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DOES LEADERSHIP MATTER TO DEVELOPMENT: THE CASE OF BOTSWANA, ZIMBABWE, NIGERIA AND INDONESIA

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ABSTRACT

While historical, institutional and structural factors explain the causes of under-development in many countries, the paper argues that equally at the core of under-development is poor political leadership. The paper therefore argues that socio-economic challenges can be over-come by a leadership that places national interests above personal ones. In making this case, the paper also recognizes that good leadership on its own may not be enough in overcoming developmental challenges unless accompanied by a competent and relatively clean bureaucracy that is responsive to its policy goals.

Introduction

Main stream literature on socio-economic development point to among other things, social capital, infrastructure, political and macro-economic stability, the rule of law, good governance, democracy, the need for effective and efficient institutions and respect for human rights as important factors in promoting and over-coming challenges of under development. Somewhat neglected in the literature is the role of leadership and its influence on issues of attaining sustainable development. Much of the literature, including that of the World Bank and International Monetary Fund (IMF), tends to focus mainly on good governance rather than leadership. We submit that, good governance is different from leadership. The former is more about how governments operate, about transparency, accountability, the institutional rules in place, and the responsiveness, efficiency and effectiveness of governments. Leadership on the other hand, is about individuals and the influence they exert within their environments. Based on four selected case studies of Botswana, Zimbabwe, Nigeria and Indonesia, this paper compares the impact leadership can have in either overcoming or compounding a country's developmental challenges.

Theoretical and Conceptual Framework

This paper adopts as its framework the interactionist perspective in explaining the role of leadership in development. The interactionist approach rejects among others, the cultural determinist approach to political leadership which denies that individuals have a significant impact on the course of events but contend instead that it is the environment in which leaders operate that shapes their actions and leaves them with no room or opportunity to make a personal impact on historical events (He2012: 377; Visagie, Linde and Havenga 2011: 112; Nash 2001: 77; Elgie 1995:6). A shortcoming with the cultural determinist is that it assumes that individuals are essentially powerless agents and that the changes that they bring about occur really as a result of the interplay of impersonal social processes (Ward 2010: 46; House, Javidan, Hanges and Dorfman 2002:3; Elgie 1995:7). In contrast, the interactionist approach asserts that whilst political leaders operate within an environment that structures both their behaviour and constrains their freedom of action, they still have the opportunity to both shape the environment in which they operate and to leave their mark upon the system (He 2012: 377; Visagie et al; 2011: 113; Nash 2001; Elgie 1995:8). Indeed as Eze (2002) posits, "all over the world, leadership is the most important number one factor that determines whether a nation can develop" (quoted in Ebegbulem 2012:222).

The Concept of Leadership

The concept of leadership is both fluid and contentious. Definitions of what constitute leadership have been various. Spicker (2012:34) argues for instance that "there are many ambiguities in the concept of leadership itself— what it refers to, what it is and what it involves" (see also Peretomode 2012:13; Derue, Nahrgang, Wellman and Humphrey 2011:64). This notwithstanding, Yukl (2010: 21; 2002:7) defines leadership as both a “process of influencing others to understand and agree about what needs to be done effectively, and the process of facilitating individual and collective efforts to accomplish the shared objectives” while Lussier and Achua (2001:6) define it as “the influencing process of leaders and followers to achieve organisational objectives through change” (see also; Burns 1977:274; Olmstead 2000:10). Similarly, Daft (2002:5) views leadership as “an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purpose” (see also;Avolio; Walumbwa and Weber 2009: 433; Vugt 2006:354). On the other hand, Edinger (1975:255) posits two major definitions of leadership – positional and behavioural. When positionally defined, it relates to the rights and duties of an office or status in a hierarchical structure, whether a formal organisation or an informally stratified collective (Edinger 1975:255). But when behaviourally defined, it is identified with persons who shape the actions of other persons. Thus, in the latter, it is associated primarily with followership and process of interpersonal relations rather than with interrelated positions in a hierarchical structure (Edinger 1975:255; Kupers 2007:195).Meadows (1962:26) considers leadership as a quality possessed by individuals, be they political, business or religious leaders, which implies only to their actions when they occupy a “headship” role and not to their private actions. Macbeath (2004:4) perhaps sums up the difficulty of defining leadership in the following terms;

> “It is a term full of ambiguity and has a range of interpretations. It is a ‘humpty-dumpty’ word that can mean just what we want it to be”.

