

#### WIDER ATLANTIC POLICY PAPER SERIES

# TRANSFORMATIONAL LEADERSHIP

Models for Policy Innovation from the Continents of the Atlantic Basin

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#### WIDER ATLANTIC POLICY PAPERS

#### April 2015

By Megan Doherty, Kevin Cottrell, Lora Berg, and Adnan Kifayat<sup>1</sup>

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# INTRODUCTION

ransformative growth and development are integrating continents around the Atlantic Basin to an unprecedented degree not witnessed since explorers forged the first transatlantic trade links in the 15<sup>th</sup> and 16<sup>th</sup> centuries. The economic development of Africa and Latin America is reshaping international trading patterns. The Europe-United States relationship continues to be the world's foremost trading partnership, with a long shared history forged by migration links and political and policy traditions. Economic development, the responsible stewardship of shared natural resources, and public health management are examples of policy topics that either trigger disputes among Atlantic Basin nations or provide opportunities to come together to work toward shared solutions. Yet as the region integrates, continued development will depend to a large degree on the ability of government and civic leaders to address economic, social, and political problems with innovative policymaking. Transformational styles of public and civic leadership will most effectively address the problems facing economies and societies on the continents surrounding the Atlantic in the decades to come. Case studies profiling examples of transformational leadership taken from around the region demonstrate that the most effective local leaders to date have fulfilled the following three criteria: 1) they are open to new ideas and fresh solutions; 2) they form bold, cross-cutting coalitions for collaboration; and 3) they work to build sustainable "leadership pipelines"<sup>1</sup> that ensure their reforms garner broad-based support.

The definition of transformational leadership used in this paper takes its cue from participatory and relational theories of leadership development. Such theories have ascended in prominence since the 1990s, as part of a turn away from earlier paradigms that emphasized authority and institutional structures in the early-tomid 20<sup>th</sup> centuries, contingency theories that came into vogue in the 1960s,<sup>2</sup> followed by the influence of the counterculture on business management practices in the 1960s and 1970s.<sup>3</sup> Relational theories emphasize characteristics such as collaboration, collective motivation, and strict adherence to ethical norms — which, when combined, enable individuals, political entities, or companies to achieve transformation

<sup>3</sup> The term "counterculture" is attributed to Theodore Roszak, *The* Making of a Counter Culture (Garden City, NY: Doubleday, 1969), and became prominent in the media and popular discourse during the upheaval that accompanied the period of social unrest during the 1960s and 1970s. It refers to a "fringe culture" - often comprised of young people - that defines its values in opposition to mainstream norms. It is sometimes conceptualized as standing in opposition to mass culture and authoritarianism. Many strands of the counterculture of the 1960s emphasized communitarian values that were cast as the opposite of the individualistic ethos of mainstream capitalism. Historians of business have demonstrated the ways the values and practices of the 1960s counterculture - which implicitly critiqued the apparently conformist and materialistic business world - were eventually assimilated and adopted within the business world itself. From corporate retreats and professional development practices that took cues from the Encounter Movement. to branding that took cues from the burgeoning youth culture, the lines between counterculture and mainstream were much more fluid than many at the time acknowledged. See Thomas Frank, The Conquest of Cool: Business Culture, Counterculture, and the Rise of Hip Consumerism (Chicago: University of Chicago Press, 1997).

Transformational styles of public and civic leadership will most effectively address the problems facing economies and societies on the continents surrounding the Atlantic in the decades to come.

<sup>&</sup>lt;sup>1</sup> "Leadership pipeline" is a term derived from business management circles that refers to the strategic recruitment and cultivation of talented personnel in junior and mid-level ranks, with an eye to sustaining the highest caliber leadership at the executive level in the long term. Organizations that emphasize creating and sustaining leadership pipelines often invest in comprehensive training programs and develop frameworks to identify future leaders, assess their competence, plan their development, and measure results. This term was largely popularized by Ran Charam, Stephan Drotter, and James Noel, *The Leadership Pipeline: How to Build the Leadership Powered Company* (San Francisco: John Wiley and Sons, 2011 [2000]).

 $<sup>^2\,</sup>$  Contingency leadership theory asserts there is no single way of leading, and that leadership style must take its cue from each situation. This perspective is typical of the epistemological turn that typified many schools of scholarship, as well as cultural criticism, architecture, and art, in the post-1945 period — different strands of what collectively is often referred to as "the post-modern turn." Fiedler's contingency theory and Hersey-Blanchard Situational Leadership Theory typify this perspective. See Fred Fiedler, Leader Attitudes and Group Effectiveness (Urbana: University of Illinois Press, 1958); and Paul Hersey and Kenneth H. Blanchard, Management of Organizational Behavior: Utilizing Human Resources, 2nd ed., (Englewood Cliffs, NJ: Prentice-Hall, 1972). For a brief overview of historical schools of leadership development theory, see also Megan Doherty, "Transatlantic Take: German's Leadership Question on the Eve of the Elections," The German Marshall Fund of the United States, September 11, 2013, http://blog.gmfus.org/2013/09/11/germanys-leadership-question-on-the-eve-of-elections/.

Leadership, in short, must entail collaborative action with the ambition of generating political, social, or economic change at the most fundamental level. or profound shifts in practices.<sup>4</sup> Under this model, leadership may thus be defined as "an attempt at influencing the activities of followers through the communication process toward the attainment of some goal,"<sup>5</sup> a process that involves "articulating visions, embodying values, and creating the environment within which things can be accomplished."6 Leadership, in short, must entail collaborative action with the ambition of generating political, social, or economic change at the most fundamental level. The case studies profiled here offer examples in which efforts to articulate a common vision led to transformational action. This style of transformational leadership - as opposed to those that rely on coercion or persuasion offers leaders the greatest opportunity to find common ground despite cultural, geographical, and political differences.

