the facts well established in the literature that other developing countries have effected remarkable changes in the decade of the 1980s and 1990s to date (World Bank, 2004; Kersting et al., 2009).

But the local state cannot be nurtured and developed except by an intelligent and highly motivated public service at the national level that appreciates the importance of devolving some of its own responsibilities to other institutional actors so that it can be more effective in its critical tasks of strategic planning, policy development, monitoring and coordination. Unfortunately, compared to other countries of the world, African public services have fallen behind in terms of number and quality of its public officials–at national and local levels, in stark contrast to presumptions that African public services are oversized or too large. The available data shows that whereas African governments had 2% of their population as government employees (0.9% in the central government and only 0.3% in local government), OECD countries had 7.7% (2.5% in local government as against 1.8% at the national level). OECD is followed by Eastern Europe (6.9%), Middle Eastern and Northern African countries (3.9%), Latin America and Asia (3.0% and 2.6% respectively)[2].

5. CHALLENGE OF CONNECTING PAY TO PERFORMANCE

Contrary to the premise of the initial CSRs of the 1980s and 1990s that African civil services were oversized and over-bloated, in reality they were and remain undersized compared to other regions of the world when measured in terms of civil servants as a proportion of the country's population. Available (IMF) statistics also show that African civil services were the least paid and further

[2] This is data based on IMF statistics. No updated data has been available since this was published in 1998. Teaching and health data were separately accounted. (Schiavo-Campo 1998)

declined in the 1980s and 1990s. This decline had a global impact on wage levels, but African civil services were the worst hit; they have also suffered in particular from wage erosion and wage decompression (Schiavo-Campo, 1998; Schiavo-Campo & McFerson 2008).

Some of the CSRs sought to address these problems using technical or political approaches. Technical approaches tended to focus on economic variables such as a living or minimum or market wage. Inevitably, political factors complicated the implementation of these technical approaches; hence two authors who have reviewed pay in African public services suggest that an analysis of civil service pay requires an examination of the economic and political variables. The latter include the relative power of the government, the influence of civil society and media groups and, especially, of trade unions (Kiragu & Mukandala, 2005).

Using a sample of eight countries drawn from different regions of the continent—east, west, and south, Francophone and Anglophone—they analyzed the pay trends, wage-bill levels and pay structures and the reform strategies that were generated in each of the eight countries. The countries selected included Benin, Burkina Faso, and Senegal (all Francophone west Africa) and Botswana, Ghana, Uganda and Tanzania (English speaking east, south, and west Africa countries).

As to *pay levels*, all eight countries experienced an overall decline in real pay levels. This is consistent with the findings of Schiavo-Campo and others that developments in Africa were largely responsible for the global decline in real wages in the 1980s and early 1990s. This was because the prevailing focus of reform was to contain the size and cost of the civil service. It was paradoxical, though, that this was the same region of the world that had the least proportion of civil servants per population and spent the least on its civil service. According to the study by Kiragu and Mukandala (2005:22), there was overall decline or stagnation in salary levels in the sample countries throughout the period of the 1990s to 2001. There were, nevertheless, some exceptions to this general decline. First, in Burkina Faso and Senegal, some politically powerful groups like ministers, members of the national assembly, and secretaries general as well as some teachers and health workers managed to apply political pressure to raise their pay or in-kind allowances or both. Uganda and Tanzania, with the assistance of donor financial support, were able to monetize benefits and secure salary upgrades for some groups within the civil service. In Tanzania, this came through the implementation of what was supposed to be a performance-oriented selective accelerated salary enhancement scheme. Overall, only Botswana was able to sustain a higher level of pay for its public servants throughout this period. This was evident in the comparative top salary levels of Botswana US$40,235 compared with the next highest: Uganda, US$12,908 and Ghana, US$3,373.

Wage bills also fell for most countries (except Botswana, Uganda, and Tanzania for the reasons already given above). In fact, the West Africa subregion, the Economic Community of West African countries (ECOWAS) had a binding article that committed all countries to a wage bill/government expenditure ratio of 35%, which the governments have invoked in negotiating with their trade unions. When retrenchment costs are added as well as later costs of hiring new personnel, especially in the education and health sectors, these wage reductions were found to be unsustainable.