Notwithstanding the complexities regarding the definition of leadership, from the above definitions at least three elements are essential for the exercise of leadership. These are; influence, presence of a group and some goal or goals (Peretomode 2012:13; Yukl2010; 2002:7; Dahl 2002:440; Lussier and Achua 2001:6; Bryman 1996:266; Hollander 1993:31). Influence involves a process in which the leader has an impact on others in the sense that he is able to induce them to behave in a particular way. Exerting influence implies that there is a group to be led and hence the second element conceptualizes this influence taking place in a group context with group members being subordinates of the leader. Third, leadership presupposes that the influence of the leader over the group behaviour is targeted towards the achievement of a particular goal or goals (Spicker 2012:35; Peretomode 2012:13; Dahl 2002:440; Lussier and

Achua 2001:8). These general traits of leadership apply equally in the realm of political leadership and in particular across a number of domains; such as factions, parties, parliaments, cabinets and governments (Uhr 2002:261; Elgie 1995:4).Leadership, particularly political leadership is about power, about who has that power and how such power is exercised. It is power in that it consists of the ability of one individual or a sub-set of individuals, typically at the top of the hierarchical order, to make others do a number of things, positively or negatively, that they would not or at-least might not have done (Spicker 2012:43; Burs 1992:24; Hollander 1993:31; Blondel 1987:3; Elgie 1995:3; Edinger 1975:257).

The Nature of Political leadership in Africa and the Neo-Patrimonial System

We submit that the importance of leadership and its bearing on development must particularly in Africa be understood within the context of the nature of political leadership in Africa if it is to have any meaning. While structural factors are important in explaining Africa's developmental challenges, it is the problem of leadership that has retarded the continent's development. Although the problem of poor leadership is not limited to Africa, its impact has been more severe and devastating for the continent. Unlike in many Western countries, the state in Africa is often viewed as a source for private accumulation of wealth. The term neo-patrimonialism generally used to describe the nature of political leadership in Africa is derived from the concept of patrimonial authority. In patrimonial political systems, power is not necessarily exercised for the common good of society but is rather self-serving, with leaders being more concerned about their self-interest or the interest of their group than public welfare. Under this system, authority is shaped by the ruler's preferences rather than any codified system of laws (Kebonang 2012:14; Bratton and Van De Walle 1997:61).This being the case, the ruler "ensures the political stability of the regime and personal political survival by providing a zone of security in an uncertain environment and by selectively distributing favors and material benefits to loyal followers" (Bratton and Van De Walle 1997: 61; Kebonang 2012:14). In return for material rewards, followers or "clients" are expected to mobilize political support for the incumbent leader and to refer all decisions upwards as a mark of deference to the leader or patron (Kebonang 2012:14; Bratton and Van De Walle 1994: 458).

Just as in patrimonialism, the right to rule in neo-patrimonial regimes is ascribed to an individual rather than an office. The difference however, is that neo-patrimonialism occurs not in a traditional environment but within the context of a modern state. It blends elements of the patrimonial, traditional rule with features of rational-bureaucratic or modern rule (Kebonang 2012:15; 2005: 6; Alence 2004: 165; Taylor 2003; Gibson 2002: 209; Bratton and Van De Walle 1997: 62, 1994: 458; Le Vine 1980: 666). Outwardly, the state has all the features of a Weberian rational-legal system, with a clear dichotomy between the public and the private realm, with written laws and a constitutional order (Van De Walle 2004: 44). But permeating the entire formal political and administration chain is a dense network of dependent relationships.