Utilizing this definition of transformational leadership, we examine five case studies highlighting leaders that are driving types of change that may prove instructive to those facing similar challenges. Each case study shines a spotlight on a different Atlantic continent and sector, highlighting the different types of actors that are driving innovation on the ground.

We begin at the local level with the city of Bilbao in Spain. Bilbao offers one of the most remarkable

examples of public-public partnership — defined as the formal collaboration of public agencies from different levels of government — in recent times. The culmination of these partnerships led to the construction of the now internationally renowned Guggenheim Museum. We then shift across the Atlantic to Detroit, a city facing a similar postindustrial crisis that is finding its way forward through unique public-civic-private partnerships. Moving from the local to the national levels, we next travel south to Latin America, where the Colombian government's Plan Colombia highlights the creative use of federal power to achieve policy goals on a range of fronts simultaneously. We then move back across the Atlantic to another national case study offered by Rwanda. In response to the genocide that devastated the country in the 1990s, Rwandan women have embraced political authority and reshaped the governmental and policy infrastructure — highlighting the importance of political collaboration and planning across government levels. We conclude by shifting from the national to the regional level, moving north to examine the central role Morocco is playing in consolidating a North African regional identity. Transformational leadership has proven the key to effecting change in all of these examples.

From the local to the regional, from the Americas to Africa to Europe, all of these case studies offer their own sets of lessons learned. Taken together, these lessons may be distilled into instructive insights centered on the following three core civic competencies: 1) the value of seizing opportunities when presented, especially during times of crisis, tragedy, or transition; 2) the power of assembling ambitious alliances; and 3) the importance of building sustainable pipelines to ensure policies have widespread support. In the locations from around the Atlantic profiled here, leaders open to new ideas have formed coalitions of unprecedented scale and built sustainable pipelines, which together

<sup>&</sup>lt;sup>4</sup> For comprehensive overviews of the development of leadership theory and explanations of paradigm shifts, see, for example, Bernard Bass, A New Paradigm of Leadership: An Inquiry into Transformational Leadership (Alexandria, VA: U.S. Army Institute for Behavioral & Social Sciences, 1996); Richard Bolden, Jonathan Gosling, A. Marturano, and P. Dennison, A Review of Leadership Theory And Competency Frameworks (Exeter, UK: Centre for Leadership Studies, University of Exeter, 2003); Gary Yukl, Leadership in Organizations, 4<sup>th</sup> ed., (Englewood Cliffs, NJ: Prentice-Hall, 2003); James Kouzes and Barry Posner, The Leadership Challenge, 4<sup>th</sup> ed., (San Francisco, CA: John Wiley & Sons, 2007).

<sup>&</sup>lt;sup>5</sup> James Gibson, John Ivancevich, and James Donnelly, Organizations: Behavior, Structure, Processes, 5<sup>th</sup> ed. (Plano, TX: Business Publications Inc., 1985), 362.

<sup>&</sup>lt;sup>6</sup> Richards and Engle, *Transforming Leadership* (Virginia: Miles River Press, 1986), 206.

have paved a road for innovative policy solutions to be implemented. This has led, across all case studies, to the rise of greater equity and inclusion, instances of profound social and/or political change, and new periods of economic growth and stability. Leaders with the ambition to meet challenges shaping the 21<sup>st</sup> century might do well to take heed of the strategies and tactics employed in Bilbao, Detroit, Colombia, Rwanda, and Morocco. Bilbao Ría 2000 led the transformation by integrating major public companies in the country responsible for large infrastructure elements such as railways and the port. Each institution involved in Bilbao Ría also developed its own transformation plans in partnership with the umbrella institution.

#### Leading Urban Transformation through Public-Public Partnerships: Bilbao

he city of Bilbao exemplifies transformational leadership. The capital of Bizkaia Province in the autonomous Basque region of Northern Spain, Bilbao became a prosperous port city in the 14th century, but like many industrial cities faced rapid decline by the mid-20<sup>th</sup> century. In August 1983, after years of neglect and degradation as its heavy industrial base eroded, floods swept through the downtown historic district. Citizens felt overcome by urban chaos - many, according to the managing director of the Bilbao City Council, Andoni Aldekoa, felt the city had "hit rock bottom."7 Public reaction spurred local Basque leaders to come together to draft a strategic plan to modernize wider metropolitan Bilbao, including surrounding towns. Twenty years later, the plan has resulted in the area's reemergence as a cultural and innovation capital, most famously symbolized by its ability to attract the Guggenheim Museum, which opened in 1997. Bilbao's path from postindustrial decay to paradigm of 21st century urban revitalization highlights the powerful leadership role local and regional government actors can play in building cross-sector consensus and in mobilizing change.

Bilbao's strategic plan emphasized the renewal of physical space through the recovery of territory lost to industrial decay; economic diversification, shifting from an industrial to a creative and knowledge-based economy; the modernization of industry; and the improvement of human resources. A coalition of public leaders came together to implement the plan. "One of the most significant elements of the transformation of Bilbao is the institutional shared leadership," Aldekoa argues.<sup>8</sup> The government of Spain, the regional

government of the Basque Country, Bizkaia Provincial Government, and the government of Bilbao joined to create Bilbao Ría 2000, an urban redevelopment authority. Bilbao Ría 2000 led the transformation by integrating major public companies in the country responsible for large infrastructure elements such as railways and the port. Each institution involved in Bilbao Ría also developed its own transformation plans in partnership with the umbrella institution. The land on which the Guggenheim was built, for example, was a former industrial site owned by the Port Authority and the Spanish Railway Company, which became a new urban area named Abandoibarra, one of the key sites of renewal stimulated through the action of Bilbao Ría 2000.

