

“Making the road while walking”¹

Statecraft in contemporary times

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ABSTRACT

State construction is messy and complex, brimming with contradictions, fraught with conflict and unpredictability. This article identifies a few hurdles likely to be encountered in the simultaneous making and walking of this road. In order to do so, it examines the structure and behaviour of the state, the concept of political settlements, and the “good governance” agenda. The article outlines some implications for public policy that relate to issues of governance, and explores the possibility of working with clientelism and patronage as enablers and contributors to growth, rather than seeing them as pathologies that need to be “corrected” by administrative reforms. Successful delivery of socially inclusive and empowering developmental programmes and projects in the proposed framework hinges on the comprehension and negotiation of social change and transformation in novel and realistic ways.

INTRODUCTION

Adrienne Rich, American poet, essayist and feminist, once remarked that transcendence and transformation of oppressive experience is possible only if there is freedom “to play around” (my emphasis): day may be night, love may be hate, silence may be noise, and life may be death – nothing can be too sacrosanct for the mind’s eye to “turn into its opposite or to call experimentally by another name” (Rich 1972:23).

How does one change the forces created by an oppressive and enduring past to reconcile and align minority and majority aspirations? How does one unfix the “elite” images of countries and cities, and how can one sugar the alternative bitter pill for elite consumption, particularly in the context of crises in the material and ideational processes and structures of our world?

This article operates on the premise that contemporary statecraft (especially the construction of a developmental state) is fuzzy, messy, complex and unpredictable. In that context, the article makes an exploratory attempt to negotiate between “what is” and the

“regulating fictions” (Roy 2009:820) that dictate what the future *must* and *can only be* on the one hand, and imagining different tomorrows based on the “what ifs” of today (Haiven and Khasnabish 2010:ix) on the other. Currently, the dominant nostrums and prescriptions that inform “sound” statecraft are the constructs of “good governance” and the “big” or “new” society *agendas*. However, these approaches often deny and refuse to admit the realities of developing conditions and/or fail to adequately negotiate them. These realities manifest in the (un)making of institutions and social orders; the effects of the inordinate weight of culture, clientele and patronage in social structures, politics and institutions; and the carrying forward of (unruly) rupture(s) into the post-colonial social order. Moreover, there is a prevailing orientation of “liberal modes of governance” adopted in developmental statecraft and the overly “simple correlations/causations between metrics of liberal institutional progress and economic growth and transformation” (Harrison 2012:658). This orientation denies and dismisses (out-of-hand) the potential, even the possibility, of an embryonic and emerging unorthodox developmentalism which is anchored in existing structures of African societies, resources and policies, and which is enshrined in African institutions. Four points are salient to this argument.

Firstly, recent research reveals that the “the most successful developers in Africa all qualify as neo-patrimonial regimes” (Dawson & Kelsall, 2012:50). These so-called “developmental patrimonial” regimes have tended to centralise rent-management in the long term, and are presided over and administered by a single ruling party, a leader with vision, and a capable and competent economic technocracy. By contrast, all of the less developmental regimes – many of whom are enslaved by contemporary state construction fads – “demonstrate either a failure to centralise rents or a short-term perspective” (Dawson and Kelsall 2012:50).

Secondly, the current pressure by donors, multilateral development organisations and international financial institutions on developing countries to adopt world-class institutions or face punishment is at odds with the historical experience of developed countries. Indeed, as Noman and Stiglitz (2012:33) assert, “no country has ever implemented the current ‘good governance’ agenda before embarking on development – not the now developed countries nor the rapidly ‘catching up’ countries of Asia”. The imposition of “burdensome lists of ‘things that must be done’ before development can proceed” (Grindle 2011:s205) detracts from any approaches adopted by governance anti-corruption reforms linked to developmental outcomes.

Thirdly, historical evidence reveals that effective statecraft is an incremental, painstakingly slow, and almost always violent process that is “deliberate, messy and complex” (Noman and Stiglitz 2012:34).

