CHALLENGES, 
THE STRATEGIC STATE, AND AGILITY 
IN EUROPEAN PUBLIC GOVERNANCE

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Abstract
This paper is concerned with leadership capacity at national level to mobilise society to take up challenges. It uses empirical analysis to explain how, in a European context, this capacity covaries with the development of strategic state capabilities. The evidence is used to explore the conditions in which strategic state capabilities have a positive effect on the capacity of leadership to mobilise society. These conditions include factors related to the public: social capital, average subjective wellbeing (happiness), and political attitudes relating to government and democracy (having a voice that was listened to, public trust in the government, and the public’s satisfaction with the working of democracy).

It is suggested that strategically led governments with high levels of coordination in the civil service, with practices and abilities consistent with learning and agility, and with good engagement with, and good support from, the public and the organisations of civil society, tend to have national leadership elites that have a strong capacity for mobilization of society to take up challenges.

In the conclusions it is stated that the democratic cultures of Europe may require more ‘open government’ and more inclusiveness so that their embryonic strategic states can better leverage information and resources of society, so that governments can offer more powerful societal leadership.

Keywords: strategic state, leadership, agility in public administration, European public governance, social capital.
1. Introduction

From a public administration perspective, and focused on European countries, this paper presents an analysis of cross-national variations in the capacity of leadership elites of countries to mobilize society to take up challenges. On a commonsense basis, it seemed likely that this capacity might depend on both the qualities of the leaders in a country and the characteristics of the public and the civil society. Here the idea is proposed that public governance institutions are the context for leader-public interactions (and leader-civil society interactions). Only some aspects of the public governance institutions are highlighted. These aspects are named as the ‘strategic state’. The analysis is followed by a discussion that explores the ideas that the strategic state is an agile state, and that agile leaders can create an agile (and strategic) state in their own image.

2. Mobilization of society to take up challenges

The word ‘challenge’ can be found in writing on leadership, as in the proposition that adaptive challenges require leadership and learning (Heifetz and Linsky, 2002). The same word appears in media reports and news about governments. Newly elected political leaders may be reported as saying that their government is ready to address the challenges it faces. Governments struggling to deliver their programs may be said to be beset by a difficult set of challenges. The meaning of such statements is usually taken as self-evident. Implicitly we may be equating the word challenge with something that demands government attention, or something that leaders have decided to give special attention, something calling for government to make sustained efforts to deal with, something demanding new civil service capabilities, and so on. It may carry a connotation of being problematic and threatening. It may convey something more positive, as in government setting itself an ambitious and desirable goal that will stretch its resources and capabilities to their limit.

To give some specific examples of the use of the word, it was used a few times in the resolution on sustainable development adopted by the General Assembly of the United Nations on 25 September 2015. There seemed to be some grading of the challenges by the authors of the resolution. The first mention of it occurred at the beginning of the preamble where attention was drawn to the challenge of eliminating poverty (United Nations, 2015, p. 1): ‘We recognize that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development’ (emphasis added). Climate change was said to be a great challenge. Gender inequality was a key challenge. And ‘durable peace and sustainable development in countries in conflict and post-conflict situations’ was said to be a major challenge (ibid., 2015, p. 11).

For another example, we can turn to what has been referred to as the Fourth Industrial Revolution, which was a challenge for governments (World Economic Forum, 2018). In a book on German public administration digitalization was described as a challenge that was ‘ubiquitous and omnipresent’ (Kuhlman et al., 2021, p. 10). In 2020 governments were said to face the challenge of responding to a pandemic (COVID-19), which threatened the
health and lives of citizens and threatened economic damage. Demographic trends (e.g., booming numbers of young people, ageing populations) and economic cycles (e.g., upswings and downswings, leading to fluctuations in unemployment, fiscal pressures, etc.) are yet more examples of phenomena that might attract the label of challenges for government.

In fact, we can identify at least four moments when the word challenge may be linked to government activities and responsibilities. First, when carrying out situational and risk assessments, governments may diagnose the presence of challenges in trends and events, such as climate change and global health threats. In this context, challenges are problems for public well-being and seemingly imply a responsibility for governments to act. Second, when setting their future direction and long-term goals, governments may want to be ambitious. In this context, challenges are expressed or appear as intentions that are expected to prove difficult to realize. Third, governments at times work on formulating strategies and actions, and the more complex the issues posed by the situation, the more challenging is the intellectual work of creating feasible solutions and plans. The challenges in this case are the need for analytical and creative thinking. Finally, governments must move from strategies and policies to implementation and some unexpected difficulties may only become apparent at this stage. In this context, governments are challenged by implementation gaps, and such gaps may require special efforts by them to evaluate and learn how to execute strategies and policies.