Sound financial planning and public management were key in the success of Bilbao's public-public partnerships. Economic resources also proved crucial in enabling Bilbao to realize its plans. Given the Basque Country's capacity to regulate and manage a significant portion of the region's levied taxes, combined with the industrial base that did survive the economic downturn, financial solvency has allowed Bilbao to match vision with real political and institutional power. Bilbao's transformation was also implemented with high levels of public accountability and transparency, with low debt levels and no current bank loans as of 2015. These attributes led Bilbao to be awarded the European Public Administration Award in 2012 (EPSA) for the best public management in Europe.9

Political and institutional leadership eventually led to buy-in from the community itself. At first, newly proposed projects were met by resistance. The Guggenheim project, for example, was opposed by entrepreneurs, unions, average citizens, and even the artistic community. As projects materialized

<sup>&</sup>lt;sup>7</sup> Andoni Aldekoa (Managing Director, Bilbao City Council), interview by Megan K. Doherty, December 9, 2014.

<sup>&</sup>lt;sup>8</sup> Ibid.

<sup>&</sup>lt;sup>9</sup> For more information on the European Public Administration Award, see http://www.epsa2013.eu/.

and became successful, however, public support followed. As new public infrastructure such as the Metro system were proposed and built -improving the quality of life - renewed confidence in Bilbao's future began to drive further innovation. "That trust and that social support is what has succeeded to accelerate the transformation and dragged the private sectors to it," Andoni shares.<sup>10</sup> Bilbao Ría 2000 — which will soon disband because its goals have been realized - has effectively benefited from widespread support that, in turn, generate regularly renewed leadership pipelines that ensure reforms are carried forward by incoming generations of officials. Public, private, and civic energy now combine to attract new investment and tourism to Bilbao, making it a model for cities around the world.

#### Keys to Success

- Long-term vision: the ability to envision longterm change and integrate this with urban, economic, and social planning.
- Partnership: the ability to build consensus between institutions and political parties, and to keep them motivated and united during times of disagreement and conflict.
- Good governance: public accountability, moderate indebtedness levels, and high levels of transparency.

#### Leading Urban Transformation through Civic-Public Partnerships: Detroit

Like Bilbao, the Midwestern U.S. city of Detroit, Michigan, shifted from an automobile manufacturing and exporting powerhouse in the early 20<sup>th</sup> century to post-industrial blight just decades later. Yet where public-public partnerships drove renewal in Bilbao, Detroit has recently gained worldwide attention for what has been described as

one of the most ambitious public-civic partnerships in history. On July 18, 2013, the city of Detroit filed for Chapter 9 Bankruptcy, the largest municipal filing in U.S. history. Sixteen months later, a public-civic coalition — including retired city workers, major philanthropic foundations, the state government, and the Detroit Institute of Arts (DIA) - came together to form "the grand bargain," pledging millions of dollars to move Detroit out of the red. On December 12, 2014, Detroit officially moved out of bankruptcy. While Detroit cannot yet boast Bilbao's triumphant narrative of a complete shift in and revival of its economic base, the city's path to solvency highlights an instructive example of transformational leadership leading to a bold new civic-public partnership.

Detroit's decline from the mid-20<sup>th</sup> century onwards mirrored that of many U.S. cities. The city exploded in the early 20th century with the rise of the U.S. auto industry, but as the United States economy became increasingly deindustrialized after World War II, manufacturing jobs that had sustained Detroit were exported elsewhere. This period coincided with post-war housing and mortgage policies that accelerated segregation, leading to "white flight" as a rising, usually white, middle class used their newly acquired cars to leave for houses in the suburbs, subsidized by new federal mortgage schemes. This left poorer groups predominately African-American - concentrated in the city center. Many businesses followed their white collar workforces to the suburbs, further depleting Detroit's economic base. As Detroit's population dwindled, so too did its tax base, leaving little income to support basic municipal services such as garbage pick-up and sanitation.<sup>11</sup> With \$18 billion in debts, degraded city services, and mounting annual deficits, Detroit could barely pay city retirees' pensions.

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<sup>&</sup>lt;sup>10</sup> Aldekoa.

<sup>&</sup>lt;sup>11</sup> Thomas Sugrue, *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit* (Princeton, NJ: Princeton University Press, 1996).

It was the unprecedented "grand bargain" between the state and local governments, citizens, and philanthropic foundations that delivered Detroit from bankruptcy. For decades, the business and civic community had led concerted efforts to revive Detroit. The Renaissance Center, financed by the Ford Motor Company, was at the time the world's largest private development, and in 1977 aimed to give the city its "rebirth." In recent years, companies such as Quicken Loans, General Motors, and retail outlets such as Whole Foods and Little Caesars Pizza have made concerted efforts to invest in downtown — as have many middle class residents, many of whom are members of the creative class who have returned to live in the city. These efforts were undergirded by civic organizations that invested in Detroit's recovery. This included building the community's vision and capacity for recovery, which complemented and often bolstered business investments. Together, this activity has given the city an entrepreneurial and creative buzz perhaps epitomized by companies such as Shinola that are becoming globally recognized and celebrated brands.<sup>12</sup> Some have criticized this as mere gentrification of certain sections of Downtown and Midtown.13 Yet regardless of one's stance, such investment had not proven pivotal enough to trigger Detroit's recovery, and the city filed bankruptcy. In a dramatic move that made headlines nationwide, creditors suggested seizing the Detroit Institute of Arts (DIA), with its respected collection of works by van Gogh, Matisse, and others.