But the most serious indicator is *the decompression ratios* or the differential in salaries between the lowest and highest paid. Normally, a higher differential makes senior jobs attractive in any country, and since these jobs require the critical skills needed, the measure is important. Generally, political leaders have sought egalitarian goals and have thus consistently reduced the compression ratios over time—raising the minimum wage levels but keeping top salary levels constant or in decline. During the period, only Botswana had a relatively high salary compression ratio although it fell slightly from a high of 32.5% to 30%. Uganda was able to raise compression ratio from 5% to 28% in 1997, falling back to 20% in 2000 by government fiat. The rates for other countries in the sample were as follows: Tanzania fell from 28% in 1992 to 17% in 2001, Zambia from 21% to 13.5%, Ghana rose slightly from 12% to 13.5%, Burkina Faso fell from 6% to 5.5%, and Senegal from 4% to 3%.

The analysis of these countries' efforts to improve civil service pay was particularly interesting and impressive. The authors argued that countries have used a combination of technical and political approaches, since the two are necessary to resolve pay issues. They classified these policy responses into three dominant ones. The first, technically rational (TA) model focuses on worker productivity, attraction and retention of skilled workers, fairness of compensation, affordability of the wage bill and transparency of the salary structure. The second, politically rational (PR) model adds political considerations to the TA elements including egalitarianism in some cases. Finally, there is the politically reactive (PRE) policy response model, whose dominant consideration is regime survival. Different types of instruments are used to drive these policy responses. Most of these instruments prove unworkable in these countries. For instance, Uganda tried to pay a living wage for all civil servants and found it unsustainable and costly and finally resorted to egalitarian (minimum wage approach) that has continued to reduce the compression between the highest and lowest paid persons. Tanzania tried market benchmarking, sought to pay staff based on market rates that was accelerated for critical skills, especially at the higher civil service, referred to as the Selective Accelerated Salary Enhancement (SASE) scheme. Ghana also tried a variant of this approach; both countries had to abandon this approach due to political pressure and the problem of selecting those favored groups. A number of countries (Ghana, Nigeria) have sought to use the performance-related approaches but the problem of designing an acceptable job performance and evaluation system has been problematic (Nigeria, 2006, Cooper-Enchia, 2008). Besides monetisation, therefore, most of the countries have had to abandon the rational models and settle for politically driven patronage approaches.

From this analysis there is good insight into the vicious cycle that African countries are locked in. They are not able to raise and sustain salary levels that can guarantee the attraction and retention of quality civil servants, especially where it matters most—at the highest levels. And since the civil service is key to state developmental and governance reform outcomes, their economies wallow in poverty, and the quality of the civil service, the economy, and politics further degenerates. What is even more worrisome is that in some of these countries, political considerations dominate the management of the civil service. Meritocracy in appointments and promotion has been abandoned for regional, ethnic, and most importantly, political loyalty. Unfortunately, donor-supported efforts have often been poorly defined, half-hearted, and uncoordinated. For instance, capacity building is interpreted to mean training and workshops or support for civil society type organizations. Good as these are, the issue of incentives within the civil service itself is sidetracked by the creation of parallel project structures. Few donors have signed on to causes such as budget support in spite of the Paris declaration that commits them to helping to develop recipient countries' systems.

Only a few countries like Botswana and, to a lesser extent, Mauritius, Tunisia, and Seychelles have been able to pursue a different policy of attracting and retaining the best (Olowu 1999, AfDB 2005). Analysis of Africa's infrastructures shows that it is these same countries that have been able to record an improvement in their infrastructure service quality over a 15-year period (1991-2005) whereas the other countries in the continent have experienced a decline in the quality and stock of their infrastructures compared to an earlier period and to other regions of the world. (Calderon, 2009:7).

In the meantime a battery of civil service reform efforts are underway in each country; these have become a part of the problem as scarce resources are used to pursue policy goals that at the end of the day fail to tackle the critical challenges confronting the civil services in these countries. This is why the ongoing effort being championed by the Commonwealth Secretariat (based in the United Kingdom) for a different approach to CSR in Africa discussed next is being strongly recommended for adoption by African governments and their development partners.

WAY FORWARD

It is becoming apparent that a new paradigm for African CSR is required. Such a paradigm must place greater premium on the importance of politics, domestic will and ownership, demand –side, longer-term perspective and more effective donor and recipient country coordination in developing a qualitative civil service that has both intelligence and integrity (Roll 2009).