Evidence of cross-national variations in the capacity of elites to mobilize society to take up internal or external challenges was found in data collected in 2016 by French civil servants and published online as ‘The Institutional Profiles Database’ (IPD). This database contained what was essentially perception data about a large sample of countries. The original intention of government funding for this database was to enable research into institutions, economic growth, and development.

### Table 1: Elite capacity to mobilize society to take up challenges (2016)

<table>
<thead>
<tr>
<th>IPD rating</th>
<th>Low mobilization capacity</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Strong mobilization capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serbia</td>
<td>Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Czech Republic, Estonia, France, Greece, Hungary, Ireland, Italy, Luxembourg, North Macedonia, Moldova, Poland, Portugal, Romania, Spain, Ukraine</td>
<td>Belgium, Croatia, Cyprus, Denmark, Iceland, Malta, Netherlands, Russian Federation, Slovak Republic, Slovenia, United Kingdom</td>
<td>Finland, Germany, Latvia, Lithuania, Norway, Sweden, Switzerland,</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Raw data [Online] available at http://www.cepii.fr/institutions/EN/download.asp, accessed on 25 January 2021. Survey question: Does the elite have a capacity to mobilize society to take up those challenges? (The challenges were defined as internal or external).
There may be a few factors that might help explain the cross-national variations in the capacity of the elite to mobilize their societies to take up challenges. One of these might be how good the leaders are at reading the readiness of society to take up a challenge and thus timing their mobilizing actions for the optimum moment. Another might be how persuasive the leaders are when communicating with society. Other factors might relate to civil society and the public. For instance, mobilization capacity might depend on the extent of social capital in each country and the specific nature of the public’s political culture. Finally, we might suggest that governance systems and the capabilities of the civil service might make a significant difference to the amount of capacity for mobilizing society to take up challenges.

3. Social capital

Thomas Hobbes long ago drew attention to the quality of relationships between people in a society and he referred to something he called ‘manners’. ‘By manners, I mean ... those qualities of mankind, that concern their living together in peace, and unity’ (Hobbes, 1962, p. 122). Manners may vary. People can be peaceful and cooperative or aggressive and rivalrous, or a mixture of all of them. Hobbes’ concept of manners might inspire us to hypothesize that countries in which people are peaceful and cooperative may be at an advantage when coordinated responses are being mobilized. In effect, this is a hypothesis that social capital is lodged in the manners of citizens in a society.

Social capital can be measured in a variety of ways. The following two questions can be seen as relating to different aspects of social capital. Are citizens living together in a spirit of mutual respect and support? Have they formed and joined many voluntary associations that provide organized ways of helping each other?

Scores for the social capital of countries have been compiled for the Global Competitiveness Index (Schwab, 2018). In this case social capital was defined as comprising social cohesion and engagement, community and family networks, and political participation and institutional trust.

There is only a slight correlation between the social capital of a country and the elite’s capacity to mobilise society to take up challenges, but, intriguingly, the social capital indicator in the Global Competitiveness Index is strongly correlated with the average subjective wellbeing of people in a country (‘happiness’) (see Sachs et al., 2016). This strong correlation may mean that the effect of social capital is to create happiness or that happiness produces high levels of social capital. Analysis revealed that the correlation between the average subjective wellbeing of people and the ability of the elite to mobilize society is a moderately strong one. So, it while it had been expected that social capital would assist mobilization of society to take up challenges, it emerged that the average happiness of the public might be a more substantial factor in mobilization capacity.
4. Political culture of the public

