

Legitimation capacity: System-level resources and political skills in public policy

J.J. Woo^{b,*}, M. Ramesh^a, M. Howlett^a

^a LKY School of Public Policy, National University of Singapore, Singapore

^b School of Humanities and Social Sciences, Nanyang Technological University, Singapore

Abstract

This paper conceptualizes political competences at the system level of capabilities to function as “legitimation capacity” in a policy context. It identifies trust in the political, social, economic, and security spheres as the key element driving this capacity. Trust ensures that state actions and institutions are perceived as legitimate and receive public support, which in turn allows political skills to be exercised, preventing political or institutional decay and policy ineffectiveness. Conceptualization of legitimation capacity as comprising trust across political, social, economic, and security dimensions offers a useful framework for analyzing and estimating a government’s capacity in different policy spheres. It provides a practical tool for estimating any deficiencies in legitimation capacity that a government may face. While governments may be endowed with different levels of legitimate capacity when they first attain office, they may over time work on building up capacity by focusing on the spheres in which they may be lacking. Conversely, they may lose legitimacy if their efforts in these areas are counter-productive.

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1. Introduction

Persistent issues surrounding political and economic development and instances of high profile government failures, particularly during the 2008 global financial crisis, have prompted a continuing high level of interest in improving the quality of government, governance and policy-making. However, as the introductory essay in this special issue pointed out, *ceteris paribus*, the quality of policies and their implementation depends on the level of a governments’ ‘policy capacity’. Recognizing that ‘capacity’ is a complex multi-level phenomenon with numerous components – classified into nine capabilities in this special issue – the purpose of this paper is to examine a single aspect of policy capacity, that existing at the systemic level and involving political competencies, or what is referred to below as “*legitimation capacity*”.

Legitimation capacity is a high level phenomenon related to the intersection of system-level resources and political skills which serves as the outermost constraint or pre-condition for other kinds of capacity examined in this issue; ranging from analytical to administrative and other types (see Fig. 1). As shall be argued below, the extent of legitimation capacity enjoyed by a government is closely linked to the level of trust and authority enjoyed by the

* Corresponding author.

E-mail address: jjwoo84@gmail.com (J.J. Woo).

<i>Level</i>	SYSTEM Resources (A)	ORGANIZATIONAL Resources (B)	INDIVIDUAL Resources (C)
<i>Dimension</i>			
POLITICAL Skills (1)	Legitimation Capacity	Authorization Capacity	Political Strategy Capacity
MANAGERIAL Skills (2)	Governance Capacity	Administrative Capacity	Managerial Capacity
ANALYTICAL Skills (3)	Information System Capacity	Technical Capacity	Analytical Capacity

Fig. 1. Policy capacity.

system-level political institutions, processes, actors and ideas found at this level of the policy environment which in turn affects the ability of a government to exercise its political skills in the course of policy-making. Generally-speaking governments typically enjoy some level of political competences, such as the ability of their different branches of government to co-operate and attain agreement on policy goals and legislative agendas.

However, these competencies need to be matched with the appropriate systemic resources, in this case social and political trust, in order for governments to build up legitimation capacity. This requires government efforts at fostering and maintaining social and political trust within the four spheres of policy action in which states typically operate – the social realm, the political environment, the economic sphere and with respect to national and local security (Chapman, 1971). In identifying the role of trust in these four spheres of policy action as determinants of legitimation capacity, we provide a potentially useful metric for identifying and assessing the adequacy (or deficiency) of the specific contributing factors to the extent of legitimation capacity enjoyed by governments.

In addressing political competencies at the systemic level, this article deals with policy capacity at the broadest and most abstract level of conceptualisation. We argue that establishing legitimation capacity at this systemic level is crucial, though neither essential nor sufficient, for building up policy competences and capabilities at other levels of activity. And while we address the importance of societal actors in contributing to trust and legitimacy in the various spheres of policy action, this article remains focused on how governments can build up legitimation capacity and hence contribute to positive policy outcomes. The many ways in which state and societal actors can and do interact in these efforts is a complex subject and worthy of further research. However a more comprehensive and in-depth explication of the role of non-state actors in building policy capacity is well beyond the scope of this article. This issue's focused conceptualisation of state policy capacity nevertheless forms a useful foundation for future studies on the role of non-state actors in policy capacity-building.