It was the unprecedented "grand bargain" between the state and local governments, citizens, and philanthropic foundations that delivered Detroit

from bankruptcy. In this deal, foundations, the state, and the DIA have pledged a total of \$816 million dollars to bolster the state pension system and give the DIA's art collection new, bankruptcy-proof ownership. Perhaps most striking was the buy-in of the foundation sector. The concept of saving a bankrupt city was foreign to most foundation boards, yet in a series of closed-door meetings and dinners over several months, foundation leaders agreed to join the state government in a coalition to save the city. The Ford Foundation pledged \$125 million, the Knight Foundation \$30 million, and the Kresge Foundation, which is based in Michigan, \$100 million; in addition, nine other foundations have pledged sums.14 Joel L. Fleishman, professor of law and public policy at Duke University and an expert on non-profit groups has argued, "In terms of foundation giving, there is nothing comparable to the scale or purpose."15 Retired general municipal workers met the philanthropic groups halfway and accepted 4.5 percent cuts to their monthly checks, an end to cost-of-living increases, higher health care costs, and a mandatory forfeiture of previous payments that were deemed improper. Retired firefighters and police officers accepted smaller

<sup>&</sup>lt;sup>12</sup> Aiden Lewis, "The Branding of a Bankrupt City," BBC News Magazine, January 20, 2014, http://www.bbc.com/news/magazine-25509923.

<sup>&</sup>lt;sup>13</sup> Thomas Sugrue has been a particularly vocal critic. See John Gallagher, "Sugrue: Trickle Down Urbanism Won't Work in Detroit," *Detroit Free Press*, February 23, 2014, http://archive.freep.com/article/20140223/ OPINION05/302230041/Thomas-Sugrue-Gallagher-Detroit-bankruptcy-future-city. See also Ashley Woods, "Detroit Doesn't Need Hipsters to Survive, It Needs Black People," *Huffington Post*, March 10, 2014, http:// www.huffingtonpost.com/2014/03/10/saving-detroit-thomas-sugrue-hipsters\_n\_4905125.html.

<sup>&</sup>lt;sup>14</sup> Nathan Bomey, John Gallagher, and Mark Stryker, "Detroit Bankruptcy: The Cast of Characters," *Detroit Free Press*, November 9, 2014, http://www.freep.com/story/news/local/detroit-bankruptcy/2014/11/09/ detroit-bankruptcy-judges-governor-mayor-orr/18720875/. Major philanthropic donors include the Community Foundation of Southeast Michigan, the Knight Foundation, the Kresge Foundation, the Ford Foundation, and the Charles Stewart Mott Foundation.

<sup>&</sup>lt;sup>15</sup> Quoted in Monica Davey, "Finding \$816 Million, and Fast, to Save Detroit," *The New York Times*, November 7, 2014, http://www.nytimes. com/2014/11/08/us/finding-816-million-and-fast-to-save-detroit.html.

reductions.<sup>16</sup> Judge Rhodes of the U.S. Bankruptcy Court of Eastern Michigan, who delivered the verdict on initial bankruptcy ruling, said that Detroit's grand bargain bordered on "miraculous."<sup>17</sup>

A key factor driving Detroit's grand bargain and the unprecedented philanthropic investment is the deep sense of civic engagement of both the city's citizens and its civic institutions. The devastating prospect of long-serving municipal workers facing retirement without pensions, and the idea of losing the city's storied art collection to auction, proved a regular theme and rallying cry in the Detroit press and on social media. The three biggest foundations to participate in the grand bargain, moreover -Kresge, Ford, and Knight Foundations - all trace their roots to Detroit and have expressed a sense of civic duty. Foundations such as Kresge are also investing to create pipelines to ensure that Detroit's next generation of leaders is invested in the city's recovery and connected to global investors and trends.

For all that the grand bargain has done, Detroit's future still remains to be charted. The bargain rests on the assumption that the city will again be solvent — the state government will contribute to the scheme until 2023, and foundations until 2033 — but the Detroit Future City plan proposes a wholescale re-envisioning of the city's environment

and infrastructure.<sup>18</sup> Moreover, a sometimes uncomfortable dichotomy exists between new and legacy residents, as well as between the city's downtown core and its surrounding neighborhoods. Many argue that the city's ability to manage such tensions in a responsible and inclusive way will determine whether or not Detroit's recovery will prove stable and ongoing. Regardless, the bold civic alliance that has produced the grand bargain provides a leadership model to other cities facing large scale challenges.

#### Keys to Success

- Cross-cutting partnerships: The partnerships across the governmental, civic, and philanthropic sectors produced an unprecedented grand bargain.
- Relationships matter: These cross-cutting partnerships are held together by a network of relationships that allowed the deal to be brokered behind closed doors.
- Civic pride: The scale of this crisis has provoked extensive public outcry, and further motivation for political, union, and philanthropic leaders to broker a solution.

#### A Case Study in National Leadership: Plan Colombia

Unprecedented, bold alliances that cross sectors of society have also been pursued in Colombia, which has led to significant progress in the resolution of what had previously seemed to be intractable problems. Since the early 1990s, leaders A key factor driving Detroit's grand bargain and the unprecedented philanthropic investment is the deep sense of civic engagement of both the city's citizens and its civic institutions.