In the case of European countries, the conditions under which the elite can build a high capacity to mobilise society to take up important challenges appear to include the political culture of the public in a country and the quality of public services. Table 2 shows 2016 data from a European Union report. These are displayed in the columns headed total satisfied with the way democracy works, my voice counts, and tend to trust government. The bivariate correlation between total satisfaction with the way democracy works and tending to trust government was strong \((R = 0.81)\) and it was also strong between total satisfaction with the way democracy works and people saying their voice counted in their country \((R = 0.74)\). The correlation between people saying their voice counted and saying they tended to trust government was moderate \((R = 0.53)\). Perhaps, this hints at a serial linkage between the three attitudes. To illustrate this possibility of a serial linkage we can note some of the explanations that might be hypothesised. First, government decision-making could be communicated to the public in a way that makes clear that government is demonstrating responsiveness to concerns expressed by the public, which might convince people that their voice counts. This conviction that their voice counts could lead to a positive evaluation of the way democracy works, and this might foster more trust in government. But we can hypothesise something that is the exact opposite of this. For example, if public satisfaction with the government is pragmatically based on what the government delivers for the public, and if government keeps on delivering for the public over a period, the public’s satisfaction could turn over time into an expectation that government will continue to deliver. This then may consolidate into an attitude of trust in the government. The final transition might be the high degree of trust leading to an inference by the public that their voice counts. Whatever the precise mechanisms at work in European countries, the evidence indicated that having a voice that was listened to, public trust in the government, and the public’s satisfaction with the working of democracy were associated with each other. European countries that scored relatively high on one of them, tended to score relatively highly on the other two.

The European Union data was used to compute a score for the political culture of the public in 28 European countries. This score was simply the average of the percentages of three items in a survey and is shown in the final column. Countries with high scores included Denmark, Sweden, and Netherlands. The individuals in these countries seemed to be positive in their assessments and we might say that they had strong democratic cultures. Countries scoring near the bottom, including Greece, Lithuania, and Italy, had relatively few people expressing positive evaluations.

The countries in which the public tended to be satisfied with the way democracy was working, and felt their voice counted, and tended to trust their governments were the countries more likely than others to have leadership elites that were judged to have a high capacity to mobilize society to take up challenges. The bivariate correlation between them, however, was slight \((R = 0.33)\). As will be seen next, the political culture of the public may have a bigger impact than this slight correlation indicates because it matters for the strategic state capabilities of government.
### Table 2: European public political cultures (2016)

<table>
<thead>
<tr>
<th>Country</th>
<th>Total satisfied with the way democracy works (%)</th>
<th>My voice counts in (OUR COUNTRY) %</th>
<th>Tend to trust Government (%)</th>
<th>Public political culture (Index Score 0-100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>88</td>
<td>93</td>
<td>43</td>
<td>74.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>80</td>
<td>90</td>
<td>45</td>
<td>71.7</td>
</tr>
<tr>
<td>Netherlands</td>
<td>78</td>
<td>78</td>
<td>54</td>
<td>70.0</td>
</tr>
<tr>
<td>Finland</td>
<td>77</td>
<td>81</td>
<td>41</td>
<td>66.3</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>85</td>
<td>56</td>
<td>53</td>
<td>64.7</td>
</tr>
<tr>
<td>Malta</td>
<td>66</td>
<td>63</td>
<td>55</td>
<td>61.3</td>
</tr>
<tr>
<td>Austria</td>
<td>65</td>
<td>77</td>
<td>36</td>
<td>59.3</td>
</tr>
<tr>
<td>Germany</td>
<td>66</td>
<td>68</td>
<td>39</td>
<td>57.7</td>
</tr>
<tr>
<td>Belgium</td>
<td>63</td>
<td>63</td>
<td>34</td>
<td>53.3</td>
</tr>
<tr>
<td>Ireland</td>
<td>69</td>
<td>62</td>
<td>28</td>
<td>53.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>62</td>
<td>57</td>
<td>34</td>
<td>51.0</td>
</tr>
<tr>
<td>Poland</td>
<td>50</td>
<td>62</td>
<td>22</td>
<td>44.7</td>
</tr>
<tr>
<td>Estonia</td>
<td>51</td>
<td>39</td>
<td>43</td>
<td>44.3</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>58</td>
<td>44</td>
<td>27</td>
<td>43.0</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>38</td>
<td>58</td>
<td>33</td>
<td>43.0</td>
</tr>
<tr>
<td>Portugal</td>
<td>45</td>
<td>45</td>
<td>33</td>
<td>41.0</td>
</tr>
<tr>
<td>Croatia</td>
<td>32</td>
<td>75</td>
<td>15</td>
<td>40.7</td>
</tr>
<tr>
<td>France</td>
<td>42</td>
<td>62</td>
<td>14</td>
<td>39.3</td>
</tr>
<tr>
<td>Latvia</td>
<td>53</td>
<td>34</td>
<td>27</td>
<td>38.0</td>
</tr>
<tr>
<td>Hungary</td>
<td>34</td>
<td>39</td>
<td>30</td>
<td>34.3</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>31</td>
<td>45</td>
<td>24</td>
<td>33.3</td>
</tr>
<tr>
<td>Romania</td>
<td>31</td>
<td>44</td>
<td>24</td>
<td>33.0</td>
</tr>
<tr>
<td>Slovenia</td>
<td>30</td>
<td>49</td>
<td>16</td>
<td>31.7</td>
</tr>
<tr>
<td>Cyprus</td>
<td>34</td>
<td>28</td>
<td>28</td>
<td>30.0</td>
</tr>
<tr>
<td>Spain</td>
<td>32</td>
<td>39</td>
<td>14</td>
<td>28.3</td>
</tr>
<tr>
<td>Italy</td>
<td>40</td>
<td>26</td>
<td>15</td>
<td>27.0</td>
</tr>
<tr>
<td>Lithuania</td>
<td>30</td>
<td>23</td>
<td>24</td>
<td>25.7</td>
</tr>
<tr>
<td>Greece</td>
<td>17</td>
<td>21</td>
<td>11</td>
<td>16.3</td>
</tr>
</tbody>
</table>