At the apex of both systems is a leader (the "strongman", "big man" or "supremo"), who not only dominates the state apparatus but also stands above its laws (Kebonang 2012:15; Bratton and Van De Walle 1997: 62; Le Vine 1980: 662). Officials occupy bureaucratic positions less to perform public services than to acquire personal wealth and status (Kebonang 2005: 6; Van De Walle 2004: 44; Bratton and Van De Walle 1997: 62; Bayart 1993: 70). In other words, office holders almost systematically appropriate public resources for their own use. Political authority is maintained by the allocation of state resources through clientelist practices, including patronage, various forms of rent seeking and prebendalism (Kebonang 2005: 6; Van De Walle 2004: 44; Gibson 2002: 209).

Bratton and Van De Walle (1997:63) contend that although the neo-patrimonial practices can be found in all polities, it has become, albeit with variations across countries, a core feature of African politics running across at least 40 countries. Similarly Jackson (1987: 527-8) pointedly remarks that;

> *"If there is a consensus among political scientists, it is probably that the state in Africa is neo-patrimonial in character. Those who occupy state offices, civilian or military, high or low, are inclined to treat them as possessions rather than position: to live off their rents- very luxuriously in some cases- and use them to reward persons and cliques who help them maintain their power". (emphasis added)*

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Because a number of politicians often conceive or equate public office with personal power and privilege their outlook of what is of national and what is of personal interest becomes blurry. This lack of distinction often has dire developmental consequences as demonstrated by some of the case studies discussed below.

Botswana case study

With a per capita income of no more than BWP 60 (equivalent to roughly US$80 today), Botswana was among the poorest countries in the world when it attained independence in 1966 (Kebonang 2013:3; Gwebu 2012:611; Sebudubudu 2010:249). Thanks to the discovery of diamonds and the productive use of the diamond revenue, the country is now considered one of the richest non-oil producing countries in Africa and has been classified by the World Bank as an upper middle income country (Kebonang 2013:3;Gwebu 2012:611;Cook and Sarkin 2010: 458; Hillbom 2008:191).

An attempt to attribute the country's economic success solely to the discovery and subsequent mining of diamond in the mid-1970s great as it may be, would do injustice to the significance of other factors such as the role of the political leadership in explaining the country's success story. As Table 1 below shows, many African countries have also been blessed with natural resource wealth and yet this wealth has in some instances been more of a curse than a blessing.

Table 1. The role of Mineral Exports in Selected African Economies in 2001

Country	Value of Mineral Exports(USD millions)	Minerals as a percentage of total exports	Major Exports
Nigeria	$18 400	98	Crude oil
Libya	11 000	98	Crude oil and natural gas
Algeria	18 000	95	Crude oil, natural gas and petroleum products
Equatorial Guinea	900	95	Crude oil and Methanol
Congo (Brazzavile)	2500	90	Crude oil
Sierra Leone	75	90	Bauxite, diamond and Titanium
Angola (1999)	5630	89	Crude oil and diamond

Gabon	2100	86	Crude oil and Manganese
Botswana	2210	85	Diamond, nickel and soda ash
Sudan	1430	84	Crude oil, petroleum products and gold
Congo (Kinshasa)	1600	75	Diamond, crude oil, copper and cobalt
Zambia	590	68	Copper, cobalt and gemstones
Zimbabwe	720	42	Platinum, gold, nickel and lithium
South Africa (2000)	13 400	41	Platinum, gold, coal, Aluminium, iron ore and ferroalloys
Madagascar	47	6	Chromite, mica, gemstone and petroleum products
Uganda	70	11	Gold, cobalt, columbium (niobium)-tantalum, tin and tungsten
Kenya (2000)	195	11	Trona, fluorit, gold, cement and petroleum products
Tunisia	595	9	Cement, fertilizer, phosphate rock and zinc

Source: Table adapted from Coakley, Mobbs, Szxzesniak, Wilburn and Yager (2001) with modifications.

