

Democracy and Leadership in Latin America

Inter-American Dialogue

Washington D.C. (USA), 18th November 2003.

First of all, let me express how pleased I am, in my capacity as Co-Chairman of the Interamerican Dialogue to participate in this meaningful conference. It is my intention this afternoon to share with you some thoughts on the question of exercising political leadership in the national interest.

I will explore a couple of points related to a debate I have long been familiar with as someone who moved from the academia to political life. I refer to the discussion about the tension between facts and values, practice and theory, technical knowledge and political decision. What balance between these poles should be struck for a ruler to be successful?

Some may argue that there is no need for accommodation or compromise. Politicians should simply abide by an ethics of responsibility and follow what they believe to be the most sensible and politically rewarding line, regardless of any technical consideration. I am afraid today's world does not allow for such a facile solution.

Be in the developed or in the developing world, politicians, once in office, are supposed to respond to an increasingly wide range of societal interests. All the more so as social identities are no longer defined along class lines alone, but by various criteria, among which religion, race, profession, nationality, sexual preference, consumption habits, to enlist some of them.

Demands from such a complex social network can hardly be accommodated into a zero-sum equation, especially as some of them are of a symbolic or institutional nature, such as requests for legal entitlements or affirmative action.

Neither should we underestimate the fact that, with the development of mass media and the advent of information technology, demands are being conveyed directly to power holders, dispensing with traditional means of mediation, like political parties.

As a result, not only the existing representation systems are put under pressure to update their channels of communication with society, but governments are asked to deliver services at a pace they were not used to.

We should not forget either that an increasing number of social demands are generated by emulation. In this information-technology age, consumption patterns travel fast, affecting tastes and expectations, regardless

of cultural or national differences. In groups where basic needs are still to be met, it is likely that expectations change at a particularly fast rhythm.

Let me recall what I learned from the implementation of agrarian reform in Brazil , which allowed for the distribution to farmers of nearly 20 million hectares of land, an area larger than most European states. In spite of the unprecedented scope of the program, claims increased in number as land settlement progressed.

Understandably enough, farmers and their families, once provided with a plot, went in search of other facilities to make their new assets productive, such as credit lines, technical assistance, transportation, to mention a few. There is no doubt that, from a historical perspective, all these trends I have broached upon look positive, as they might lead to greater equality of opportunities and the spreading of democracy.

But they imply some non-negligible risks. Perhaps the most important one is that of undermining the legitimacy of elected governments. Governments do not derive their legitimacy any longer from sustaining the “right cause” or launching the “good combat”, but from delivering well what their constituency expect them to.

Today's motto is not “what to do”, but “how to do it” in the most efficient and cost-effective manner. I am not suggesting that values or ethical considerations ceased to matter to public agency. Politics has not been confined to a technical optimization of defined interests. Values continue to be as important to politics as ever, but they import in a different way.

Political agents are now supposed to engage in deliberative exercises with a multitude of actors for the definition of the common good. Rather than a pre-determined variable as in Rousseau and his followers, the general will is seen as the outcome of extensive and open-ended deliberation. Hence the importance that the Modern Prince bears a republican mindset and has a clear view of the ultimate values political decisions should promote. Otherwise he risks being held hostage to corporatist interests. As ever before, expectations are that virtues prevail over vices in the conduct of public affairs.

But, again, the Prince is definitely supposed to be more “enlightened” today than in the past. The task of fitting many conflicting demands into policies of common interest can only be successfully pursued if the necessary expertise to evaluate and fine-tune the various inputs is available. To be meaningful, republicanism has to be effective. Public virtues cannot be cultivated in the abstract. They are to be couched on technical competence.

The good news is that the same trends which set limits to the Modern Prince also open up new grounds and possibilities for his or her action. Suffice it to mention the extraordinary resources the new technological wave has put at the disposal of the Public Power for better meeting social demands. As far as public policies are concerned, the Internet serves not only the demand side, as a conveyor of requests.

It also assists the supply side, providing governments with an important means of delivering a wide range of services, from distance teaching to postal services. Electronic government has indeed brought the State as a provider of public goods closer to the citizenry at large. Not to mention the benefit of enhancing social control of public policies, much to the benefit of transparency and democratic accountability.