5. The strategic state in a European context

It can be argued that in the past governments were often perceived as creating policies and public services to address the problems of the public. But maybe there has been a shift from talking about the ‘problems’ governments should solve to talking about the ‘challenges’ that they face. If this change of language has occurred, it may reflect an implicit judgment about the increased complexity of the problems faced and the need for more holistic responses by governments. Thus, we note that the OECD recently advised that governments face challenges which are complex and multidimensional and require responses that are innovative and often rest on whole-of-government coordination (OECD, 2020).

It is also sometimes assumed, or argued, that challenges facing government cannot be handled by government in a spirit of self-sufficiency. Governments are encouraged to be inclusive in how they work. The OECD specifically has seen benefits arising when governments communicate strategic visions externally to orient ‘civil society, the private sector and citizens towards a common goal’ (ibid., 2020, p. 47). Inclusiveness offers governments a chance of gaining a better understanding of what is needed and, critically, a chance of mobilizing public and private resources in the service of public interests (OECD, 2020, p. 32): ‘Governments pursue inclusiveness by leveraging the information, ideas and resources held by all stakeholders, including citizens, civil society organizations and the private sector, and by better engaging with them in tailoring policies and services to societal needs’. It might be argued that this inclusiveness may be attempted by some governments in ways that have a strong top-down command and control component but might, alternatively, be conducted in a more interactive and cooperative style based on an ethos of partnership with civil society and mutual influence.

The conceptualization of the ‘strategic state’ used in this paper emphasizes the existence of long-term strategic visions, strategic policymaking, and a whole-of-society approach (see Joyce, 2022). The three dimensions were operationalized using variables included in the Institutional Profiles Database (IPD data), consisting of data collected in 2016.

Dimension 1: Long-term strategic visions (direction setting)
1. The government of a country has strong long-term strategic visions for major policy sectors (e.g., health, education, environmental protection, urban development).

Dimension 2: Strategic policymaking
2. Long-term strategic visions are followed in practice by public authorities.
3. There is strong coordination between government ministries.
4. There is strong coordination within administrations.
5. The use of experimentation prior to general implementation of a public policy is common practice.
6. The evaluation of public policies is a common practice.
7. Public authorities have a strong adaptation capacity in relation to changes in their economic and social contexts.
Dimension 3: Whole of society approach
8. Strong public participation in political decisions at national and local level (excluding elections).
9. Public authorities have a strong incentive capacity to encourage public and private stakeholders to work towards a long-term strategic vision.
10. National public authorities and local stakeholders (local authorities, private sector, NGOs, etc.) work together to develop and improve public policy effectiveness.
11. Strong cooperation between the public and private sectors.
12. State’s highest authorities have strong involvement in the cooperation between public and private stakeholders.

At face value, the first and second of these can be used as proxy measures of the existence of strategic leadership. The third and fourth indicators could be seen as proxy measures of integrated and cohesive civil service organizations. The 4th, 5th and 6th of these indicators can be seen as proxy variables indicating the presence of a capacity for learning and agility in respect of public policy. The inclusion of evaluation of public policies as a common practice among these three indicators is presumed here to be especially pertinent to strategic agility. In the presence of strong long-term strategic visions that are put into practice, evaluation could be seen as at the heart of learning and agility by government (Joyce, 2022). The remaining factors can be seen as providing a measure of the extent to which strategic governments have engaged the whole of society and mobilized support for long-term strategic visions.