As Table1 above shows, mineral resources provide a significant portion of the external revenue (or foreign exchange) earned by two-thirds of African states. Only in countries such as South Africa, Kenya, Madagascar, Uganda, Tunisia and Zimbabwe is the share of mineral exports below 50 percent. South Africa has, for instance, not only a strong mining sector but also developed manufacturing and agricultural sectors. In countries like Kenya, the economy is powered both by the manufacturing sector and tourism whilst in Madagascar agriculture provides the mainstay that drives the economy. The profitability and availability of natural resources has made it possible for some corrupt, repressive and unaccountable leaders to remain in power.

However, the problem of poor leadership has not been confined to countries with rich mineral resources but has been widespread. For instance, there have been autocratic regimes in countries such as Kenya, Rwanda and Madagascar which do not have any significant mineral wealth.

No doubt, the dominance of diamonds in Botswana's success has been significant but so too has been the role played by the country's leadership. According to Taylor (2002), it was President Sir Seretse Khama's legitimacy (drawn from his position as former chief of the dominant Tswana tribe), charismatic leadership and his integrity that helped shape the system of government established post 1966. What has set Botswana apart from other African countries has been the fact that the political leadership and emergent national elites at and post-independence avoided pursuing narrow self-interest at the expense of the public good. Tsie (1998:13), states that the emergent national elites;

> "..became conscious of the fact that its interest would be better served by private capitalist accumulation rather than state capitalism because….the state itself was in dire financial problems at independence and could not therefore be the sole means of accumulation. Consequently, this class did not necessarily see the state as a source of self-enrichment".

When Botswana gained independence in 1966 it had no private sector to drive the economy and the burden of stimulating the economy was entirely shouldered by the government. To address its developmental challenges and the lack of investors, the country had to rely more on foreign aid and the goodwill of the international community. The country's leadership became the driving force in its attempts to secure more aid and to woo foreign investment. Henderson (1990:44) captures the difficulties faced by the country at the time and the role its leaders played as follows;

> "Botswana government with the help of Masire [the then vice president] was turned into an efficient aid gathering machine with both Masire and Seretse undertaking gruelling international schedules in support of bids for foreign aid and foreign investment needed to ensure that mining

> developments, crucial to the establishment of a domestic revenue source, were realized".

The post-independent leadership was also able to guard against state capture by interest groups with its commitment of developing the country going 'beyond the interests of a particular faction of the ruling petty bourgeoisie to embrace broad capitalist interest' (Tsie 1995:66; Taylor 2002).The leadership that came to power in 1966 appears to have had a higher, broader goal or social vision that went beyond their own narrow individual interests. This was extraordinary given that when the Botswana Democratic Party (BDP) came into power in 1965, it did so as a party of large cattle owners. Both the President and Vice President were known cattle barons (Acemoglu 2003:104; Holm 1999:102; Holm and Molutsi 1992:90). But rather than being captured by the special interest of large cattle owners, the bureaucracy was allowed to determine, expand and mould state policies and to operate sufficiently independently of political interference or special interest (Holm 1999:100; Holm and Molutsi 1992:90). Although at the expense of democratic accountability, capture by interest groups was avoided by informing rather than consulting them on government policies. As Brautigam (2000:22) states:

> "Rather than responding to interest group pressure, the government in Botswana tended to make its own analyses and then build support for shifts in a long-term strategy geared toward maintaining its generally impressive economic performance. Interaction with the public was intended more to inform, instruct and persuade" (cited in Taylor 2002).