Here again the end result is expected to be a more selective and cost-effective use of public funds. It is as if all roads led to Rome. From whatever perspective we approach the conditions under which politics is currently exercised – be it the number and variety of social demands, or the deliberative nature of decision-making, or still the impact of new technologies on State and society alike –, the conclusion is that public agency fares better with than without technical knowledge.

Let me then come back to my original question: what balance should be struck between values and facts for a ruler to be successful? I need not stress that there seems to be no clear and definite answer. But allow me to venture some additional remarks. The first one is that the coexistence of ethics and objective knowledge is not static. It changes over time for obvious reasons. Knowledge in any social science is all but time-proof.

What appears to be the state of the art today might not do so tomorrow as new data and assumptions filter into the equation. Let us recall, for example, how contrasting views about the market and its effects upon the social tissue have been over the last centuries. Montesquieu and the Scottish Enlightenment coined the discourse of *doux commerce*. Market, if freed of constraints, would help temper passions and contain the arbitrary use of authority.

As the social cost of the Industrial Revolution became evident, market was then portrayed as being a locus of violence and oppression. The emergence of imperialism made things worse as not only individuals but entire nations could be argued to be under the severe yoke of capital. The state was then praised as the necessary countervailing force to market excesses. The Welfare State was set along those premises, providing a safety net for those unattended by market's invisible hand.

The financial collapse of welfare systems in the eighties led to the rediscovery of market virtues. Multilateral institutions took the lead in spreading the news through recipes like the Washington Consensus. Now it is the International Monetary Fund itself that has been cautioning its members about the need for sound public policies.

Again, there is nothing wrong about this change of perceptions about market rules over time. Changing realities require a constant updating of theories and concepts, if these are to bear any hermeneutical or practical value. What may be wrong is to ignore such a truism and approach contingent notions as all-time truths. Ideas are to be understood in light of the circumstances they are meant to explain and address.

Only then could one consistently put ideas at the service of a defined cause, which should not be an automatic task either. How best can a social-democratic program be set up in our countries, for instance? Would it be sufficient to assemble, out of theory and other national experiences, a set of rules establishing a

balanced labor division between market and the state? Or should other variables that are specific to local circumstances, like historical formation, power structure and social expectations, be also taken into account? How much trade-off between universal principles and national characteristics is to be done?

Some might argue that there is no need for concern with local specificities. As long as the deliberative exercise for the formulation of the program is wide enough to encompass views from all across the nation, the outcome would necessarily bear the national print. In other words, the method would account for the result. Be as it may, it goes without saying that a representative platform is not enough to ensure that the expectations of the majority will be met. For a leader to perform his duties and accomplish national interests, there might be one additional requirement.

Important though they are, updated knowledge, republican values and a good platform might not prove sufficient to produce a statesman. The missing quality is what Isaiah Berlin used to see as capacity for good "political judgement". This entails not only the discernment to avoid the opposing risks of unpractical idealism and uninspiring realism. It means the practical wisdom to seize the character of a particular situation or moment in history. It is the capacity to tell, out of the chaotic flow of experience, what matters from the rest, what fits with what, what springs from what, what leads to what. It is a sense for what is qualitative rather than quantitative. Or a proven capacity for synthesis rather than analysis.

Berlin comes to the point of equating that gift with the talent displayed by some novelists, like Proust or Tolstoy, who managed to convey a sense of direct acquaintance with the texture of life. Those who lack such a quality, no matter how clever, learned, imaginative and noble they may be, do not have the sense of what will make a difference in history, and what will not.

One may add that political judgement is relevant in any historical circumstance, but is particularly so in moments of transition. It is true that, for democracies, all moments are in a way transitional, as the political body is constantly reinventing itself. But no moment is perhaps so unique as that of democratic consolidation, when progressive trends are at a daily struggle with regressive ones.

A true statesman knows how to foster the former and inhibit the latter. Or at least how to put backwardness at the service of progress, for the benefit of institution-building. Perhaps the best use statesmen can make of political acumen in such moments is exactly that of making their nations less reliant on them and more on institutions.

Let me conclude by stressing again my satisfaction in having the Interamerican Dialogue associated with this event. It was my pleasure to share these thoughts with you.

Thank you very much.