



DLP

Policy and Practice for Developmental
Leaders, Elites and Coalitions

DEVELOPMENTAL LEADERSHIP PROGRAM

Research Paper

06

Bringing Agency Back In: Politics and Human Agency in Building Institutions and States Synthesis and Overview Report

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1.0

Background and Introduction

The Developmental Leadership Program (DLP) - previously the Leaders, Elites and Coalitions Research Programme (LECRP) - was initiated under the Global Integrity Alliance (GIA) which, in turn, was an outcome of The World Ethics Forum, held in Oxford (UK) in April 2006 (Sampford and Connors, 2007). This, the first phase of the DLP's¹ work, aimed to undertake research and analysis, build knowledge and present evidence of the role and impact of leaders in shaping institutions, state building and development outcomes. This, in turn, would provide the basis from which short, medium and long term policy and operational implications could be derived for the international development community.

As will be more fully outlined below, this phase of work has produced three main categories of product::

1. Background papers and literature reviews
2. Case study research papers
3. Analytical tools – in the form of:
 - **A database** recording the empirical characteristics of leaders drawn from the cases studies and elsewhere
 - **An analytical tool (PAT - the Political Analysis Tool: Leadership and Institutions)** for tracking (a) how different patterns and forms of leadership interact with each other over time; (b) the kinds of institutional or policy outcomes these interactions have produced; and (c) how coalitions form and evolve over time.

The initial concerns of the GIA were with questions to do with 'ethical' behaviour and the integrity of individual **leaders**. While the DLP recognised the importance of those concerns, extensive consultation with leaders and key stakeholders in the initial scoping period made clear that we needed to know a great deal more about the forms, patterns and processes of **leadership** in different political and cultural contexts, and not simply the characteristics of individual **leaders**. In taking our research and thinking beyond this concern with individual leaders, we therefore determined to focus, in particular, on some of the following issues:

1. **Leadership as a process:** Instead of treating leadership as a function only of the specific traits, characteristics or behaviour of individual agents, we would also need to understand leadership as a process.

¹ Initially known as the Leaders, Elites and Coalitions Research Program (LECRP), the program entered phase two in 2009 when it became managed by a multi-donor trust fund administered by the Australian Government, AusAID, and was renamed: The Leadership Program: Developmental Leaders, Elites and Coalitions (LPDLEC). The program is now called The Developmental Leadership Program (DLP). More information and all of the program's publications (past and present) can be found on the website at www.dlprog.org

2. ***The centrality of politics:*** Economic growth and the distribution of its benefits are not simply technical matters that can be achieved by the design of appropriate institutions and policies. Development is necessarily driven or held back by political processes at all levels and in all sectors, where the challenges are always to use resources in new (or different) and developmental ways, but where different interests with different forms and degrees of power, fuelled often by distinctive ideas and ideologies, contest what those ways should be. In these contexts, human agency – leaders, elites and coalitions – plays a central role.
3. ***The specificity of context:*** These processes of politics and leadership obviously occur in different institutional contexts and in different structures of power, authority and legitimacy which – in developing countries in particular – often co-exist, overlap and certainly interact, sometimes thus producing hybrid institutional arrangements. For example, the political dynamics of effective leadership in a customary authority in KwaZulu is very different to that of the leadership of a large multi-national company. Moreover, the requirements of that leadership and the expectations of its followers will vary greatly.
4. ***The role of elites:*** Since effective leadership is seldom a function of the attributes, traits or characteristics of an individual leader on her or his own, we recognised the importance of locating leadership within the context of elites and especially the context of elite politics, that is the provenance, nature, role and interactions of elites.
5. ***Developmental coalitions:*** Like leaders, elites also seldom act in isolation, but commonly work with other elites (domestic or foreign, public or private) to achieve outcomes which they could not achieve on their own, especially with respect to overcoming collective action problems and achieving positive or negative developmental or policy outcomes. When leaders and elites cooperate to achieve ends they could not achieve on their own, one can usefully talk of coalitions being forged. Whether formal or informal, longlasting or transient, vertical or horizontal, coalitions are far more common in the everyday politics of human communities than is conventionally recognised in developmental research or policy statements. But why and how they form, and when, how and why they become developmental rather than predatory or collusive coalitions, is therefore of the greatest importance for development theory and operational concerns.
6. ***Indigenous institutionalisation:*** This does not refer to indigenous institutions in the sense of 'traditional' or 'customary' institutions. Rather it refers to the recognition that those institutions which are indigenously designed, adopted or adapted are far more likely to be effective because they are more likely to enjoy both local legitimacy and appropriateness. Indigenous institutionalisation may involve copying and borrowing, but is much more likely to involve careful adaptation or local design as illustrated by evidence from as far afield as Japan in the 1870s and Botswana in the 1970s.
7. ***International aid policy and operational implications:*** In this greater focus on leaders, elites and coalitions we have been concerned at each point to assess how the research findings might help the international community to think more constructively about policy and operational practices for supporting leadership processes and the emergence of developmental or growth coalitions.
8. ***The importance of human agency in influencing structure:*** It should be clear from the above that precisely because of this concern with individuals, elites, coalitions and the institutional environments in which they operate or which they shape and sustain, the research of the DLP also contributes to a better understanding of the structure-agency problem in social science – much overlooked in the contemporary development studies and policy literature with its over-riding

emphasis on structure and institutions.

In short, while integrity can certainly be thought of as a personal virtue in a number of quite different ways (Mendus, 2009), the DLP has identified the developmental importance of integrity from an institutional perspective, as *institutional integrity*. A building may be said to have integrity, when each of its constituent parts are sound and work together to contribute to the purpose of the whole. So, too, a system of governance, public authority, a state or a structure of management (however distinctive and different their purposes or designs), may be said to have integrity when the institutional arrangements sustain the integrity of its personnel and its processes and – crucially – when the personnel and processes sustain the institutions because they perceive it to be both legitimate and effective. Hence our concern has been to understand where, why, how and under what conditions leaders, elites and coalitions act to forge and consolidate effective, locally appropriate and hence legitimate institutions that deliver public goods and services. Together these constitute institutional integrity, and the building blocks of effective states and the politics of growth. But to understand institutional integrity it is not enough to focus on institutions: the role of agency is also of fundamental importance.

The work is still in its early stages. As Phase One comes to an end, we have made important first steps in the direction of:

- Establishing and refining our working hypotheses
- Defining the operational concepts
- Building up a set of illustrative case studies
- Creating some useful analytical tools
- Distilling some emerging findings and generalizations
- Identifying an initial set of immediate, medium-term and long-term operational messages
- Forging partnerships and links with other organizations and initiatives in the field of leadership work
- Establishing a platform for further research, analysis, knowledge gathering, dissemination and communication work in Phase Two, which from July 2009 will be housed with AUSAID in Canberra.

The report summarises the main elements of Phase One and initial findings.

2.0

Starting points, assumptions and working hypotheses

Starting points

The basic starting point for the work of the DLP has been that there is a significant gap in the international community's knowledge and understanding of the importance of leadership, elites and coalitions in meeting the many different challenges of development in weak states and emerging economies. We argue that successful development depends largely on political processes in which the leaders and elites of different groups, interests and organizations negotiate and shape the locally appropriate and feasible institutional and policy arrangements necessary for tackling a series of nested collective action problems.

Leaders, elites and coalitions – bringing agency back in

There is now widespread agreement in the international community and amongst researchers that institutions matter for stable and secure states, economic growth, political democracy and inclusive social development (March and Olsen, 1989; North, 1990; Knight, 1992; Steinmo, et al, 1992; World Bank, 2002; Bardhan, 2005; Acemoglu, Johnson and Robinson, 2005; and Rodrik, 2007). Policy makers and donors have been at pains to urge (or insist upon) the adoption of 'appropriate' political, economic and social institutions in the belief that these would promote economic growth, accountability and responsiveness through good economic governance and political democracy (DFID, 2007). Yet attempts at institutional transfer and the encouragement of particular forms of institutional evolution have not been especially successful, especially in the African context. Institutional and governance reform has had a patchy record (Levy and Kpundeh, 2004; Robinson, 2007). The work of the DLP started largely from the observation that this emphasis on institutions – that is the structural arrangements – has either ignored, or obscured human agency – individual or collective – from both analytical work and international policy and operational thinking and practices.

The 'structure-agency' debate is an old one in social science (Giddens, 1979; McAnulla, 2002; Hay, 2002). Indeed, the very debate is probably the most significant marker of the difference between the natural and social (or human) sciences. In brief, the structure-agency problem concerns the key issue about how socio-economic and political behaviour is to be explained. On the one hand are explanations that give emphasis to structural and institutional factors which shape and govern behaviour; on the other hand are explanations which place greater emphasis on the autonomy of agents and agency. In short, what is the balance between structure and agency in explaining outcomes in any given situation? The question is central to our understanding of development and, in particular, how locally legitimate and appropriate institutions form, change or decay. It is also fundamental to our understanding of a whole series of linked issues, including those to do with the formation of stable institutional rules of the

game as the basis for shaping stable states and politics, and also the establishment of the institutions of economic governance which create the environment in which growth can prosper.

