



**Economic and political liberalization,
dependency and elite formation
in contemporary Mozambique**

José Jaime Macuane

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CONTENTS

List of abbreviations and acronyms	6
Abstract	7
1. Introduction	9
2. Elites and power in policy-making and the development process	11
3. The policy process and elite formation in Mozambique	14
3.1 Politicians and technocrats in the policy process in Mozambique	16
3.2 Dependence and elites in the policy process	24
4. Elites, power relations and policy outcomes	29
4.1 Affirming the position in the context of dependence	30
4.2 Framing the dialogue with other actors	31
4.3 Creating and controlling the structure of incentives for compliance	32
4.4 Elites, power relations and policy consequences	33
5. Final considerations: elites and development	34
6. References	38

LIST OF ABBREVIATIONS

APRM	African Peer Review Mechanism
AWEPA	Association of Western European Parliamentarians for Africa
CIP	Center for Public Integrity
CTA	Confederation of Business Associations
DNEAP	National Directorate of Studies and Policy Analysis
DO	Development Observatory
FAO	Food and Agriculture Organization
FDC	Community Development Fund
Frelimo	Mozambique Liberation Front
G20	Group 20 (Civil Society Platform For Development Observatory)
GoM	Government of Mozambique
HIPC	Highly Indebted Poor Countries
IFT's	International Financial Institutions
IMF	International Monetary Fund
MASC	Civil Society Support Mechanism
MP	Member of Parliament
NGO	Non-Governmental Organization
OTM	Mozambique Workers' Organization
PAPs	Programme Aid Partners
PARP	Poverty Reduction Action Plan
PARPA	Absolute Poverty Reduction Action Plan
PRE	Programme for Economic Rehabilitation
PRES	Programme for Economic And Social Rehabilitation
PROAGRI	National Programme of Agriculture Development (Mozambique)
PRSP	Poverty Reduction Strategy Paper
QAD	Performance Assessment Framework
SADC	Southern Africa Development Community
SAP	Structural Adjustment Program
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

ABSTRACT

Discussion of development strategies in Mozambique reveals three main perspectives on the role of elites in the policy process: donor dominance, political dominance over technocracy, and the emergence of non-state (economic and civil society) actors as players in the policy process, although still with a marginal role. These analyses tend to see the identity of these actors as monolithic and clearly identifiable. The identities condition the involvement of these actors in a set of dichotomous relations, such as politicians *versus* technocrats, donors *versus* internal actors, and state *versus* non-state actors. Based on this understanding, this paper analyses the role of elites in policy processes, focusing on elite formation and power relations in Mozambique in a context of an economically dependent country undergoing democratization. The paper shows that the dominant analyses of the role of the elites in the policy process in Mozambique overlook the process of elite formation, which contributes to the existence of multiple and overlapping elite identities in the policy process. In this regard, the paper concludes that, despite the emergence of new elites (economic, societal and bureaucratic) resulting from economic and political liberalization and as an aspect of pro-poor policies, the differentiation between these elites is more apparent than real because of the strategies they have adopted to maintain their dominance in a context of the increasing importance of electoral politics. Further, the paper concludes that the political elite still dominates the process, even with donor dependence, but that nonetheless this dominance is being challenged by an erosion of legitimacy caused by the low effectiveness of the development strategies, reflected in increasing public contestation over government policies, which opens up a space for changes in the current pattern of elite relations.

Key words: policy; elites; elite formation; reform; development

I. INTRODUCTION

Three sets of discussions have been conspicuous in debates over the policy process in general and development and pro-poor policies in particular in Mozambique. The first is based on the idea that, since Mozambique is a highly dependent country, donors and the international financial institutions (IFIs: the World Bank and International Monetary Fund or IMF) are key policy players in the country. These actors are often considered the main drivers of the policy process, even bypassing the normal accountability mechanisms: horizontal (between state institutions) and vertical (from representatives and political institutions to society) (see Hodges and Tibana, 2005; Hanlon and de Renzio, 2007), or influencing the setting of the government agenda.

The second set of discussions concern the rise of so-called ‘technocratic government’ after the launching of the PRE in the late 1980s under the leadership of President Chissano. The technocratic government approach is said to have been dropped after the 2004 elections, when President Guebuza took over and restored the dominance of the politicians in the government (Siteo, 2008). The technocratic approach, introduced in the late-1980s signalled the end of the socialist period with more political appointments, is seen as having been more closely aligned to donor demands and carried out the privatisation process during the PRE, despite strong criticism from the Frelimo party bench in parliament (Manning, 2002). The political style of government, by contrast, is regarded as less concerned about aligning its position with donor demands and tends to take autonomous decisions when the interests of the political elites are at stake, even against donor preferences. In tandem with these discussions, Hanlon and

Mosse (2010) suggest that under President Guebuza’s leadership Mozambique’s elite is changing its predatory and rent-seeking characteristics to embrace a more developmental form of capitalism, although still restricted to a small economic elite with close ties to the current political leadership and to foreigners (see Astill-Brown and Weimer, 2010).

The third set of discussions is related to the emergence of civil society actors in the policy process, which, despite the existence of participatory arenas and processes at the national and local levels, through development observatories¹ and local councils, still plays a weak role in the definition of policies, as well as in holding the government accountable. According to this literature, this is mainly due to civil society’s dependence on donor resources, the lack of a clear policy agenda and weak linkage to a societal basis, as well as being a by-product of a weak state (Francisco and Matter, 2007; FDC, 2008; MASC, 2008; Muendane, 2008; Francisco, 2010).

These three perspectives on the policy process tend to be based on the assumption that there are dichotomous relations between sets of actors, such as political *versus* technocratic elites, donors *versus* government state *versus* non-state actors, public-sector *versus* private-sector actors, and in a broader sense, public *versus* private interests. These dichotomies also reflect power relations between these actors, which potentially influence development outcomes. While this dichotomization may be understandable from a conceptual point of view, a deeper analysis of these categories suggests a different reality with clear policy

¹ Development Observatories are participatory mechanisms created at the national and local levels in the context of the implementation of the Poverty Reduction Strategy, comprising government, civil society and donor representatives. The aim of these mechanisms is to provide a forum for discussing pro-poor policies with the relevant stakeholders.

implications. This will be the theme of this paper.

Studying the relations between these different groups is key to understanding the ways in which policies are designed, chosen and even implemented, and, consequently, how this affects the results of the development programmes. Consequently, the objective of this paper is to discuss power relations between the groups or actors involved in the policy process in the context of the country development agenda. The paper hinges on the discussion about elites in the policy process.

Elites can be understood from the perspective of classical elitism, represented by Pareto, Mosca and Michels, through democratic elitism as presented by Weber and Schumpeter (Cunningham, 2009), to more modern discussions that include networks, to corporatism and neocorporatism.² One of the caveats in elite studies is the lack of a national perspective in analysing country cases (Evans, 2002). This paper, among many ideas on elites, will focus on a set of discussions that can help analyse elites and their roles in the pro-poor policy process as part of the development project in Mozambique.

In this paper, the terms ‘knowledge elite’, ‘technocrats’ and ‘bureaucratic elite’ will be used to refer to individuals whose ability to participate legitimately in the policy process is grounded mainly on their technical and professional credentials. However, some dis-

tinctions are worth mentioning. Knowledge elites are formed by those individuals whose intervention in the policy process is based mainly on their technical credentials. They can be either inside the public sector or state apparatus (e.g., policy experts who are public servants) or outside it (e.g., consultants and academics). Technocrats are those who hold top or national political managerial positions in the public service and status apparatus (e.g., a minister and vice-minister,³ a Central Bank governor, the chair of a regulatory agency) as a result of their technical abilities. In this regard, a technocrat is a person who has risen to a top political position, in this case a ministerial or a national policy-decision position, as a result of his professional career path. Bureaucratic elites are those public servants who exert their technical or administrative authority to inform policy decisions through their managerial positions (e.g., permanent secretary or national director).⁴ This distinction from the overall bureaucracy is relevant in the case of Mozambique (Macuane, 2006a), which lacks a bureaucracy in the Weberian sense (Weber, 1982).

Political elites are those who have decision-making power in the state resulting from their statutory or institutional position, or who have influence on policy decisions as a result of their status in the ruling coalition. Moreover, in contrast to knowledge-based elites, in-

² Bourgoïn argues that, given the various attempts to define elites in the literature, it is almost impossible to come out with a general and all-encompassing definition. Rather, what would be more appropriate is to consider the elements that constitute the concept, such as inequality, predominance and organization. In Bourgoïn’s words, “the first centers on a way of presenting the dichotomy of those with influence and those without, the best and the rest, or the rulers and the ruled. The latter on the other hand has a different focus, with its axis of analysis centred on forms of elite cohesion and the concentration of power” (Bourgoïn, 2010: 3).

³ Although ministers can be considered essentially politicians, depending on their career path, as will be explained below, they can also be technocrats.

⁴ These terms are used interchangeably because there is a potential overlap between these definitions. For example, public servants with expertise in some policy areas and who consequently inform policy decisions can also be considered an elite inside the bureaucracy. Technocrats provide a “knowledge input” to the policy process by participating at the policy design level (in their sector) and also a “political input” by participating in the decision-making level, for example, in the cabinet, influencing other decision-makers and also taking positions on policy issues.

cluding technocrats, political policy elites are those groups or individuals who have risen to top policy decision-making positions as a result of their political career paths.

The main argument of this paper is that, despite donor dependence, political liberalization, the economic liberalization introduced by the PRE, and the pro-poor policy process have all contributed to the creation and promotion of certain elite groups, namely a small economic elite, civil-society policy elites, knowledge elites in the bureaucracy and technocrats in the government. Moreover, despite the change in the relations between political and bureaucratic elites, donors and government, and state and societal or non-state actors in the policy process, a close analysis shows that the balance of power between the various elites in that process has remained relatively stable and, at the national level, is still tilted heavily in favour of the political elites. This is due to the blurred lines between these elites, which makes the dichotomies that distinguish them and define their roles in the policy process more apparent than real. These dynamics can be better understood through an analysis of the relationship between political elites and knowledge elites (technocrats and bureaucrats) in the process of elite formation in Mozambique that has stemmed from the policy process in the context of external dependence and democratization. These elements have implications for the balance of power that shapes policy choices and implementation, as well as its results.