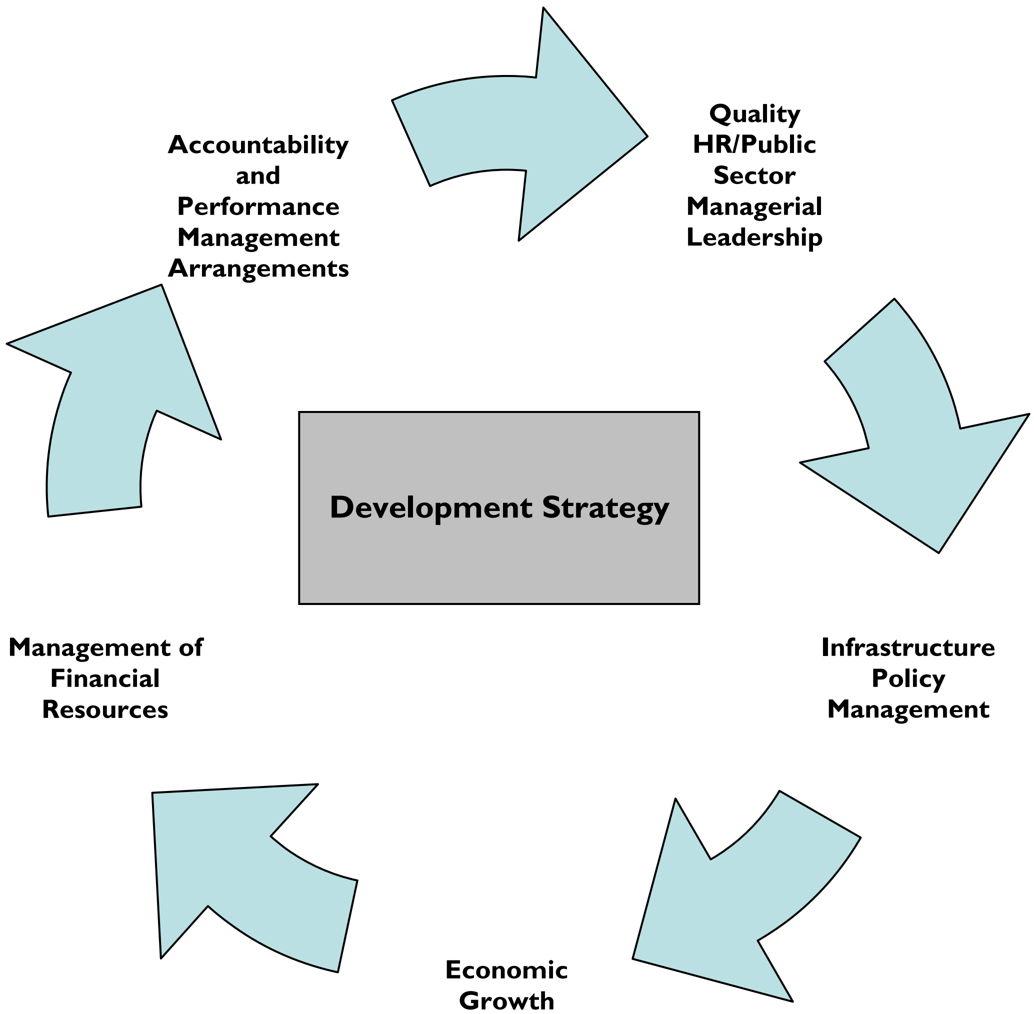
Most of these elements are now well articulated in the literature except one—recipient coordination of reforms, African countries are engaged not only in a variety of civil service reform initiatives as analyzed in this paper, they are also implementing a number of political (e.g., democratic governance), economic (e.g., poverty reduction strategies), and financial reforms (e.g., Medium Term Expenditure and other budgetary reforms). The proposed way forward is to seek to integrate these diverse reform efforts into what is referred to as the Strategic Performance Management (SPM) initiative, which is actually the major instrument that is being used, by Botswana and many other nations of the world, to drive the multi-faceted reforms of governance in the 21st century. A borrowing from the private sector world, it has been adopted and is being used in most countries of the world presently (Heinrich, 2004; Bouckaert & Halligan, 2006; Finland 2006, Syett 2007, Lah & Perry 2008).

A review of the progress of African countries in respect of their attempts at implementing SPM shows that Botswana, followed by South Africa and then Ghana, Mauritius, and Tanzania are the countries that have made the most progress in respect of SPM. Many of the other countries are just beginning and even for most countries other than Botswana, there are still many obstacles to overcome.

Once the centrality of the civil service is accepted, the idea would be to make it the core of all institutional reform initiatives in any country. To achieve this goal, a number of crucial measures would be necessary.