This is also in keeping with historical practice whereby policy capacity at this political-systemic level has thus far been referred to as 'state capacity' in the existing literature. At its most fundamental level, the existing conceptions of state capacity involve the institutional and relational preconditions that affect the ability of a government to formulate and implement policies as well as enact and enforce laws (Fukuyama, 2004, 2013). Defining and measuring the concept, however, poses several difficulties which has resulted in many different notions of 'state capacity' co-existing uneasily in the literature on the subject. An early World Bank (1997) report dealing with the subject, for example, focused on "state capability" as the "ability to undertake and promote collective action efficiently". Much of the existing work on state capacity as a matter of public administration, however, arose from attention paid to the state's 'strength' in managing economic development (Evans, 1995; Weiss & Hobson, 1995) which often involved an exclusive focus on economic performance as a measure of state effectiveness accompanied by broad brush treatment of the sources of that effectiveness.

The notion that there is a significant political aspect to policy capacity is not new, of course. For instance, Mann (1984) conceptualized capacity as "infrastructural power", or the state's ability to establish territorial boundaries around social relations and hence implement its political decisions within a regulated civil society. Evans (1985) took a similar approach in framing capacity in terms of the state's power vis à vis domestic elites. Polidano (2000) has also

noted the impact of socio-political factors in influencing or constraining policy capacity. Hence, policy managers are expected to take into account the support of an external policy community in developing capacity (Andersen, 1996).

These authors suggested that capacity is associated with socio-political relations, with the fostering of strong state-societal linkages contributing to a government's ability to make autonomous policy choices and enforce them decisively without necessarily resorting to violence. As we argue below, the strength of such state-societal linkages hinges upon the government's ability to foster social and political trust within the various spheres of its policy action.

There are many different aspects of the state which affect a government's ability to govern effectively that go beyond these traditional foci and measures (Fukuyama, 2013). Existing studies in the genre present an incomplete and patchy understanding of policy capacity, leaving out vital components. Moreover, they convey an undifferentiated conception of capacity that does not distinguish the different forms of capacity or their different sources. This emphasizes the need for a clearer conceptualization of the subject and its clearer differentiation from other kinds of capacity. This special issue has proposed just such a differentiation in arguing that capacity is a function of skills – analytical, managerial and political competences – and resources existing at the individual, organizational and system level of capabilities.

It bears repeating, though, that this paper focuses exclusively on political competency at the systemic level of capabilities. In conceptualizing legitimation capacity and examining its key components, we seek to understand the system-level resources and political skills required for a government to develop legitimation capacity. The aim is to understand how governments' ability to make and implement policies is affected by the existing societal conditions – economic, political, social, and security – and what it can do to enhance it. Other types of capacities which exist at the intersection of other levels of resources and skills are the subject of other papers in this special issue. We argue that enhancing legitimation capacity requires establishing the institutional and ideational bases of trust in the political, economic, social, and security spheres of a given society. In discussing policy capacity at the intersection of political skills and system resources, we take a systems-level approach that incorporates the socio-political and administrative aspects of capacity, both of which have thus far occupied separate spheres of conceptualization in existing studies on the subject (Painter & Pierre, 2005).

In taking this systems-level approach, we argue that legitimation capacity is the crucial foundation upon which other forms and aspects of policy capacity may be built. Governments enjoying high level of trust have larger room for manoeuvre in initiating and completing major transformations. This makes legitimation capacity the 'steering' level policy capacity – *prima inter pares* among different capacity components – through which other aspects of policy capacity may be linked and leveraged. Although this is a significant pre-condition for the exercise or realization of other kinds of capacities we do not specifically address this latter point in detail here given the nature and organizational format of the issue.

2. Re-conceptualizing state capacity as legitimation capacity

Legitimation capacity involves political competence at the systemic level which is separate from managerial and analytical skills and exists above the individual or organizational levels. Indeed it may serve as a 'pre-condition' or foundation for other forms of capacities. Legitimation capacity works through several distinct spheres of state activity – political, economic, social, and security – and is ultimately affected by the levels of trust and legitimacy which state actors enjoy in the society. Political competencies are thus related to the state's ability to foster social and political trust within these four spheres and systems-level resources to the institutional and ideational bases of legitimacy that exist within a society.