Hence, the focus of this work will be on three main topics pertaining to the Mozambican case: a) how elites emerge or consolidate their roles as part of the policy process in a context of donor dependence; b) what the elites' strategic interests are; and c) how the relationship between knowledge elites and political elites shapes policy choices and

implementation in the context of pursuance of the development agenda.

The paper is organized as follows. After this introduction, Section 2 presents the most relevant theoretical elements regarding elites and development. Section 3 describes elite formation in the policy process in Mozambique in a historical perspective. Section 4 presents the analysis of power relations in the policy process in Mozambique. Finally, Section 5 presents the conclusions, which include a reflection on the main implications for the development agenda.

2. ELITES AND POWER IN POLICY-MAKING AND THE DEVELOPMENT PROCESS

Decision-making and the implementation of policies are not always the rational and organized process that is often claimed. According to some perspectives, the policy process can be complex, chaotic, uncertain, unpredictable, and sometimes exploratory and incremental, solutions not always being aligned with problems, and the main actors – bureaucrats and politicians – may be concerned either with the collective interest or with their own parochial interests (Lane, 2000; Heywood, 1997; Fredrickson and Smith, 2003). Thus, policies can be considered a social experiment, involving a process of trial and error, whose outcomes can occur as a result of complicated political, social and institutional processes that are rather evolutionary in nature. In this concept, policy-making is an incremental process in which adjustments are continuously made to deal with development problems related to complexity, uncertainty and ignorance about the major issues influencing the trajectory of the development process (Juma and Clark, 1995:5-7).

The ways in which different groups and actors influence policies also depends on the power dynamics of the process. Hyden (2006) argues that in weak states, to understand how and why poverty reduction and other development policies are enacted and implemented, it is essential to take into account the possibility of the policy process being high-jacked by particular groups and used to respond to their clienteles through relations of patronage. Therefore, according to Hyden, to understand poverty reduction and other development issues it is necessary to conduct an analysis of power in the policy process, which comprises a set of four elements, namely 1) the constitution of power – the way power is made up as a result of the underlying socio-economic structures in society; 2) the distribution of power – while power is formed in response to social changes, it is also distributed in response to challenges that require ‘freezing’ relations in order to obtain greater certainty and predictability; 3) the exercise of power – what means are used in exercising power; and 4) control of power – the extent to which power is checked and the various ways in which people constrain the use of power, which can range from coercion to persuasion. Thus, a policy power analysis will focus on four main points of the process: 1) agenda setting – the general policy framework or strategy that a country relies upon; 2) policy formulation – the formulation of specific policies at the national level; 3) policy implementation – activities associated with putting policies in place; and 4) policy effects – the effectiveness (what has been achieved) and legitimacy (how it has been achieved), which implies analysing how the country’s citizens relate to the government and other public institutions (Hyden, 2006:232).

The policy process is a combination of political and technical aspects, and the re-

lationship between the actors involved can take different forms. Key to this discussion is the dichotomy between public administration and politics that has been a field of endless debate spanning three centuries, from the late XIX century with the seminal work of Woodrow Wilson on public administration, during the twentieth century through the works of Frank Goodnow, Weber and Waldo,⁵ the principal agent and public choice theories, represented by Niskanen (2007), Downs, Buchanan and Tullock (see Shafritz et al. 2004; Mitchell and Simmons, 2010), and the current governance and network perspectives (Kjaer, 2004; Klijn, 2005). These discussions revolve around the autonomy of the bureaucracy vis-à-vis politics, and the arguments range from the idea that there must be a clear separation between politics and administration to the claim that there is not a clear frontier between these two spheres (Meier and O’Toole, 2006). This discussion has clear implications for perspectives on the role and behaviour of elites in the policy process. In this regard, the Weberian perspective (Weber, 1982) considers the bureaucracy an elite in itself, one that pursues its collective interests through the discharge of its authority in a legal-rational and impersonal fashion, in stark contrast to the patrimonial form of organization that mainly characterized pre-capitalist state structures. In the opposite direction, principal agent and public choice theories (Lane, 2000; Frederickson and Smith, 2003; Tullock et al., 2005; Mitchell and Simmons, 2010) question to what extent bureaucrats are mere agents of the politicians (as elected representatives of the citizens) or whether they can also end up pursuing their own interests. This can be a consequence either of the failures of the

⁵ See the author’s texts edited by Shafritz et al., 2004.

accountability mechanism of the delegation process (from the representatives of the people to the bureaucrats) or of the asymmetry of information, since bureaucrats participate actively in the design of policies and, because of their expertise, have more information about policies and their results than politicians and ordinary citizens.

Therefore, the idea that the political influence of experts is formally subordinated to the executive and legislative authorities, who are responsible for dealing with substantial decisions concerning the adoption of policies, is challenged (Fischer, 1991). Managerial and policy experts (technical intelligentsia) can give more than advice and technical support to politicians: they can be a driving force behind the political process itself. In this regard, according to technocracy theories, managerial and policy experts may be a new technocratic class striving for power and the 'social engineers' of a new economic-political formation. In this particular case, the governance process ends up being dominated by experts and a technical model of problem-solving which reformulates political ends into technically defined administrative means (Fischer, 1991:333-34).

Finally, the combination of various actors in the policy process can lead to the formation of a 'programmatic elite', that is, a group of actors with direct access to policy-making positions that is self-consciously structured around a common commitment to a concrete and coherent programmatic model for a given policy sector. 'As a direct result of their competition for authority over policy with other elite groups within the state, programmatic elites can be the agents of endogenous policy change in the absence of either radical institutional change or a significant alteration in the social 'demand' for policy (Genieys and Smyrl, 2008:76)'.

Some of the literature argues that, to produce a positive economic transformation leading to development, the dynamics of the policy process and relations between elites need a developmental state. Developmental states are usually characterised by a leadership which is strongly committed to developmental goals and which places national development ahead of personal enrichment and/or short-term political gains. Historically the emergence of this type of leadership has been associated with the following elements: a severe crisis and the response that political elites have designed to overcome it; a degree of political stability to sustain and flourish such capacities; demands rising from society, and particularly from wider elite groups; and international factors that help the efforts of the national leadership in pursuing developmental goals (Fritz and Rocha Menocal, 2007:534-5). According to Evans (1995), the developmental state is autonomous in the sense that it combines a meritocratic and professional bureaucracy with long-term career prospects, which makes it resilient to capture by rent-seeking groups. Additionally, the same state should not be excessively insulated from society because then it risks failing in addressing societal needs. Evans calls the combination of these traits 'embedded autonomy'.

Building a developmental state in aid-dependent countries is a challenge. According to Moss et al. (2006), in aid-dependent countries, where the state raises a substantial proportion of its revenues from the international community, the state is less accountable to its citizens and under less pressure to maintain popular legitimacy. Consequently, aid is a kind of 'unearned rent' accruing to governments, which can have a negative and anti-developmental effect on the economy and public institutions and even on the government's relationship with its citizens. In this situation, aid

can have many of the dysfunctional effects credited to natural resources, contributing to an ‘aid curse’ because of the perverse incentives it entails, leading to anti-developmental outcomes.

In sum, whilst the literature acknowledges the central role of the elites in the policy process, its effects on policy outcomes depend on various factors, including the level of the country’s dependence on external aid, the power relations involved in the policy process, the existence of programmatic elites fostering policies that contribute to a positive political transformation and the existence of a developmental state. In the development state literature a key factor is thought to be the existence of a political leadership committed to the pursuit of developmental objectives which emerge as a response to an internal societal demand. To carry through decisions a meritocratic bureaucracy is needed that is insulated from state capture, but it must also be embedded in society if it is to respond to its needs (that is, ‘embedded autonomy’ is required).

Based on the assumptions presented in the literature, the next section analyses elite formation in Mozambique stemming from the policy process and the development strategies implemented after independence.

3. THE POLICY PROCESS AND ELITE FORMATION IN MOZAMBIQUE

The formal policy framework in Mozambique comprises a set of instruments such as the country’s long-term vision (Agenda 2025), the African Peer Review Mechanism National Programme of Action and programmatic tools like the Government Five-Year Plan and the poverty reduction strate-

gies. These instruments are translated into sector and local government (provincial and district) strategic or development plans that underpin the annual economic and social plans and budget. In 2006 the government introduced parallel direct funding to the districts, initially called the Local Initiatives’ Investment Budget, to support local investments in food production and activities that contribute to job creation at the local level. This fund was also dubbed the seven-million fund because initially the government allocated the same 7 million metical⁶ (at that time equivalent to US\$ 300,000) to all the districts, regardless of their population and poverty incidence. This eventually changed so that currently amounts allocated to districts are based on these criteria, and this fund is now designated District Development Fund. Access to this fund is achieved by presenting proposals that are analysed and approved by the local consultative councils, that is, comprising government, communities and civil society representatives.

In post-independence Mozambique, international dynamics and the country’s dependence on development aid in particular have been among the top drivers of the policy process and of development strategies. In this context, following the economic crisis of the 1980s and the demise of the socialist development strategy implemented after independence, the country also adhered to the Structural Adjustment Programs (SAP) that were in vogue at that time. Mozambique’s SAP, the Economic Rehabilitation Program (PRE), launched in 1987, initiated the shift to a market economy and the abandonment of the socialist economic model (Macuane, 2001). Nonetheless, the failure to tackle poverty, which had also increased due to the civil

⁶ The metical is the Mozambican currency.

war,⁷ led to the inclusion of a social component in the PRE, which eventually evolved to a country Poverty Reduction Strategy Paper (PRSP) called the Absolute Poverty Reduction Action Plan (PARPA). PARPA I 2001-2005,⁸ PARPA II 2006-2009,⁹ and more recently the Poverty Reduction Action Plan for 2011-2014 (PARP) are country PRSPs stemming from the Highly Indebted Poor Countries (HIPC) initiative sponsored by the International Monetary Fund and the World Bank, to which Mozambique adhered in the late 1990s (Macuane, 2006b).

