

Executive Summary

August 2012

Political Settlements, Elite Pacts, and Governments of National Unity

A Conceptual Study

Edward Laws

A growing body of recent scholarship puts political settlements at the centre of the development process. The political settlements approach focuses on the formal and informal negotiations, bargains, pacts and agreements between elite actors, as crucial drivers of the locally effective institutions and policies that promote or frustrate the achievement of sustainable growth, political stability and socially inclusive development. However, alongside a lack of detailed empirical case studies, the usefulness of the framework as it stands is hampered by:

- A lack of consensus over how to define and understand the key concepts
- A tendency in the literature to conflate key terms, i.e. to treat political settlements, elite pacts/bargains and peace agreements as interchangeable. It is also unclear how governments of national unity should be defined and understood in relation to these other concepts.

This paper surveys and clarifies the conceptual field by addressing the following key questions:

How should political settlements be defined and understood?

1. **Political settlements are not simply a form of 'social-contract' between states and societies.** 'States' and 'societies' are not, each, unitary entities or actors. They are always characterised by internal differences and a variety of interests and forms and degrees of power, especially in developing societies with weak institutions. There is, therefore, more or less disagreement, division and exclusion within both. This undermines the plausibility of thinking about a social contract between 'the state' and 'the society'.
2. **Political settlements are on-going political processes that include one-off events and agreements between elites, but are not defined by them.** The 'process' aspect of the definition is important for political settlements analysis, by virtue of its focus on the on-going politics and the underlying and evolving longer-term elite power relations and negotiations that influence the shape of institutions and how players work within and around them. Equally important are the one-off events and agreements that provide rough markers for tracing the point at which settlements begin, end and change.
3. **Political settlements are typically the outcome of bargaining, negotiation and compromises between elites.** This is sometimes formal, open and public, but often informal or less open, and commonly both.
4. **However, political settlements are also typically played out across two-levels.** They involve not only the horizontal negotiations between elites but also vertical relations between elites and their followers. Political settlements are therefore best understood as 'two-level' games.
5. **Political settlements influence the form, nature and performance of institutions.** And institutions can in turn help to consolidate and 'embed' political settlements.
6. **Political settlements are not set in stone.** They can and should adapt in response to changes in social, political and economic power relations and to contingent events and critical junctures.

7. **Political settlements can be more or less inclusive of social or political groups.** But the stability of settlements over time does not necessarily or always depend on the degree to which they are inclusive, at least in the short to medium term – though longer term settlements may require progressive ‘inclusion’.

How should elite pacts and governments of national unity (GNUs) be defined and understood?

8. **Elite pacts/bargains and peace agreements are one-off events that are part of the on-going political settlement.** Retaining a distinction between elite pacts/bargains, peace agreements and political settlements is important for explaining how and why one-off pacts and agreements may fail to produce developmentally positive outcomes in the longer-term.
9. **GNUs are a type of inclusive elite pact aimed at establishing formal shared institutions and organisations of government.** They usually occur during or after a time of crisis, but may not last for very long.

The paper concludes by suggesting operational messages for the international community, and areas for further research to build on the conceptual work undertaken here.

Operational Messages

- **Acquire local knowledge and understanding**
Donors and others will need to acquire a deep understanding of, and sensitivity towards, local political dynamics if they are to make best use of the settlements framework to guide their activities.
- **Take a long-term approach to influencing political settlements**
There are no ‘quick-fix’ policy implications of the political settlements framework. Influencing political settlements will require patience and long-term commitment.
- **Understand how elites relate to wider coalitions and their support bases**
In using political settlements analysis, donors need to be alert to the ways in which elites may come into conflict with wider coalition members, and must also be aware of the pressures on elites to satisfy their supporters.

- **Work to broker opportunities for elites to come together**

Negotiation, compromise and bargaining between elites are central to the formation of durable political settlements. Therefore, external players should look for opportunities to facilitate meetings, partnerships, alliances and coalitions between different elites.

- **Be aware of excluded groups**

Donors should be aware of the precise boundaries of a political settlement in order to anticipate possible challenges from excluded groups, and to identify if it may be appropriate to try to broker more inclusive arrangements.

Further Areas for Research?

- **The role of external donors**

Can the international community work politically to encourage elite pacts and political settlements that are developmentally positive? If so, how?

- **Respect for national sovereignty**

Political settlements and elite pacts are political arrangements that are local to specific countries and need to be locally legitimate. Further research is required to give an insight into how, and in what ways, the international community can support, broker or facilitate developmentally positive settlements and pacts without compromising national sovereignty, but yet also remaining true to its normative goals. Does ‘policy dialogue’ offer a starting point?

- **Trade-offs between stability and inclusivity**

Are stable political settlements inevitably exclusive of certain social and/or political groups? Can the international community encourage stable and robust political settlements whilst also working to promote social, political and economic inclusivity?

- **Elite pacts and GNUs as components of conflict resolution**

What are the conditions under which elite pacts and GNUs help to resolve violent conflict and encourage developmental reform?

- **GNUs and developmental outcomes**

What have been the developmental results of GNUs? Other than contributing to immediate peace, or handling national crises, have they also contributed to sustained growth and political stability in the medium term? What is the typical ‘length of service’ of GNUs and what has happened after their dissolution?

Download the full paper [here](#)

The Developmental Leadership Program (DLP) is an international research initiative based at the University of Birmingham, and working in partnership with University College London (UCL) and La Trobe University in Melbourne. DLP’s independent program of research is supported by the Australian aid program.

The views expressed in this publication are those of the author(s) and do not necessarily represent those of the DLP, its partner organisations or the Australian Government.

The Developmental Leadership Program
International Development Department
School of Government and Society
College of Social Sciences
University of Birmingham
Birmingham B15 2TT, UK
info@dlprog.org

www.dlprog.org