The idea of legitimation capacity as a pre-eminent driver of overall state capacity is not new, nor is the idea that its effects cut across different spheres of policy activity. As Beetham (1991) noted, legitimacy is essential for policy effectiveness and ensures the perpetuation of extant power relations by facilitating social consensus. Habermas also noted a government's capacity for effective interventions depends on a "legitimation system" that elicits mass support for policies, the erosion of which contributes to "legitimation crises" (Habermas, 1973, 1976).

As a social construct, legitimacy shapes and sustains public perceptions of policies and the policy effectiveness of governments (Jones, 2004). Such an understanding means that policy capacity requires obtaining and exercising legitimacy within 'life-systems' or spheres of socio-political activity (Habermas, 1984). Existing attempts at conceptualizing and measuring state capacity follow this approach, though with slightly different definitions of the key spheres to which the concept applies. Thus, Nelissen (2002) speaks of the "JEP triangle (Juridicial-Economic-Political)"

approach to administrative capacity while Cummings and Norgaard's (2004) propose four dimensions of state capacity: ideational, political, technical, and implementation. Similarly Savoia and Sen (2012) list legal, infrastructural, fiscal, and military capacity as critical components of bureaucratic and administrative capacity. However, these early efforts are overly-sectoral in focus and as a consequence, mostly non-exhaustive in nature.

More recent efforts have focused on distinctions in capacity at this level in terms of “upstream” central agencies that deliver cross-sectoral core government functions (Holt & Manning, 2014; World Bank, 2012) and ‘downstream’ implementation agencies and actors. Others focus more on specific institutional and organizational capacities (World Bank, 2014). This existing emphasis on the state and its legal-administrative apparatuses is inconsistent with current thinking on governance that both embeds policy makers within the socio-political context and includes non-state actors within the policy process (Granovetter, 1985; Howlett, 2009; Ostrom, 1990, 1994; Rhodes, 1996). Indeed, there is a growing recognition that state capacity cannot be explained through traditional purely statist approaches that neglect the roles of external actors (Lee, Walter-Drop, & Wiesel, 2014).

However, by their authors' own admission, the original aim of these studies was to focus on state capacity rather than the non-executive state institutions that have featured heavily in governance-style studies (Holt & Manning, 2014, 3). Hence these efforts all retain a statist approach that does not adequately deal with the non-state aspects of political competences and system-level resources which is captured in the concept of a social contract or the need for policy ‘recipients’ to grant legitimacy to government actions in order for them to be effective. Even as the state continues to play a major role in policymaking, policymakers are increasingly aware of how public support and the legitimacy of state institutions contribute to the success of policies. Legitimation may also involve non-state and societal actors, who may not only provide support for policies but also policy ideas, or influence the policy process as well. In other words, state action does not occur in a social vacuum, but involves distinct but overlapping social, economic, political and security spheres of activity in which both state and non-state actors are intimately arrayed.

Taken together, the four spheres of social, economic, security and political policy activity constitute the overall realm of state action affecting the policy process and its outcomes. Effective state action in each sphere requires legitimation, which in turn serves as a conducive condition for further policy action and the exercise of competences and capabilities in each sphere. As described below, capacity in each sphere is ultimately driven by conditions of trust, which legitimize state policies and institutions and facilitate policy action within that sphere. Furthermore, as noted above, the four spheres of policy action are inter-linked, with capacity in one sphere often contributing to capacity in another. In what follows below we discuss the role of trust in enhancing legitimation capacity within each sphere.

2.1. Political

Given the government's central role as policy maker, policy capacity is necessarily affected by political institutions and activities related to formulating, legislating, and implementing policies. However, existing attempts to quantify or address the political aspects of policy capacity often remain overly-focused on executive-level political competition (Gates, Hegre, Jones, & Strand, 2006; Gurr, 1974; Hegre, 2001) or political-administrative institutions (Hendrix, 2010; Huntington, 1968; Jackman, 1993; MacIntyre, 2002; Polidano, 2000; Porta, Lopez-de-Silanes, Shleifer, & Vishny, 1999; World Bank, 1997) even though state-societal interfaces are equally significant. However, these studies' near-exclusive focus on a limited range of institutions suggest an over-emphasis on competencies and does not address systems-level resources in terms of the key roles played by societal actors and institutions in legitimizing and providing support for policies.