The design and implementation of these government policies face severe capacity shortages and budget deficits (around 50%), which are funded by external actors. Apart from a few ministries, among them Planning and Development, and Finance, which have relatively strong policy units, generally the public sector still lacks qualified personnel to deal with policy issues, as well as solid monitoring and evaluation systems (República de Moçambique, 2009). The funding of the budget deficit by the country's development partners has evolved from a project-based, bilateral and somewhat conditional process to direct budget support, in line with the Paris Declaration and other international instruments. Thus, policy formulation and implementation are strongly shaped by donor-government power relations, embodied in the Programme Aid Partnership (PAP), which ties donor funding to assessments of government performance in key policy areas drawn from the PARPA II. Performance indicators are also part of the

PARPA II monitoring matrix. The assessment is carried out in Annual Joint Reviews involving the government, donors and a modest participation by civil society (GoM and PAPs, 2009).

The disproportional influence of the international arena in the policy process in Mozambique influences the strategic behaviour of national elites. According to Sumich (2008b), the demise of the socialist model paved the way for the integration of the elites into the international arena, which was made by embracing capitalism (through privatisations of state enterprises) and through changes and continuities in the ideology of modernity, embraced after independence. This spanned the era of the first President, Samora Machel, and has continued throughout President Chissano's era until today. Sumich argues that, right after independence, the modernity ideology was used in its nationalist revolutionary form, based on mass mobilization, in an attempt to redefine Mozambique's place in the international arena as a sovereign nation. This initial effort has failed due to economic crisis and civil war. However, the demise of this project did not represent abandonment of the ideal, which returned in the post-socialist era without its mass mobilization component. Currently, the former modernization ideology has been replaced by attempts by the elites to integrate themselves into powerful international networks. Thus, this ideology is an indicator of status that is used by elites to affirm their power and to legitimate their positions as elites and as the only group with the necessary competence and capacity to fulfil the promise of bringing modernity to the whole of Mozambican society (Sumich, 2008b:321-2).

For Costa (2009) embracing modernity by the elites took place through education in western universities where the elites learn

⁷ The civil war came to an end in 1992, after sixteen years, with the signing of the General Peace Agreement between the government and the guerrilla movement, Renamo.

⁸ Republic of Mozambique, 2001.

⁹ Republic of Mozambique, 2006.

codes and ideas that turn them into ‘acceptable interlocutors and counterparts’ for international actors, donors, multinationals and even international non-governmental organizations. This integration into modernity is supported and funded by international donors and is part of the broader international power relations into which Mozambique is integrated as an aid-dependant country. This process is not confined to state elites and political elites. It also goes beyond this sphere and involves the families and dependants of these elites and, to some extent, is the way power is maintained and reproduced, since these elites claim a monopoly of the country’s modernization project (Sumich, 2008b). However, this monopoly of modernization should not be seen only from the perspective of westernization, since, in the quest for legitimization, the same elite has undertaken major steps to retrieve many traditional aspects abandoned in the socialist era, such as the inclusion of local languages in the education system, the introduction of pluralism in the justice system with the creation of community tribunals and state recognition of traditional authorities, while more recently the government has decided to revise all the country’s territorial nomenclature to align it with the original African spelling.

Therefore, elite ideology and its role in the pro-poor policy process and the implementation of the country’s development project is shaped by the context of the country’s dependence on donor support, while the political elites have also appropriated the modernization ideology to foster their individual and collective political interests, sometimes against their international partners. These dynamics can be better understood by looking at relations between politicians, bureaucrats and technocrats throughout the post-inde-

pendence period and its different attempts to develop the country.

3.1 Politicians and technocrats in the policy process in Mozambique

In Mozambique a mixture of technocratic elites and political elites has shared control of pro-poor and development policies in three different stages of the process: under the structural adjustment programmes (PRE and PRES), and in the era of the PRSPs (PARPAs I and II). The relative dominance of each of these groups has depended on the social context and political (mainly electoral) dynamics. While the politicians’ room for manoeuvre was greater in the one-party period, under pluralist democracy a balance between the political and technocratic elites was needed to be able to respond to an increasingly demanding citizenry, under conditions of political competition that endangered the continuation in power of the ruling elite. The implementation of PRE/S and PARPA I, combined change to the economic system and attempts to move away from market-driven reforms with a greater concern with the social impact of the changes. The beneficiaries of the process ranged from the new economic elites who benefited from privatisation to the urban middle classes, mainly public servants, whose standards of living increased considerably. On the other hand, investments in the social sector, mainly in rebuilding schools and health units, combined with the revitalization of agriculture, yielded good results, as reflected in the reduction of poverty rates from 69 in 1997 to 54 in 2003.¹⁰ However, the political results of these improvements in terms of

¹⁰ From 2003 to 2009 the poverty rate remained stable (DNEAP, 2010).

the level of electoral support for the ruling elite were very modest, even putting at risk the maintenance of Frelimo Party dominance in the Mozambican political arena. The opposition party had a surprising success in the first democratic elections in 1994. In the following elections, held in 1999, the ruling party and its candidate won by a modest margin. Therefore, the relative economic success and the transition from war to peace were not translated into substantial political approval by the electorate in what was considered a disapproval of the technocratic style of government, which was accused of being insulated from the electorate at the grassroots (Siteo, 2008). Unequal distribution of the benefits of economic growth might be another plausible reason for the electorate's relatively reduced support of the government.

Paradoxically, Frelimo had started to broaden its coalition after the fifth Congress, held in 1989, but before the adoption of the multiparty constitution in 1990, which was intensified in the sixth Congress in 1991, which took into account the first multiparty elections, forthcoming in 1994. The broadening of the range of party membership included the recruitment of social groups, such as the business and commercial sectors, traditional authorities, Muslims and religious leaders. The entry of these new members, regardless of their philosophical convictions, weakened the party's distinctive identity and posed a serious challenge to party coherence (Manning 2002:65-6).

As mentioned before, the economic liberalization movement of the 1980s represented the end of the socialist economic transformation model and, supposedly, the rise of the importance of technocrats in the government, which only was reversed during Guebuza's first mandate (2005-2009). However, an anal-

ysis of the profile of the cabinet members from 1994 to 2011 reveals a slightly different reality: in the two President Chissano governments of the multiparty era (1994-1999 and 2000-2004) the proportion of technocratic ministers¹¹ increased slightly from 68.4% (13 out of 19) to 69.5% (16 out of 23). In the first mandate of President Guebuza the share of technocratic ministers dropped to 48% (13 out of 27¹²), but in the second mandate, inaugurated in 2010, the technocrats represented 57% (16 out of 28) of cabinet members (Public Information Bureau, 1997; Bureau de Informação Pública, 2000; 2008).¹³ This suggests that the supposed rise and fall of technocracy is not as straightforward as assumed. It is true that there was an increase in the appointment of technocrats in the Chissano era, following the demise of the socialist regime, in which political representation was more prevalent. Nevertheless, in the Guebuza era, although the number of political appointees increased, there was an almost equal share of technocrats and politicians, while in the second mandate (from 2010 on) the balance has tilted in favour of the technocrats.

Since 1994 the number of ministries has constantly increased. Thus, in the Chissano era the number of ministries increased from

¹¹ This classification of a minister (or vice-minister) as a technocrat is based on the following definition or characterization: a person with technical expertise, academic qualifications and professional experience or a career path relevant to the area he was appointed to. When a minister, apart from these attributes, also has a high position in the party structure he or she is classified as a politician because it is supposed that his or her political credentials have played a bigger role in the appointment. Appointees without relevant technical expertise and a previous professional record in the sector and/or with a more political career path (made mostly within the party structures) are labelled politicians.

¹² This includes the Chief of Staff (Casa Civil), labelled politician.

¹³ For the current government, see http://www.portaldogoverno.gov.mz/ogover/compos_conselhos_ministros/membros_cm/.

20 to 23 during his two mandates.¹⁴ After taking over, Guebuza increased the number of ministries to 27 in his first mandate and to 28 in his second mandate. Some of them were created by splitting previously existing ministries and by creating ministries within the President's Office (*Ministérios na Presidência*). For example, the area of culture was combined first with youth and sports, and later with education to form a ministry. Currently there is a Ministry of Culture. The patterns of appointments made by the two presidents present interesting patterns. In Chissano's second mandate eight new ministries were created, with three political appointees and five technocrats. In the first mandate of president Guebuza ten new ministries were created, with seven technocrats being appointed to the position of minister. In the second mandate only four new ministries were created, resulting from the splitting of education and culture into two separate ministries, and two new ministries created in the presidency, namely Social Affairs, and Parliamentary, Municipalities and Provincial Assemblies' Affairs, whose appointees were essentially chosen on political grounds. Therefore, although Guebuza has created more new ministries, he has appointed proportionally more technocrats to these new ministries than Chissano.¹⁵

Since independence, some key social and economic policy areas, such as health, education, agriculture, planning and finance, have historically been the almost exclusive turf of technocrats. During the mandates of Presidents Chissano and Guebuza, appointments

to these areas followed this historical trend. However, during President Guebuza's mandate technocracy and political background were blended in some of the ministries in these areas. For example, Paulo Garrido, a medical doctor with a long record of academic and managerial experience in the sector, was appointed to the Ministry of Health. Despite being apparently a technocrat, Garrido was one of the most popular ministers in the Guebuza government, and his surprise evening inspections of hospitals allegedly to supervise the quality of services, earned him some popular sympathy, as well as the resentment of some of his colleagues due to his autocratic decision-making. Eventually, in the second mandate, he was dismissed and replaced by a lower profile colleague, Alexandre Manguela, who also had considerable managerial experience in the sector. For the Ministry of Education and Culture in 2005 Guebuza appointed Aires Aly, who made his public service career in the education sector up to the position of National Director, before being appointed Provincial Governor in two mandates (1995-1999 and 2000-2004). A decade of experience as provincial governor, an essentially political position, has added considerable political credentials to his professional background. This might have been crucial in his nomination for the position of Prime Minister in 2010, a position that he still holds and which fuels speculations that he will be the Frelimo nominee to succeed Guebuza in 2014.