Fourthly, it comes as no surprise that authoritarianism and despotism are hard-wired into the DNA of the economic and political institutions of post-colonial states. Ironically, the ambitions and aspirations of self-government informed and driven by contemporary (il)liberal statecraft may render it easier to construct “a powerful revolutionary state” (Becker and Goldstone 2005:202). These prospects of constructing a revolutionary state are reinforced by the current swing of praxis away from economic orthodoxy to heterodoxy (post-financial crisis), from the global disillusionment with and retreat from planning to its remaking and reinvention in solidly political economy frames (Todes 2011), from the end of history to the end of the end of history (Sachs 2007), and from “another world is possible” to “another world is necessary and on its way” (Khan 2010:20). This situation furnishes opportunities to break



with public policies emanating from the apparently normative American or European model. Thus, the historical processes and drivers that empowered the now developed countries to impose and demand replication of their governmental and epistemological structures (in the social relations of the periphery) are faltering. This faltering (or disempowerment) is associated with the “arrival of structural adjustment – de-industrialisation and falling real wages – in the core economies of the world” (Reinert 2010:2), the meteoric rise and dominance of sovereign investment funds, the displacement of the Western economic hegemony by the Tiger and the Elephant, the insurrections in North Africa and the Middle East, the consolidation and export of Latin American neo-structuralism, the cementing of trans-continental alliances such as the Brazil, Russia, India, China and South Africa (BRICS) alliance and their increasing assertiveness in global governance, and the maturation of African Cubs into formidable Lions (collectively and separately). These changes force us to rethink our world and our future. As intellectuals and activists, we are compelled to undertake this rethinking at ontological, epistemological and axiological levels – and this task can no longer be postponed.

The scoping and mapping of a way forward is a perilous undertaking, because there are “no magic bullets, no easy answers, and no obvious shortcuts towards conditions of governance that can result in faster and more effective development” (Grindle 2011:s218). Without compelling alternatives to the governing norm and *status quo* (Balakrishnan 2005:20), the greatness of social transformation “partly terrifies men, so they fail in their first beginnings” (Balakrishnan 2005:14). Reactivating or initiating radical courses of action demands disciplined and unpleasantly rough “strategic reckoning in the midst of ... devastation, as preparation for a very long-term reconstitution of collective praxis through intellectual and material rearmament” (Balakrishnan 2005:17).

Optimism of the will and intellect necessitates a decisive and purposive break with Marx’s claim that “mankind always sets itself only such tasks as it can solve; since, looking at the matter more closely, it will always be found that the task arises only when the material conditions of its solution already exist or are at least in the process of formation” (Marx 1859:n.p.). For this reason, optimists would look at the next few decades of development practice as opportunities for humankind, because many of the problems inscribed in the perceived challenge(s) do not

...objectively reflect ‘real’ problems in the internal or external environments of the political system as they are discursively-mediated, if not discursively constituted, products of struggle to define and narrate ‘problems’ which can be dealt with in and through state action [i.e., the ‘possible’/‘implementable’ versus the ‘appropriate’]. (Jessop 2001:11)

In other words, how we decode facts, events and history – and how we record and transmit these interpretations – remains tied closely to how power is embedded in the consciousness of past and present generations. History teaches us that this “mental makeup” is to a great degree about elite perception (or prejudice) masquerading as “reality”, which

...may be quite far removed from the reality of the past, but [...] is the reality of the present, and thus influences the response and groups of individuals. ...None of this is to suggest that history is destiny. Policy makers do not have to be prisoners of the past, at least the past as embedded in the perceptions of the present generation. But they cannot ignore it either...

If they are to overcome the weight of the past, they have to understand why the population and the polity have these perceptions of this or that policy. What was the process that led to their embedding ...It is only with this knowledge, knowledge that only the disciplined study of history in its various facets (political, social, intellectual, cultural) can provide, that they can address the constraints, or the opportunities, that history presents to them for the policy question at hand. (Kanbur 2008:4-5)

In the scope of an article it is not possible to embark on the intensive deconstruction and/or disembedding exercise that Kanbur (2008) proposes, with the result that one could be accused (and reasonably so) of peddling simplistic nostrums of dubious merit. Nevertheless, while acknowledging this risk, this article sets out to explore, and problematise, the hurdles to be encountered in simultaneously walking and making the road.

The first hurdle (the subject of the next section) centres on the state and state construction, putting in the spotlight the effects on state structure and behaviour arising from the absence of a material idea of a *just* state. The section hones in on the destruction of emerging democratic and republican institutions by the elite, which robs us of even rudimentary insights into the architecture and mechanics of a cohesive and coherent state, notably civil society relations and regimes. The section also covers the impacts of inscription or imposition of the hierarchies of the church on the state. Without a compass, map and destination, it is no wonder that the state was, and remains, susceptible to being taken hostage by the elite and rendered vulnerable to the illiberal or neoliberal “redemption” imprinted in prevailing agendas. This does not preclude opportunities to recapture and re-orient the state, but that can happen only if we are prepared to demystify and radically deconstruct these agendas.