The legislative system, for example, affects how governments are elected and process legislations (Lijphart, 1991; Moe & Caldwell, 1994; Norris, 1997; Riker, 1992). It must be effectively managed in order to support a government's activities, and this management activity is a key system-level political competence government must exercise if they are to remain in office and/or fulfil their electoral, legal and policy objectives. Federalism and decentralization of administrative decision-making also impacts individual behaviour and policy outcomes by shifting policy deliberations to the local level (Buchanan, 1995; Hopkin, 2003; Hutchcroft, 2001; Treisman, 2007; Weingast, 1993). Again, such intergovernmental interactions must be effectively managed by governments if they are to govern effectively.

Similarly, how interest groups are organized and interact with each other – such as in pluralist or corporatist forms of interest articulation systems – affects the nature and direction of influence various non-state actors have in the policy process (Baumgartner & Jones, 1991, 1993; Browne, 1990; Kingdon, 1984; Maloney, Jordan, & McLaughlin, 1994;

Smith, 1993; Wilson, 1977). Managing such interactions is another key governance skill governments need in order to be effective. The importance of managing these institutions and relationships cannot be under-stated, as institutions are subject to change, growth and decay (Ferguson, 2012; Fukuyama, 2014; Huntington, 1965), with the result being a change, increase or decline in policy capacity.

The exercise of such skills, however, cannot proceed independently of their legitimation. Studies of the political aspects of policy capacity have all focused more directly on the role of systemic levels of trust and legitimacy in facilitating the exercise of governance skills. In their study of conflict in Africa, Hutchison and Johnson (2011), for example, found that greater government capability and institutional capacity are associated with increased levels of political trust. Not surprisingly, political trust facilitates policy making by increasing public support for policies and political actors and ideas (Rudolph, 2009; Rudolph & Evans, 2005). Political trust is in turn driven by concerns about procedural fairness and perceived justice (Font & Balanco, 2007; Grimes, 2006; Tyler, Rasinski, & McGraw, 1985) or what Scharpf (2009) referred to as ‘throughput’ legitimacy in addition to ‘input’ and ‘output’ legitimacy.

Clearly, governments seeking to build political trust need to focus on developing robust and transparent judicial systems. However, political trust is not identical with legal protections but is closely related to the extent of legitimacy which a government and its policies enjoy. Both are significant predictors of government performance. Rothstein (2009), for example, found that political legitimacy depends upon, and is hence reflective of, the quality of government and effective political representation in its electoral system. Gilley (2006) also found a strong correlation between state legitimacy and performance. Political legitimacy also contributes towards stronger economic policy performance (Weatherford, 1989). Like trust, legitimacy hinges upon the presence of procedural fairness (Tyler, 1994) as well as political stability (Useem & Useem, 1979). Importantly, legitimacy arising from more consensual and inclusive political systems contribute to a government’s capacity (Brusis, 2003).

In short, political trust contributes to policy capacity by ensuring public support for policies and contributing to the sustenance of political institutions and governments. While well-functioning political institutions and relationships serve as important political competencies, governments also need to develop political trust as a systems-level resource in order to facilitate and legitimate the exercise of these competencies. This intersection of competency and resource is key to developing legitimation capacity in the political sphere. The social compact that ensues from political trust ensures institutions are aligned with social actors and ideas, facilitating capacity-building efforts. This suggests an important social aspect of legitimation capacity, which we discuss next.

2.2. Social

As is the case in the political sphere, trust is an important aspect of policy capacity in the social sphere. This is the sphere of governance, or the management of relations between social groups and between these and the state. Trust in the social sphere is susceptible to the exercise of political skills on the part of government but is also an organic or bottom-up process that often relies as much on the presence and activities of civic associations as it does on state institutions. Both state and non-state institutions therefore form the institutional backdrop for trust as a systems-level resource in the social sphere.

This social dimension of legitimation capacity is centred on the creation and preservation of ‘social capital’; that is upon the features of social organizations and structures that facilitate coordinated action by government (Putnam, 1993, 167). In his seminal study of civic community in Italy, for example, Putnam (1993) emphasized the significance of trust, cooperation and associationalism (and their absence) in affecting institutional performance at the social level. Direct linkages between social capital and government capacity have been found in many studies that have focussed on how the presence or absence of social capital contributes to government and institutional performance (Boix & Posner, 1998; Coffé & Geys, 2005; Knack, 2002; Tavits, 2006).