The profile of the appointees and the process of creating new ministries show that despite Chissano's government representing a clearly technocratic leaning, Guebuza's government represented a change to the former trend, but not necessarily a radical shift to a more political cabinet. The profile of the appointees of the newly created ministries by both presidents shows that Guebuza has ap-

¹⁴ But with only nineteen ministers, since the Minister of Interior also had the role of minister in the Presidency for Defence and Security Affairs. The situation was the same during the second Chissano mandate.

¹⁵ If the ministries in the Presidency are not taken into account, due to their essentially political nature, this becomes more evident.

pointed proportionally more technocrats to the new ministries than Chissano. This suggests that Guebuza's widely mentioned shift to a more political form of government is not so radical as is often claimed, and some nuances should be identified to help us understand better the dynamics underlying this change. A brief consideration history might be helpful here.

Historically, the role of the technocracy in the decision-making process has been a contentious matter inside the ruling party. For example, this issue was present in the country's first Planning Conference, held in March 1978, during the socialist period, when the National Planning Commission was established and the organizational aspects of the planning system and process spanning from the national to the local level were announced by the political leadership of the time. Among the dominant issues discussed at the conference, two in particular illustrate this concern with balancing technical and political issues. The first was the role of the state in the economy, which was defined as the principal instrument to materialize the policy of the party, and in this regard it was responsible for centralizing, controlling, planning and orientating the whole of economic and social life. The second was 'the necessity of eliminating any kind of bureaucratic practices and departmentalism' (Torp, 1979:27-29). Tensions between the technocratic and political elites were also evident in discussing the privatization process and the bill pertaining to the cashew industry in the 1990s (Manning, 2002). Manning (2002) mentions that at that time one of the senior members of the Frelimo Party and a liberation struggle veteran, Mariano Matsinha, was warning of the need to fight *technicism* in the government in favour of a more partisan approach. To some extent, this could be understood as an alert against the insulation of the

new technocracy from the party ownership of the economic transformation process itself, as well as of its history.

Land privatisation has been another field of battle between technocrats and politicians inside the ruling party, with bitter consequences. The Minister of Agriculture under President Chissano, Hélder Muteia, has been harshly censored in public by historical figures in Frelimo after proposing to discuss land privatisation. Eventually, supported by President Chissano, he ran against Guebuza for the position of Secretary General of the party in 2002 but lost, probably signalling an interruption to his promising political career.

Contentious issues aside, the rise in the importance of technocrats in the government was a result of the change in the policy process, resulting from the adhesion of the country to the Bretton Woods Institutions and the implementation of its Structural Adjustment Programme following the economic crisis of the 1980s and the lack of support from the socialist bloc, which led to the Samora Machel regime seeking an accommodation with Western countries (Macuane, 2001). With the new epicentre of policy agenda-setting lying in neoliberal capitals (Washington and elsewhere), policy formulation now required new skills, language and accountability processes, which rendered the socialist rhetoric at best inadequate. This required the shaping of new policy elites with strong links to international actors framing the policy agenda of the country. In this regard, the promotion of Luisa Diogo, a Ministry of Finance cadre since 1980 with a record as former programme officer at the World Bank Country office, to deputy Minister of Planning and Finance can be interpreted as establishing this indispensable link with the country's new international partners. This process went further with the funding of a long-distance (actually on-job

training) economics post-graduate course for senior cabinet members and public officials, among them Mrs. Diogo, the Prime Minister, Pascoal Mocumbi and the current Minister of Finance, Manuel Chang, then a senior cadre in the Ministry of Finance.

It was in this context that Guebuza was elected Frelimo's Secretary General at the party's eighth Congress, held in 2002, with the strong support of the liberation struggle combatants. Using his background as a political mobilizer and a successful businessman, Guebuza initiated a process of revitalising the party's structures, combined with an eclectic nationalist rhetoric announcing a fight against corruption, the promotion of a national bourgeoisie and the furthering of self-esteem, keeping in mind his first tough test: the 2004 general elections, after a narrow margin of victory in the 1999 contested elections.

The decisive victory of more than 60% of votes for himself and Frelimo in the 2004 and 2009 general elections, despite a low turnout (slightly more than 30% in 2004 and around 40% in 2009), provided Guebuza with the necessary political clout to implement his political agenda. Guebuza's transformational agenda, to some extent involving harsh criticism of his predecessor, involved a stronger fight against corruption and the acceleration of public-sector reforms to improve service delivery (initiated in the Chissano era), as well as a strong emphasis on the fight against poverty and the creation of a national bourgeoisie.¹⁶ However, when

¹⁶ Although Guebuza never presented a concrete programme or policy (as in the mould of South Africa's Black Economic Empowerment) to create a national bourgeoisie, he made a remarkable statement – "we should not be ashamed of being rich" – which can be considered a defining element of his position in this regard. The subsequent mushrooming of entrepreneurship courses in private and public universities, stimulated by government blessing and discourse, result from this position.

the newly elected President took office he was still the Secretary General of the party, whose top figure was still the outgoing presidential incumbent, Joaquim Chissano. This has probably impacted on the negotiations for the appointment of the cabinet, and some of Guebuza's choices to lead key portfolios (e.g. Justice)¹⁷ have been rejected. Responsible or not for its appointment, Guebuza's cabinet tried to address concerns about the prominence of the technocratic style of government, but soon he had to reshuffle his government in areas such as justice, agriculture, foreign affairs, defence, environment, and transport and communication amidst criticism of poor performance from civil society, the media and donors (through the annual processes reviewing the implementation of government programs). The beginning of a discussion about the existence of Frelimo party factions with different positions on how the country should be governed, although promptly rejected by the party leadership, signalled that criticism could also come from within the ruling coalition. Some provincial governors were also changed.

At the end of Guebuza's first mandate, the cabinet comprised 27 ministers, almost 50% of them technocrats, as mentioned before (Bureau de Informação Pública, 2008). This trend somewhat continues in the government formed after Guebuza's landslide victory in the 2009 elections, although with a strengthening of a trend that had been timidly initiated in the first mandate, namely appointments of provincial party secretaries¹⁸ to govern-

¹⁷ Hanlon and Smart, 2008:256.

¹⁸ Examples include Jaime Himede (First Secretary of the Frelimo Party in Zambezia Province), appointed Vice-minister of Energy in 2005 and re-appointed to the same position in 2010, and José Tsambe, Vice-minister since 2010, and up to that time Frelimo First Secretary in Gaza province.

ment positions, mainly of vice-ministers¹⁹, with limited decision-making power. This, can be considered a reward for their contribution to Frelimo and the president's electoral victory and a strategy to signal that party loyalty has a pay-off. In the two mandates of the Chissano era there were eighteen vice-ministers. Since in the second term the number of ministries increased, this means that in proportional terms the number of vice-ministers decreased. In the two Chissano's mandates here considered only one vice-minister can be considered a political appointee. The role of the vice-ministers in the decision-making process has been one of the key issues in the study of the macrostructure of the government carried out in 2004 under the government public sector reform programme, which had been launched by President Chissano in 2001. Discussion of this ministerial position revolved around its confusing and often weak role in the decision-making process in the sectors. The study concluded that appointments to this position in some ministries were not justifiable and recommended that only some sectors should have vice-ministers, in some cases more than one, but with concrete responsibilities in the ministries' policy areas.²⁰ It is certain that most of these recommendations were not taken into account, and during the two mandates of President Guebuza the number of vice-ministers increased in both nominal and proportional terms: in

the first and second mandates there were 22 and 25 vice-ministers respectively. In the Guebuza's first mandate 13 vice-ministers (out of 22) can be considered political appointees, which in nominal and proportional terms is a radical change from Chissano's practice (Bureau de Informação Pública, 2008).²¹ Nonetheless, there is still some room for the technocracy. In some sectors vice-ministers were appointed to take responsibility for a specific sub-area of the ministry. For example, in the current mandate, the Ministry of Education has three vice-ministers with clear responsibilities for sub-areas of the education system, namely, higher education, general education and vocational/professional education. However, according to the constitution only ministers are formally members of the cabinet, although vice-ministers can participate in cabinet meetings. In sum, vice-ministers have very limited decision-making power or even none at all. Therefore, appointments to this position are more appropriate when it comes to accommodating political interests, co-opting talented bureaucrats, influential professionals and potential opponents, and rewarding loyal party members, without significantly changing the balance of decision-making power in the policy process. The increase in the number of vice-ministers during the two Guebuza mandates suggests that the president has resorted to this relatively innocuous type of appointment to accommodate political interests, which may have magnified the perceived radicalism of the shift to a more political style of government. Apart from this, the President Office's *Gabinete de Estudos* holds expert presentations on key poli-

¹⁹ Normally the appointment of a politician to a ministerial position is combined with a corresponding appointment of a person with technical background, which shows that over-politicization of the government is only apparent. For example, the president appointed the former Minister of Fisheries and a long-time politician, Cadmiel Muthemba, as the Minister of Public Works and Housing, but he appointed a technocrat vice-minister, Francisco Pereira, who had long professional experience in the sector.

²⁰ Source: no specific reference. The author was directly involved in the process.

²¹ The profile of the vice-ministers under the current mandate has not yet been published so as to provide a clear picture, but the continuity of some vice-ministers and the profile of some newcomers suggest that the previous trend probably continues.

cy issues, followed by debates in which the president himself participates. Among those invited to these workshops are academics, businesspeople, journalists, and representatives of opposition parties and civil society. The significance of these debates in the policy process is not clear, but the presentations have already been published in brochures that have been made available to the public.

These elements show that the practice of technocrats giving advice to the government has not necessarily been abandoned. Probably what has changed under President Guebuza is the political management of such technocrats, which seems to have become stronger, implying less autonomy from the party command. This confirms the idea that the line between politicians and technocrats is not as clear as the thesis dichotomizing these two spheres would suggest.