The discussion in the subsequent section examines the concepts of “good” and “bad” governance. It questions the “good governance” agenda and its complexity-stripping fabrications. The section looks at the simplistic correlations, metrics and indicators adopted and co-opted by this agenda. It exposes the damage this agenda wreaks on the possibilities of accelerated development in Africa secured via (among others) the deliberate government of the market. Then the focus turns to interconnected matters of elite power, political bargaining and horse trading, and the imperative to work *with* the grain of existing structures of society and polity. Issues of governance and the potential of working with clientelism and patronage as enablers and contributors to growth are investigated versus their dismissal as a pathology to be “corrected” by administrative reforms. Successful delivery of socially inclusive and empowering developmental programmes and projects in the proposed frame hinges on how we understand and negotiate social change and transformation.

STATE CONSTRUCTION AND BEHAVIOUR

Before Western civilization could witness the rise of (formal) theories of the just state the intermezzo of the reformation took place. Yet, although the biblical motive of freedom, in a secularised way, informed the political theories of Locke, Rousseau and Kant, these thinkers did not succeed in developing a material idea of the just state ('regstaat') – they remained stuck in formal theory. (Strauss 2007:63, original emphasis)



It is widely accepted that a culture of domination and control is inherent in the economic and political institutions of many post-colonial states (Umeh and Andranovich 2005:153). There are many reasons for this phenomenon, the most critical being the “processes of mimicry and normative pressures” related to “institutional isomorphism”, whereby “organisations seek legitimacy by adopting what they understand to be the successful practices of other organisations, and therefore come to resemble each other over time” (Klug 2000:5). In this regard, Klug (2000:5) identifies “mimetic, coercive and normative isomorphisms as different processes through which the transfer of ideas, practices and understandings take place”. In the long run, “decisions on sensitive and potentially unresolvable questions” (Klug 2000:18) are often postponed, which opportunistically delimits the terrain and field of politics, economy and statecraft. Predictably, in respect of the “*structure and behaviour of the [modern] state*” (Becker and Goldstone 2005:192, original emphasis), revolutionary leaders have come to realise that they “cannot merely wave a magic wand labelled ‘authority’ and create stable state institutions” (Becker and Goldstone 2005:194). These institutions have to be “crafted from resources at hand” (Becker and Goldstone 2005:194) and must be mindful of national and international contexts and pressures. The question then arises what these resources might be, while resisting the seductions of isomorphism.

From the long march of history, it seems that of all the major social revolutions (from France in 1789 to Nicaragua and Iran in 1979), “*none* except for France (1789) has yet produced a fully modern state with both high levels of infrastructural power and low levels of despotic power – and it took France well over a hundred years ...to do so” (Becker and Goldstone 2005:208, original emphasis). There are several reasons for this, including palace politics, the power and influence of old and emerging elites, the level of a country’s development and the external environment. But it is even more revealing that the consolidation of the modern state form in the European states played out over a millennium (Rueschemeyer 2005:144).

Globally, the evolution of state designs, and their diffusion and implementation, has been a “very slow process” (Becker and Goldstone 2005:206) that took centuries. It commenced with the Gregorian reforms of the Catholic Church in the 11th century and the “attendant revival of Roman law” (Rueschemeyer 2005:144). However, the hierarchical meritocratic bureaucracy model and Roman canon law “remained confounded with continued patrimonial/aristocratic authority throughout Europe” until the early 19th century (Becker and Goldstone 2005:206). Confounding matters further was the ascendancy of “church-trained administrators and their hierarchical bureaucratic vision of state structures in secular states” accompanied by a “decline in the role of democratic or republican institutions that had developed from medieval city councils, provincial self-governance, and the rulers’ counsellors” (Becker & Goldstone, 2005:204).

While efforts to rebuild states along constitutional lines spread throughout the nineteenth and twentieth centuries...such efforts faced entrenched opposition from both landed and military elites.... Thus by the 1950s, although the number of states operating as hereditary monarchies had dwindled to a handful, relatively few states had built effective republican/democratic states. Instead the majority of world’s states were constructed as military or civilian dictatorships, or according to a new, twentieth-century design – the one-party state, in which a modern efficient hierarchical bureaucracy implemented the plans of an exclusive political elite organised as a ‘party’ or corporate body. (Becker and Goldstone 2005:207)

To summarise then, historical records demonstrate that the creation of an effective state is an incremental and conflictual process, because old regimes (institutions and elites) pose the “greatest obstacles to revolutionary state building” (Becker and Goldstone 2005:202). Simultaneously, they furnish the resources for state building, because the

...normative and institutional transformations in society and in state-society relations are ultimately far more important for effective action than overcoming opposition to the development of an effective state and the expansion of its scope and action. (Rueschemeyer 2005:153)

The pressures and strains of institutional isomorphism, the relative underdevelopment of the materiality of a *regstaat* (just state) versus the secularisation of the biblical motives of freedom, and the authoritarian antecedents of old and new statecraft (Catholic Church hierarchies or meritocracy and patrimonialism whipped together with varying dollops of republicanism and/or civilian or military dictatorships and/or one-party states) are connected. Collectively, these phenomena reveal why there is enormous continuity in discontinuity, and our inability to develop democratically responsive governance frameworks, corporate coherence and cohesive state-civil society relations.