In fact, bivariate analysis of three indexes based on the three dimensions of the strategic state showed that the existence of strong long-term strategic visions, the development of strategic policymaking, and a whole of society approach were highly intercorrelated with each other for a sample of European countries. The high correlation between the strength of strategic policy making and the strength of a whole of society approach is shown in Figure 1. To some extent, the wording of some of the items used in this analysis creates an interdependence. For example, dimension 1 is concerned with the presence of strong long-term visions and some items in the other two dimensions refer to the following of long-term strategic visions and encouraging stakeholders to work towards them. But in addition, it may be speculated the development of each dimension of the strategic state is enabled and boosted by the presence and the development of the other two. If the other two are not developed, it is likely that the development of the third will be constrained and even wither away. In this sense the three dimensions appear to form a strategic state system with three main parts.

The OECD’s approach to public governance reviews and its reflections and guidance on public governance (OECD, 2020) provide a rationale for the operationalization of the strategic state concept using the 2016 Institutional Profiles Database. It is difficult to link the possession of strategic state capabilities with specific improvements in national outcomes for a country over specified periods without also knowing the priorities and commitments of the government (was the government trying to improve these outcomes?) and the
conditions helping or improving government actions and strategies. In other words, the intent of government and circumstances matter alongside strategic capabilities. For example, Croatia and Malta both had governments with ‘average’ scores in terms of their strategic state capabilities, but benchmarking against other European countries showed they both did relatively well in improving human development outcomes and environmental performance in the decade from 2010. Albania was one of the best European countries in terms of upward trends in human development and environmental performance, and yet the strategic state capabilities of its government were relatively weak. The Russian Federation, with a government that had weak strategic state capabilities, and the Netherlands, with a government that had strong strategic state capabilities, were both relatively unimpressive in relation to changes in human development and environmental performance over the same period. Progress in human development and environmental performance, it seems, cannot be simply ‘read off’ from government capabilities.

We can check the strategic state concept’s explanatory power using perception data on government effectiveness available from the World Bank’s databank. In this case, we can speculate that governments scoring highly on the strategic state index should be frequently rated as very effective governments. Figure 2 shows a high correlation (R = 0.80) between strategic state scores and government effectiveness estimates for the year 2016.

We now turn directly to a key question: does the development of strategic state capabilities make it more likely that there will be a high elite capacity to mobilize society to take up challenges? Table 3 displays the findings of a cross-tabulation of a variable from the

![Figure 1: Strategic policy making and a whole of society approach](http://www.cepii.fr/institutions/EN/download.asp)
IPD data base – elite capacity to mobilize society to take up challenges (whether internal or external) – and an index for strategic state capabilities, that was constructed by averaging the three indexes already discussed. It seems that in 2016 a country’s elite had a strong mobilization capacity if the country had a high score on the strategic state capabilities index.

Table 3: Strategic state capabilities and elite capacity to mobilize society to take up challenges

<table>
<thead>
<tr>
<th>Strategic state capabilities (2016)</th>
<th>Weak</th>
<th>Strong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elite capacity to mobilize society to take up challenges (whether internal or external) (2016)</td>
<td>Strong mobilization capacity</td>
<td>Croatia, Russian Federation</td>
</tr>
<tr>
<td>Low mobilization capacity</td>
<td>Albania, Belarus, Herzegovina, Bulgaria, Czech Republic, Greece, Hungary, Ireland, Italy, North Macedonia, Moldova, Romania, Serbia, Spain, Ukraine</td>
<td>Austria, Estonia, France, Luxembourg, Portugal,</td>
</tr>
</tbody>
</table>

Keeping in mind the data used to construct the strategic state capabilities index, it seems we can infer that strategically led governments with high levels of coordination in the civil service, with practices and abilities consistent with learning and agility, and with good engagement with, and good support from, the public and the organisations of civil society, tend to have national leadership elites that have a strong capacity for mobilization of society to take up challenges.

Why did Russia and Croatia have strong capacity to mobilize society even though they did not have strong strategic state capabilities? In the case of Russia, it may have been deficient in social capital as well as being weak in strategic state capabilities, and so its basis for mobilization might be other than one of getting civil society support for government’s long-term strategic visions.