An important starting point for the DLP has been that the international community has tended to look for, recommend and sometimes even insist on (Mburu, 2009) institutional and structural solutions for developmental problems, when we should *also* (**but not only**) have been looking at the agential factors required to adopt, adapt and implement them. While recognising the importance of structural and institutional factors, DLP has worked from the starting point that, on their own, structural conditions produce nothing without agents; and that, likewise, institutions (understood in simple Northian terms as the rules of the game) are empty boxes without the agents (players) that shape, operate, maintain, undermine or change them. Structure is not destiny. In short, our research and analysis has aimed to recalibrate the balance between structure and agency with a much more focussed investigation of the role of agents.

i. 'Success' Stories

Much of the focus of the literature on economic and political development has concentrated on failure, or relative failure, rather than success. And when seeking to account for poor performance the explanatory finger has pointed at institutions, structures and/or policies. In the African context, especially, these have included pervasive neo-patrimonialism; poor policies; weak institutions; inadequate bureaucracies; overbearing states; 'comprador' bourgeois parasitism; ethnic conflict; deeply embedded patron-client politics; disruptive colonial impositions and inheritances and the creation of artificial states; predatory political regimes – and many more. Recently, Paul Collier (2007) has identified four essentially structural 'traps' which, he argues, keep the poorest countries and their people poor (especially in Africa). These traps are (a) the conflict trap, that is where countries are locked into cycles of political violence in the form of civil war or *coups d'état*; (b) the natural resource trap that leads to the 'resource curse' and the Dutch disease; (c) the trap of being 'landlocked'; and (d) the bad governance trap – a trap which Collier does not seem to think is such a serious trap after all, by comparison with the others (ibid: 64).

Useful as these reminders are of the structural and institutional obstacles facing many especially poor developing countries, few of these explanations help to account for the really important and interesting 'success' stories. We appear to have many theories and schools of failure, but few of success. To illustrate: in almost every respect Botswana should have failed according to Collier's theory since all structural conditions militated against sustained development at the time of its independence – it was landlocked, it was dirt poor, it was surrounded by hostile neighbours, it was the sudden beneficiary of immense diamond revenues and had no institutional history of a centralised and effective state or sustained experience of modern governance. So how did it succeed? How did it escape the traps? Our work suggests that without focussing on the role of the leadership and elites, no satisfactory answer can emerge.

DLP's starting point therefore has been that if we want to explain and learn from success stories, we need to focus on agency, on the human actors who created and sustained the institutions that provided the context for sustained growth. All our cases in this first phase have been chosen because they may legitimately be regarded as 'success' stories. We chose to look at Botswana and Mauritius as exceptional and unusually successful (and entirely unpredicted) stories of sustained economic growth over a generation; we chose to look at the 'double transition' (Webster and Adler, 1999) in South Africa as one of the most remarkable and successful transitions to democracy and growth of the modern era; we chose to look at the Treatment Action Campaign (TAC) in South Africa and The Aids Support Organization (TASO) in Uganda as two examples of civil society organizations which were successful, not simply in

influencing but also shaping public policy goals and practices in respect of improving the treatment for, or prevention of, HIV/AIDS; and we chose to look at the sub-national level in KwaZulu, South Africa, to explain why and how some customary leaders in some districts with very similar structural conditions have succeeded in building local-level developmental coalitions with local public agencies and officials which in turn have promoted both political stability (after a long season of appalling political/ethnic violence), local level service delivery and economic growth, while others have not.

DLP's approach and methodology has utilised detailed case-studies – in the tradition of historical institutional analysis and 'process-tracing' – which engaged with the complex and distinctive inner political stories that focus on agency. And while agency is seldom structure-less, we set out to discover how the actions and interactions of agents – rather than institutions alone – might explain the outcomes.

ii. Leadership

For some time now there has been a recognition that leadership matters for growth and development. The Commission for Africa (2005), the report of Michael Spence's Commission on Growth and Development (2008) and the more recent report of Transatlantic Taskforce on Development (2009), amongst many other sources, all have placed considerable emphasis on leadership – and political leadership in particular – as fundamental for growth and inclusive development. But what is leadership? None of them specify what is to be meant by this. And what, in particular, is leadership for development or, better still, *developmental leadership*?

The literature on leadership is very substantial but the overwhelming bulk of it is devoted largely to the analysis of the behaviour and attributes of effective leaders in business and organizational contexts and primarily in the stable institutional environments of the typically OECD developed societies. Work on leadership is found in many disciplines, especially in Management Studies, Psychology (which is extremely well represented), Organization Studies and – to a much lesser degree – in Sociology, History, Anthropology and Politics (Peele, 2005). Despite a proliferation of definitions and approaches in these fields, it was noticeable in our initial literature review (Lyne de Ver, 2008) that despite the apparent recognition of the importance of leadership, there was almost no work on leadership in the development studies literature, nor any links to issues concerned with elites and coalitions as agencies of change, though both are often mentioned in passing. We found that the literature on leadership sprawled across a number of disciplines with little effort to explore cross-disciplinary possibilities or policy implications. It was apparent that the focus of the literature remained largely fixed on *individuals* in the context of Western management preoccupations; that it is characterised by a lack of theory; and by considerable definitional ambiguity and that 'leadership' is treated in a largely a-political manner as a technical skill which can be enhanced by appropriate capacity building. Moreover, leadership has seldom been pressed into service for a better understanding of the political dynamics of development.

In its usage in the three reports mentioned above, leadership therefore appears as a free-standing virtue or variable, unrelated to any institutional context shaped by varied systems of power, authority and culture. Thus it became clear to us that in avoiding the 'great man' or 'great woman' approach to leadership, we would need to anchor our understanding of the phenomenon in an explicitly developmental context where the issues are less about how to enhance individual or organizational performance in well-established and stable institutional environments (like a business or an international organization), *and far more about the role of leaders, elites and coalitions in shaping and sustaining new and locally appropriate institutions for the promotion of stable polities, economic growth and inclusive development*. We realized from early on that a starting point for this work would therefore be to gain a better understanding of how 'effective' developmental leadership emerges and operates in very different

institutional contexts of power, authority and culture which also often overlap.

Assumptions and working hypotheses

In the light of these starting points, the central assumptions we have made in this work can be stated in the following summary terms:

- Stable patterns of growth and political development are the consequence of indigenously designed, locally appropriate and legitimate institutional evolution.
- Secure, stable and effective states are the products of coalitions which (often after long, intense and bloody conflict) have hammered out the principal elements of the political settlements and have designed indigenously appropriate and legitimate political institutions.
- Successful economic growth stories are the stories of successful coalitions that have established the principal elements of their economic settlements and have consented to institutional arrangements that facilitate growth.
- More rather than less encompassing political settlements amongst elites that reflect a variety of interests are the principal underlying requirements for economic growth and political development, though the institutional forms that express such settlements vary widely.
- Though much of the developmental literature treats elites in unambiguously negative terms, we confined our use of the term to a neutral meaning, while recognising that elites may be either positive or negative in terms of the developmental outcomes they pursue.
- Achieving positive developmental outcomes involves solving a series of nested collective action problems amongst diverse interests and organizations (formal or informal). These collective action problems may be political, economic or social. They may occur at national/macro level or at village level, within and between sectors or across the public private divide.
- Resolving these collective action problems is necessarily a *political process* between the relevant leaders and elites of distinct interests, each bringing different forms and degrees of power and authority to influence and shape the outcomes, and each with different relationships to their followers, stake-holders or constituents.
- Coalitions are best understood as the political solutions to collective action problems. Though such coalitions may vary widely in their form, size, duration and purpose, we understand them to be the formal or informal groups – which may be transient or long-lasting – which come together to achieve goals they could not achieve on their own.

Some of the key concepts used above and in the work will be defined in the next section, but from these basic starting points and assumptions we derive the central organizing hypothesis which has framed our work:

Successful and sustained development depends crucially on whether and how various leaders and elites within and across the public and private domains are able to form sufficiently inclusive ‘developmental coalitions’ (or growth coalitions), formal or informal, which:

- *Negotiate the fundamental political settlements which are essential for building the core institutions of effective states.*
- *Establish, maintain and implement the locally appropriate, legitimate and feasible institutional arrangements which facilitate economic growth and (inclusive) social development.*

- *Co-operate – locally, regionally, nationally, sub-nationally, sectorally or within and between organizations – to overcome major collective action problems and/or major political, economic and social problems.*

All the studies undertaken in Phase One sought to explore this hypothesis and to focus in particular on how and why diverse leaders and elites were able to form *de facto* coalitions (both formal and informal) committed to overcoming the particular collective action problems facing them.

3.0

Key Concepts

How we think is probably as important, if not more important, than *what we think*. Accordingly, we have sought to develop preliminary operational concepts that are central to the work; that is conceptual understandings which will help to identify and organize the empirical phenomena in which we have an interest. These are starting points. There is plenty of room for refinement and sophistication. And, as is common in the social sciences, these concepts are all 'essentially contested' but they have provided a good starting point for the work and it important to sketch them out here.

i. Politics

As indicated earlier, central to the work of the DLP is the recognition that, irrespective of the structural constraints, positive developmental trajectories (or their opposite) are driven by politics and that the interactions between leaders, elites and coalitions in shaping and re-shaping the institutional environment for growth and stability (or hindering it) are inescapably and necessarily political processes. Moreover, there is now widespread recognition in the international community that politics plays a central part in determining developmental outcomes (Cabinet Office, 2005; DFID, 2007; Commission on Africa, 2007; DFID, 2009), but donors have found it very difficult to come to grips with how to inject political analysis into their work and – even more so – how to develop operational and policy applications. There are many reasons why the international community – and the big donor players in particular – have been so uneasy with the political dimensions of development.