High levels of trust in turn contribute both to social well-being and positive policy outcomes (Putnam, 2001). Among other things, having social capital or an organized and co-operative population which trusts government to mediate and resolve social issues and tensions, contributes to the ‘adaptive capacity’ of states, especially when faced with significant change drivers which require or lead to social transformation, such as technological innovations or wars and crises (Adger, 2009; Lehtonen, 2004). More importantly, social capital is a resource for capacity-building that can be actively cultivated and developed by governments as a competency to improve their governance processes (Lowndes & Wilson, 2001; Maloney, Smith, & Stoker, 2000; Wallis & Dollery, 2002). This requires in particular leveraging social capital to enhance relationships between governments and citizens (Keele, 2007; Newton, 2001; Putnam, 1995).

Another, and related, social aspect of legitimation capacity revolves around the presence or absence of high levels of human capital. Human capital refers to the skills and knowledge which reside in people, and which can be acquired through deliberate investment (Schultz, 1961). Investing in human capital means embedding resources in people (Becker, 1962). In augmenting labour as a factor of production, human capital contributes to economic growth and productivity in both the private and public sectors as well as the NGO and family and community – or ‘third’ and ‘fourth’ sectors (Becker, 2009, 23–25; Benhabib & Spiegel, 1994). Higher levels of human capital have been associated with greater institutional quality, which in turn contributes to policy capacity (Glaeser, La Porta, Lopez-de-Silanes, & Shleifer, 2004). There is also a certain level of interactive effects at work here, in that social capital contributes to human capital development, although not necessarily vice-versa (Coleman, 1988).

As is the case in the political sphere, trust is a crucial systems-level resource for building legitimation capacity in the social sphere. Fostering social trust in turn requires a government to exercise its political competencies in terms of encouraging the formation of civic and social associations, managing its relations with civil society, and generating workforce skills development more directly. Both social and human capital levels affect overall capacity of a government to drive economic growth and foster public support for its economic policies. This is the third sphere of system-level activity to which we turn below.

2.3. Economic

As mentioned earlier in the paper, many of the existing attempts to conceptualize policy capacity have focused solely upon governments’ economic performance. In these studies, capacity is often understood as the government’s ability to generate economic growth and development. This is particularly the case in studies in developing economies, which have focused on economic development concerns such as generating growth, creating markets and raising employment. Hence, states that flounder economically have generally been described as being “less capable”.

Such a line of analysis, while understandable, has an overly simplified notion of system-level policy capacity. Researchers have mostly relied on economic measures of capacity that have included the use of overall aggregate measures or national wealth and productivity such as real and nominal gross domestic product (GDP) growth, GDP per capita, factor productivity, inflation, unemployment, size of current account, and so on. More precise economic measures of policy capacity, however, also include performance measurement systems, which focus on the economic output and productivity of a government based on accounting and financial measurement variables (Holzer & Yang, 2004; Kloot, 1999; Melkers & Willoughby, 2005; Palmer, 1993; Ridley & Simon, 1938; Williams, 2003).

However, all of these economic measures operate on the *a priori* assumption that a state’s economic institutions are legitimate and trusted by market participants. As Besley and Persson (2010) have noted, weak states are often characterized by an absence of state capacities to raise revenues for public services and support markets, a phenomenon often linked not to institutional-level variables such as poor revenue-collection practices, but to tax avoidance or under-reporting caused by a distrust of government or disagreements with its goals and direction, or “de-legitimation”. Studies of government policy failures in the economic realm, particularly in the aftermath of the 2008 global financial crisis, have highlighted the fragility of many state economic institutions, their dependence on high levels of popular trust and legitimacy, and the dire consequences of it disappearing (Charnovitz, 2010).

The ways in which trust exists as a systems-level governing resource vary across context, with different economic systems arising from different socio-political underpinnings in different regions and countries. For instance, the varieties of capitalism literature differentiate between “liberal market” economies and “coordinated market” economies, with each system comprising a distinct institutional arrangement that is based on a nation’s historical and cultural background (Hall & Soskice, 2001). This approach provides important insights into how socio-cultural forces promote and legitimize particular economic institutions, often engendering a ‘path dependency’ by virtue of the continued success of these institutions (Pierson, 2000), which earlier studies ignored or glossed over.