This historical and cognitive canvas helps to explain why we remain hamstrung by our rationalising effective developmental statecraft of the old and modern type, in other words, continue to tolerate and even elevate bad governance, authoritarianism, technocratic rule, centralisation of power, coercion, unsavoury (and often downright corrupt) relationships between public-sector and private-sector elites, rent-seeking, bad institutional design, “getting the prices wrong”, hybrid service delivery institutional production regimes, and so forth. Hence, the main problem is not the immature imitation and coercive strands of “good governance” and “sound fundamentals” (discussed shortly). The ideologically pure/innocent and those committed to “deepening democracy” (of a particular strain – the empty, snake-oil type) may slate these qualities of developmentalism as undemocratic or even despotic. However, the waters of existing developmentalist states (in particular) and transformative state construction (in general) are always contaminated. Indeed, a multitude of cases explored by world-renowned sociologists, political scientists and economists consistently confirm the messiness and complexity of developmental state construction. Thus it may be argued that if developmentalism of a “progressive kind is not messy and conflict-ridden, it is probably not happening at all” (Mackintosh 1993:49).

Greater appreciation of the historical antecedents of contemporary statecraft may help us to look “more macroscopically at the ways in which the structures and activities of the states unintentionally influence the formation of groups and the political capacities, ideas, and demands of various sectors of society” (Skocpol 1985 cited in Lange and Rueschemeyer 2005:242). If the historical record does indeed illustrate that effective and “rapid post-revolutionary state building requires [among others]...the removal of entrenched elites” (Lange and Rueschemeyer 2005:252) and/or the redirection of capital and/or the restructuring of socio-economic power blocs, then the *dynamics* of contemporary capitalism and the inter-linked modalities of governmentality present huge problems. With reference to the *dynamics*, the core components of the present restoration and reconstitution of ruling-class power comprise (among others) a re-energised strategy of accumulation by rapacious



dispossession (Harvey 2007). These components include the maintenance and protection of asymmetric economic relations, and heterodox economic reflation strategies at the apex of the political hierarchy, but the imposition of orthodox austerity on the rest of the state. Patchy in scope and spread, this reconstitution and restoration are welded together by state technologies and techniques that are extremely thin on democracy (“low-intensity” democracy); namely, the insulation of policies, politics and politicians from social pressure; the deception of the citizenry through lying and misrepresentation; and a centralisation of political (executive) power (Leys 2006). These technologies and techniques are the “necessary” (not peripheral) “conditions of neoliberal democracy” (Leys 2006:3).

Thus to simply dismiss the potential for transformative post-revolutionary state (re-) construction by endlessly cavilling about historical constraints and internal and external pressures is to disregard the “unintended consequences of state structures” (Lange and Rueschemeyer 2005:242) and state design. The more a ruling regime centralises power and erodes autonomous (sub-)authorities and “stifles civil society” (Rueschemeyer 2005:252), the “easier it is to build a powerful revolutionary state” (Becker and Goldstone 2005:202), and, perhaps more controversially, alternative global futures. It may be argued that the installation of centre-left governments in Latin America (linked to a revolt against two decades of structural adjustment), the uprisings in North Africa and the Middle East, the forging of alliances between powerful emerging economies, the reconfiguration of relations of production and consumption with developed societies, and the (less tethered) Elephant and Tiger infrastructure and financial investment programmes in Africa offer additional resources for comprehending (alternative) state formation and reconstruction in the developing world.

“GOOD” AND “BAD” GOVERNANCE

The generation and distribution of “returns” to various segments and portions of society are profoundly influenced by institutional design and crafting (Evans 2002:101-102), which, in turn, determine the pace and type of economic growth (rather than the other way around) (Acemoglu, Johnson and Robinson 2001; Kaufmann and Kraay 2002; Kaufmann, Kaay and Mastruzzi 2005). If the institution is the “goose” and the economy the “egg”, the close relationship between a “good governance” agenda – the institutional and political flipside of the Washington Consensus – and structural adjustment is inherently sensible.