Foremost among these – at least for the World Bank – is Article IV, Section 10, of the Articles of Agreement which forbids political interference in the affairs of its members.² A second (and perhaps related) reason for the reluctance to engage with the politics of developing countries is that a very small proportion of the professional staffs of donor agencies are trained political scientists, thus frustrating the emergence of new ideas and policies. Finally, the fear of breaching the sovereign status of a state and the often the jealously guarded if unhelpful division of labour between Foreign Ministries and Aid Ministries are probably further reasons why donors have – at least publicly – eschewed engagement with politics.

But, third, and central to the reluctance to think about the fundamental role of politics in development has been the narrow conception of politics adopted by most: it is a conception which sees politics as a separate realm of activity, associated with the struggle for power and control of the central organs of the state, with the nature or colour of the 'regime' and its opponents, and with the conflicts and

² Article IV, Section 10 of the Bank's Articles of Agreement, reads: "The Bank and its officers shall not interfere in the political affairs of any member; nor shall they be influenced in their decisions by the political character of the member or members concerned. Only economic considerations shall be relevant to their decisions, and these considerations shall be weighed impartially in order to achieve the purposes stated in Article I". (World Bank, 1989).

contestations over policy choices. On this view politics, as an activity, is largely confined to its formal association with public organizations and institutions concerned with the processes and practices of governing and the making of public policy. It is an activity that is believed to occur in and around certain formal sites of government. Politics is thus seen conventionally as something that only politicians do. Understood in this way, politics is essentially about government and hence to get involved in these processes is thus naturally seen as dangerous, invasive and a breach of the sovereignty of the state in question.

But adopting such view of politics is to evacuate it from all other spheres of collective human life, and is both narrow and unrealistic. The DLP takes a different view (Leftwich, 2004). We work from a different set of assumptions which hold that politics is a pervasive process found in and between the smallest groups and across all spheres of society. It is a fundamental, necessary and functional process which is found not only in the formal arenas and sites of public politics and public policy (parties, elections, legislatures, etc.), but is at the heart of all collective social activity, whether this is formal or informal, public or private. As a process which finds expression wherever two or more people are engaged in some collective endeavour, however small-scale, however limited in scope and petty in its implications, politics is thus a feature of all human groups, organizations and societies, not just some of them: it always has been and always will be. It is in this sense that politics is central to developmental processes at all levels and within all sectors.

A formal definition of politics therefore is that it consists of:

All the processes of conflict, cooperation and negotiation in taking decisions about how resources are to be owned, used, produced and distributed. Inevitably, the contours of politics are framed by the inherited institutional environment (both formal and informal), by the political culture and by the differing degrees and forms of power (Mann, 1986), which participants bring to the process, and by their interests and their ideologies.

It should be clear from this that political processes are not confined to the institutions and organizations of government and the state, but occur everywhere because people and organizations everywhere are engaged in taking decisions about how resources are to be used, produced and distributed. On this view, then, politics is also found in families, firms and factories; in churches and chambers of commerce; in NGOs and educational institutions as well as public bureaucracies, and economic sectors (such as agriculture, health or transport) – and in all the complex relations between them. Eduard Grebe's study in this series illustrates that very clearly, by showing how the TAC – initially a small elite organization in its own right – interacted politically with the leaders of the media, the scientific community, health officials, the governing party and the courts to achieve its objective of having the government make Anti-retro-viral drugs available.

And crucially for our purposes here, it follows that developmental processes are profoundly political, since development (whether economic, social or political) is fundamentally about changing or improving the way resources are used and distributed. In short, and unfashionable as it may be, politics is central to developmental processes and the role of leaders, elites and coalitions is central to politics.

In adopting this view of politics as a necessary and pervasive activity, we have been able to focus on how political processes have determined the specific outcomes we sought to explain at a variety of levels and in different contexts – economic growth in Mauritius and Botswana; local level development and non-development in contrasting districts of Greater Durban in KwaZulu; the success and consolidation of the democratic transition in South Africa; and the policy achievements of the two HIV/AIDS NGOs we studied, TAC and TASO. In particular, we have sought to focus on the political role of various leaders, elites and coalitions in shaping successful outcomes.

ii. Developmental Leadership

Our review of the literature and the different ways in which 'leadership' has been conceptualised (Lyne de Ver, 2008 and 2009) yielded countless definitions of leaders and leadership. But in order to avoid the abstract and often context-free conceptions of leadership we worked from the assumption that leadership – and especially leadership for development – or *developmental leadership* – was best understood as a contextually contingent political process constituted by three elements:

1. Leadership implies the organization or mobilization of people and resources (economic, political and other) in pursuit of particular ends. Such ends may be change-oriented, radical or reformist; they may be static and conservative.
2. Following Weber, leadership must always be understood contextually, occurring within a given configuration of power, authority and legitimacy, shaped by history, institutions, goals and political culture.
3. Leadership regularly involves forging formal or informal coalitions, vertical or horizontal, of leaders and elites, in order to solve the pervasive collective action problems which define the challenges of growth and development.

From these elements, we derive the following initial effort to define developmental leadership:

Developmental leadership is an inherently political process involving the organization and mobilization of people and resources in pursuit of particular goals, in given institutional contexts of authority, legitimacy and power (often of a hybrid kind). Achieving these goals, and overcoming the collective action problems which commonly obstruct their achievement, normally requires negotiating locally appropriate institutions by formal or informal coalitions of interests, elites and organizations, both vertical and horizontal.

iii. Elites

Like many other concepts in the social sciences which seek to define and encapsulate a social group (such as class, kin, clan, race or even caste), the concept of 'elite' is spongy and porous and its direct empirical referents are often quite elusive to pin down precisely. Elites seldom consist of permanent, unambiguously finite and fixed groups which endure over time. Within elites, membership changes, people come and go and rise and fall, while definitions change and boundaries expand or contract. Nonetheless, it is a widely used concept in political science – most recently illustrated in the account by North, Wallis and Weingast (2009) to explain the transition from one 'social order' to another (especially the transition from what they term 'limited' to 'open' access social orders).

Plato's 'Guardians' in *The Republic* (the philosophically well-trained but interest-free and preference-free rulers whose education enabled them to identify the common good) might perhaps be considered the earliest expression of an idealised *political* elite. But the more recent common use of the term tends to identify the elite with the 'toffs', the rich, powerful and probably rather supine (but dominant) social group or class, or with the top elements in any particular activity (such as 'elite' athletes or 'elite' schools). The concept has been used widely and loosely in many different contexts. Bottomore, for instance (1964:1) traces its origins to the 17thC French usage where it described 'commodities of particular excellence'; Putnam, (1976) offers a good overview of 'political elites' as do Parry (2005) and Hughes (1959) in their analyses of the classical elitists, "the heirs of Machiavelli", Pareto (1966) Mosca (1939/1896) and Michels (1959/1911). So there is some ambiguity and a considerable plurality of meanings (Reis and Moore, 2005; Savage and Williams, 2008) about the concept and it certainly lends itself to the dangers of 'concept stretching'.

Although there are some positive judgements of elites – ‘modernising’ or ‘reformist’ – it is generally the case, however, that ‘elites’ have had a rather bad press, and often for good reason – a tradition initiated by the three classical elitists, Mosca, Pareto and Michels, all of whom took extremely bleak views of elites or (as Michels calls them) ‘oligarchies’, regarding them as necessarily negative – ‘Who says organization, says oligarchy’ in Michels’ classic formula (Michels 1911/1959: 401). So the variety of negative adjectival qualifications which prefix many descriptions of elites is no surprise. They include ‘comprador’ elites, ‘narrow’ elites, ‘predatory’ elites, ‘collusive’ elites, ‘power elites’, and ‘rent-seeking’ elites.

It is also important to try to recognise that there is a considerable variety of salient elites in different societies, including business elites; military elites; political elites and economic elites; ‘power’ elites (Mills, 1956); ‘traditional’, ‘customary, or ‘modern’ elites; religious elites; managerial elites; bureaucratic elites; capitalist elites and trade union elites (Dogan, 2003: 1). The concept may refer to the formal leadership of a particular organization whether it is a trade union, business association or party, or it may refer to the powerful and influential leadership of an informal and unorganized interest – perhaps land-owners.

The DLP has taken a neutral and technical view of elites, not a normative one. And what is clear for our purposes is that the central characteristics of an elite in the social scientific sense is that it refers to that small, very small, tranche of people who occupy ‘commanding’ positions (Reis and Moore, 2005: 2) or ‘the most powerful positions’ (Scott, 2008: 33) in any formally or informally organized interest or organization with the authority, power and influence to shape decisions.³ The numbers involved can be very small – seldom more than 3% of any unit of analysis – and no realist analysis of politics in contemporary societies – developed or developing can avoid recognising that elites play a prominent role in determining policy or shaping decisions for their own organizations or sectors. Thus Higley and Moore (2001: 176) define the *political* elite as:

“...the several thousand persons who hold top positions in large or otherwise powerful organizations and movements and who participate in or directly influence national political decision-making”.