The remarkable transformation of Botswana's economy unquestionably required an unwavering commitment by leaders to public welfare. In singling out Botswana as a success story, one is immediately confronted with the need to explain how the country was able to avoid being ensnared by the neo-patrimonial system so common in Africa. Were the country's leaders inherently virtuous or altruistic? It is difficult to tell. Perhaps a more plausible explanation for the country's success can be attributed to the fact that minerals were discovered and mined after independence. With no immediate prospects of economic prosperity at independence, the only commodity that the country could exploit was one of good leadership. With nothing other than reliance on Britain for official grants to keep the government going, this environment profoundly limited the possibility of a strong and vibrant neo-patrimonial system gaining some foothold on how the government operated.

Sir Seretse Khama, the first President of the Republic of Botswana and his successor Sir Ketumile Masire can be citied as exceptional leaders who contributed immensely to Botswana's current economic success. In fact Henderson (1990:27) argues that much of Botswana's success can be attributed to the caution, guidance and political acumen of Seretse Khama who was able to prevent South Africa's attempts at extending its political control over the country. As stated earlier at the time Seretse Khama assumed the presidency in 1966, the country had virtually no economic, social and even institutional infrastructure (Harvey and Lewis 1990:15; Gwebu 2012). Henderson (1990:43) describes the country then as;

> "A ramshackle collection of different districts loosely held together…by an under-financed administration and united economically by little more than poverty and drought".

The Zimbabwean Case Study

Thanks to poor leadership, President Mugabe has brought down a once thriving economy to its knees. Faced with a deteriorating economy requiring fiscal discipline, President Mugabe reportedly authorized in 2000 huge payments to war veterans without prior parliamentary approval. These included a one-time payment (ZS$50, 000), a monthly allowance (ZS$2000) and free education and health care for the 60 000 war veterans to be made for their wartime sacrifices (Magura 2012; Coomer and Gstraunthaler 2011:321; Cox and Anderson 2009:6; Addison and Laakso 2003:461). These payments were not budgeted for and so plunged the country already facing economic hardships as a result of the failed IMF Structural adjustment policies into further economic crisis. These payments were followed by the country's ill-fated military involvement in the Democratic Republic of Congo's (DRC) civil war largely fuelled by prospective diamond and gold mining concession rights in the DRC and the expropriation of white owned farms (Noyes 2013: 32; Shay 2012: 140;Kobayashi 2011; Addison and Laakso 2003: 464; Maclean 2002:520). While the need for land redistribution may not have been in doubt, the violent and forceful expropriation of white owned farms destroyed the country's once vibrant agricultural sector which hitherto had accounted for 68 percent of the country's gross agricultural output and 40 percent of its export earnings (Magura 2012:68;Masaka 2011:9; Cox and Anderson 2009:8Addison and Laakson 2003:459). Under the guise of addressing imbalance in land ownership, the bulk of the fertile land went to the political elite, the military, judiciary and members of the ruling Zimbabwe African National Union-Patriotic Front (ZANU PF). The actions of the Zimbabwean government and Mugabe in particular, have been instrumental in creating and fomenting the socio-economic and political conditions that have prevented and driven investments out of the country, resulting in over 90 percent unemployment rate in the country. Until the dollarization of the Zimbabwean economy, inflation rate was at some stage as high as 240million percent (Coomer 2011; 229, Cox and Anderson 2009:1; Rotberg 2000:54).

Nigerian Case Study

Similarly, Nigeria which is the world's eighth largest exporter of crude oil with vast oil revenue and huge inflow of foreign direct investment (FDI) remains one of the poorest countries in the world. Nigerian oil revenue, which accounts for 90 percent of the foreign exchange and 80 percent of the federal revenue, has benefited only a few individuals to the exclusion of the majority of the citizens who have remained poor (Ogbeidi 2012:14; Picciotto 2003: 141; Manby 1999:284). Instead of the oil wealth transforming the country into one of the most successful states in Africa, it has led to worsening levels of poverty and underdevelopment (Ogbeidi 2012:2; Ogundiya 2009:281). Over the years, the percentage of people living in poverty in Nigeria has been increasing. While this percent stood at 28.1 percent in 1980, by 1996 it had reached 65.6 percent and as at 2012 it stood at 70 percent (Ogbeidi 2012:2; Kraxberger 2004:415; Shaxson 2005:311). The bulk of the oil revenue, which is distributed to the central government is dissipated through corruption involving political leaders and government officials (Urien 2012:147; Ojukwu and Shopeju 2010: 17; Kraxberger 2004:414; Picciotto 2003:141). The country has come to enjoy an invidious reputation of being one of the most corrupt countries in the world. With a per capita gross national product of US$ 300 a year, the country remains one of the poorest in world despite its huge oil revenue (Ogbeidi 2012:20; Ebegbulem 2012:223). Manby (1999:285) articulates the problem of corruption and economic exclusion in Nigeria as follows:

> “Minority ethnic groups in Nigeria’s multi-ethnic Federation have successfully demanded that new states and local government units be established over the years in the hope that they will receive some benefits from the oil money and be compensated for the damage done by oil production. Paradoxically however, the Nigerian Federation has become ever more centralized in practice and power and money have been concentrated in the hands of fewer and fewer people. Politics has become an exercise in organized corruption, most spectacularly demonstrated around the oil industry itself, where large commissions and percentage cuts of contracts have enabled individual soldiers and politicians to amass huge fortunes. Meanwhile the majority of Nigerians have sunk deeper in poverty (emphasis provided)

At the heart of Nigeria’s underdevelopment and corruption has been the country’s leadership. Successive Nigerian governments whether military or civilian, have all succeeded in mismanaging the national economy to a point of collapse. President Olusegun Obasanjo who was democratically elected as President in 1999 and on whom much hope had been placed following years of military dictatorships was no better than his military predecessors. As the President and Minister of Petroleum he refused to account for the oil revenue and allowed high levels of corrupt practices to take place with impunity. Oil contracts were corruptly awarded, he alone determined the national budget and missing oil refinery plants maintenance budget in excess of $400 million dollars could not be accounted for (Olgeidi 2012:16; Ojukwu and Shopeju 2010:22).President Obasanjo’s predecessors, President Ibrahim Babangida and General SaniAbacha were no angels either. After his death in 1998, more than $ 1 billion US dollars was found in General Abacha’s various accounts across Europe (Ebegbulem 2012:224; Ojukwu and Shopeju 2010:19; Ogundiya 2009:288). Under President Babangida corruption became a defining feature of government. As Gboyega (1996:5) puts it;

> “The benign treatment of corruption in the early years of the Babangida administration foretold a much more conscious instrumental use of corruption to ensure regime stability. For a military administration,

> Babangida's government was unique in its unconcern about corruption within its ranks and among public servants generally; it was as if the Government existed so that corruption might thrive" quoted in Ogundiya 2009:288)

Ironically, despite its history of poor leadership, the country has continued to be one of the largest recepients of foreign direct investment in Africa (UNCTAD 2001; 2012; 2013). It is not however difficult to see why the country has been successful in attracting more FDI. It has huge oil reserves where significant returns on investment have outweighed concerns over poor leadership. As Ogbeidi (2012) puts it, "Nigeria simply has been lacking in one thing that every nation, big or small, needs, to achieve greatness- credible, responsible and people-oriented leadership".