<sup>&</sup>lt;sup>16</sup> Detroit's pension fund for general city workers, now said to be 74 percent funded, is scheduled to go into a controlled decline to just 65 percent by 2043; the police and firefighters' fund will slide to 78 percent from 87 percent. After that, the city's contributions are scheduled to come roaring back, bringing the plan up to 100 percent funding by 2053. This will work, of course, as long as the city has recovered sufficiently by then. The state's contribution to the grand bargain lasts until 2023, with the foundations and the art museum continuing to kick in until 2033. See Mary Williams Walsh, "Detroit Emerges from Bankruptcy, Yet Pension Risks Linger," *The New York Times*, November 11, 2014, http://dealbook. nytimes.com/2014/11/11/detroit-emerges-from-bankruptcy-pension-risk-still-intact/.

<sup>17</sup> Walsh.

<sup>&</sup>lt;sup>18</sup> The Detroit Future City plan — started by a mayoral taskforce and implemented by the Detroit Economic Growth Corporation, which receives funding from Kresge — proposes to remake the city's urban plan by reorganizing the people who live in Detroit, consolidating the population on certain city lots, allowing other sections to convert to green space, and reorganizing municipal services accordingly. Yet even with this strategic framework now established — which some criticize as taking too local a view of Detroit's economic future, instead of a regional view, further perpetuating socioeconomic divisions — it now remains to be seen whether and how this plan will be implemented.

The "Marshall Plan for Colombia" aimed to solve the underlying causes of the internal civil war by making longterm investments in the social sector. debated within Colombian political circles how to address the FARC guerrillas (Fuerzas Armadas Revolucionarias de Colombia, or Revolutionary Armed Forces of Colombia), and the violence that had spread across the country. By the late 1990s, thousands of Colombians were being killed annually by both the FARC and by government forces in what had become a bloody civil war. By the mid-1990s, it had become clear that Colombia's military solution — heavily supported by the United States and other allies — was insufficient at defeating the FARC and was not contributing to bringing the guerillas to the negotiating table. In the late 1990s, a bold new vision — a "Marshall Plan for Colombia" - was proposed by Andrés Pastrana, then a presidential candidate.

The "Marshall Plan for Colombia" aimed to solve the underlying causes of the internal civil war by making long-term investments in the social sector.<sup>19</sup> Pastrana proposed an approach that would not only apply military and law enforcement measures to combat the violence and eliminate the most radical elements of the FARC, but would also invest heavily in the social areas that FARC leaders felt had been neglected by the central government. Pastrana successfully campaigned on the concept, claiming that it would help bring peace to the country. Once elected, he moved quickly to bring together national and local political leaders to develop what became known as the "Plan for Colombia's Peace." The plan sought to create "a set of alternative development projects, which will channel the shared efforts of multilateral organizations and [foreign] governments towards Colombian society."20 Recognizing that the war with the FARC was primarily a symptom of the economic inequality in Colombia and the inability of local farmers to grow anything of value other

than illicit drugs, the original "Plan Colombia" called for heavy investments in social justice, political reconciliation, retraining farmers, and re-tooling the agricultural sector to focus on crops that did not contribute to drug trafficking. The plan was developed by the Colombian government just as peace talks with FARC guerrilla leaders were getting underway.

Domestic success led Colombian leaders to seek support outside the country, further solidifying its broad coalition. By 2000, Colombia shared its plan with the United States, which supported it as the blueprint for the provision of military and humanitarian assistance. Once the United States agreed, Colombia's other donors — primarily the European Union, the World Bank, and the Inter-American Development Bank - also agreed. The United States alone has provided more than \$3.5 billion to Colombia to fund the plan since 2001. By 2002, Colombia had successfully channeled foreign assistance — both security and humanitarian into one plan that would span more than a decade. Although there continue to be disagreements about the right mix of tools that are being used to implement Plan Colombia, both within Colombia and by its donors, Plan Colombia illustrates the necessity of being open to new ideas and forging large-scale alliances to implement them.

#### Keys to Success

- Develop cross-cutting solutions: Peace talks with the FARC guerillas, backed up by a plan to address economic development and create a more inclusive future helped create a political atmosphere that eventually resulted in a significant reduction in the violence.
- Incorporate different political views: Development of the plan aligned political parties not for one or two presidential terms, but for the long term. Though former President Álvaro Uribe was sometimes

<sup>&</sup>lt;sup>19</sup> Andrés Pastrana and Camilo Gómez, La Palabra Bajo Fuego. (Bogotá: Editorial Planeta Colombiana S.A., 2005), 48-51.

<sup>&</sup>lt;sup>20</sup> Pastrana and Gómez, 48-51.

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<sup>24</sup> Inter Parliamentary Union, "Women in National Parliaments,"

November 1, 2014, http://www.ipu.org/wmn-e/arc/world011114.htm.

criticized for being too militaristic, and the approaches varied in different administrations, the plan attracted the support of liberal, conservative, and centrist parties that signed on to it and supported its implementation across successive administrations.<sup>21</sup>

• Engage key stakeholders early: Beginning with Pastrana, local leaders and mayors across Colombia were invited to join in developing the plan. Within a few years, once internal agreement had been reached, Colombia presented the plan to key donors to gain their buy-in and support.

#### A (Demographic) Revolution in National Leadership: Rwanda's Female Political Leaders

Rwanda has experienced one of the most dramatic upheavals in social and political structure of any nation in the past quarter century. Just 20 years ago, women could not own or inherit property, could not pass citizenship to their children, and were underrepresented politically. Today, women comprise 64 percent of parliamentarians; half of the country's Supreme Court Justices are women; boys and girls attend compulsory primary and secondary school in equal numbers; women are permitted to use their husbands' assets as collateral for loans; and government-backed funds offer resources to female entrepreneurs with no other access to capital.<sup>22</sup> The trigger for this massive reform is the result of tragedy rather than vision. Over the course of 100 days between April and July 1994, an estimated 800,000 Rwandans of Tutsi descent, along with some moderate Hutu — 20 percent of the population — were slaughtered by other Rwandans, largely of Hutu descent. The conflict was declared a genocide. The population that was left behind in the decimated country was 70 percent female, thousands of whom had been subjected to rape during the conflict.