As these and other studies show, trust contributes to economic growth and social development, and can be developed or augmented particularly by strengthening the rule of law and reducing inequality (Bjørnskov, 2012; Knack & Zak, 2003; Rothstein, 2011). Establishing the rule of law plays an important role in enforcing private property rights, providing the legitimacy that economic institutions and actors require in order to ensure the trust of market participants and investors and in the process ensure efficient markets (Soto, 2003). Similarly, the developmental state model explores the socio-economic variables which underpin economic development in East Asian developing economies. In particular, this approach focuses on economic governance that is based on

‘performance legitimacy’, or the ability to generate economic growth which benefits the majority in society rather than elites (Lee, 2009; Leftwich, 1995; Woo-Cumings, 1999).

The state is thus required to ensure the legitimacy of its economic institutions, whether this is achieved through disciplining firms through laws and regulation (Grabowski, 1994), establishing a meritocratic bureaucracy with strong institutionalized links to private elites (Evans, 1989), or through governing ‘with’ society in the form of voluntary commitments and codes of conduct (Weiss & Hobson, 1995). These all constitute competencies that governments need to develop in order to build up legitimation capacity in the economic sphere by leveraging on the systems-level resource of economic institutional legitimacy. States may also need to adapt or adjust to changing socio-economic and political circumstances in order to ensure the relevance of economic institutions and hence their continued legitimacy (Douglass, 1994; Wong, 2004).

Tax and fiscal resources are another set of competencies underlying legitimation capacity in the economic sphere. Taxes impact policy capacity by providing the government with the financial means to make policy although it may also engender opposition (Fauvelle-Aymar, 1999) and can be measured by tax effort indices (Bahl, 1972; Le, Moreno-Dodson, & Bayraktar, 2012; Teera & Hudson, 2004). But adherence to, and performance of, tax policy is related to issues of equity and justice which affect compliance and compliance costs (Porcano, 1984; Surrey & Brannon, 1967). This hinges upon the perceived legitimacy of a state’s tax system.

By existing as systems-level resources, trust and the legitimacy of a government’s economic institutions are crucial for establishing policy capacity in the economic sphere. Ensuring that economic institutions are legitimate and trusted by market participants contributes to the efficient functioning of markets and hence economic growth, an oft-cited measure of policy capacity in the economic sphere. This requires governments to exercise their political competencies in establishing a strong rule of law, reduce inequality, and generally ensuring efficient functioning of its economic institutions.

2.4. Security

Finally, legitimation capacity is also affected by conditions, events and activities in the security sphere. The ability of a state to ensure the safety and security of its citizens and territories is most directly affected by the strength of its military and police forces, or its “ability to deter or repel challenges to its authority with force” both at the international and domestic level (Hendrix, 2010, 274). Security is an issue which affects not only foreign policy and the integrity of territorial boundaries, but also the activities of citizens affected by, for example, street crime or high levels of domestic violence. Security is thus both an internal and external issue and its significance is underscored by Weber’s notion of an effective state as one enjoying a monopoly over the legitimate use of force within its territory (Weber, 1919).

As is well known, military capacity is typically measured by ‘military personnel per capita’, with larger militaries associated with lower likelihood of war, higher success in repelling or terminating attacks, and even economic stability (Fearon & Latin, 2003; Hendrix, 2010, 274; Mason & Fett, 1996; Wayman, David Singer, & Goertz, 1983). An important aspect of security capabilities relates to the international nature of conflict and warfare. Capacity building has been associated, particularly in the international relations (IR) literature, with the ability of governments to foster inter-state cooperation and meet their international commitments in the security area (VanDeveer & Dadelko, 2001). This is the specific manifestation, however, of a larger need for domestic policy actors to moderate and adjust to international forces from an increasingly globalized world, a process which may impact or erode domestic policy capacity (Howlett & Ramesh, 2002; Ikenberry, 1986; Wolf, 2001).

Internal security is linked to factors such as crime rates and terrorist incidents which can undermine trust and legitimacy of governments. However, high military and internal security spending has also been associated with corruption and hence lower levels of overall capacity (Gupta, de Mello, & Sharan, 2002). This suggests a societal element to military capacity, particular in terms of civil-military relations and how these reflect and sustain existing socio-political values, particularly those pertaining to public perceptions of the military (Burk, 2002; Huntington, 1995). As such, the form of civil-military relations, and of the extent of legitimacy enjoyed by the military, varies across national and social contexts (Bland, 1999; Luckham, 1971). Civil-military-police trust is an important driving force in ensuring the legitimacy of security forces and hence a state’s ability to conduct its operations where and when needed.