This process is also echoed in the state bureaucracy, which since 2001, when President Chissano's government launched its Public Sector Global Strategy 2001-2011, has placed increasing professionalism in the public service among its top priorities. These programmatic intentions run in tandem with contradictory recent trends towards increasing politicization of the public service and allegations – also mentioned in the Country Review Report carried out under the African Peer Review Mechanism or APRM,²² – that top public officials must be ruling party members to keep their positions or to be appointed to top positions.

This attempt to control the bureaucracy seems to be a tactic to ensure that strategic expertise and decision-making at all levels of the state apparatus is aligned with the political

leadership of the country. It is symptomatic of this concern that the government has always resisted the creation of a public service trade union, although one was created in 2009 (See *O País*, 27 November 2009: *OTM Defende Lei Sindical Específica para a Função Pública*), but its legal existence was only formalized in April 2012, with restrictions on the right to strike. Generally, there is no bureaucratic elite outside the control of the political elite, not because all the expertise has been monopolized by party members, but rather due to the country's political history and practices, which shape considerably the trajectory of many cadres, including the bureaucracy.

To some extent this explains the trajectories of many technocrats who ended up being co-opted into the party and some of whom ended up being prominent politicians or party figures. These are the examples of the former Prime Minister, Luísa Diogo, who, from being a junior political figure when she was appointed Deputy Minister of Finance in 1994, is now holding a seat in the highest deliberative body of the Frelimo party, the Political Commission. The Minister of Planning and Development, Aiuba Cuereneia, has a similar trajectory. After holding technical positions in the Ministry of State Administration and being responsible for the National Directorate of the Public Service, he was appointed Deputy Minister of State Administration in 2000. Currently Cuereneia also holds a seat in the Political Commission and is responsible for the party finances. In accordance with his portfolio as Minister of Planning and Development, he has been also responsible for designing and monitoring PARPA II and PARP, as well as coordinating external development assistance. Taking these examples into account, it could be said that the stylized successful trajectory of a bureaucrat need not end in the public service, but may start from

²² Mecanismo Africano de Revisão de Pares, 2009. *Moçambique: Relatório de Revisão do País. Revisão do MARP – Relatório N° 11*. Maio de 2009.

a senior technical position in a public agency or ministry, with afterwards an appointment to a political position (e.g. a vice-minister or a minister), and ending up in a high position in the ruling party.

These trajectories show that relations between the bureaucratic and political elites are characterized by the dominance of the latter. Moreover, apart from the politicization of the public sector mentioned above, it is widely known that some public servants tend to join the ruling party to ease their way up to the top echelons of the public service. This happened even in the Chissano era. In Mozambique it is largely taken for granted that only a few individuals with no ruling party affiliation can be promoted to top positions in the public sector. When this happens, it is normally due to their exceptional technical qualities, and after being appointed to top positions they will be probably enticed or even pressed to join 'the party' in order to keep their positions. The same applies to appointments to top management positions or as members of the boards of parastatals, whose remuneration is far higher than in the ordinary public service. Interestingly some top public servants are also members of the management boards of parastatals, for which they are often given additional remuneration.

An analysis of the Frelimo benches in the fourth (1994-1999), fifth (2000-2004), and sixth legislatures (2005-2010) shows that the public service was the main source of recruitment of political elites belonging to parliament (Assembleia da República de Moçambique and AWEPA, 1996; 2001; 2006). In the fourth parliaments, 87 out of 129 Members of Parliament (MPs) within the Frelimo caucus were public servants, while in the fifth parliament 88 out of 133 members of the ruling party bench came from the public service. Some prominent MPs maintained

their ties with the executive branch simultaneously with their oversight role as legislators. This was the case for the Vice-president of the Assembly of the Republic²³ and the President of the Budget and Planning Committee in the sixth parliament (2004-2009), who had regular jobs in the public service or led public agencies. An analysis of the professional trajectory of the Frelimo MP Casimiro Huate from the fourth to the sixth parliaments shows that he has changed from one ministry to another and has been appointed Inspector-General of the Ministry of Environment, suggesting that he progressed in his career in the executive branch, even during his mandate as a legislator. In the sixth parliament the same MP was Chair of the Management Board of the National Environment Fund.²⁴ Similar cases of a conflict of interest, involving the accumulation of managerial positions in the executive branch with the role of MP, involve even more prominent Members of Parliament, such as the former Frelimo Party Secretary General, Manuel Tomé, the head of the Frelimo Bench, Margarida Talapa, and the Permanent Committee (the Parliament Presidium) spokesperson, Mateus Kathupa (CIP, 2012a, 2012b)

The examples mentioned above show that the dividing line between the political and bureaucratic elites is blurred. This stems from the historical fusion of the party and the state, inherited from the post-independence period of state-building, that was based on a single-party Marxist-Leninist regime, and it is also the result of the party's deliberate control of the state administrative apparatus. Clearly, despite the attempts to professionalize the public service as part of the reforms

²³ And current Speaker.

²⁴ See *Magazine Independente*, 23 December 2009, p.8, and Assembleia da República and AWEPA, 2006, p. 90.

of the public administration, some of the socialist era features are still present today.

Indeed, the bureaucratic and political elites almost overlap, giving rise to what Dinerman (2007:6-7) has called a 'party of the bureaucracy'. Dinerman clarifies this label by comparing the composition of Frelimo's fourth and ninth Congresses, held in 1983 and 2006 respectively. From a total of 677 delegates to the fourth Congress, over 54 percent were workers or peasants, whereas in the ninth Congress two-thirds of the 1,326 attendees worked for the state or the party, 48 were business people and less than 8 percent (106) of the delegates were industrial workers or small-scale farmers. This situation suggests that for the political elite the worst thing that could happen is not the insulation of the bureaucracy from society, but rather its loss of control over the state or the insulation of the bureaucracy from the party. The same rationale is also applicable to other areas, mainly the market, given the growing representation of business people in the party and also a more proactive attempt to influence either business associations or access to economic opportunities, as will be discussed in the following sections. These experiences show that, while relations between the bureaucratic and other emerging elites vis-à-vis the political elite have changed during the post-independence period, the latter have used different strategies to keep the balance of power in its favour. Regarding maintenance of the establishment as described above, it is important to take into account the country's dependence on international actors. This will be analysed in the next sub-section.

3.2 Dependence and elites in the policy Process

Apart from the broad groups of political and technocratic elites, already described, eco-

nomical liberalization (PRE), dependence and the poverty reduction process have contributed to the creation of four types of elites: 1) knowledge elites inside the government; 2) knowledge elites outside the government; 3) the emerging business elites; and 4) civil society elites. The boundaries between these elites are not well defined, and individual members participate in multiple groups at the same time, which has implications for final policy choices.²⁵

Despite efforts to achieve donor coordination and alignment with national programmes and mechanisms, the administrative burden on the government's scarce technical resources is still high, due to donors' competition and lack of coordination, as reflected in multiple missions and specific reporting demands (Killick et al., 2005). In 2006 only the Program Aid Partners (PAPs) carried out 203 missions, of which only 10% were joint missions. The number of missions decreased to 167 in 2008 and remained stable in 2009, but the proportion of joint missions decreased from 43% in 2008 to 25% in 2009. So far the target of mission reduction per year has not been met. Analytical work is another Achilles heel. Nonetheless much analytical work on the various areas of donor support (some of them overlapping) is being carried out on government programmes, increasing the burden on its scarce resources (Castel-Branco et al., 2009; QAD 2010). This process, which according to Macamo (2005) demands information that makes the country 'understandable' to donors, requires expertise in government agencies to input into the reporting to donors. Since the level of demand on government is higher than its regular reporting to parliament (Hodges and Tibana, 2005), mastering the

²⁵ Actually, from a pluralist theory point of view this is not negative.

language and deliverables that are palatable to donors itself contributes to the creation of a knowledge elite that is 'de facto' an interlocutor with donors. This trend began in the 1980s with the introduction of the Economic Rehabilitation Programme (PRE) and is part of the so-called 'linkage', in which local elites develop political, economic and ideological affinities with international actors, mainly international financial institutions, which pave the way for the implementation of policies or reforms sponsored by these organizations at the national level (Stallings 1992).

Donors themselves have consolidated their position as a policy and political elite, with more power to influence government decisions than formal institutional actors, and with particular emphasis on parliament. The state budget is only sent to the latter for approval after donors confirm to the government the amount of funding for the next fiscal year. This depends on negotiations based on government performance, as assessed in the joint review. Hence, donors consolidate themselves as key actors not only in the policy process but in subverting the formal accountability mechanisms, appearing providentially as a hub connecting government and citizens in a restored relationship of accountability (Macuane, 2009). This kind of negotiation, in which parliament is not involved, also helps the government control the information on the budget, hence gaining more room for manoeuvre to allocate funds with little interference from the legislative and other actors that are not directly involved in the process.

Non-state knowledge elites emerging from this developmental process have consisted of policy, governance and management consultants, representatives of civil society and a business class emerging from the privatization of state enterprises and economic liberalization.

Most strategic government documents are shared with donors, since their implementation depends on donor funding. Therefore, policy documents are thoroughly scrutinized by donor agency staff, and discussions with government can take months or even years before a policy or strategy document is adopted. Only a few ministries have the technical capacity to design sound policy documents, among them the Ministry of Planning and Development, which is responsible also for donor coordination. In 2000 only 6% of all public servants had a university degree (Sulemane and Kayizzi-Mugerwa, 2001), a figure that increased to only 8% in 2007 and remained the same until 2010 (Ministério da Função Pública, 2008; 2010). Thus, many government agencies use consultants to design their policies and strategies, often with donor support and/or funding. For example, the Rural Development Strategy, which was meant to replace the multimillion-dollar Agriculture Programme (PROAGRI) and was aimed at boosting the agriculture sector, was designed with the help of consultants. Donor-funded reform projects, such as the Public Sector Reform Strategy, the decentralization and HIV/AIDS programmes, contributed to the attractiveness of the consultancy market in a context of weak capacity in policy and management areas, such as project and public financial management, organizational restructuring, monitoring and evaluations, etc. During the last two decades many consultancy firms have been created, and some international consultancy firms, such as KPMG, Deloitte & Touche; Ernst & Young, COWI and PriceWaterhouseCoopers are operating in the country. At least two consultancy firms have been ranked in the top hundred Mozambican companies in the last five years. One of them, KPMG, is still in the ranking and is constantly improving its posi-

tion. The growth of this prosperous market and the fierce competition with NGOs, which are non-profit organizations but also provide consultancy services at market prices, has led to the creation of the Mozambican Association of Consultancy Firms, in a clear attempt to consolidate this business area.