Their interest, as with ours, includes not only the formal or narrowly defined ‘political’ and bureaucratic elites, which Gaetano Mosca classically referred to as the ‘political class’, but all those other elites – in business, the professions and trades unions, for instance – who are part of formal or informal ‘policy communities’ or ‘policy networks’ involved in major shaping of policy in their sectors. These are the critical components – whose presence and strength varies from country to country – which may constitute coalitions for growth, state-building and inclusive social development. The work reported in the case studies has incorporated studies of traditional, business, plantocratic, medical, scientific, political, bureaucratic and corporate elites – amongst others – and particularly the way in which they interacted to forge formal or de facto coalitions in support of their collective goals.

For these reasons we formally conceptualize elites, quite simply and neutrally, as neither necessarily good nor bad, in the following terms:

Elites consist of a small group of leaders – rarely more than 3% in any unit of analysis – occupying formal or informal positions of authority and power in public and private organizations or

³ For instance, in Indonesia in the 1970s, with a population then of 170 million, it was estimated that probably no more than 1000 people constituted the political, military and bureaucratic elites. See Jackson, K.D. (1978) ‘Bureaucratic Polity: A Theoretical Framework for the Analysis of Power and Communications in Indonesia’ in K.D. Jackson and L.W. Pye (eds.) *Political Power and Communications in Indonesia* (Berkeley, University of California Press) pp 3-22. Another estimate is that the elite consists of less than 1 person per thousand of the adult population and that ‘in countries like Britain, Italy and France, a few thousand individuals would be included in the highest circles of power. Around them gravitate other elites of lesser weight. See Dogan, M. (2003) ‘Introduction: Diversity of Elite Configurations and Clusters of Power’ *Comparative Sociology*, 2(1) pp 1-15. Our fellow researchers at GRIPS in Japan have estimated from the published sources that only about 5000 people actively participated in promoting the enormous social change at the end Bakufu/early Meiji period (including samurais, noblemen, and rich farmers). This represented less than 1% of the samurai class (prime movers of the Meiji reforms) and less than 0.3% of the total population of Japan. Burton and Higley report that in China, the top echelon of decision making consists of probably no more than 35 people; that 7500 is about the number for the political elite in the USA, whereas in the Nordic countries the number is probably somewhere between 1000 and 2000. Today, in Malawi or Benin, for instance, the number is probably far lower.

sectors and who take or influence key economic, political, social and administrative decisions.

Of course all leaders and elites have followers – supporters, constituents, members or stake-holders. And all leaders have necessarily to look over their shoulders and be more or less accountable and/or responsive to their demands or expectations. We don't under-estimate this. But the form and degree of this depends crucially on the structures of power and authority in which leaders and elites operate, and which they shape, and the formal and informal institutional rules of the game in which they operate and which they deploy to achieve their ends.

iv. Coalitions

Of the central concepts used in the work of the DLP, 'coalitions' is clearly the least theorized or comparatively explored. Other than the classic account by William Riker (1962) on *political* coalitions, there is very little on developmental coalitions. This is hardly surprising given the variety of forms, purposes and endurance of coalitions. Yet, as with the notion of 'elites', it is widely used through the literature but seldom pinned down. For our purposes, we have defined coalitions loosely as:

Formal or informal groups which come together to achieve goals which they could not achieve on their own.

People normally think of coalitions as *political* coalitions that form governments where no party commands a simple majority – as in Italy or Israel or currently in India – and where the electoral systems tends (or is intended) to produce such outcomes. But there are many other contexts where the term coalition is commonly used to describe the same phenomenon of people or organizations forming a wider collectivity to achieve a goal they could not achieve on their own.

Given that growth and development are necessarily cooperative processes, as are democratic politics, made possible of course – but never assured – by appropriate institutional arrangements agreed by a wide range of people and organizations, it should be clear why the concept of coalitions and the practice of coalition building is so vital for understanding and promoting the politics of growth and development and how it fits into the wider emphasis in the DLP work on leaders and elites.

There are many ways in which the concept of coalitions is used. Sabatier (1988), for instance, analyses 'advocacy coalitions'; Deborah Yashar (1997) in discussing reform and reaction in Guatemala and Costa Rica suggests that 'coalitions bring together groups or institutions (I think she means organizations, AL) with heterogeneous, divergent long-term goals that they are willing to sacrifice for intermediate collective goals, such as founding a stable democratic regime; Daniel Posner (2006:3), following Robert Bates' work, interprets ethnic politics and hence ethnic political organizations as a form of 'coalition-building'; Brautigam, Rakner and Taylor (2002) explore state-business relations in Africa and their contribution to 'growth coalitions' following in the tradition of work by Maxfield and Schneider (1997); while the structure and behaviour of 'dominant coalitions' carries a lot of the explanatory freight in the recent analysis by North, Wallis and Weingast (2009) of the emergence of 'open access orders'. Of particular significance to this argument is their observation that 'The organization of the dominant coalition then is a matter of organizing organizations, and the state is an organization of organizations (2009: 31). Moreover, coalitions of elites, in the loosest sense, are at the heart of the necessary political settlements, elite settlements or 'elite bargains' – inclusive or exclusionary, as Lindeman (2008) puts it – which underpin or frustrate the emergence and consolidation of stable states, as illustrated by Burton and Higley (1987) in their comparative analysis of England in 1688-89, Columbia 1957-58 and Venezuela in 1957, and in other literatures (a good example is Waldner, 1999).

Coalitions take different forms – they may be formal or informal; they may be transient or long-lasting;

they may be vertical and they may be horizontal; they may encompass or have to encompass a wide or narrow range of interests, with significant implications for outcomes; they may have a single objective (revoking a particular law, for instance, or achieving a particular policy objective, local or national); or they may have a wider front of objectives (improving civil liberties, deepening democracy, freeing-up markets, reducing bureaucratic red-tape, improving gender equality); they may be formed within the public sector between departments or ministries or within the private sector, or they may link across them. In our work we have seen the centrality and salience of coalitions – for instance between 'traditional' and 'modern elites', between states and multi-national corporations, between NGOs, religious organizations and health ministries.

However, not all coalitions are developmentally progressive – they may be collusive, predatory, distributional or rent-seeking; but they may also be developmentally positive in helping to organize the fundamental agreements, politics and institutional arrangements without which growth, stability and inclusive development is impossible.

The point here is simple but very important. Coalitions are central to the everyday politics of all societies and are fundamental for security, state building, economic growth and political stability. We need to develop our conceptual and empirical work in this area because coalition analysis feeds directly into with a wider range of urgent cognate challenges, including state formation and consolidation, governments of national unity, publicprivate partnerships, 'co-production' (Joshi and Moore, 2004), democratic 'pacts', public security issues, statebusiness relations and the relations between customary and 'modern' political authorities in shaping hybrid political orders (Boege, Brown, Clements and Nolan, 2008).

These central concepts – of politics, leadership, elites and coalitions – deployed in the first phase of work, have had as their central purpose the objective of re-focusing attention on the role of human agency, that is the players in Northian terms (1990), of drawing attention to the complex specificities of individual cases and recalibrating the balance between structure and agency in political analysis.

4.0

Outputs of DLP Phase One

All these may be accessed at the DLP website which is www.dlprog.org. The executive summaries of the research papers are attached to this document as the Appendix I.⁴

i. Background Papers

Leftwich, A. and Hogg, S., (2008) *Leaders, Elites and Coalitions: The case for leadership and the primacy of politics in building effective states, institutions and governance for economic growth and social development.*

Leftwich, A. and Hogg, S., (2008) *The Politics of Institutional Indigenization: Leaders, elites and coalitions in building appropriate and legitimate institutions for economic growth and social development.*

Lyne de Ver, H. (2008) *Leadership, Politics and Development: A Literature Survey*

Lyne de Ver, H. (2009) *Conceptions of Leadership: A Survey*

Lyne, de Ver, H. (2009) *An Introduction to the Analytical Leadership Framework (ALF)*

ii. Research Papers

Grebe, E. (with Nicoli Natrass) (2009) 'Leaders, networks and coalitions in the AIDS response. A comparison of South Africa and Uganda' (University of Cape Town).

Sebudubudu, D. (with Patrick Molutsi) 'Leaders, elites and coalitions in the development of Botswana (University of Botswana).

Van Wyk, J.A. (2009) 'Cadres, capitalists and coalitions: the ANC, business and development in South Africa' (University of South Africa).

Brautigam, Deborah (2009) 'Coalitions, Capitalists, and Credibility Overcoming the Crisis of Confidence at Independence in Mauritius' (American University, DC)

Beall, Jo (2009) 'Indigenous Institutions, Traditional Leaders and Developmental Coalitions. The Case of Greater Durban, South Africa' (London School of Economics, and University of Cape Town).

In addition to these commissioned papers, we are collaborating with Professor Junji Banno (Professor

⁴ A list of all DLP publications can be found on page 36.

Emeritus, University of Tokyo) and Professor Kenichi Ohno of the National Graduate Institute for Policy Studies (GRIPS) in Tokyo, who have been working on an analysis of the inner politics of transformation in the course of the Meiji restoration and the commencement of Japan's modernization from the late 1860s. They are preparing a research paper which has as its focus the leaders, elites and coalitions in that remarkable transformation, entitled: *The Flexible Structure of the Meiji Revolution*. This work is also available through the DLP website.

iii. Analytical Tools

The Leadership database

This database is a carefully constructed set of details concerning the empirical characteristics of most of the leaders surveyed in the case studies which are reported in the Research Papers. The data all of which is garnered from sources in the public domain includes information on education, employment history, political and economic philosophy, formal and informal leadership work, plus much more. As future phases of the work develop, the database will include new data and new leaders. It has multiple query functions so that in due course when the number of entries is larger, we shall be able to interrogate the database to see if we can identify patterns in the empirical characteristics of effective leaderships.