While institutional and social chaos reigned in the aftermath of the genocide, women stepped into the power vacuum and created momentum to formulate and implement a series of reforms that have reshaped Rwanda's constitution and economic structures. Adopted under the auspices of President Paul Kagame, the reforms, which are ongoing, aim to define and strengthen the human rights of all citizens and to create pipelines to power for previously marginalized voices. Kagame openly encourages women to pursue their ambitions. He has appointed women to top leadership positions, and when the constitution was rewritten and successfully passed by popular referendum in 2003, it included a requirement that at least 30 percent of parliamentarians be women.<sup>23</sup> As a result, women currently comprise almost 64 percent of the lower house and 38 percent of the upper house of the legislature.<sup>24</sup> Women appointed to leadership roles include Aloisea Inyumba as minister of gender and family promotion, Rose Kabuye as mayor of Kigali, Christine Umutoni as deputy minister of rehabilitation and social integration, and Louise Mushikiwabo as foreign affairs minister. These and other newly elected women have pursued a number of reforms. At the grassroots level, for example, traditional mothering duties have been parlayed into care for homeless and orphaned children, support for widows, and female-led

<sup>&</sup>lt;sup>21</sup> Uribe, who followed Pastrana in 2002, continued with the plan and handed it off to his successor in 2010, President Juan Manuel Santos. While specific differences regarding implementation of certain aspects of the plan existed across administrations, political party platforms have incorporated Plan Colombia consistently since Pastrana's administration and have recognized it as a political reality.

<sup>&</sup>lt;sup>22</sup> In 2000, Rwanda ranked 37<sup>th</sup> in the world for women's representation in an elected lower house of parliament; today it ranks first. See Swanee Hunt, "The Rise of Rwanda's Women: Rebuilding and Reuniting a Nation," *Foreign Affairs*, Vol. 93, No. 3 (May/June 2014), 150-157, http://www.foreignaffairs.com/articles/141075/swanee-hunt/the-rise-ofrwandas-women.

<sup>&</sup>lt;sup>23</sup> Ibid.

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The most decisive and striking reforms undertaken by Rwanda's political leaders have aimed to recast political structures themselves. management of formerly male-dominated fields such as construction. Reforms like these, alongside the introduction of stimulus programs such as seed loans for women to start small businesses, have helped the population rebuild itself economically. GDP growth reached an impressive 7.45 percent in 2014.<sup>25</sup>

The most decisive and striking reforms undertaken by Rwanda's political leaders have aimed to recast political structures themselves. For example, pregenocide village councils had not allowed women to serve at all. As a counter-balance, Inyumba led the formation of a separate five-tiered system of women's councils to address policy issues that affect women, from education and health to personal security. The latter remains a crucial issue, not only due to continued repercussions from the rampant sexual violence many women suffered during the genocide, but because a significant portion of the population reports they have been raped in recent times, usually women at the hands of their husbands.<sup>26</sup> Further exemplifying the visionary and strategic mindset of Rwanda's female leaders, in 2003 the women's caucus in Parliament devised a plan to expand their ranks. Senior women left parliamentary seats that were now earmarked for women following the passage of the new quota law in order to contest men in seats open to all party members. Women from local levels of politics and grassroots activism were encouraged to run for these new "women-only" quota-protected seats. Female representation rose to 56 percent in 2008, then to 64 percent in 2013 because of these efforts,

combined with the voting power of a now-majority female electorate. Powerful leadership pipelines have not only granted more women political power, but this in turn is reshaping the ethos of the nation itself. "It's no longer a question of quota insuring anything in the culture," said Louise Mushikiwabo, minister for foreign affairs and cooperation. "It is the culture now."<sup>27</sup>

This rapid progressive reform has also been met with a fair share of criticism. Many criticize Kagame, arguing that he has merely embraced demographic realities to further his authoritarian ruling style and garner support for his wider ambitions across the region.<sup>28</sup> Others point out that the rise of women to leadership roles has spread privilege mostly among the educated classes, and that attention must be paid to the women who still live in poverty, that the reforms at the top have not yet trickled down to the grassroots level. Rwanda is still a developing nation facing economic hurdles, and is ranked as the 167th poorest out of 182 countries.<sup>29</sup> Yet despite these criticisms, Rwanda's recent track record remains remarkable. Partly due to efforts by non-profits such as the Institute for Inclusive Security and other allied NGOs, delegations interested in gleaning leadership lessons are beginning to tour the country. Leaders around the world are eagerly watching Rwanda to learn what the country's new female leadership cohort will achieve next.

<sup>&</sup>lt;sup>25</sup> World Bank, Global Economic Prospects: Sub Saharan Africa (Washington, DC: World Bank, June 2014), http://www.worldbank.org/content/ dam/Worldbank/GEP/GEP2014b/GEP2014b\_SSA.pdf.

<sup>&</sup>lt;sup>26</sup> See Human Rights Watch, Shattered Lives: Sexual Violence during the Rwandan Genocide and Its Aftermath, Human Rights Watch Report, September 1996, http://www.hrw.org/reports/1996/Rwanda.htm; and Andrea Phelps, "Gender-Based War Crimes: Incidence and Effectiveness of International Criminal Prosecution," William & Mary Journal of Women and the Law, Vol. 12, No. 2 (2006), 499—520, http://scholarship. law.wm.edu/cgi/viewcontent.cgi?article=1114&context=wmjowl.