The “good governance” agenda, which derived from the 1980s shift in the developed world from public administration to New Public Management (Turner and Hulme 1997:230), focuses on accountability, the rule of law, predictability and stability for the private sector, and transparency (together equated with sound development management). Drawing inspiration from the minimalist state, private-sector-management techniques and non-market distorting market-incentive regimes, this governance orientation signals the

...emergence of a kind of ‘economic constitutionalism’ which endeavours to place certain market regulatory institutions beyond the reach of transitory political majorities or the actions of the political executive through mechanisms that provide for a high degree of autonomy for these institutions. (Jayasuriya 2001:110)

Economic constitutionalism and the other structures of “good governance” (plus representative democracy) were deemed necessary conditions for development and imposed on developing countries, for example, a clean and efficient bureaucracy and judiciary; the protection of property rights, contracts and patents; good corporate governance institutions; an independent central bank. However, these were the outcomes rather than the causes of economic development in the now-developed countries (Chang 2002). Chang (2002) demonstrates empirically that up until 1913, and even beyond, universal suffrage and secret balloting was a novelty in many of today’s developed countries; there was widespread nepotism and corruption in the public sector; corporate governance institutions fell miserably short of modern standards; competition law was non-existent; banking regulation was underdeveloped or patchy; insider trading and stock price manipulation was common; income tax was not even in its infancy; labour legislation regarding working hours, occupational safety, child and female labour standards were low and enforcement was poor. Hence, the current demand that developing countries should (immediately) adopt world-class institutions or face punishment is frequently at odds with the historical experience of the developed countries themselves. Paradoxically then, it may be said that today’s underdeveloped countries are, perhaps, institutionally overdeveloped. The maintenance of this arguably overdeveloped institutional infrastructure may be responsible for diverting scarce resources away from desperately needed investment in poverty eradication and equitable human development, and for contributing to the enslavement of developing nations to the powerful of this world.

One could make further comparisons, but it suffices to state that in the formative stages of their evolution and graduation to first world status, the now “developed” countries operated with cruder institutional structures than most of today’s developing countries at comparable levels of development.² Their credentials, in terms of representative democracy and “good governance” (especially state-business relations), are also extremely suspect. In the so-called developmental states of East Asia, a significant component of their success resided in a unique combination of close government ties with business, clientelism and bureaucratic insulation, a phenomenon which Evans (1995) termed “embedded autonomy” in a book by that title. By contrast, similar practices in Africa are slated as “state capture”, corruption and patronage, and are claimed to be fundamentally at odds with the World Bank’s notions of “good governance” (Mkandawire 2001).

Stein (2000:9) maintains that it is doubtful whether accountability, transparency and the rule of law – the core features of “good governance” – will produce vibrant economies in the developing world. This logic and reasoning follows “the general neoclassical notion of institutional neutrality... that will permit an unimpeded space for optimal private decision making” (Stein 2000:9).

Fostering institutional neutrality for the sake of the removal of market-distorting rents – which is recognised as a flawed assumption under structural adjustment programmes – and the contemporary redirection of such rents away from (allegedly) non-productive activities (import substitution industrialisation strategies) to “productive” activities (export-oriented industrialisation), but with minimal government interference, is, in neoclassical economics, perceived as central to the achievement of competitive outcomes. To put it differently, rents in neoclassical economics tend to be dismissed as exogenous to the growth and competitiveness of firms and industries, and enterprises wastefully/inappropriately allocate



scarce resources to secure them. It is averred that this allocation leaves fewer resources for productive investment if the government tampers in market processes (Khan 2004, 2011; Mkandawire 2001; Stein 2000). If the assumption of rents as exogenous is removed and (correctly) viewed as an indispensable function of a firm's performance, pursuing and securing them can lead to an expansion of a firm's productive activity. Rent-seeking then spurs growth, as rent-seekers attempt to maximise rents. It is in this context that "government mediation of profits" (a significant component of the developmental state's intervention arsenal) and "even extensive cronyism" are compatible with heightened levels of productive investment and dynamic growth (depending on political conditions)³ (Mkandawire 1998:11).