An entrepreneurial class emerged as consequence of the economic liberalization and the privatisations of state enterprises, which for obvious reasons came from the political and state elites. According to some studies, the privatisation process was not transparent. Most of the enterprises sold to local elites were under-priced, and in some cases the new owners did not pay all the agreed amounts. Moreover, the privatisation process did not attain its original objectives and did not contribute to the emergence of a competitive industry (Torp and Revke, 1998; Cramer, 2001); rather, it allowed the political elites to amass personal wealth, often using external funds, sometimes with donor connivance. Part of the so-called predatory elites of the ruling party are among the beneficiaries of this process and supposedly plundered state-owned banks in the 1980s to finance the acquisition of the privatised firms and have relied on their political connections to win state contracts and keep their businesses afloat (Hanlon and Smart, 2008; Hanlon and Mosse, 2009).

Despite these negative impressions of the privatisation process, the emergence of a local business elite and the modest results in terms of industrialization, one study (Rand and Byiers, 2006) based on a panel analysis of manufacturing surveys carried out in 2002 and 2006 in six cities in six of the eleven provinces reveals a different reality about the productive sector and national entrepreneurs. In the sample of 193 and 158 enterprises surveyed in 2002 and 2006 respectively, ownership mainly took the form of sole

proprietorships or partnerships (39 percent and 44 percent respectively), 16 percent of limited liability companies, and only 1 percent of firms in some other legal form (e.g. parastatal or productive association). More than 70 percent of the firms surveyed are owned by the domestic private sector. Enterprise survival among the firms sampled is relatively high, with a mean age of 24.8 years. Micro and median enterprises²⁶ tend to last longer, with more than 25 and 29 years respectively. The survival rate from 2002 to 2006 was 92 percent. The management structure also reveals interesting patterns: approximately 65 percent of firms surveyed in 2006 were managed by a Mozambican. Thirty-two percent of the general managers interviewed had some foreign experience before working for the current firm. Mozambican managers are concentrated in the micro-enterprise category (89.3 percent), and their presence decreases as the firm's size is bigger; with 69.7 percent of small firms, 50 percent of medium firms and 42.9 percent of large firms managed by a Mozambican. Regarding ethnicity, 48.1 percent of general managers sampled are Mozambicans of African origin and 26.6 percent Mozambicans of European origin. Interestingly, nationality and ethnic origin seem to be important in the firm's performance, since enterprises managed by Portuguese or other Europeans performed less well between 2002 and 2006 than firms led by a Mozambican manager. Finally, although there are no robust data with which to assess the impact of privatization, the firms surveyed that had been previously owned by the state did not perform any worse than firms that have always been

²⁶ Micro-enterprises have up to 9 employees; small-scale enterprises up to 49 employees; medium-sized enterprises up to 299; and large enterprises are categorized as having over 300 workers.

privately owned (Rand and Byiers, 2006:13-14, 62-63).

Although this study is a panel analysis of a sample of firms concentrated in six cities, its results indicate the emergence of a national business elite in the productive sector that grew out of from the economic reforms and the privatization process. Probably a substantial part of this elite either comes from the state or has a public service background, and even ruling party connections. As Pitcher argues (2002:262) in analysing the privatization process in Mozambique, elites that emerged in the socialist period are forming alliances with pre-independence elites to form or manage companies, while state or public companies are establishing partnerships with foreign investors to invest in some areas. Thus, the author argues, markets and firms are being captured by former elites and institutions from the socialist period.

Added to this is the participation of the Confederation of Business Associations (CTA), created as a result of the PRE, in discussions over a revision of the labour law in the poverty and development observatories, as well as in the Social Concertation, a tripartite neo-corporatist forum also including the government and trade unions, which negotiates the annual salary increases. This is a signal that business elites are also taken into account in the policy process. Finally, it is important to stress that CTA, as a member of the G20, the umbrella organization representing civil society organizations in the Development Observatory, also participated in the preparation of PARPA II and in discussions for the design of PARP. However, the participation of the business association in the pro-poor process as part of the G20 was not free of the ambiguities that characterize other elite groups, since it was among the main advocates of land privatization, whilst in the same

G20 are participating organizations defending land ownership by the state. The CTA's liberal ideas undoubtedly stem from the influence of the United States Agency for International Development (USAID), which is historically among its top donors. Acknowledging the importance of the CTA and the business elite in general, and in order to strengthen the umbilical ties to the political elite, Salimo Abdula, a former Member of Parliament on the Frelimo bench and a business associate of President Guebuza, was elected CTA President in 2005 and re-elected unopposed in the 2008 elections. Abdula's election coincided with the beginning of the first mandate of President Guebuza in what seems to be a political alignment with the incoming political elite. Abdula won a seat in the 2009 legislative elections in Zambezia province, his homeland. In the 2011 CTA elections Abdula's candidate, Rogério Manuel, was elected President, hence maintaining the influence of the political elite in the association. Rogério Manuel is a Maputo province-born businessman and the former president of the Federation of Mozambican Transporters, an association that was particularly active and successful in demanding government subsidies for public transportation after the February 2008 demonstrations erupted due to the rise in urban transportation prices.

Actually, business elites also emerge or consolidate their positions with new presidents. President Chissano's economic liberalization reforms created an economic elite through the privatization process – a combination of institutional reforms and rent-seeking did the rest. The young businessman Celso Correia, who from being the owner of a small holding company comprising computer and construction firms is now involved in multi-million businesses in banking, mining, construction, consultancy, port and railways

and is lined up to build the Mpanda Nkuwa dam (a project worth more than a billion dollars), is the emblematic example of President Guebuza's era. So is the President's daughter, Valentina Guebuza, who has recently appeared leading multi-million business initiatives, such as setting up digital television in the country. In sum, there is no significant local business elite outside the sphere of influence of the political elite. In the KPMG ranking of the top hundred firms, the biggest firms either are multinationals, such as BHP Billiton-owned aluminium factory Mozal, or parastatals, with only a few local private firms, mostly with strong ties to the political elite. In sum, generally there is an overlap between the economic and political elites. Moreover, the visible economic advantages that the business associates or relatives of the political leadership enjoy are evidence that particularistic interests are still prevailing over collective ones, which contradicts Hanlon and Mosse's (2009) argument that a developmental elite with apparently more wide-ranging interests is emerging with the blessing of the regime.

The pro-poor policy process has also contributed to the emergence of policy elites in civil society, building on the mushrooming of civil society organizations that occurred after the approval of the association's law in 1991, one year after the promulgation of the 1990 constitution that brought in multiparty democracy. Nevertheless, most of them are bound to the availability of funds and tend to follow donors' agendas rather than their own. Most of them lack the capacity to influence policy and hardly represent identifiable social interests (MASC, 2008; FDC, 2008). The creation of poverty observatories in 2003 and local councils, following the approval of the deconcentration law, also in 2003, gave an impulse to civil society participation in the policy process. However, the low level of ef-

fectiveness of these structures as real policy formulation and monitoring forums is now well documented (MASC, 2008; Government of Mozambique and UNDP, 2006; Francisco and Matter, 2007; Muendane, 2008, FDC, 2008).

The policy process has instantaneously created two types of 'fabricated elites' in civil society. The first type is of *negative fabricated elites*. These elites are actually virtual because they do not represent a clear constituency, hence they lack social legitimacy. Moreover, development observatories (DOs) have been created as a response to donor pressures rather than as a demand from the grassroots for participation in the policy process. Actually, holding DO meetings is one of the joint reviews performance indicators. Thus, despite the good intentions, it is not surprising that civil society organizations have not used these forums as channels through which to voice their interests or the interests of those they represent. On the other hand, the government has been accused of using development observatories to legitimate its policies, which is favoured by civil society weaknesses, as indicated above. Paradoxically, the same government has drawn up guidelines for the functioning of the DOs, but the challenge is still the strengthening of civil society's necessary capacities to participate. Besides, the elites that emerged from the distribution of 7 million meticaïs (roughly US\$ 300,000 when it was created in 2006) that are successfully running their businesses can be considered positive 'fabricated elites', because they have real prospects in maintaining their status and in growing as an interest group that in future has to be taken into account in the policy process, at least at the local level. Nevertheless, accusations of favouritism based on party affiliation in the concession of the 7 million fund also renders this process beneficial

to the agendas of the political elites. The government turned the 7 million into a District Development Fund with clearer procedures to make the process more transparent. Despite initial opposition, donors are now more open to accommodating the idea, and some of them acknowledge its importance in the decentralization process.

These two examples show how the political elite interact with bureaucratic elites. In both cases, while the political elites take the decision to respond either to their own interests or those of donors, the consistency and acceptability of their response relies greatly on the legitimacy conferred on the process by the technical expertise of the bureaucrats. On both sides this process of rationalization, through the organization of the DOs and the elaboration of its guidelines, as well as the procedures of the 7-million fund, are important elements in making both processes acceptable to all the relevant actors involved in the policy process.