PAT – Political Analysis Tool: Leadership and Institutions

ALF is a highly flexible computer programme which can be used for mapping changing forms, interactions and hybrid patterns of leadership over time. It is also an excellent tool for tracing over time the interaction of elites, the formation of coalitions and the kinds of political and economic settlements, institutional arrangements and policy markers such as coalitions are able to establish.

5.0

Main Research Findings

Each of the research papers has produced detailed findings which it would not be possible to reproduce here. However some general themes have emerged from this work which feed into the policy and operational implications and messages that are outlined in the following section. It is first worth offering a brief reminder of what the overarching research question has been: what has been the role of agency – leaders, elites and coalitions – in shaping the successful outcome of each case?

- In the case of Mauritius and Botswana, we explored the roles of leaders, elites and coalitions in the political dynamics that orchestrated the design and implementation of institutions that facilitated economic growth in their critical immediate post-independence periods.
 1. For Botswana, we analysed why and how the new elected leadership of the 'modern' state was able to organize the incorporation of indigenous leaders into the new institutional arrangements of the independent state, and establish a series of overlapping and reinforcing coalitions of understanding and consensus across traditional-modern sectors, across political parties, across the ethnic-racial divisions, across the public-private sectors, across employer-employee relations as well as state and non-state actors in business and non-governmental sectors.
 2. In Mauritius the research focussed explicitly on coalition politics – incorporating not only political parties, but business associations, trades unions, the press and the church – enabled a wide range of divergent groups and interests to accept a developmental strategy that benefitted all and which enabled a close and synergetic relationship between the state and business sector to flourish and which combined a managed capitalism with social democracy.
- In the case of South Africa, we looked at a wider range of different elites with very different ideologies, interests and preferences, were able to establish not only a successful political settlement for the peaceful transition to democracy and consolidation of the new state, but also generate institutional arrangements – both formal and informal – which could facilitate the on-going negotiation of an economic settlement that would foster growth-oriented and poverty-reduction.
- In the case of the two NGOs – the TAC in South Africa and TASO in Uganda – the objective was to explore how the leaderships of these two organizations were each able to mobilize politically a coalition to achieve a major turn-around or innovation in public policy (the provision of anti-retroviral drugs in the case of the TAC and the mounting of an effective preventative campaign across the public-private divide in Uganda).
- In the case of KwaZulu, we analysed why and how, originating in conditions of desperate violence (in the 1990s), progressive developmental coalitions promoting economic growth, inclusive governance and social development were crafted in some districts of Greater Durban but not others.

Broad coalitions, both formal and informal, were nurtured that included traditional leaders, elected councillors, businessmen, social activists and the church. This was done by the determination and commitment of political leaders with close links to the chieftaincy, the *ubukhosi*, and by brokers who included the City Manager, key officials in eThekweni Metro, imaginative consultants, well connected developers, embedded NGO employees, advocates, activists, educators and politicians.

A number of preliminary findings – supported by evidence from other historical episodes elsewhere – emerged.

Structural Findings

Threat or challenge: In each case there was some ‘threat’ or challenge – economic, political or social – which established a strong incentive for collective action by leaders and elites if the threat was to be contained if not defeated. For instance:

- Botswana was thought not to be viable and the collective leadership was well aware that it might be ‘swallowed’ by its (then) hostile neighbour, South Africa.
- In South Africa, the escalating violence, economic decline and international isolation merged with a conflict which it was clear no-one could ‘win’ in some outright fashion. Recognition of the threat which this posed to all was a critical factor and the spur to some important initial brokering of contact and discussion with both sides.
- The Mauritian elites, at independence, in a context of profound and threatening instability, recognised the need to transform the economy from its reliance on sugar in a fast changing world, a task that would require the cooperation of state and private sector and the need to establish rules of the political game that would eliminate the real threat of political melt-down.
- Both the leadership of TAC and TASO and the wider coalitions they mobilised – though not the governments of South Africa and Uganda at first – recognised the immense threat which HIV/AIDS posed and that without rapid and effective action it would continue to create havoc within their populations (as it has indeed done in neighbouring states where such action has either not been taken or less successfully taken).
- Those leaders in KwaZulu who were determined that there should be no return to the bloody conflict of the 1990s were the ones who saw the need to reach out to build local-level developmental coalitions, across the prior lines of violent and destructive cleavage.

These elements of threat or challenge (but it could equally be an *opportunity*) have been noted before in explaining the structural origins of ‘developmental states’ such as Japan, Korea, Singapore and Taiwan (Leftwich, 1995; Donor, Ritchie and Slater, 2005). In all cases, the fact of external (and sometimes internal) ‘threat’ was a significant spur. Equally, the establishment of governments of national unity – most recently in Kenya and Zimbabwe – suggest that situations of *extremis* can provide a powerful reason for elites to begin the process of coalition formation to avoid repetition or further collapse and to establish the political settlements and institutional arrangements that are the basis of stable states. In such contexts, the role of brokers (as was the case in South Africa in the 1980s) can be crucial.

But of course threats of that order have not always promoted such a response, and it thus becomes clear that structural factors are no guarantee that there will be a positive response by leaders and

elites. Thus why some leaders and elites respond energetically to threats and why some don't is a question for analysis in phase two of the research.

Leadership Findings

- In each of the cases studied, the **role of leadership** was fundamental for the successful outcomes. But this was not simply because of the integrity of the individual *leaders* or elites – though they all may indeed have been people of integrity. What made these leaders and elites effective was their *leadership*, that is their ability to mobilise people and resources in pursuit of agreed goals and to establish the institutional arrangements and organizational forms that would facilitate the achievement of those goals. There was a **conscious and determined search** by leaders for a sustainable and developmentally progressive, encompassing solution to the problem faced.
- In all cases, the building of **formal or informal coalitions** was the central political device used. These coalitions took varied forms across diverse elites, sometimes between organizations, sometimes individuals. In Mauritius the Joint Economic Council (JEC), for instance, was a spontaneous response by the business community to establish a peak organization which could negotiate and work with government. Likewise, the constant process of coalition formation in Mauritian politics at government level has played a significant part in providing an 'insurance against polarization' (Sithanen, 2003:9). In Botswana these coalitions, though they contained their own tensions, spanned traditional-modern sectors, political parties, the ethnic and racial divisions, the public-private sectors, employer-employee relations as well as state and non-state actors in business and non-governmental sectors. In Mauritius, the elites attracted the support of churches and press to help mould and consolidate the coalitions and the institutional arrangements to promote growth. In South Africa, the new ANC government, despite its long-standing commitment to radical reform of both political and economic institutions, recognized the need for a politico-economic settlement that did not dramatically threaten capital and the private sector and both formal and informal institutional arrangements and coalitions were built to negotiate and accommodate these interest as well as those of the trades unions and customary authorities. Both TAC and TASO reached out explicitly to establish links with, and harvest support from, the press, scientific and health communities, churches, and external organizations to build the coalitions that would advance their cause.
- Political processes were central to the practices of coalition building. All the practices and skills of networking, conflict management, negotiation and cooperation were involved in the politics of building this variety of vertical and horizontal coalitions.
- A significant element common to the leaderships of these elites was an openness to learn from 'foreign' ideas and experience, but only as appropriate. Historically, Japan is the classic case, sending a number of missions abroad between 1865 and 1873 of which the Iwakura Mission of 1872-73 was the most important. The Mauritians welcomed foreign ideas and advice, notably the Commissions of Meade and Titmuss and sought to learn more about the Export Processing Zones in Taiwan (which they copied in inappropriate forms). The Botswana government, too, was not resistant to 'foreign' ideas, advice and personnel, while retaining decision-making about how to adapt or adopt ideas from abroad. TAC and TASO were able to draw ideas and support from other HIV/AIDS organizations abroad and established close links with them (certainly in the case of the TAC) as part of their strategy to exert influence on their government. In addressing the issue of how to deal with traditional/customary authorities (which had important implications for policy and practice at provincial level in KwaZulu) the ANC was very interested to learn from how other independent African states had dealt with customary authorities in the new institutional arrange-

ments and distribution of power and authority.

- In almost every case, the leaders and elites were able to draw upon prior **networks, cohorts, contacts and experiences** to help forge links and coalitions. As Eduard Grebe comments in his comparison of TAC and TASO:

‘Both TAC and TASO drew heavily on pre-existing networks of friends, colleagues and acquaintances to launch the movements, but quickly pulled in like-minded individuals and created links with significant outside actors’ (Grebe, 2009: 25).

Moreover, many of the first and second generation of leaders of the BDP in Botswana had been schooled together – in South Africa, at some of the (then) premier educational establishments, like Lovedale and Tigerkloof, and had established close bonds, and later again at university. In the case of the TAC in South Africa, the founding leadership had been active (commonly underground) members of the liberation struggle and the ANC (and remained loyal to it throughout) and were able to exploit their contacts with former colleagues who had, since liberation, moved into a number of elite positions in science, the media, law and politics. The Mauritian leadership which together negotiated the new relationships amongst key elites had almost all studied at the premier secondary school, Royal College, on the island.