Given the severe impacts of climate change and environmental degradation on the lives of individuals, the security sphere has an environmental aspect as well. Attempts to understand and assess this aspect of policy capacity have

largely taken a structural institutional approach that focuses on either the capabilities of policy instruments and/or institutions in achieving sustainable policy outcomes (Press, 1998; Weidner, Jänicke, & Jörgens, 2002; World Bank, 2013). However, there have also been attempts to address the societal capacities or forces which may contribute to or facilitate environmentally robust policy outcomes, culminating in the inclusion of socio-economic indicators in measures of environmental policy capacity (OECD, 1994, 2003).

Taken to its extreme, a lack of either or both internal, external and environmental security results in “failed states” fraught with social instability and a lack of state legitimacy (Brinkerhoff, 2005; Hameiri, 2007; Rotberg, 2002). As such, states that seek to establish legitimacy in the sphere of security need to build up competencies in terms of military capabilities, appropriate institutions and policy instruments, and the ability to manage external forces and actors. Such competencies will also need to tap on systems-level resources such as civil-military-police trust and inter-state relations.

2.5. Aggregate government performance and trust

While we have discussed the economic, political, social, and security spheres of policy action as separate components, as the examples cited above have shown, these four spheres are in reality quasi-dependent upon and nested within each other. It is evident that cross-linkages exist, with trust in one sphere often creating trust in another sphere. For instance, in the security area social trust contributes to public support for policies ranging from the military to the environment (Dietz, Dan, & Shwom, 2007; Jones, Sophoulis, Iosifides, Botetzagias, & Evangelinos, 2009). Similarly, administrative or political system capabilities are linked to economic growth (Chong & Calderón, 2000; Evans & Rauch, 1999; Knack & Keefer, 1995) and to military capabilities (Halligan & Adams, 2004; Hendrix & Young, 2012) and economic variables such as tax capability have been linked to these and to the political sphere through state legitimacy and responsiveness (Bird, Martinez-Vazquez, & Torgler, 2008) while social capital, as we have seen above, also contributes to the development of political trust (Keele, 2007; Newton, 2001). And the interactions between these capabilities and skills are profound as studies have found social trust to emanate from the capability and skills exercised by governments and government leaders in the political sphere (Rothstein, 2003).

The integrated nature of the four spheres suggests that high legitimacy capacity requires high capabilities in all four spheres – economic, political, social, security. As many developing nations have shown, trust in the economic sphere often generates trust in the political sphere, with governments that are able to guarantee economic performance are voted into power based on ‘performance legitimacy’. Similarly, capabilities in protecting citizens from threats in the realm of security prompt political trust. High political trust is likely to contribute to greater social trust in the longer term, particularly through the establishment of transparent and robust political institutions.

This in turn requires establishing and maintaining, within each sphere, the necessary institutions and processes identified above. Sub-optimality occurs when some or all of the elements of legitimacy capacity are missing in one or more spheres or if they are under-developed. Policy effectiveness within each sphere requires ensuring sufficient levels of legitimacy to actors, institutions and ideas at work in each area (Howlett et al., 2009).

Legitimation capacity is thus generally dependent upon extant social-economic relationships and capabilities which are augmented, or not, based on their existing levels of social and political trust (Weaver & Rockman, 1993, 7–11). These constitute systems-level resources that facilitate the exercise of government competencies. As scholars from Max Weber onwards have noted, how a government relates to its social constituents greatly affects what powers it has and how they may be exercised (Mitchell, 1991; Ramirez, 1987). That is, the institutional stability and authority enjoyed by the government in a given society is dependent upon underlying socio-political forces and beliefs that either inform and sustain prevailing institutions or drive their change (Hall & Thelen, 2009; Howlett & Cashore, 2009; Peters, Pierre, & King, 2005; Pierson, 2000; Sabatier, 1988).¹

¹ The impact of these socio-political processes on policymaking is also evident in a government’s ‘policy style’, or the “the main characteristics of the way in which a society formulates its public policies” (22). Policy styles reflect the normative policy and institutional preferences of policy makers and society (Gustafsson & Richardson, 1980; Hayward, 1982; Jordan & Richardson, 1983; Linder & Peters, 1989; Howlett, 1991; Howlett & Ramesh, 1993; Woo, 2014) and are hence constitutive of the institutional and ideological preferences of policymakers and other major stakeholders within a particular sphere of policy action. An important aspect of developing legitimacy capacity involves ensuring that policies and institutions are aligned with these preferences.