A first step would be to connect national development plans with public sector reform programmes. This has not been the case in many countries. Many development plans (or poverty reduction strategy papers) have no robust time-based public sector reform programme. This needs to be corrected as a matter of urgency. Where such connections already exist, it is important to review these in the light of other points made below. Figure 1 suggests how some countries within and outside the region (especially the countries referred to as the Asian tigers, now including India and China; African examples include Seychelles, Botswana, and Mauritius) have transformed what is conventionally referred to as the vicious cycle of poverty into a virtuous cycle. A focus on (re-) building infrastructures in Africa could be the lever for this effort. As earlier noted, infrastructures are the preconditions for development. The absence of physical, environmental and human infrastructure has impaired development efforts, and it is not surprising that Africa plays host to 70% (35 out of 50) of the world's least developed countries (OECD 2008). However, to do this would require persons with the requisite skills who can be attracted and retained to lead the policy process for creating and sustaining infrastructures.

Fig 1: Turning vicious into virtuous cycle of development



A second step is the need to adopt Strategic Performance Management (SPM) as an initiative aimed at integrating the diversity of present public sector reform programmes that are at different stages of implementation in most countries.

Thirdly, the institutional and human resource capacity of the Human Resource Management agency (in many English-speaking countries, these are Civil Service Commissions and Offices of the Heads of Civil Services) would have to be boosted, working closely with the Ministries of Finance (MoF). Fortunately, (MoF) is a ministry that has been transformed into islands of excellence in many African countries and the goal should be to ensure the integration of the budgetary and performance management reforms in each country. The argument has been made that priority should be given to technical capacity for policy making since this is the primary objective of the public service. The reforms should be phased to include all other aspects of the civil and public services over a period of time.

Fourthly, financial resources should be sourced from within and outside government for this kind of reform. Efforts should be made to involve the business and non-governmental sector (including charities and civic bodies and foundations) as well as the donor agencies, but this should be focused in the beginning on the pilots in two ministries (Finance and another ministry that is of priority to government) and the agencies responsible for human resource management in government. Such funds should be put in a special facility aimed at revitalizing the civil service.

Fifthly, a major problem complicating HRM improvement in many African countries is the absence of reliable data, in spite of many years of reforms aimed at lowering size and numbers in the civil service. Latent capacity for research and data management within Africa's dying higher education institutions as well as Africa's Management Development Institutes would need to be mobilized. Such an effort can extend a lifeline to enable such institutions to turn around under appropriate leadership as has happened in a few centers across Africa (Uganda Management Institute and Ghana Institute of Management and Public

Administration). It would also in turn yield more robust indicator and data sets that would prove invaluable to the management of SPM.

Sixthly, it is perhaps needless to say that all the key stakeholders—political, administrative, business, and civil society elites--would need to be involved in undertaking these reforms. This is the more so as they would need to make a higher contribution to supporting the civil service.

Finally, in view of limited available financial resources at the national levels, it would be important for countries to focus their efforts on improving the higher civil service in those critical sectors of the economy that PRSPs show are the driving sectors. It would be expected that the driving sectors would be able to stimulate the rest of the economy and that, over a period of two to three years; other sectors can be selectively and gradually included. In the meantime, greater priority would be placed on improving the economy and domestic financing of development and reform efforts in the medium to longer terms. Besides, efforts should be directed at ensuring not only horizontal coordination but also vertical integration within the government such that ministries take primary responsibility for policy development, budget and SPM policy development and review (including the targets), while leaving detailed operational management to agencies, municipalities, state enterprises, partnerships, and co-production arrangements between the state and emergent institutions such as the faith-based institutions and other social actors.

Within this framework, serious thought should be given to the articulation of a human resource management strategy in the context of wider SPM reforms that integrates reforms in other sectors of the polity, economy, and society.

Conclusion

Africa is indeed undergoing a triple revolution of globalization, urbanization and democratization. To ensure that Africa and Africans benefit maximally from these multiple revolutions, a new approach to African civil service reforms is needed. Such CSR would seek to raise the size and quality of the African civil service in critical areas by attracting and retaining skilled personnel while ensuring that the public service is better structured for improved performance-based management. This is a long-term agenda whose starting point would be the adoption of a comprehensive strategic performance management that places great premium on performance, intelligence and integrity of the civil services in Africa. Only this kind of service would help to rebuild Africa's decaying and crumbling infrastructures that are the preconditions for development and make the continent an active player in 21st century global competition.

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