Indonesia Case Study

When General Surhato took power through a military intervention in 1966, Indonesia was experiencing high levels of inflation which in 1965 stood at 600 percent (Kipgen 2012:85; Castle 2012; Arnove 2005:9). By mid-1966 inflation levels had peaked at 1500 percent, government budgetary deficits were over 50 percent of the total government expenditure, manufacturing accounted for less than 10 percent of GDP, illiteracy rates were high and the country could not meet its debt service obligations (Hadiz and Robison 2005:221; Hill 2000b:14; Temple 2001; Liddle 1991:404; Booth and McCawlley 1981:1). During this time the country was considered by many to be a "basket case". Prominent economists of the time, such as Higgins (1968:678), characterized the country as a "chronic dropout" and concluded that, "Indonesia must surely be accounted the number one failure among the major underdeveloped countries", (cited in Hill 2000b:1). By 1969, a different tale of Indonesia had emerged. The inflation rate was down to 15 percent, literacy rates had improved, there were massive investments in infrastructure and market oriented reforms were introduced (Castle 2012:85; Ramstedt 2012:5). The country was on its way to economic recovery. Institutions such as the judiciary, although manned by people close to General Suharto, were relatively competent and independent (Basri and Hill 2004; Hill 2000b; Temple 2001). By the late 1980s, the country was not only being classified among the select group of developing countries destined to become shortly newly industrialized economies, it was also being held out as a model among the OPEC group of how to invest oil revenue effectively, and alleviate poverty (Castle 2012; Hill 2000b:3-4).

At least prior to the 1997-98 Asian financial Crisis, several factors which were responsible for the phenomenal transformation of the Indonesian economy included: political stability, improvement in agricultural production, macro-economic stability, trade liberalization, the growth of the manufacturing sector, increased FDI levels and export of oil and gas (Arnove 2005: 15; Hill 2000b; Temple 2001). Whilst natural resource wealth in Africa has mostly been a curse, it is surprising that despite his propensity to self-enrich, General Suharto was able to transform the economy rather than destroy it. Why did he do this? Could it have been that his political authority depended on a thriving economy or could it have been that despite his level of corruption, he had a socio-economic vision for the country that went beyond his narrow self-interests? Or could it be that Suharto was a transformative leader with a grand vision for Indonesia whilst many African leaders are simply managers, content with the status quo and interested only in personal benefits?

Does Leadership Matter

Taken at face value, the Nigerian and Indonesian case studies discussed above seem to qualify the proposition that good leadership is essential to development. But as we submit, the Indonesian and Nigerian experiences are unique in that investment in those countries has been spurred by their huge oil reserves. Moreover, even though these countries have attracted huge levels of FDI, such investment has not been put to productive use. The wealth has been concentrated in the hands of a few and corruption has become institutionalized.

Leadership, whether bad or good, will reflect either negatively or positively on a state's socio-economic and political environment. A reputation of efficiency and clean leadership will enhance rather than diminish prospects for increased foreign investment. However, with notable exceptions, reputation for corruption and bad leadership often has the opposite effect-it tends to create a climate of uncertainty and risk that keeps investors away or directs them towards shortterm, speculative investment. Reports of multinational corporations propping up poor leadership have been abound. According to Udombana (2003:99), multinational corporations such as Shell, Mobil, Chevron, Elf, Agip, Texaco and others keen on benefiting from the exploitation of the oil in Nigeria, have supported and maintained successive repressive and corrupt governments in Nigeria. Thus for some multinational corporations (MNCs), disorder and poor leadership are assets to be exploited. Dysfunctional leadership means that the wheels of government are greased simply by corruption. This ensures that government neither has the interest nor the resources to monitor the activities of the MNC. Because unofficial payments from MNCs are central in keeping poor leaders in power, this enables MNCs to influence and dictate the kind of contracts they conclude with such leaders or their states. Such contracts, which may have fewer or no regulatory burdens, may for instance allow MNCs to pay less tax to corrupt leaders than they would under a proper functioning tax system. The contracts may also be so overwhelmingly one-sided in favor of these MNCs not to abide by international environmental and labor standards.

Good leadership nonetheless is important in promoting certainty in the conduct and exercise of government power and helps boosts investor confidence in government. As Whiting (1998:169) points out, for private or foreign investors, trust in government is an important consideration in deciding whether to undertake the risk of investing, particularly in relatively immobile assets. According to Braithwaite (1998:52), the performance by another that entails consistency, competence and reliability is likely to enhance the development of a relationship of trust. Unless there are expectations or beliefs that others will behave in a predictable manner which is not entirely devoted to self-interest, trust will not be established (Thomas 1998:169). Consequently, the misuse of power by a public official for personal, professional and organizational ends erodes the trust on which the legitimacy of government depends. According to Kass (1990);

> Consistent violations by individual public agents, even if done in the name of the republic's welfare, ultimately raise the average individual's sense of vulnerability to the great power he or she has placed in this entity and adversely affects the legitimacy of both the agents involved and the republication association (cited by Thomas 1998:186).