Based on the elements presented here, it becomes clear that many non-state elites emerged as a result of the PRE and the pro-poor policies. Nonetheless, despite this diversity, the distinction between state and non-state elites in Mozambique is not a firm one, because individual members of these elites have overlapping memberships in multiple groups along the state versus non-state continuum. For example, 'revolving doors' between the public service, private business, consultancy firms and civil society loom large in a country without sound conflict-of-interest regulations. Most of the managers and owners of private businesses have a public service background. Some of them have benefitted from the privatisations, while others have created firms related to the areas of their professions. There are also those who simply hold a regular position in

the public service while running or owning a regular private business. Even some Members of Parliament hold permanent jobs or even managerial positions in the public sector, including in parastatals. Senior public servants regularly return as consultants to the sector in which they have worked for years. Some private consultancy firms hire public servants to do consultancies in other departments. Civil society organizations are not free from revolving doors, because some of them also have people from the public service on their boards. Some civil society organizations have originated from within Frelimo, and some of its militants are prominent members of newly created organizations. These situations might change in the future as the fight against corruption progresses and awareness of the negative effects of conflicts of interest grows.²⁷ However, so far there has been a frequent transit of the elites between the state and non-state spheres.

4. ELITES, POWER RELATIONS AND POLICY OUTCOMES

Despite the emergence of (new) multiple actors in the policy process, the balance of power is still tilted in favour of the political elites, even in conditions of external dependence. To maintain this equilibrium, political elites combine circumstantial coalition-building with internal actors (state and non-state actors) to affirm their position vis-à-vis external actors and to resort to knowledge elites to frame the dialogue with

²⁷ Recently, in May 2012, the Parliament approved the Code of Conduct of the Public Servants, after some resistance from the MPs, amidst a strong pressure from civil society for the approval of this bill submitted by the government to the Legislative..

donors and non-state actors in their favour. The submission of the bureaucrats and technocrats to political control is guaranteed through a structure of incentives controlled by the political elites, both within and outside the status apparatus. This subsection will explain how this occurs based on empirical examples and will relate it to policy outcomes.

4.1 Affirming one's position in the context of dependence

Even in a context of dependence, when sensitive political issues are at stake the government takes decisions even against the preferences of its development partners. This was the case with the land law, the cashew industry, the funding to districts initiative (7 million) and frequently with governance (see de Renzio and Hanlon, 2007:10-13).

In the late 1990s, after disastrous policies sponsored by the World Bank, parliament proposed and approved a bill to revitalize the Mozambican cashew-processing industry, against the opposition of the executive technocrats. This was possible because some Members of Parliament, aware of the importance and sensitiveness of the issue to local producers, managed to articulate an alliance with these actors to ensure that the process was supported by having a strong and clearly identifiable social basis. Despite the opposition of the World Bank to that bill and a lack of support on the part of the government, the latter decided not to veto it, arguing that it would respect the decision of the sovereign body (Manning, 2002). The combination of an awareness by the elites that there was a social demand for the cashew law to reverse previous policy failures with the proximity of an election (Manning, 2002) contributed to the creation of a pro-

grammatic elite that successfully fostered the approval of a law protecting the cashew industry, even though this challenged the interests of an important source of external funding like the World Bank.

The other example is the government refusal to privatise land despite pressures from donors, the World Bank and the private sector when the PARPA II proposal was discussed in the Development Observatory in 2006. Measures in that direction were withdrawn after lively discussions, without any indication that this issue would return for further consideration. The existence of groups inside the civil society platform (G20) that opposed land privatisation and the reliance on land for subsistence by most of the country's population provided the necessary political and social justification for this decision.

The decision to introduce the 7 million fund in 2006 was unilateral, and the government stuck to its position, despite heavy donor criticism. The politicians' choice seems to have yielded the expected pay-offs, since this policy option has been considered the main reason for Guebuza's and Frelimo's convincing victories, even in the opposition's former strongholds in the October 2009 general and provincial elections. Actually, this has been a recurrent theme in the presidential visits to the districts, dubbed the 'open and inclusive presidency' (*Presidência Aberta e Inclusiva*) (see Gabinete de Estudos da Presidência da República, 2009).

Finally, disputes over the government's performance in governance, one of the underlying principles of the agreement with donors supporting the state budget, have been frequent in areas such as the fight against corruption, the justice sector and decentralization. However, only recently and somewhat timidly the government has taken effective

measures in this regard, under the threat of a potential reduction of development aid. The trial and conviction of two former ministers, of both Chissano and Guebuza, on corruption charges has been a strong signal, but it is only the tip of the iceberg. A broader crackdown on corruption would have disruptive effects in the ruling coalition, with the potential to endanger its dominant status.

4.2 Framing the dialogue with other actors

In a context of external dependence and the increasing emergence of societal actors in a formal democratic context, affirming the political elite's position is implicitly or explicitly a process of negotiation. In this regard, framing the discourse and practice is a key element.

In an analysis of three of President Guebuza's speeches on poverty, Brito (2009) states that there is an apparent alignment with the World Bank tenet of the PRSPs, including its concept of poverty and elements of its neoliberal social and economic theory and its solutions for poverty reduction. However, according to Brito a closer look reveals that the pro-poor rhetoric is part of the legitimization of the accumulation of wealth by a narrow minority amidst criticism of the growing social inequalities in the country. In a positive vein, Buur and Baloi (2009) argue that the Frelimo government has managed to insert into the PRSPs some of the development ideas it has implemented since independence, although 'packaged' to fit the continuously changing international donor discourses. In that sense, the pro-poor policy process is not an outright imposition from donors challenging the country's sovereignty; rather, it also accommodates some of the interests and ideologies of the national political elite.

Framing the discourse and practices in a way that is acceptable to relevant audiences and counterparts also implies buttressing them with a technical underpinning. In all the processes mentioned above, to the political decision has been later added a technical frame. Only after the criticisms of the effectiveness of the development observatories and of the transparency of the 7 million fund did the government urge the bureaucracy to set clear guidelines to operationalize these initiatives. In this regard, the bureaucrats and technocrats of the Ministries of Planning and Development, Finance and State Administration played a central but intermediate role, helping buffer criticism of government subservience to donors and also preventing relevant political actors and sovereignty bodies, such as the presidency and parliament, from endorsing this distortion of the accountability process. Explaining the absence of a parliamentary representative in the joint review process, in which the budget ceilings are defined and afterwards approved by the legislature, one MP responded that it was not in the interest of the legislature to participate in these prior negotiations because it was above all a sovereign body accountable only to its voters and the citizens.²⁸ Due to the high turnover in donor staff (Killick et al., 2005), this bureaucratic knowledge elite becomes a kind of 'stable institutional memory' of the donor-government partnership. Moreover, in a public service increasingly controlled by the ruling party, these knowledge elites are strictly at the service of Frelimo's political agenda. The compliance of the technocracy with the latter's interests is guaranteed by the latter's strong control of the structure of incentives.

²⁸ This interview was conducted by the author in 2007 with a member of the Planning and Budget Committee.

4.3 Creating and controlling the structure of incentives for compliance

The blurred lines between the state and non-state spheres, as well as between the public sector and the market, in the context of a ubiquitous ruling party renders the political elite the main controller of resources existing in these arenas. This has been the main tool for enforcing the compliance and loyalty of various actors, state and non-state alike. In the case of the bureaucrats and technocrats, this can go beyond the national context.

It is plausible that international career plans are part of the technocrats' perspectives, and a successful bid for international positions depends on combining the support of the national government with that of international actors. There are many examples. After his political downfall due to his defence of land privatisation, the former Agriculture Minister Mr. Muteia, a writer and veterinary surgeon, had been assigned a prestigious position as FAO (Food and Agriculture Organization) resident representative in Nigeria and currently has the same position in Brazil, doing justice to his technocratic credentials. Former Prime Minister Pascoal Mocumbi, a medical doctor by profession and also a former health minister, decided to leave his position before the end of his mandate to apply for a position at the World Health Organization. Although he was unsuccessful, in 2004 he ended up being invited to be the high representative of an influential international organization in the health sector.²⁹ After the end of the 2000-2004 term the former Minister of Finance and of Transports and Communication under President Chissano, the economist Tomás Salomão, applied successfully for the position

of Secretary General of the regional economic organization SADC (Southern Africa Development Community). In January 2012 the former Prime Minister Luisa Diogo was appointed Chairperson of the Board of the Mozambican branch of Barclays Bank, which demanded the formal approval of the Central Bank. Thus, it seems that career prospects in international organizations are brighter for those technocrats who managed to balance political interests and donors' or other external actors' concerns. In this regard, the endorsement of the government is also important for the applicant's successful bid.

Cross-fertilization of ideas is another aspect that should not be neglected. Consultants work at the same time for the government and for donors in the design of policies, strategies and programmes, as well as in their analysis and evaluation. In that sense, there is a high probability of circulation of ideas, and some of those involved can even bounce back to the spheres from which they come. In this regard, Sumich (2008b) notes that even members of the elites linked to Frelimo spend their professional lives rotating between the government, donor organizations and private firms.

Therefore, the dichotomies of donor *versus* government, state *versus* non-state elites and technocrats *versus* politicians should not be exaggerated. Rather, the ideas of various elites flow in the policy process, and power relations are fluid because of the multiple roles these elites play in the various arenas of the policy process. This helps the political elites to influence and, to some extent, control or at least be aware of the main policy ideas and to find room to foster their own collective or individual agendas.

In sum, Mozambican political elites have developed a complex and sometimes surreptitious interaction with the international

²⁹ The European and Developing Countries Clinical Trials Partnership (EDCTP).

community, comprising the typical power relations of a dependent country, but at same time they manage to include their views of the national interest in the policy process, as well as individual elite interests, even when facing the opposition of their powerful international counterparts. These complex relationships are sustained through a complex network of overlapping membership in many elite groups at the national and international levels, as well as through a mixture of strategic and circumstantial allegiances with other actors when it is convenient, combined with 'by default' strategies of control and patronage. At the core of this process is the relationship between politicians and knowledge elites (technocrats and bureaucrats). The overlapping of the various elites is a key element in the ruling party's control of the structure of incentives that binds the different subgroups of the political elite together.