Bivariate analysis revealed that strategic state capabilities covaried with the political culture of the public among European countries. Some countries had relatively high strategic state capabilities relative to their political cultures (e.g., Lithuania and Slovenia) and some had strategic state capabilities that were weak relative to their public political cultures (e.g., Romania, Poland, and Ireland). But, overall, the covariation seemed substantial (see Figure 3).

Figure 3: Covariation of strategic state capabilities and the political culture of the public (2016)

Source: Author’s own compilation

It is possible that the more democratic political cultures of some publics support the development of strategic state capabilities (especially in respect of stakeholder and civil society engagement and active support), which in turn enables the leadership elite to provide the leadership of society in addressing the challenges that have been identified as a high priority for attention.
6. Supporting Factors?

It is possible that both social capital and subjective wellbeing (happiness) are part of the explanation for why strategic state capabilities may create elite capacity to mobilise society to take up challenges. As was noted above, both social capital and subjective wellbeing correlate with greater mobilisation capacity. To this can be added the point that both are correlated moderately strongly with strategic state capabilities (social capacity $R = 0.61$; subjective wellbeing $R = 0.68$). The causal relationships are not clear. It could be that strategic state capabilities are greater where this is higher amounts of social capital and higher values of subjective wellbeing. Strategic state capabilities as defined here does incorporate capabilities in working with and engaging stakeholders and the public. So, it seems plausible to suggest that the effects of social capital and subjective wellbeing on the leadership elite’s capacity to mobilize society may be transmitted through greater strategic state capabilities.

The strategic state may also provide an elite capacity to mobilise society through high quality public services. An analysis of data taken from the Institutional Profiles Database seems to point to the importance of public services as a factor in producing greater capacity for mobilisation of society to take up a challenge. A measure of public services quality was constructed by aggregating the quality ratings of several public services: primary and secondary education (in urban and rural areas), higher education, basic health care, and public transport. These public services had all been rated on a scale ranging from very low quality to good quality. It turned out that strong strategic state capabilities correlated with high quality public services. Then, bivariate analysis pointed to a connection between the quality of public services and the capacity of the elite to mobilize society to take on challenges.

Why? Perhaps high-quality public services encourage positive political attitudes among the public by conferring credibility on the leaders of a government. Alternatively, it could be that leadership elites set an example in responsiveness to challenges by deploying or redeploying public services to respond to challenges. Then, government leaders call on the public and civil society to join in a societal response. The message would implicitly or explicitly be the government is doing what it can but we need the public and civil society organizations to cooperate with government to meet the challenge.

Perhaps a government builds its credibility in the eyes of the public through delivering high quality public services, and this causes the public to have a greater willingness to support the government in tackling challenges.

7. An interpretation

The data and analysis considered above may be interpreted in a variety of ways. One interpretation is as follows. The development of strong strategic state capabilities is enabled where government is trusted, the democratic process is seen to be working effectively, and the individual member of the public feel that they have a voice that counts. Subjective
wellbeing (happiness) and social capital both favour the presence of strong strategic capabilities. Strategic state capabilities and high-quality public services appear to be factors important for increasing the capacity of national leadership elites to mobilize society to take up challenges. This interpretation is depicted in Figure 4.

8. Strategic agility

We can place the analysis of the capacity of leadership elites to mobilize society and the importance of strategic state capabilities for this capacity, and for effectiveness generally, in the context of ongoing explorations of the concepts of agility and strategic agility. This context does not change the preceding analysis but, arguably, does point to a need for a better understanding of the possible role and aims of leadership in future public governance reforms, and may also point to the need to better bridge the gap between academic studies of strategic management in government and the interest of practitioners in agile leadership and agile government.

The development of strategic agility can be seen as an attempt to overcome the problems of public sector bureaucracy and inflexibility so that challenges can be handled more effectively (Doz and Kosonen, 2014, pp. 5–6):

‘Bureaucracies operating from their traditional silos are simply too rigid to cope with the demands of citizens and the new challenges that industrialized societies now face [...] While some problems are simple and can be addressed with traditional approaches, many policies need to incorporate a far wider array of
contingencies and inter-related factors in their search for solutions – decision-makers need to dig deeper in their search for solutions, seek input from farther afield, and execute as a “single, unified government” rather than from their traditional bureaucratic silos’.