A Complementary Bureaucracy

Linked to good political leadership is a complementary bureaucracy. Without a complementary bureaucracy who shares in the vision of the leader and is responsive to government policy goals, good political leadership on its own may not be sufficient in ensuring effective implementation of agreed developmental policies. If the bureaucracy is captured by personal interest, little can be achieved even with a well-intentioned leader at the helm of government. This is because the responsibility for implementing government policies falls squarely on the shoulders of the public or civil service. (Ikechukwu, Chukwuemeka 2013; Johnston 2011; Braithwaite 2004:139).Acemoglu (2003:83) for instance attributes Botswana's economic success to among other things, a relatively efficient and honest bureaucracy (see also Sebudubudu 2010:256), while Uneke (2012: 118); Olagunju (2012:77)Ikechukwu and Chukwuemeka (2013:35) highlight a corrupt and ineffective bureaucracy as having been a major obstacle to Nigeria's socio-economic development (see also Lawal and Tobi 2006: 645; Aluko and Adesopo 2003:47). These authors maintain that in Nigeria policy making goals are driven by a patronage system that gives pre-eminence to personal rewards and political interest rather than the country's real developmental needs.

Unless the bureaucracy is honest, efficient and relatively free from capture by private interests, little economic growth will be achieved (Barclay 2012:48; Rodrik 1996:21). But an efficient and honest bureaucracy also requires political support. Poor political leadership may demoralize a relatively clean and efficient civil service. On the other hand, a relatively clean and good leadership can be a beacon of hope and may have a trickle-down effect on the entire bureaucracy; promoting good leadership not only at the top but also at the bottom echelons of government and society. One way of building public trust in leaders and government is to institutionalize distrust. Institutionalizing distrust does not mean cultivating distrust in institutions. It means simply the deployment of sound principles of institutional design so that institutions check the power of other institutions (Braithwaite 1988:344). For instance, distrust can be institutionalized through having a strong civil society movement, judiciary and parliament which are able to check the power of leaders and or government from within and from without.

Conclusion

Contrary to the assertions by the cultural determinist that leadership is not a crucial factor, what the case studies discussed in this paper show is that leaders do matter. They can be agents for good or agents for bad. Not only do they have the power but also the opportunity to influence their environment. The actions they take and the goals they pursue have a direct bearing on their country's well-being. A leadership that subordinates national interest to self-interest strips a country of sound development. From the case studies discussed above it can be argued that in many ways Botswana owes its economic success in no small measure to good leadership. Equally true is the fact that Zimbabwe's economic challenges can squarely be attributed to poor leadership. But what are the lessons to be drawn from the Indonesian and Nigerian case-studies? Surely it is not that good leadership does not matter to development. Rather, it is that even though leadership is capable of making productive use of resources even in a neo-patrimonial system, the latter is a fragile basis on which to build an economic system. For instance, since the 1997-8 financial crisis, Indonesia has found it exceedingly difficult to recover from its collapse unlike other states which suffered from the same crises.

While good leadership may not be the sole or decisive factor in promoting or overcoming certain socio-economic developmental challenges, it provides an important signalling device to investors who would not ordinarily invest in the absence of such leadership. Even for other types of investors, good leadership builds confidence and allows them to make long-term business decisions. Good leadership also ensures that economic benefits are properly harnessed and put to productive use. Lastly, a responsive and clean bureaucracy is an important agent in fostering and implementing developmental projects and/or policies. A weak, inefficient and corrupt bureaucracy can only undermine developmental efforts even with a well-intentioned leader.

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