<sup>&</sup>lt;sup>27</sup> Louise Mushikiwabo as quoted by Swanee Hunt in Nina Strochlic, "Two Decades After Genocide, Rwanda's Women Have Made the Nation Thrive," *The Daily Beast*, April 2, 2014, http://www.thedailybeast.com/ articles/2014/04/02/two-decades-after-genocide-rwanda-s-women-havemade-the-nation-thrive.html.

<sup>&</sup>lt;sup>28</sup> See, for example, "Rwanda's Untold Story," produced and directed by John Conroy, aired on BBC Two, October 1, 2014, http://www.bbc.co.uk/ programmes/b04kk03t.

<sup>&</sup>lt;sup>29</sup> United Nations Development Program (UNDP), "Human Development Report" (2009) http://hdr.undp.org/en/2014-report.

#### Keys to Success

- Tragedy was met with bold vision: Rwanda's female leaders describe an acute awareness of the uniqueness of their circumstances, and that they felt a window of opportunity existed that called for bold action.
- Build leadership pipelines: Rwandan female leaders at the highest levels are using their authority to help create pipelines to ensure that more junior women hold positions of influence — further consolidating the power of the entire group.
- Recognition and response to the reality of demographic change: Rwanda's female leaders

   and Kagame — argue they have met the imperatives of the demographic realities they face. While this may seem inevitable given the scale of the gender imbalance in Rwanda, many other nations facing wide-scale demographic change are moving far less nimbly, further underscoring Rwanda's achievement.

#### **Defining a New Regional Identity: Morocco**

Morocco, perhaps more than any nation in the Atlantic Basin, demonstrates unique leadership competency in defining a new regional identity and in leading regional agendas. During the past decade, as the Arab Spring swept through the Middle East and North Africa, Morocco has invested in next-generation leadership development and looked abroad to forge trade and intellectual ties that transcend regional turmoil.<sup>30</sup> Long a crossroads between cultures and continents, Morocco stands to gain in the 21<sup>st</sup> century from its unique geographical position and ability to connect people and expand markets. Moroccan leaders increasingly are working across sectors to identify shared goals for growth, exercising diplomatic skill and communications savvy to gain buy-in both inside Morocco and beyond. Leveraging the resources of its prosperous phosphate industry, which accounts for 75 percent of the world's phosphate reserves, Morocco has invested in other sectors such as agriculture as well as in building both trade and intellectual links across the North African region and Atlantic Basin. Moroccan leaders are engaged across sectors in reframing their country's prime location as an asset, given its strategic access to both the Mediterranean and the Atlantic, as well as a gateway position to Africa.

Leaders in Morocco — principally from the business and intellectual sectors, with crucial support from the crown — are using the power of capital and analytical savvy to capitalize on their country's geography and resources. Like Turkey, which has grown to be a regional power partly by positioning itself as a gateway country, Morocco stands at the nexus of different regions and trade routes. Morocco also serves as a bridge to Europe — in its case from Africa, where rapid demographic change, increasing investment in infrastructure, and an abundance of arable land suggest a strengthened international role in the future. Moroccan thought leaders from across sectors are seeking to reframe the Atlantic identity, shifting it from a U.S.-European axis to a wider Atlantic vision connecting southern as well as northern partners.<sup>31</sup> The German Marshall Fund, OCP Policy Center, and other organizations have partnered in many of these efforts, working to forge links around the wider Atlantic Basin at conferences such as The Atlantic Dialogues<sup>32</sup> and other outreach efforts.

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<sup>&</sup>lt;sup>30</sup> For example, the OCP Policy Center, a co-publisher of this paper, pursues cross-national analysis that strives to link the wider region. For more information, see the OCP Policy Center website, http://www.ocppc. ma/.

<sup>&</sup>lt;sup>31</sup> See, for example, Ian Lesser, Geoffrey Kemp, Emiliano Alessandri, and S. Enders Wimbush, *Morocco's New Geopolitics: A Wider Atlantic Agenda* (German Marshall Fund and OCP Foundation, February 10, 2012), http:// www.gmfus.org/publications/moroccos-new-geopolitics-wider-atlanticperspective .

<sup>32</sup> http://www.atlanticdialogues.org/.

Morocco's success in defining and then embodying a new regional identity is evident in the robust growth of its business sector.

Central to the Moroccan articulation of a regional role is flexibility, which has proven crucial to enabling Moroccan leaders to negotiate in and around regional groupings that sometimes prove more conservative and less dynamic. Flexibility in regional imagination is also practical because some official groupings remain sclerotic. For example, the Arab Maghreb Union is hobbled by political disagreement despite international interest in seeing it function well.33 Likewise, Morocco withdrew from the African Union for political reasons in 1984, which has allowed it to remain flexible and contribute to Africa-wide debates through other mechanisms. Given the fiscal stability Morocco envisions<sup>34</sup> — the government aims to achieve a budget deficit of no more than 3 percent of GDP by 2017 — it is strategic for Morocco to conceptualize and to join in geographic frameworks that allow for accelerated growth and innovation. Moroccan leaders have managed to skirt the pitfalls of courting contentious groups while contributing positively to other regional alliances. For example, Morocco belongs to and helps shape the agendas of several more formal regional groupings. One such grouping, founded in 2008, is the Union for the Mediterranean, which "aims to enhance regional cooperation and partnership between the two shores of the Mediterranean."35 Among other things, this union engages in leadership development through initiatives such as its project in coordination with Morocco to advance women's leadership and

entrepreneurship.<sup>36</sup> With this flexible approach, and its commitment to building sustainable leadership pipelines, Morocco continues to expand its global ties, including through diaspora populations.