An early ‘show’ of the concept of agility in relation to public governance was its prominent use at an OECD international workshop in late 2011. The need for agility was explained as being a result of greater complexity and a more rapid pace of external change putting pressure on existing government decision making and policy development capabilities (OECD, 2012, p. 2):

‘The context of government decision-making has changed, and governments are under pressure, not just from the financial and economic crisis. The problems they face are increasingly complex, and involve a multitude of actors and stakeholders. Governments are now part of a network in society. They also face an historical adjustment challenge, with the rapid pace of change in their technological, economic and social environments, and with globalisation. The old, hierarchical model of government decision making no longer works. Ministerial silos make it difficult to address more complex, interdependent policy challenges. These complex, systemic and horizontal policy challenges call for innovation in public governance. A framework is needed for enhancing strategic agility in public governance in order to create a proactive, resilient, responsive, efficient and accountable government that can deliver better public services and enhance national competitiveness’.

Strategic agility was seen as produced by factors such as sensitivity in assessing the external situation and an ability to be insightful about it; resource flexibility; and leadership unity. It was positioned as a successor to the perspective of New Public Management (ibid., 2012, p. 5): ‘Do we move away from NPM and toward leadership and a more strategic state? It is important to discard what has not worked’.

The emphasis on leadership as an ingredient of strategic agility does not have to be at the expense of the valuing of a strong and capable senior civil service nor the support and cooperation of civil society. In the OECD’s workshop on effective leadership in times of transformation, the discussion touched on both these related factors (ibid., 2012, pp. 17–18):

‘Leadership is critical to a country’s ability to adapt to changing circumstances and to find strategic solutions to complex inter-sectoral public policy challenges. Public sector leadership can extend beyond public organizations to encompass the private and civil society sectors. [...] Public sector organizations can and need to take the lead in facilitating or ‘orchestrating’ change in broader cooperative networks and systems. [...] The collective top leadership needs to be supported by a well-functioning senior civil service’.
The discussion in the workshop touched on the need to develop the skills and competencies for strategic agility of people working in the civil service and the need to trust and motivate civil servants.

Since this early consideration of strategic agility as an aim of public governance improvements, it has been suggested that agility is also needed to cope with the Fourth Industrial Revolution. It was suggested in one case that governments, businesses, and civil society were struggling with the rapid change presented by the Fourth Industrial Revolution’s advances in technology. It was concluded in a World Economic Forum whitepaper that the wave of technological developments necessitated a move to agile governance. In line with the discussions at the OECD workshop in 2011, the Fourth Industrial Revolution was seen as requiring significant changes in who participated in public governance (World Economic Forum, 2018, p. 4):

‘In this paper, we define agile governance as adaptive, human-centred, inclusive and sustainable policy-making, which acknowledges that policy development is no longer limited to governments but rather is an increasingly multistakeholder effort. It is the continual readiness to rapidly navigate change, proactively or reactively embrace change and learn from change, while contributing to actual or perceived end-user value’.

As can be seen, in the World Economic Forum whitepaper, agility implied the possession of an ability to adapt quickly. Agility was formally defined as ‘nimbleness, fluidity, flexibility or adaptiveness’ (ibid., 2018, p. 6). As in the OECD discussion, the World Economic Forum positioned agility in public governance as a collective or societal phenomenon and not a purely government sector phenomenon.

9. The institutional work of agile leaders

Agile leaders have been defined as possessing ‘the ability to lead effectively under conditions of rapid change and high complexity’ (Joiner and Josephs, 2007, 36). If conditions are challenging because they change rapidly, then arguably leaders need to think and act quickly. For leaders to think and act quickly they need intelligence and skills in analysis and diagnosis. If conditions are challenging because of increased complexity, then leaders need to be adaptable. To be adaptable, leaders need to make frequent evaluations of the situation, and then test their assumptions and insights. Presumably, agile leadership excels at intelligence and adaptability.