Institutional Findings

- The most important and obvious common theme in the case studies is that few of the key institutional arrangements were modeled on the OECD pattern; they were not designed in Denmark or exported through Copenhagen. They were locally and indigenously designed and, where borrowed, were adapted to suit local circumstances and possibilities. For instance:
 - That certainly had been the pattern of institutional reform and innovation in Meiji Japan after 1870.
 - In Botswana the ingenious device of converting chiefs into civil servants with salaries (on condition that they did not engage in party or electoral politics) is a good example.
 - In Mauritius, the government fostered “dense *clusters of consultation*: regular formal and informal arenas for government-business interaction”, long before Private Public Consultations or *fora* had become fashionable, and welcomed representatives of the peak business association, the Joint Economic Council (JEC), on official missions abroad.
 - The leadership in Botswana and Mauritius sought ethnic balance in key organizations and coalitions, to ensure inclusion.

Elite/leadership characteristics

Our leadership database records many of the empirical characteristics of the leaders of these various ‘success stories’, including the level, form and location of their education; their religion, employment, political and economic philosophies and much more. As cases continue, the database will expand. But from the first 5 case studies a number of very interesting patterns emerge, strengthened by evidence from Japan and elsewhere in the ‘successful’ developmental states of East Asia, and I list some of them here.

- First and foremost, most of the leadership in each of the cases had been through **quality secondary and higher education** either in their home countries or abroad. We hypothesise on the basis of the evidence (and will research this more in the next phase) that quality secondary and higher

education serves a number of different purposes, each of which strengthens the capacity for effective leadership:

- It is clear that common experiences in the same educational organizations helps to create the networks and cohorts that later may form the basis of support for collaborative work or coalitions. At the very least it promotes familiarity and can generate those forms of social capital which can help to both bond and bridge (Woolcock, 1998). That certainly was (and remains) the experience in Japan (where Tokyo University has been a significant seed-bed for leaders and elites across a range of sectors). The same was the case in Mauritius and in Botswana where attendance at the same schools (or later, for some, Universities) served this function of forging networks that later would enhance overcoming collective action problems and conflicts.
 - Tertiary education – especially in the social sciences and law – enables participants to understand better the problems of collective action and that their resolution is essential for development.
 - The capacity to think in terms of general concepts and relationships, and to understand, for example, the idea of public goods, beyond individual or group interests, appears also to be one positive advantage of tertiary education.
 - But above all is the capacity to analyse and understand complex socio-economic and political problems – what Stiglitz (2003:77) refers to as ‘scientific’ ways of thinking – is one crucial benefit of higher education and a necessary but not sufficient attribute of effective developmental leadership.
- But common experience of secondary and higher education is not the only source of these networks and cohorts. Many had shared experience in political movements, trade unions, professional or business life. Some had been students abroad, where they participated in their national student associations in the countries where they studied.

Together, these preliminary findings confirm how important it is to recalibrate our thinking about the relationship between structure and agency and how institutions on their own, without appropriate agents to implement and sustain them, remain empty boxes. These cases also suggest a number of far-reaching policy and operational implications for the international community, some of which are outlined in the next section.

6.0

Policy and Operational Implications

As Phase One draws to a close, some initial policy and operational implications for the international community are emerging. While Phase Two will focus greater attention on developing the implications, they include (from the general to the particular):

Understanding and supporting developmental leadership requires long term thinking and commitments by donors

- Economic growth and socio-political development and the complex structural and institutional transformations which they entail (Stiglitz, 2003:77; IMF, 2005) are long-term processes. This requires long-term commitments by serious donors, the need to develop policy continuities over long periods and to avoid unnecessary and rapid shifts in fashions.
- Developmental leadership is not a quick-fix by focussing on a few selected individuals. The emergence of leaders and elites, investing in the processes of leadership that shape the politics of development, brokering and supporting the emergence of developmental coalitions which will generate the indigenous institutional evolution all involve long term commitments. ***These are the real elements of long-term aid effectiveness.***
- There is thus a case for far more and better synchronised cross-party and cross-organizational thinking about long-term aid policy and strategy, delinking aid policy from domestic political competition and forging commitments that can be sustained through governmental changes.

Thinking politically

It has been central to this overview that political processes shape development outcomes and that we ignore their primacy at our peril. The international community has started in the last few years to grapple with these questions and it is not the implication here that they are easy to deal with when it comes to operational questions. However, there are a number of steps which need to be initiated now that will help deepen our understanding and generate new thinking and a range of policy options when it comes to political matters – at least as we have defined politics earlier.

- **Expand and deepen theory: New ideas for *The World Development Report* and the *Human Development Report*.** Two of the foremost influences on development thinking in the broadest sense and for the widest audience are the annual World Bank's *World Development Reports* and the UNDP's *Human Development Reports*. Their influence and contribution to knowledge and understanding is very considerable. Managers and policy-makers might give serious thought to devoting future issues of these reports to the social and political process of development, drawing on the wide pool of international expertise and experience – in both the North and the South – in the

politics of development amongst academic researchers and practitioners. The very act of committing resources to such reports will serve to both deepen and legitimate thinking politically about development and to generate new ideas and analyses.

- **Expand Political Science presence and skills in donor agencies.** Though there are political scientists (and political anthropologists) in donor agencies, their presence is generally very sparse. Many governance advisers have no training or background in the discipline. Deepening and extending political science understandings in the agencies would act as powerful yeast to promote new thinking, ideas and policy which can infuse across operational sectors.
- Elites and leaders are the crucial agents in establishing the basis for the **institutional foundations of effective states**. The evolution of stable and effective states, and the consolidation of peaceful democratic practices within them, are inescapably political processes – entailing elite negotiation, bargains, pacts and settlements; establishing locally appropriate rules of the game; and the bedding down through iteration of predictable games within those rules. These are both bottom-up and top-down processes in which the role of leaders, elites and coalitions at all levels and across a range of sectors is fundamental. If the international community is to have any contribution to make to the indigenous processes of statebuilding, the first step must be to generate far deeper and better political analyses of the context specificity of the problems, constraints and possibilities, and then to invest in the agents and processes that will indigenously do the job. The work on KwaZulu shows clearly how complex these processes are, how they vary from context to context and how important it is to understand them.

Context specificity: Understanding specific political and leadership contexts

- Though the point is now often made, the contexts and challenges of development vary hugely and a uniform institutional response – what Peter Evans has described as ‘institutional mono-cropping’ (Evans, 2004) – simply has not worked and will not work (IMF, 2005). Despite the repeated mantra, the significance of this point is not always recognised or assimilated into how things are done. Aid agencies look for broad ‘policy messages’ and encourage research that will yield broad policy implications, when they should also be much more focussed on the contextual specificity and challenges of individual countries in the light of their endowments, levels of development, challenges, histories, institutional arrangements and political processes and practices.
- Identifying the constraints and possibilities, and developing informed country expertise is critical, as is recognising that building the appropriate and legitimate institutional arrangements for growth and stability must be indigenous processes which donors can help and support but not impose.
- It is clear that different and overlapping structures of power and authority (often hybrid or mixed), embedded in the history, socio-economic structure and political culture of countries, are the contexts in which different forms and processes of leadership have to operate. The different institutional contexts (and political cultures) of Uganda and South Africa, as Grebe’s paper illustrates graphically, shaped the patterns of advocacy politics adopted by the TAC and TASO and their room for manoeuvre. Understanding these specificities in each case is a formidable but necessary first step in devising ways in which policymakers can support indigenous leaderships and elites to build coalitions.

Brokering and convening leadership coalitions and networks

- One of the emerging lessons from the case studies has been that openness to new ideas was a feature of many of the leaders and elites of these ‘success’ stories. Brokering better communication and discussion amongst leaders and elites of both formal and informal interests and organizations

are crucial starting points to facilitate the emergence of developmental coalitions and the overcoming of basic collective action problems. Donors can sensibly use their often very considerable 'convening power' to facilitate this and hence to *invest in processes* that may take years to mature. Such brokering may take a number of forms including:

- Within-country brokering and convening
 - South-south brokering and convening
 - North-south brokering and convening
 - Specialist brokering and convening, that is responding to requests for ideas or information
 - Within sector brokering and convening
- Likewise, extending and deepening the professional capacities and understandings of the leadership of organizations like business associations, trades unions, professional associations, NGOs and customary authority associations is important too. This does not mean 'picking winners' or identifying individuals for special treatment or training, nor does it mean capacity building in the narrow sense of training (though it would not exclude that). Rather, if institutions are the 'rules of the game', and individuals and organizations the players within them, then 'better' games will be played by able players. Understanding the wider issues, developing the professional, substantive and negotiating skills to both represent the interests of their members and to engage in both understanding and resolving collective action problems and coalition building is central to this. Donors have a role to play in promoting the processes which enhance these capacities.