3. Conclusion

This article has provided a new conceptualisation of policy capacity within the context of the larger framework motivating this theme issue, focusing on the importance of political skills and system-level resources. Importantly, it has contributed to what the existing literature has referred to as ‘state capacity’ and provided possible ways to address the various shortcomings in the existing literature. Together with the other policy capacities discussed in this special issue, our conceptualisation of legitimization capacity can form the basis for a more comprehensive and exhaustive understanding of policy capacity.

Legitimation capacity, or the intersection of political skills and systems-level resources, forms the boundary around which policy making at the organizational and individual level and in the analytical and managerial realms takes place. In identifying trust as the key contributor to legitimization capacity by virtue of its central role in aligning actors, institutions and ideas within a particular sphere of policy action, this article builds on existing studies that have sought to incorporate a social element into traditional institutionalist thinking about policy capacity. As we have argued throughout this article, governments seeking to build up policy capabilities at the organizational and individual levels and involving managerial and analytical competencies must first focus on building up policy capacity at this ‘master’ steering level of legitimization capacity. This involves establishing trust as a system-level resource and developing the political recognition that building up this trust is essential for navigating the socio-political landscape of policymaking in a high capacity fashion (Wu, Ramesh, Howlett, & Fritzen, 2010).

As discussed above, specific institutional forms such as government architecture, public administration system, and legal infrastructure affect the efficiency, transparency, and effectiveness of policies enacted. However, policy capacity also requires ensuring that institutions are attuned to socio-political realities and hence perceived to be legitimate in the eyes of the public. Institutions that are not attuned to prevailing social norms and values are prone to political decay, which is detrimental to the attainment of high policy capacity. In identifying trust as the foundation of legitimization capacity, we have sought to understand the ways in which governments can foster it to build legitimization capacity.

Establishing legitimization capacity thus requires governments to establish institutional and ideational bases for trust and legitimacy at the highest and systemic level. By ensuring the legitimacy of systemic political institutions and fostering broad public support for government policy, legitimization capacity plays an important enabling role for policy capacity-building at the other levels. As the broadest and most abstract conceptualization of policy capacity, legitimization capacity establishes the systemic boundaries within which governments can think about building up other political, managerial and analytical competencies in its organizations and individuals. Indeed, successful policy capacity-building at the organizational and individual levels hinges upon the existence of favourable systemic conditions in terms of legitimization capacity.

This contributes to existing understandings of policy capacity, which as yet do not sufficiently address in any specific way the various areas in which governments can develop to build policy capacity. While we remain at a nascent stage in terms of understanding the precise steps that governments must take in order to build policy capacity, this paper’s focus on trust as key determinant of legitimization capacity and its identification of the four spheres of policy action provides a useful first step for future efforts in developing a more systematic understanding of policy capacity-building.

It thus goes without saying that there is much more to be done in order to develop a fuller understanding of policy capacity. In laying the foundations of a more comprehensive approach to policy capacity, contributors to this issue have necessarily taken a more descriptive and hence static approach. Future research can focus on policy capacity dynamics, such as the precise mechanisms which can lead to changes in the nature and level of policy capacity over time, or detail the precise nature of the attempts made by governments to strengthen policy capacity by learning from other governments about their capacities in the four spheres of policy action cited above. There is hence a possibility of applying concepts from the existing literature on policy change and policy learning to understanding policy capacity over time.

Furthermore, there is a need for more attention to be paid to the non-state side of things. Our conceptualisation of policy capacity deliberately focuses on the state, which is arguably the final arbiter of policy-making, given its central role in formulating and giving legal force and effect to policies. However, we recognize that non-state actors such as industry and lobby groups are often able to exert a disproportionate amount of influence over the policy process, particularly in more corporatist political contexts, with their own legitimization dynamics and relationships.

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