

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS MANAGEMENT**

PUBLIC SECTOR MANAGEMENT – CBU 4106

FINAL EXAMINATION – APRIL 2009

TIME ALLOWED: 3 HOURS

INSTRUCTIONS TO CANDIDATES

- (i) Answer **ALL** questions in **Section A** and any three **(3)** questions from **Section B**.
- (ii) Questions may be written in any order.
- (iii) Use relevant examples as much as possible.

SECTION A

QUESTION 1

Reading the following, extract and answer questions that follow it.

Public administration and public policy problems

Migration as a safety valve for social problems in the previous section we reviewed the argument that migration provides the best and brightest with an exit option and that their talents were therefore considerably less available if not unavailable to any domestic development efforts. Flipside of increased is that there is decreased voice, or, in more general terms, decreased pressure to break through the barriers to structural change. Hirschman's original example (1970) about exit-voice dynamics started with the conventional wisdom that increased competition to the Nigerian Railways to reform. However, it had the opposite effect since – that the best and brightest of the client base other words, the discriminating customers who needed to get their goods to a given place at a certain time – exited the railway system and switched their business to trucking. Since the railways could not just shut down, the stated continued to subsidize them, so there was even less pressure to break through the barriers to structural change. Hirshman's original example (1970) about exit-voice dynamics started with conventional wisdom that increased competition to the Nigerian Railways from trucking would bring pressure on the railway s to reform. However, it had the opposite effect since – that “the best and the brightest” of the client base in other words, the discriminating customers who needed to get their goods to a given place at a certain time-exited the railway system and switched their business to trucking.

Since the railways could not just shut down, the state continued to subsidise them, so there was even less pressure to break through the barriers required for difficult reforms in the railways system. Hirshman notes other examples where exits undercuts voice. For instance America power holders have long encouraged the voluntary exile political opponents where they would not cause as much trouble (Hirschman 1970:61). This removes the pressure for internal reforms.

There are many ways in which pressure of problems that demand social change can be relieved without being resolved. One is to discover oil or gas deposits in one's backyard and then to soften the rough edge of pressing problems with natural resource rents. Another way is to misuse external aid or loans to "buy time" and postpone real changes – to pay the costs of not changing rather than paying the costs of change (see Stern 2001: both examples given here and in World Bank 2003, Chapter 7).

Migration often seems to work in a similar way as a safety valve to relieve the pressure of a pressing problem rather than to resolve it. When yesterday's elites use their power to lock-in their position and thus to stifle innovation, which can always be threatening, then the economy will stagnate and young people will not be able to find jobs that will use their skills and engage their ambitions. Migration provides the ambitions and skills with individual exits. It helps to "export" the unemployment problem. Overall, it relieves the pressure to change the structural barriers to development. It would be ill advised to think that a whole society can go "bankrupt" like an individual private company that has stagnated. Unfortunately, history is replete with quite long-lived stagnant societies where the elites have found ways to constantly suppress or bleed off pressure for change.

In the context of the safety-value argument, remittances amplify the deleterious effect of migration by relieving the pressure of social problems. Many governments in developing countries have now discovered the "oil-well" of remittances that might help them to paper over problems and pay the costs of not changing. All this does not deny the fact (which Hirschman also notes) that exit can in itself be a form of voice independent of any bankruptcy. National pride cannot be long sustained if young people seek to obtain college degrees largely as exit visas. This is why the deleterious effects of migration (exit of "the best and the brightest" and relieving of pressure for change) operate with greatest force in a country, region, or area with collective self-image of ghetto. The out-migration is a key part of self-perpetuating ghettorisation mechanism, a self – reinforcing low equilibrium trap. A ghetto will never find collective success as long as the internationalization definition of success is individual exit.

This extract was taken from "Development in Practice, Volume 15, Number 5 page 620 August 2995.

- (a) Explain why customers and clients favored trucking instead of the railways system in Nigeria. **[10 Marks]**
- (b) The elite wanted status quo to persist. Was there any reason for this? **[10 Marks]**
- (c) In the passage policy-makers are being blamed for giving wrong priorities. Briefly discuss the wrong priorities found in the passage. **[10 Marks]**
- (d) Discuss some of the facts in support of migration to a country like Zimbabwe as mentioned in the extract. **[10 Marks]**

SECTION B

QUESTION 2

- (a) Bureaucracy according to Weber is said to be efficient. Do you agree with this notion? Explain. **[8 Marks]**
- (b) What are the merits and demerits of a bureaucratic organization? **[12 Marks]**

QUESTION 3

- (a) Discuss the concept of public policy implementation and give examples with reference to Zimbabwean situation. **[15 Marks]**
- (b) What are some of the problems faced in implementing public policies? **[5 Marks]**

QUESTION 4

Briefly explain what you understand by the term Public Sector? **[20 Marks]**

QUESTION 5

Both developing countries in Africa and developed countries of Europe have undertaken some reforms. What are some of the reforms you would suggest for a country like Zimbabwe? **[20 Marks]**

QUESTION 6

Discuss the features that separate public administration from management.

[20 Marks]

QUESTION 7

Explain the advantages and disadvantages of decentralization in the reforms which Zimbabwe undertook since 1995.

[20 Marks]

END OF EXAMINATION