In the developmental states, rents created and allocated by the State – wherein higher than expected profits are provided to the private sector in return for investment and production in economically targeted activities – played a crucial role in the development of a capitalist class and robust accumulation. As Amsden (1997) puts it, the development of dynamic productive capacity and processes entailed the deliberate creation of "distortions" in the form of firm-specific skills, knowledge-based monopolies and other types of entry barriers. Government's role revolved around "joining" with the private sector to "socially construct competitive assets" (resources, capabilities and organisations) versus creating "perfect" markets (Amsden 1997:471). Thus, the system of contingent rents in the developmental states was effective because these rents were extended in response to activities deemed to serve the national interest; rent-seeking costs (information collection, influence peddling, etc.) were kept low; governments closed off non-productive avenues for wealth accumulation such as real-estate speculation (this was critical to the success of many housing programmes and urban land development); rents were provided on a selective and temporary basis and were withdrawn once new industries had matured sufficiently to compete globally; and strict performance standards were enforced (Akuyz 1996 cited in Stein 2000:18). The point of the Asian experience is that it shows, as Mkandawire (1998:13) points out,

...that the use of 'rent seeking' as an argument against a more active developmental state is simply not credible.... The denial of an active developmental state for fear of 'capture' is tantamount to the denial of the possibilities in Africa of accelerated development achieved by a deliberate 'government of the market' towards greater mobilisation and developmental allocation of resources (including rents). In the African debates, the fear of the damaging effects of rent seeking has not only sustained the argument for a minimalist state, but has also given the foreign experts, who for inexplicable reasons do not engage in rent seeking like all other mortal beings, a moral upper hand.

Case studies convincingly demonstrate that the "good governance" agenda "fatally damages the possibility of creating [and sustaining] a developmental transformation state" (Khan 2004:188), but these insights are belittled by the contemporary *status quo*-oriented regimes of knowledge production that elevate modelling, mathematisation and high-order generalisations (Buroway 2005). Founded on an "epistemology of certainty", the conservatives push and underwrite an economy of knowledge that "speaks closure, recognisable answers, simple conclusions and certainties" (Shepherd, 2010). Deploying "regression analyses of cross-country data", "significant correlations" (Grindle 2011:s204) are assembled that conveniently gloss over history, context, politics and sociology. Cause

and effect relationships are often confused, and neat correlations, despite evidence to the contrary, between governance and poverty alleviation, decentralisation and poverty-eradication, growth and equality, redistribution and growth, democracy and growth, corruption and poor growth, and regime type and growth are posited. These correlations and regressions, enshrined in myriads of indicators and indices, capture single moments, but are incapable of relaying the whole story (Sanin-Gutierrez, Buitrago and Gonzalez 2013).

Lurking in these aggregate indices and metrics is the danger of “conceptual stretching” (Satori 1970 cited in Sanin-Gutierrez *et al.* 2013:306). They fail to furnish information about “variations of state capacity across functions” (Di John 2011:3) and the realities of contemporary governing and governance regimes. For example, the Latin Americans learnt from the various pendulum swings in policy, ranging from inward-looking developmental statism to neoliberal market-oriented reforms to the present embrace of state intervention and distrust of markets, that “what matters is not so much what you do, but how you do it” (Tommasi 2011:199). The imposition of “burdensome lists of ‘things that must be done’ before development can proceed” (Grindle 2011:s205) produces a wall of noise, which distracts from approaches to governance and corruption reforms that are linked to development outcomes and their processes, agents and drivers. The question then arises: What determines the ability of different societies to produce and implement effective policies? The answer lies in the distribution of power between contending social groups and social classes on which any state is based – in short, the political settlement.

POLITICAL SETTLEMENT – CONTENTION AND BARGAINING

The construct of “political settlement” refers to

...intra-elite contention and bargaining (political versus economic elites; landed and nonlanded elites, regional elites, rural and urban, religious and secular, etc), on contention and bargaining between elites and non-elites (either within groups or across them, as between classes), inter-group contention and bargaining (gender, regional, ethnic/linguistic, religious) and on contention and bargaining between those who occupy the state and society more widely. (Di John and Putzel 2009:4)

The nature of many present-day political settlements does not invite optimistic scenarios in respect of transformative or developmental outcomes. At the risk of over-generalising from the South African experience, the accumulation strategies of many African states, especially the mineral-rich ones, are based on an intertwining of state-orchestrated “outside in” (industrialisation by invitation) and state-facilitated conglomerate “inside out” globalisation (neoconservative adjustment strategies) (Carmody 2002:266). This has three consequences.

Firstly, it gives rise to states that are embedded in global forces and negatively connected to (in a negative autonomy from) domestic social forces. Transnational capitalist business embeddedness, together with neo conservative *dispositifs*,⁴ rule out any drastic interference in property rights, financial markets and the socio-political distribution of power.