Recognising the importance of secondary and tertiary education

Over the last 30 years or more, and especially the last decade, aid has been targeted at primary education. The case for this is strong. But at the same time the failure to support high quality secondary and tertiary education has, along with other factors, been associated with a sharp decline in the quality of, and facilities for, higher education, especially in Africa and the Pacific. Lack of investment and underfunding; emigration of quality staff, overloading of remaining faculty with heavy teaching, marking and administration; low salaries and poor conditions of service, along with many other factors have contributed to this. As a consequence, governments and other organizations in both the public and private sectors have been deprived not only of high quality professional staff, sound local policy advice and research capacity, but also of a pool of educated and trained people able to adopt leadership roles and positions. Moreover, as suggested earlier, the bulk of the key leaders in all the cases reported in DLP research all had completed good secondary education and most had university degrees. It would of course be naïve in the extreme to believe that formal secondary and tertiary education is a guarantee of developmental leadership – after all, at one time it was said that there were more PhDs in the Zimbabwean cabinet than any other African government. Nonetheless, the case for the international community⁵ to engage seriously to help reverse the decline in tertiary education, especially, is very strong for these reasons. In practical operational terms, a number of immediate steps need to be considered:

- A serious and coordinated review by the international community of the condition and needs of high quality secondary education and especially tertiary education is urgently needed.
- The purpose, forms and detail of donor scholarship programmes also need to be looked at.
- *Leadership training programmes* are now widespread, some organized by the private sector on a commercial basis, some by governmental and international organizations, both within developing

⁵ DFID has, bravely and entirely to its credit, already initiated a programme to strengthen the provision of social and political research capacity in Africa. But unless the undergraduate sector – which will provide the pool from which graduates and researchers will be drawn – is supported, the long-term problem will not be fixed. The challenge across the continent is huge.

countries and in the North. How far do these contribute to advancing only (or at all) the career trajectories of individuals and how far do they add to the pool and sophistication of developmental leaderships? Reviewing what they do, how they do it, the syllabuses and scope of such courses and the contribution they make to public leadership would be important to establish.

- In the light of these considerations, donors might also rethink:
 - Capacity-building and technical assistance
 - How to support indigenous business and labour organizations
 - How to broker and convene the development of effective local state-business relations and institutions
 - How to give support to the development of women's coalitions

Using convening power to strengthen or create networks and cohorts

As outlined earlier, a notable feature of the coalitions and linkages established by the leaderships and elites in the case studies of this first phase of work was that in almost every case they built on, or drew from, prior networks and common experiences that had previously brought them together. Whether it was through their 'school-mate' experience (as Sebudubudu describes it in the case of the Botswana leadership), through their time at university together; through acquaintances and personal friendships developed in the course of professional work (as in the case of TASO leaders at the Mulago teaching hospital in Kampala), or through bonds established in the course of common struggle in liberation or independence movements, these networks and cohorts have proved to be of great significance in facilitating subsequent coalitions and settlements. The operational consequences for donor support may seem obscure, but the scope for using convening and brokering influence is very considerable as illustrated by the following:

- Although educational contexts (schools and universities) have been important in establishing these networks, they are not the only sites where cohorts form or can be formed.⁶ Organized or unorganized groups of professionals, business-persons, workers, farmers, perhaps divided by local ethnic, religious or regional identities, provide opportunities for donors to use their convening power to bring them together and support the emergence and consolidation of interests in order to help in the long-term shift the configurations of politics to interest-based mobilization and negotiation.
- The opportunity for identifying and bringing together other emerging interests, promotional or advocacy groups, currently divided by region or ethnicity, or hampered by lack of support – as women's groups have done in Zambia in the *Zambian National Women's Lobby*, or the *International Coalition Against Trafficking in Women* – are considerable. While being valuable in their own right, the strengthening of such coalitions also helps to generate the cohorts and networks of contact and cooperation that are essential underpinnings of wider political processes that contribute to political settlements and shaping or consolidating the institutions of the state.

⁶ I am grateful to Stephen Ndegwa for this point.

7.0

Future Developments and Phase Two

This overview has summarised the work of the first phase of the DLP which has now come to an end. A second phase will commence in July 2009 and the Australian Agency for International Development (AUSAID) has indicated strong interest in developing this work. Phase Two is expected to include four major work-streams:

- Research and Analysis;
- Policy and Operational Implications;
- Developing Partnerships
- Communications and Dissemination.

Once the final arrangements have been put in place, we shall explore with interested partner organizations the content and priorities of the four work-streams. But on the research side, we shall continue with a set of casestudies covering (a) comparative, conceptual and theoretical work; (b) more national case studies; and (c) other studies of relevant and interesting examples of leadership initiatives, elite interactions and development coalitionbuilding in order to develop a more robust understanding of the role of agency in the emergence of these and what donors can do to support them.

8.0

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9.0

Appendix: Executive Summaries of the Research Papers

1) Jo Beall with Mduduzi Ngonyama: *Indigenous Institutions, Traditional Leaders and Developmental Coalitions: The case of Greater Durban, South Africa.*

South Africa was not atypical in having to accommodate indigenous institutions in its new political order when the country made its transition from minority rule to a non-racial democracy in 1994. In many parts of the world, and especially post-colonial states, customary forms of governance remain salient, being deeply rooted in local institutions. Indigenous institutions are not immutable and have connected with and been engaged by colonial powers and western states in a range of ways and to varying effect over many decades. Yet it is increasingly recognised that institutional multiplicity and competing claims to social and political legitimacy need to be taken seriously within hybrid political orders.

State-making and peace-building in post-Apartheid South Africa was made possible by the creation of an administrative machinery that could contain customary authority structures within a broader polity, political structures and processes that channelled the ambitions and grievances of traditional leaders, and a system of local government that drew on the presence and experience of chieftaincies to bring development to hard-to-reach areas. This was a contested process that is by no means over and with mixed results. Yet pockets of success have emerged out of the transitional period, especially in the city of Durban, giving rise to progressive developmental coalitions promoting economic growth, inclusive governance and social development.

The key ingredient for success was the determination and commitment to development of influential political leaders with local links into *ubukhosi*, the institution of chieftaincy, as well as strong connections to the ruling African National Congress (ANC) both locally and nationally. From this core they were able to forge broader coalitions that included traditional leaders, elected councillors, businessmen, social activists and the church. In some instances they were successful in breaking down political boundaries and antagonisms in the interest of inclusive strategies. This paper explores how these leaders emerged, what they did differently from those who remained confined within narrower and more inward looking coalitions of interest and the role of inclusive political settlements and development coalitions in consolidating and scaling-out these local success stories into broad-based development strategies.

This paper examines the incorporation of indigenous institutions into the newly democratised eThekweni Metropolitan Municipality (the Metro) in Durban, South Africa, profiling examples of better and worse practice both at provincial level in KwaZulu-Natal and in the context of metropolitan governance and how, in the process, old political settlements and coalitions were broken and new ones constructed. The paper concludes that success is predicated on accommodating institutional multiplicity within a

hybrid political order, in which leaders work on premises of the need for trade-offs and least worst option and as a result engage in inclusive processes, which in turn facilitate developmental coalitions.

2) Eduard Grebe (with Nicoli Nattrass): *Leaders, networks and coalitions in the AIDS response: A comparison of Uganda and South Africa*

This paper examines the question of AIDS leadership in Africa by means of a comparative study of two prominent civil society organisations that have been leaders in their respective countries' AIDS responses: The AIDS Support Organisation (TASO) in Uganda and the Treatment Action Campaign (TAC) in South Africa. Since an effective AIDS response requires cooperative collective action on the part of a wide range of actors at all levels of society, AIDS leadership can be seen as *the ability to mobilise successful AIDS response coalitions* to overcome these complex collective action problems. While TASO and the TAC (and the contexts within which they operate) differ in important respects, the comparison can help us come to a number of general conclusions with respect to the conditions under, and process by which, effective AIDS response coalitions come about. Section 1 of the paper sets out the conceptual and theoretical framework in terms of which the empirical evidence is analysed. Section 2 provides a brief overview of the two organisations.

In Section 3 it is argued that one of the clearest insights emerging from the research is that the development of AIDS response coalitions is highly context-dependent. Civil society leaders and elites respond to the incentives, opportunities and constraints imposed by the institutional arrangements and political culture of the polity within which they operate. TASO and TAC's divergent responses to AIDS (service delivery and political mobilisation respectively) reflect their contexts, including South Africa's relatively open political system and political culture, the Ugandan state's more supportive approach to AIDS organisations (conditioned to a significant extent by its own lack of capacity and dependence on foreign aid), governmental AIDS denialism in South Africa, and a donor community less supportive of militant action in Uganda. An important conclusion is that historical and institutional factors profoundly shape the coalitional opportunities facing civil society actors.

Section 4 shows that coalitions (which can be defined as alliances between social sectors or groups) are built by means of networks of individuals. In the cases of both TASO and TAC, a few exceptional individuals constructed local and international networks through which it mobilised resources (symbolic and material), influence and support. In general, these individuals and their networks were people with education, experience and useful connections, which they were able to exploit in order to mobilise coalitions for action.

Section 5 recounts how both TAC and TASO were faced with the inevitable challenges of movement evolution over time. As they grew in size and prominence, the pressure to formalise systems and processes grew. This can create a tension between the charismatic leadership required to build a social movement and the professional management required for efficient and sustainable service delivery. TASO evolved into a large and relatively rigidly managed organisation with strong technical capacity but weaker credibility as an activist movement, while the TAC has remained truer to its activist roots, but at the cost of technical capacity. Organisational evolution was partly a function of the evolution in their environments and resulting incentive structures.