Morocco's success in defining and then embodying a new regional identity is evident in the robust growth of its business sector. While Morocco continues to carry a heavy debt load, a stable economy marked by steady growth is helping to reshape the country. Economic growth last year was 3 percent and is on track to be 4.6 percent this year. While not a large increase, this amount of growth is still substantially higher than regional estimates<sup>37</sup> suggesting the country's openness to new ideas and efforts to forge regional ties is yielding tangible results. The U.S. ambassador to Morocco, Dwight L. Bush, affirmed that the United States was eager to increase foreign direct investment in Morocco in December 2014, noting that a recent trade delegation spoke to Morocco's "visionary" plan to develop renewable and alternative energy sources.<sup>38</sup> In addition, Morocco's five primary export and import partners demonstrate breadth while the nearest European neighbors (Spain and France) lead in both categories, Morocco's other top partners show significant diversity, with imports from China, the United States, and Saudi Arabia; and exports to Brazil, India, and Italy.39

<sup>&</sup>lt;sup>33</sup> Michele Bigoni, "The Union of the Arab Maghreb and Regional Integration: Challenges and Prospects," European Parliamentary Research Service, January 16, 2014, http://epthinktank.eu/2014/01/16/ the-union-of-the-arab-maghreb-and-regional-integration-challengesand-prospects/.

<sup>&</sup>lt;sup>34</sup> World Bank Country Overview: Morocco, http://www.worldbank.org/ en/country/morocco/overview#3.

<sup>&</sup>lt;sup>35</sup> Union for the Mediterranean Secretariat, "Objectives," http://ufmsecretariat.org/objectives/.

<sup>&</sup>lt;sup>36</sup> See, for example, "Skills for Success — Employability Skills for Women," Union for the Mediterranean Press Release, September 30, 2014, http://ufmsecretariat.org/wp-content/uploads/2014/09/PRESS-RELEASE-Skills-for-Success\_Employability-skills-for-women.pdf.

<sup>&</sup>lt;sup>37</sup> World Bank, "Country and Region Specific Forecasts and Data," http:// www.worldbank.org/en/publication/global-economic-prospects/data?vari able=NYGDPMKTPKDZ&region=MNA.

<sup>&</sup>lt;sup>38</sup> "The United States is Willing to Boost FDI in Morocco: Ambassador," *Morocco World News*, December 4, 2014, http://www.moroccoworldnews. com/2014/12/146046/the-united-states-is-willing-to-boost-fdi-inmorocco-ambassador/.

<sup>&</sup>lt;sup>39</sup> Observatory of Economic Complexity, "Morocco Country Profile," http://atlas.media.mit.edu/profile/country/mar/.

Both sound economic policy and creative reenvisioning of geographic and global opportunities for trade, in short, are differentiating Morocco from other regional economies and countries facing political challenges.

#### Keys to Success

- Leverage geography: Geography remains a vital asset, and leaders must carefully frame their geographic location as a connector when developing strategies for growth.
- Do not be afraid to alter mental frameworks: Given that regions are a construct, successful national leadership may require the vision to redraw mental maps in a more inclusive way.
- Provide thought leadership: Solid intellectual work must be completed before gaining stakeholder buy-in and eliciting favorable public opinion.

### **CONCLUSIONS AND RECOMMENDATIONS**

Collaboration, an entrepreneurial approach to social and political policymaking, and a commitment to sharing power across parties, sectors, and generations all offer methods for finding and achieving innovative solutions to profound challenges. ransformational leadership has reshaped societies around the Atlantic Basin. Case studies of successful civic and political leadership taken from Bilbao, Detroit, Colombia, Rwanda, and Morocco suggest that the following three core competencies are vital in effecting policy reform in the current context:

- Openness and active seeking of new ideas and opportunities;
- The ability to form bold coalitions for collaboration, including across generations, sectors, and borders; and
- Strong will to invest in next generation leaders through widened, sustainable human resource pipelines, in times of rapid change and in some cases crisis.

These three core competencies both arise out of, and in turn shape, local civic ethos and institutional structures. The challenges discussed in these case studies are not unique to their locations. Post-industrial economic transition, economic inequality, ethnic and religious strife, and the push for greater transparency and democratic access are issues that face cities and nations around the wider Atlantic region to different degrees. Approaches devised by the leaders featured in the case studies offered here suggest a common ethos that may be adapted to meet local circumstances as similar dynamics unfold over the coming decade in other locations around the region. Collaboration, an entrepreneurial approach to social and political policymaking, and a commitment to sharing power across parties, sectors, and generations all offer methods for finding and achieving innovative solutions to profound challenges.

If the findings from the case studies analyzed here may be extrapolated, it appears that the more bold and innovative a proposed solution is, the more quickly its effects will become evident. Change has taken place remarkably fast in Bilbao, Colombia, and Rwanda, and indicators suggest the same is occurring in Detroit and Morocco. As leaders devise strategies to reframe economic, political, and social challenges - or in the case of Rwanda, catastrophes — in light of enhanced global connections, benefits accrue in a compressed time frame. At the city level in Detroit, the regional level in Bilbao, and the country level around the Atlantic Basin from Colombia to Rwanda to Morocco, visionary leaders are creating the space for their constituencies to thrive despite seemingly intractable challenges. Even if still in the eye of the storm, transformational leaders have been able to achieve greater equity and inclusion, affect change on a dramatic scale, and help their societies through transitions into new periods of growth and stability. In this way, they serve as models to leaders around the region.

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