Secondly, as a state liberalises the economy to maintain the confidence of international investors and uses the global market forces to discipline productive capital and labour, it



undercuts the social foundations of a project of developmental state construction and intervention, that is, it undercuts the nurturing of a social class and domestic alliances that have an interest in state-building and have sufficient political power to undertake this task. On the one hand, those sections of society (the working class, the rural poor and the informal economy) with whom the state needs to align itself for the purposes of building an assertive state have very little or nothing to gain from the present economic growth path (or distribution patterns). On the other hand, there is little motivation for the privileged to support efforts to establish an effective redistributive state (Eriksen 2005:407).

Thirdly, supply-side infrastructure and service-delivery regimes are elevated, as opposed to co-production, exhibited in the design and execution of technocratic and authoritarian development policies and projects for the poor, and in the exit strategies of the elite. When this happens, the social detachment between state and society, and between rich and poor, entrenches and solidifies the social fault-lines of class, race, gender and exclusion. This is worst where there is a party that deploys an arsenal of techniques and technologies of liberal governmentality that obliterates the public realm and the accountability of the elite (Khan 2010).

Fourthly, at some distance from countries whose historical-development evolution pivots on markets and capital accumulation regulated by bureaucracies in the national interest, countries with economic foundations of the pre-industrial type and classless or egalitarian-type ethnic and kinship institutions harbour unique state construction and statecraft challenges. Politics in numerous North and Middle African countries is “personalised and based on coalitions of informal ‘patron-client’ political organisations, using organisational power to allocate rents” (Khan 2011:2). The imposition of colonial models of development, and their intermingling with these foundations and institutions, generates complex patterns of conflict, competition and co-operation that are not easily contained in the shallow and ultra-conservative tracts and strictures of “good governance”.

Not unsurprisingly, many productive articulations and hybridisations have occurred between colonial or liberal and pre-colonial associational and moral economies (Khan 2011) based on not treating “informality” as a “pathology”, as something inimical to good governance, and/or to be “corrected by administrative reforms” (Khan 2011:11). Administrative efforts to make African governments more transparent, for example, often work against the grain of societal patterns, practices of legitimacy, accountability, power and obligation and to have limited success, according to Kelsall (2011:232–233). In other words, the programmatic thrust to enhance transparency may negate the reality that these practices or patterns “must remain opaque” (Kelsall 2011:232). Firstly, such practices are necessary because politicians secure their legitimacy by delivering resources through “personalised clientelistic networks” (Kelsall 2011:232). Secondly, in many of these post-colonial societies, civil society (the sphere of private associational life) is often colonised and dominated by a modernising, nationalist elite. An imposed (imported) “ideological, legal and governmental system founded on a strong separation between the public and private sectors” (Kelsall 2011:232) works against the grain of these societies. The “lack of fit” (Kelsall 2011:232) between alien institutions and local cultures frequently fosters incentives for the violation of rules and self-enrichment opportunities. Taken together, this “may hold unmanageable centrifuges in check, but, more normally it puts a brake on society’s energies, channels politics and administration into opacity and unpredictability, and makes trust impossible to attain” (Kelsall 2011:232–233).

So what might working *with* the grain of governing and governance regimes involve? Drawing on the work of researchers connected to the Africa Power and Politics Programme,⁵ it seems that such an approach includes refraining from imposing alien or external behavioural models; complementing local understandings of power, authority and organisational modes; harnessing the authority of local leaders that command or wield legitimacy; respecting traditional norms for selecting local leaders; and adapting/fitting institutions to actualities/realities of political legitimacy at ground level. Acknowledging and working with (and through) neo-patrimonialism and the political context in which it is rooted and functions necessitates an in-depth understanding of a multitude of organisations and the functioning of clientelism and, most critically, their role (albeit not always) as enabler and contributor to sustained and sustainable economic growth and development.

This article is a modest contribution to the growing body of scholarship registering profound disillusionment with the content and practical interventions of aspirant contemporary (transformative) state construction. Clearly, state construction is messy, complex and vexed with contradictions. It is disturbing that the technologies and strategies championed by proponents of the mainstream orientations and schools have been adopted unquestioningly by ruling elites (worldwide) in spite of the overwhelming evidence of the devastation wrought on many institutions and societies – clearly, the agenda of purported good governance does not in fact align with a reduction of poverty, inequality and unemployment. The research shows that many of the orthodox stratagems, by omission and commission, design and default, frequently reduce the capacity of a state to intervene to address the demands and priorities associated with the popular will. This paper points to the need for us to work with the grain of African societies, especially given the limited time, financial, human and knowledge resources at our disposal. There is an urgent need to search for innovative ways to move towards better governance, grounded in a critical analysis of our context. We need to pay particular attention to the balance, strength and agility of social forces within and outside a state, and to craft political settlements that manage the tensions between short-term losses and long-term gains, in other words, contain the social fallout from the inevitable winner-loser policy impact calculus. Interesting new visions and practices connected to pro-poor transformative statecraft are being built in other countries from which we can benefit. A great many of these are anchored in historical record, democratic experimentation and perhaps less than heroic (step-by-step versus large-scale) versions of effecting and sustaining social and economic transformation (discussed below).