The role of donors is analysed in Section 6. Uganda's much greater reliance on donor funding gave donors much greater influence there than in South Africa. This has increased the leverage of civil society through the 'boomerang effect' (influence on the state through international actors who are

more powerful than domestic actors), but also introduced substantial problems. These included the domination of the AIDS response agenda by donors (with a resulting focus on targets that are of importance to donors who have domestic reporting requirements), a failure by donors to support a truly independent and critical civil society sector and the use of donor money (in this case primarily by the United States) to advance a particular — and inappropriate — moral and ideological agenda (abstinence-based prevention programmes etc.). Therefore, while donors are important brokers of AIDS response coalitions, they may also inhibit the formation of truly effective coalitions.

Section 7 sets out the main conclusions that can be drawn from this study.

3) Deborah Brautigam: *Coalitions, Capitalists, and Credibility: Overcoming the Crisis of Confidence at Independence in Mauritius*

Few countries in the developing world have solved the puzzle of governing for broad-based prosperity. The multiethnic Indian Ocean island nation of Mauritius is an exception. An isolated plantation economy at the end of the colonial period, dependent on the export of sugar, with a deeply divided population that had just experienced violent urban riots, Mauritius was transformed between 1968 and 1988. On multiple measures – growth, stable democracy, social welfare, equity – Mauritius has earned its status as a development “superstar”.

A skillful mix of policies encouraged global competition in some areas (tourism, export manufacturing) while taking full advantage of trade preferences in others (sugar). Leaders were accountable for performance to domestic constituents, but kept their eyes on the outside world, experimenting, learning, adapting. They respected and strengthened key governance institutions: skilled bureaucracy, an independent judiciary, a free press, an inclusive electoral system. Most importantly, an elected leader, avowedly socialist, was able to convince the business community of his government’s *credible commitment* to their prosperity, and to wrest from them the understanding that their prosperity would have to be shared in order to underwrite the social stability of the country. Social democracy would be combined with managed capitalism. Using a process-tracing methodology, this paper examines how, at the critical juncture of independence, this commitment was forged, and how it was sustained through being embedded into formal and informal institutions.

Violent and divisive elections in 1967 launched Mauritius into independence, but the coalition for development took shape through a painstakingly negotiated government of national unity. This brought the party of the economic elite into a coalition government headed by the socialist Labour Party, a firm sign of the latter’s commitment to market-based development. The national unity government provided the framework for decisions in three key policy arenas: upscale tourism; protected sugar exports into Europe; and export processing zones (EPZs). Trust between the public and private sectors was built through three principal means. First, key public and private sector leaders used symbolic, public gestures as *signals of commitment* to cooperation, thereby shifting societal perceptions and easing a potentially dangerous ethnic polarization. Second, the business class organized itself into a unified, cross-ethnic constituency, with a peak association that could negotiate, and speak with a single voice. Third, government leaders and the private sector fostered dense *clusters of consultation*: regular formal and informal arenas for government-business interaction.

Why did Mauritians have the desire and ability to unify? The paper argues that four factors explain this exceptionalism. (1) Education: The leaders who negotiated these new relationships were exceptionally well educated. Many were graduates of the main island’s competitive, elite government secondary

school, Royal College. At least half of the national unity cabinet of 21 people had earned university degrees in London. (2) Societal support: A free media, new civic associations, and even the Catholic Church gave repeated and vocal societal support. (3) Transnational networks: These provided the ideas (Fabian socialism, export processing zones) and resources that created a concrete hope for the future. Finally, (4) Systemic vulnerability (that is, absence of resources or geopolitical patrons; a price-volatile monocrop; hurricanes and droughts): This fostered a sober realization that the country needed to unify, or sink.

4) David Sebudubudu (with Patrick Molutsi): *Leaders, elites and coalitions in the development of Botswana*

This study, the first of its kind, analyses the inner political story of leaders, elite interactions and coalition formation in the processes of development in Botswana. Its focus is on the role of leaders, elites and coalitions in making *Botswana a successful 'developmental state'*. It examines the origins, types and operations of Botswana's leaders, the elite in general and different elite coalitions and their workings over the past four decades following the country's independence in 1966. The study focuses on their workings in both formal and informal settings; on political, economic and social interactions (for instance between traditional and modern leaders) and on interethnic and inter-racial coalitions. Through this analysis it isolates what can be identified as moments of coalition, that is, specific moments which show the importance of leaders and elite coalitions in decision making.

Our analysis goes beyond the standard institutional and policy-focussed approaches. It identifies elite and coalitional strategies, behaviours and decisions that made an impact on the development policy and practices of the country which, at the same time, held the leaders and elites together as functioning coalitions which were able to reproduce themselves, a rare feature in Africa. The study also points to the way in which the interactions of leaders and elites in forming cross-cutting coalitions were shaped and framed by local factors and institutional contexts.

The research involved a close examination of the literature and – more importantly – on interviews with some of the key players at the beginnings of the new state and some of the leaders of subsequent generations who played or are still playing key roles in the political, bureaucratic, social, traditional systems and institutions that continue to contribute to the reproduction of the ideology and practices of the country's founding fathers. On the basis of the research findings, the study concludes that key among the coalitions were those that were established across traditional-modern sectors, across political parties, across the ethnic-racial divisions, across the public-private sectors, across employer-employee relations as well as state and non-state actors in business and nongovernmental sectors. Individual leaders of each constituency, organization or interest were important in the formation and functioning of the coalitions. The individual leaders and their experiences were important factors determining policy, institutions and their performance over time. Put differently, this study of the leaders, elites and coalitions suggests that the country achieved what it did out of carefully designed and managed political strategies. The specific geo-political and ethno-historical situations of the country were and continue to be important additional structural factors, but were not on their own critical determinants of the successful policy and strategy. Instead, it was the leadership's conscious effort to shape Botswana into what it is today – a functioning democratic 'developmental state' – that has been of primary importance (Leftwich, 1995). As in any society, there were and there remain challenges and threats which have been dealt with through the medium of an institutional and policy framework that was locally devised, locally legitimate and locally appropriate and which ensured broad consultation, participation and consensus building.

5) Jo-Ansie van Wyk: *Cadres, capitalists and coalitions: the ANC, business and development in South Africa*

The transition from apartheid to democracy in South Africa is widely regarded as an exemplary case study of an elite political settlement. Moreover, South Africa's political history in the last two decades can be written, and certainly understood, in terms of the way old, new, political and economic elites interacted in different domains and sectors to resolve major collective action problems and produce institutional solutions that would work, even if contentious.

The settlement achieved by opposing elites produced a unique *democratic* pact. However, less attention is paid to the economic pact achieved by these elites. As a liberation movement, the African National Congress (ANC) advocated nationalisation to undo socio-economic legacies of apartheid, but once the political transition commenced, it discarded nationalisation. Instead ANC elites opted for pro-business/market policies, which stabilised the economy and attracted much needed foreign direct investment. ANC elites' decision is partly attributable to the negotiated political and economic pacts which ANC elites concluded with National Party elites and white capital. Once the political or democratic pact was in place the negotiation and consolidation of the economic pact was achieved with the formation of numerous formal and informal coalitions with, first, white and then, later, black capital to undo the economic legacies of apartheid. Not only did it result in a stable political transition, but also in political and economic transformation.

More important, early signs of a developmental pact are evident which may result in a successful developmental state to achieve equality and equity to all in post apartheid South Africa.

DLP Publications

Research Papers

1. Jo-Ansie van Wyk (2009) "Cadres, Capitalists and Coalitions: The ANC, Business and Development in South Africa".
2. David Sebudubudu with Patrick Molutsi (2009) "Leaders, Elites and Coalitions in the Development of Botswana".
3. Eduard Grebe with Nicoli Nattrass (2009) "Leaders, Networks and Coalitions in the AIDS Response: A Comparison of Uganda and South Africa".
4. Deborah Brautigam with Tania Diolle (2009) "Coalitions, Capitalists and Credibility: Overcoming the Crisis of Confidence at Independence in Mauritius".
5. Jo Beall with Mduduzi Ngonyama (2009) "Indigenous Institutions, Traditional Leaders and Developmental Coalitions: The Case of Greater Durban, South Africa".
6. Adrian Leftwich (2009) "Bringing Agency Back In: Politics and Human Agency in Building Institutions and States".
7. Junji Banno & Kenichi Ohno (2010) "The Flexible Structure of politics in Meiji Japan".

Background Papers

1. Adrian Leftwich & Steve Hogg (2007) "Leaders, Elites and Coalitions: The case for leadership and the primacy of politics in building effective states, institutions and governance for sustainable growth and social development".
2. Adrian Leftwich & Steve Hogg (2008) "The Politics of Institutional Indigenization: leaders, elites and coalitions in building appropriate and legitimate institutions for sustainable growth and social development".
3. Heather Lyne de Ver (2008) "Leadership, Politics and Development: A Literature Survey".
4. Heather Lyne de Ver (2009) "Conceptions of Leadership".
5. Adrian Leftwich & Steve Hogg (2010) "The Leadership Program: Overview & Objectives".
6. Adrian Leftwich (2010) "An Overview of the Research in Progress for the Leadership Program: Developmental Leaders, Elites and Coalitions".
7. Isabelle van Notten (2010) "Integrity, Leadership, Women's Coalitions and the Politics of Institutional Reform. Bringing Agency Back In. Mid-Term Workshop Report, Cape Town 25-26 May 2010".
8. Edward Laws (2010) "The 'Revolutionary Settlement' in 17th Century England: Deploying a Political Settlements Analysis".



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