4.4 Elites, power relations and policy consequences

Framing the discourse so that it is palatable to relevant audiences, even if based on technical grounds, does not necessarily imply that the national interest will be attained. The results of the 2008/2009 households survey (Instituto Nacional de Estatística, 2010; DNEAP, 2010), despite the improvements in access to education and health services, show that poverty has generally remained the same and in some provinces has increased. The last Human Development Report (UNDP, 2011) ranks Mozambique as the fourth worst country in the world in human development terms. At the current juncture, the idea must be that either the strategies are flawed or that there is a lack of commitment or at least the capacity to ensure success.

There are also more examples of the failure of pro-poor and development policies as representing encompassing interests, such as the African Peer Review Mechanism (APRM) report, warning about the potentially negative effects on social stability of social inequalities, the exclusiveness of the political system and the ineffectiveness of development policies. This was partially confirmed by the violent popular demonstrations in September 2010 after the government announced price rises in basic products. Even within Frelimo, despite the public denial that party ideological unity was at risk (which is understandable given the current differences), party divisions are increasingly becoming visible through the contradictory public positions adopted by historical and senior members on key issues of governance and development, indicating that maintaining the cohesiveness of the ruling coalition will be a challenge in the near future. These divisions became more visible during the Guebuza presidency, which initiated the unusual situation of the cohabitation of two historical and influential Frelimo leaders (Guebuza and Chissano) with their own party loyalists. Despite the apparent party cohesion and discipline, the limited access to resources enjoyed by Chissano's allies has been a source of dissatisfaction, although not publicly acknowledged.³⁰ Some of these disputes are expected to be settled at the forthcoming party congress to be held in September 2012, when Guebuza's team management of the party and

³⁰ In one of the *Wiki leaks* telegrams a close ally of Chissano, former Minister of Foreign Affairs Leonardo Simão, expresses his disappointment at the growing concentration of power and resources by President Guebuza. After publication of the telegram in the local press, Simão denied expressing any such opinion. See <http://www.verdade.co.mz/newsflash/22028-tivane-e-rei-da-corrupcao-e-guebuza-gere-partido-como-amafia>. See also <http://www.cablegatesearch.net/cable.php?id=I0MAPUTO086&dq=maputo>

the country will be scrutinized and the party leadership for the period up to the following congress will be selected.

Despite these visible flaws in the country's development policies, it would be an exaggeration to state that elites are only concerned with their own narrow interests. Rather, as Buur and Baloi argue (2009), it could be conceded that sometimes there is a genuine concern with the national interest that goes beyond narrow partisan and individual interests. The flaw might be in the strategic choices made by the political elites in mediating their power relations with other actors in the context of a diversity of interests that challenges its dominant status, which basically privileges party control of the state apparatus, civil society and the economy, combined with the clear instrumentalization of the bureaucracy to maintain the dominance.

In this regard, rather than contributing to creating an encompassing development agenda, the overlapping of different elites and the positioning of Frelimo as the main mediator in the social, economic and political arenas is falling prey to narrower interests, even within the party elite. This, combined with the flaws in the different areas mentioned above, suggest that pro-poor policies have failed in some ways as sound development policies. It is symptomatic of the acknowledgement of this failure that, in the same year that the government approved the third Poverty Reduction Strategy (PARP), the Ministry of Planning and Development is simultaneously designing a National Development Strategy, a process that will include consultation with various stakeholders (mainly academics, the private sector and civil society), some of them representing actors who have been harsh critics of the government's development strategies. The government is also re-launching

the debate over Agenda 2025,³¹ a long-term development vision consensually approved, which is referred to only formally in the policy documents, but in practice has been side-lined in the definition of pro-poor and development policies. Recently, in the X Session of the Development Observatory held on 16 March 2012, the G20 presented a detailed and documented analysis of the government's PARP progress report, showing that the claimed success in implementing the government's programmes has been overestimated and improperly reported. The government reacted harshly to this criticism on the part of civil society that PARP performance has been weak.³² This not only casts doubts on the openness of the government in accommodating itself to external criticism, but also signals that changes are happening in civil society and that the current political elite model of dealing with these groups might be falling into crisis or becoming ineffective.

5. FINAL CONSIDERATIONS: ELITES AND DEVELOPMENT

A close analysis of the groups that emerged from economic liberalization and the pro-poor policy process in the context of dependence reveals how elites are created or consolidate their position in the power relations between the internal and external actors involved in the process. In this regard, embracing the ideology of modernity allows these elites to be the main interlocutors with external actors and at the same time to claim

³¹ A formal launch with a broader consultative group was chaired by the President of the Republic on 5 December 2011.

³² See *Canal de Moçambique*, 21 March 2012, pp.4, 5.

a monopoly of the capacity to modernize society. The ambiguity of their identities, stemming from their various and overlapping memberships in multiple groups, allows the political elite to use this advantage strategically. Thus, the political elite can also claim to be defending state sovereignty and can refrain from endorsing the policies of external actors, which is possible through the existence of an intermediate elite, a technocracy, that acts as a buffer in the system, saves the political elites from having to deal directly with the impositions stemming from the power relations between donors and government, and helps framing policy and the political dialogue between the latter and other actors. The appointment of a technocratic cabinet, but with strong political management, as under the leadership of President Guebuza, is an example of this dynamics. Furthermore, when its interests are at stake, the political elite can choose not to be subservient, choose its own policies and leave the 'rationalization' of these choices to fit them into the frames of the dependence relations with the technocrats. The latter are responsible for ensuring that the political elite's choices do not disrupt relations with external actors, which would render delivery of the chosen policies unviable, and also for ensuring that the policies adopted yield the necessary political (more specifically, electoral) gains. This has been the case with the functioning of the DOs and has also become the definition of the criteria for access to the 7-million fund.

In order to maintain the stability of the relationships under the dynamics described above, political elites have to keep tight control over all the relevant spheres of the policy process. The multiple and overlapping memberships in various groups have this function of allowing the circulation of the prevailing elite ideas, as well as the appropriation and

eventual conversion of ideas that compete with and oppose the interests of the political elites. In this sense, despite the emergence of some new elites, the core of the balance of power remains restricted to the political elites and donors. Moreover, there is no visible demarcation or emancipation of the different spheres that can pave the way for the emergence of a developmental state and a genuinely more encompassing interest supported by a broad programmatic elite.

As Frelimo becomes a dominant and hegemonic party, fuelled by the high margins of victory in an almost plebiscitary election that legitimized the pro-poor project defended by Guebuza, the only remaining challenge is to build a coalition that can underpin a mixture of a quasi-neopatrimonial and developmental state. This should combine high party influence and the building of a national bourgeoisie and a well-trained and professional bureaucracy (through the ongoing public sector reform) to ensure sound policy solutions and at the same time technically underpin the dialogue with international partners, particularly donors. To continue selling a good image of the country's policies, despite growing criticism of excessive party control in many spheres, is the biggest challenge that the current political elite has to face. However, from the perspective of the political elites, leaving technocrats insulated from politics has proved to be a bad idea in the past, one with high electoral risk, as in 1999. Hence the need for tighter control over the state through what is perceived as being the over-politicization of the public service.

In sum, what has been built since the 1980s with the apparent rise of the technocrats in governance and is being redefined in the current context is not necessarily a developmental state, with embedded autonomy as defined by Evans. Nor does there seem to be a clearly

identifiable programmatic developmental elite. Rather, what appears to be emerging is a state with a small professional bureaucracy in which the dominant party is embedded, whilst at the same time being insulated from the narrow interests of the various elites and helping the political leadership to pursue the general interest and present an image of modernity that is palatable to its international allies, the donors. Nonetheless, the technocrats are not passive pawns in the process. They agree to play the role of liaising between the political elites, donors and non-state actors because all these actors are involved in their future and sometimes current professional trajectories, which can be either a political promotion to occupy a top political position (in the government), an opportunity to interface with civil society and the private sector, or even a promising international career after leaving the public sector or the government. Therefore, learning the necessary codes, language and dynamics and playing the role of a hub for connecting the various actors involved in the policy process, and even of a buffer to donor pressures or a mediator between state and non-state actors, are aspects of their preparation for future professional challenges.

This has implications for the developmental process, because what is formally conceived, structured, considered and voiced as an inclusive process combining various social interests is actually restricted to very narrow interests. Examples of coalitions comprising political, state and non-state actors who are committed to developmental issues, well-articulated and with the same or complementary objectives, as in the case of the cashew industry and the discussions over land privatisation, are only exceptions confirming the rule. In the particular case of the private sector, there is no relevant economic elite that

is autonomous from the ruling party. In this context, the interests that end up prevailing in the policy process under these dynamics can hardly be regarded as coming from a developmental programmatic elite. For this to happen, emancipation of the various spheres that can allow these elites to express complementary encompassing needs and interests is needed to build a programmatic developmental coalition.

In the introduction three perspectives on the policy process were outlined, namely those defending donor dominance, those defending the dominance of political over technocratic decision-making, and those claiming the emergence of new actors from economic liberalization and the pro-poor development process, such as a weak civil society and new developmental economic elite. The results of this study show that the political elite has managed to remain at the core of the decision-making process, balancing and accommodating the diverse interests of donors, the bureaucracy, civil society and the emerging economic elite. Key to this balance was the political elite embeddedness or influence over national actors led by President Guebuza himself.

This paper has focused on the relations between elites in order to explain development outcomes. This does not mean that elites are the only explanatory variable. Capacity constraints can limit the effectiveness of development strategies. However, from the perspective adopted here relations between political elites and technocrats and bureaucrats also exert an influence in the leeway available to the latter to use their knowledge to strengthen state capacity in the direction of a more developmental tendency. The apparent demise of the pro-poor strategies, which concerns not only the national political, economic and social actors but also do-

nors, can be an opportunity to make changes in the existing pattern of relations. One of the sources of this change might be the next congress of Frelimo, to be held in 2012, when the current development strategy and political leadership will probably be scrutinized as part of the selection of the new party leadership. Another source of change may also be what will happen in the wider social and political realms, given the loss of legitimacy of the current political elite and the growing foci of dissatisfaction, contestation and opposition to the current model of development. This is a signal that, at best, the current pattern of elite relations is being challenged and that the political elite is not properly embedded in society or in the relevant social actors it is seeking to influence and control.

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