CONCLUSION

“End of History” triumphalism – culminating in the financial crisis of 2008/2009 – marked a significant turning point in the rethinking and remaking of national and global political economies. There is now widespread agreement, even in conservative circles, that the events of 2008/2009 heralded an end to the “market state” or at least an end to a “market fundamentalism [that] abandoned the fundamentals of the market” (Blond n.d.:1,3). Slowly but steadily, such practices are being replaced by a “more balanced account of state versus market, global integration, and fiscal and monetary strategies” (Kanbur 2009:6). The post-crisis market re-embedding exercises and strategies, especially in the Americas and Europe,



should alert us to alternative pathways to economic development that have for decades been dismissed and vilified. This contention is buttressed by the success stories of India and China, which bucked the economic orthodoxies of the Anglo-Saxon growth model, and the post-structural adjustment strategies of centre-left Latin American governments with their eclectic mix of orthodox and heterodox pro-growth (versus pro-market) interventions. An amazing aspect of these ongoing policy reform initiatives is the diversity of the balances struck between the state and the economy, the state and society, and national and global interests. Democratic renewal in countries where one never it thought possible, and innumerable – albeit dispersed and incoherent – radical development experiments in the poor slums, shantytowns and townships of the world, alongside the protests and rebellions “everywhere” else (*The Economist*, 14 July 2011) provide glimpses of alternative pathways to empowering and empowered futures.

The prospects afforded us by this conjuncture to remake the “development” project, re-engineer governance regimes, and (re)-activate (a high-intensity) democracy impels us to open the eyes of our mind/s. Unlike in the past, however, this type of political engagement is less about scaling the emancipatory peaks described by new age development thinkers. Instead, politics, in this framework, is acknowledged not to be “an event that happens once, a spectacular outburst of energy that overcomes the dark forces of oppression and lifts liberation into a superior state of perpetual triumph” (Farhi 2003:39). This politics is the “act of climbing, daily, tenaciously and incessantly” (Farhi 2003:39), advancing each day by a “millimetre, in the right direction”, as the late President Hugo Chávez of Venezuela (2004 cited in Swilling, Van Breda, Van Zyl and Khan 2005:1) suggested, and by a “centimetre” to “simply do what needs to be done” (former President Luiz Inácio Lula da Silva of Brazil cited in Bearak 2004). It is crucial to bear in mind that, in all these many contexts, the forms (or foolishness) of brushing against the grain are less important than the forces, currents and energies impelling and propelling alternative ways of thinking, doing and acting. Accordingly, it “is hoped that the search for answers will yield insights into the problematic of African development never considered before” (Kelsall 2011:245) or, to put it more forcefully, ones never permitted by those in the development and academic community who have for so long outlawed the political adultery, institutional promiscuity and institutional trespass that are both implicit and explicit in these (historically proven successful) unorthodox governance orientations and pathways.

NOTES

1. This paper was prepared for the 2012 South African Planning Institute Conference. A short version of this article appeared in *Town and Regional Planning*, 62, 2013. To date, this paper (and project) remains a work in progress.
2. The now developed countries had relatively low levels of institutional development compared to the developing countries of today at comparable levels of development (especially per capita income). For instance, the United Kingdom of 1820 had only a slightly higher income than today’s India, but India has universal suffrage (whereas the UK did not have universal male suffrage), a central bank, income tax, bankruptcy laws, a professional bureaucracy and labour legislation (Chang 2002).
3. What is crucial is the strength and capability of the State, the “self-monitoring of the capitalist class themselves”, social pressure by other forces for performance, and the political coalitions sustaining the regimes (Mkandawire 1998:11).

4. Including self-styled doctrinaire abstractions of “economic pragmatism”, “macroeconomic balance”, “sound fundamentals”, “investor confidence” and “good governance”.
5. A consortium research programme, supported by the UK Department for International Development (DFID) and Irish Aid, for the benefit of developing countries. Richard Crook, David Booth and Goran Hyden are some of the luminaries associated with this project.

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