Governance: A Fable

May 21, 2012 - 6:55am

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Imagine a small, developing country of perhaps 3 million people. Like many other small developing countries, our imaginary nation is rich in natural resources, its economy has prospered on the export of agricultural crops and benefited from the revenue generated by petroleum production, refining, and support services. Its history, like some of its counterparts in the developing world, reflects a constant structural economic weakness covered by a colorful culture, truly creative and charming people, and an often dramatic sequence of past events. Civil wars, civilian uprisings, and the failure to compete with more dynamic and successful nations have left our country with a small, wealthy, interbred, and interconnected elite, a growing entrepreneurial middle class, and a large much less prosperous population of rural residents and urban poor.

Riven by cultural conflicts generations old and struggling with an archaic political system, the country periodically falls into the hands of populist demagogues and petty tyrants. In between, often when prosperity strikes, the country's significant group of responsible leaders seeks to enhance legal and institutional structures to improve its ability to attract and retain internationally competitive economic enterprises, but the periods of responsible leadership fade fast, and the nation reverts to a pattern of clientele government, backroom deals, and populist rhetoric.

Over all, its population remains significantly less educated relative to its peers in nearby nations, although a structure of incentives and subsidies support good education for the children of the growing middle class and the political and economic elite. Other groups of citizens struggle through underfunded and inadequate schools, and those who survive often find themselves excluded from post-secondary opportunities by weak academic preparation and high cost.

Periodically, reformers achieve significant positions, supported by responsible citizen leadership, and demonstrate major improvements in translating the nation's extensive resources into true economic change and transformational progress. Their efforts, often promising at first, can collapse when confronted with a structure of privilege, relationships, and politics that remains powerful in spite of the considerable achievements of reform-minded citizens. The reformers, confronted by a resurgence of clientele politics, leave the national stage and return to private life, sometimes abroad in more receptive national climates.

In its current incarnation, this small republic operates with a populist authoritarian government led by individuals in search of advancement to more prosperous and internationally significant posts. Their skillful combination of populist rhetoric, economic manipulation of a state dominated economy, and first-world media management has maintained them in power. The regime has taken every opportunity to create illusions of progress by continuously bleeding the nation's treasury to buy the participation of foreign companies that receive tax-supported subsidies. Their arsenal of management also includes the use of state resources to conclude beneficial contracts with favored national business interests.

When confronted with opposition, the regime mobilizes its sycophantic adherents and paid partisans to discredit, isolate, and eventually drive out any people with an ability or opportunity to address the real issues and consequences of the regime's behavior. The technique, developed with great political skill, involves three fronts.

The first is the effort to co-opt anyone with an independent perspective. These individuals receive coveted appointments to government boards, association with the regime's powerful people, and assurances that the regime will protect their business and personal interests. This works quite effectively with some people, although others choose not to participate, and normally responsible individuals become dependents of the regime, bound to provide whatever support the regime requires.

When this strategy fails, as it often does with independent agency officials of some visibility, the regime turns to a form of more direct engagement. In this second mode, representatives of the regime explain to the official that the better tactic for success during these years would involve a collaborative arrangement with the regime. That collaboration would provide support and regime protection for the official, permitting continued leadership of the agency. But to achieve this protection and collaboration, and to ensure that the agreement to work together is of substance, the regime requires a test of loyalty. This loyalty test requires the official to dispose of close associates whose work the regime dislikes. Absent those associates, the regime's messengers promise but do not guarantee the official a secure role as a significant leader under the regime's protection.

This message of threat disguised as offer is usually delivered by reputable business leaders associated with the regime who also maintain a relationship with the non-conforming official. Should the official appear at all reluctant, the regime then reinforces the message by mobilizing their most trusted direct political operatives to echo the message.

When this second more direct approach fails, the regime moves to the third stage and mobilizes its dependents, especially those connected in one way or another to the non-conforming official, and identifies a method to remove the dangerous behavior of regime independence. This involves a conspiracy to exile the offending official, preferably to another nation. Recognizing the transparency of this maneuver, the regime activates its media experts and develops a slanderous rationale for the forced exile. A few courageous people object, but others fall silent, for the price of failing to cooperate with the regime is now clearly revealed.

Once the offending official goes into exile, the regime moves quickly to place a reliable regime loyalist in the agency's leadership role to consolidate control over the formerly independent entity. Its purchased adherents, careful of their economic and personal relationships with the regime, cover the transactions with bureaucratic formalism while creating opportunities for regime favorites to find a home in the now domesticated agency. This completes another cycle of institutional failure.

In the end, of course, the regime's time is finite due to national restrictions on re-election, and the regime leadership seeks elevation to more significant and visible international settings. However, to make the move to international position, the regime's key members must desperately manage to cover over the impact of structural inequality, the destructive effects of mismanaging the economy, and the constant need to feed the purchased business and other elite participants who live from government subsidies and contracts.

The challenge is one of timing. Will the regime escape to higher international office before the consequences of their bad management crash the state?

Such fables as these may not match any known reality, but the moral of the story may well be real.