Agile leaders who think and act quickly need a flexible civil service. Does this imply they need a civil service with strategic state capabilities? It could be argued that a strategic state is an agile state. A strategic state achieves its own version of flexibility through civil servants being meticulous in analyzing its situation, deliberate and flexible in investing and reusing resources according to strategic priorities, and energetic in learning from monitoring and evaluation systems, enabling them to refine and adjust implementation plans and activities. So, are strategic leaders, agile leaders?
It is possible to imagine two types of leadership incongruence: first, some inflexible bureaucratic governments may find themselves led by exceptionally able agile leaders, and second, some agile governments are constrained by having a leader who is far from agile. One way to resolve the first of these incongruences is for agile leaders to create more agile government around them. This possibility is implicit in a survey finding showing that ‘the central factor for increasing an organization’s agility is the level of agility exhibited by a company’s leaders and leadership culture’ (Joiner, 2012). Agile leaders could be the central factor in making the civil service more agile by the simple expedient of them working to change how civil servants behave.

This work could be through leaders exhorting civil servants to be flexible. They might inspire flexibility by leaders acting as role models. But might leaders intervene to change the practices and habits of civil servants to create flexible civil services? Leaders would need to have clear ideas about the practices and habits that would be required in a flexible civil service. A recent survey carried out by the Global Government Forum and PA Consulting, investigated the nature of responsive government. Governments in Sweden and Denmark (along with New Zealand) emerged from this survey as being responsive (Johnstone, 2021):

‘These same three countries’ leaders also think they are able to proactively seek to anticipate and respond to changing citizen/stakeholder needs, and can operate in an environment where diverse teams can be assembled at short notice to solve problems. This group is also the most confident they can continually develop the skills and capabilities of their workforce.

Among the leadership cohorts, Sweden again outpaced all other nations on questions of empowerment and autonomy – a reflection of the ‘high trust’ culture promoted by Swedish employers in all sectors. [...] The Swedes’ willingness to trust their people also manifests in their appetite for experimentation and risk-taking – they were, again, the most bullish on most statements about supporting staff to develop new ideas and solutions’.

The following list of the practices and habits that may be needed to foster civil service flexibility and match the needs of agile leaders are inspired by the survey.

1. The civil service is highly proactive in seeking evidence about the changing needs of citizens and stakeholders and regularly reviews its goals and performance indicators.
2. Public services are regularly reviewed using feedback from citizens who consume the services and reviews are the basis of rapid iterative changes in public services.
3. Civil service decision making is normally based on analysis of data, which is highly available and good quality, as well as being based on consultation and engagement with key stakeholders.
4. Integrative solutions requiring negotiation and persistence are regularly demanded rather than easy compromises.
5. Quick decisions on the allocation and mobilization of resources support the taking of strategic initiatives.
Civil service capabilities are constantly challenged and developed by and through the implementation of changes to meet citizen and societal needs.

Civil servants, working individually and in teams, are empowered to work in a professional and autonomous manner, and to solve problems and be innovative.

Experimentation in the development and implementation of new policies is the normal practice.

The civil service at all levels executes monitoring and evaluation procedures to enable lessons to be drawn from successes and failures in a genuine spirit of continuous improvement.

It seems unlikely that civil service flexibility to match leadership agility can be achieved by exhortation alone, and research is needed to understand how leaders embed flexibility practices and habits in public governance institutions and in the normal functioning of the civil service.

10. Conclusions

This paper has looked at societal mobilization and strategic state capabilities in Europe. It has offered an analysis that connects strategic state capabilities with perceptions of effective government. It has shown that strong strategic state capabilities are associated with elite leadership capacity for mobilizing society to take up challenges. It has been suggested that, to some extent, the provision of good quality basic public services may be part of the explanation of why strategic capabilities might produce the capacity for societal mobilization.

Several characteristics of the public appear to have been important for elite capacity to mobilise society in the case of European countries. The political attitudes of citizens, the extent of social capital in a society, and the average amount of subjective wellbeing (happiness), all seem to be conditions having influence on the capacity of a national elite to mobilize society to engage with challenges. In the case of the political attitudes analysed here, and considering the question of how we explain the development of strong strategic state capabilities, we can say that this appears to be helped by the presence of what we might call a democratic mindset of a positively engaged citizen: he or she feels that their voice is heard, that democracy works well, and government can be trusted.

At times in this paper, there has been some speculation about how to understand the statistical associations that have been found. For instance, why might the presence of good quality basic public services be a factor in the capacity of national leaders to mobilise society? Why does a member of the public believing that he or she has a voice that is listened to matter? Why does the satisfaction of citizens with the way democracy is working in their country matter? And so on. Speculations on the answers call out for more understanding as well as more explaining. Arguably, in relation to understanding, maybe we can say that some European societies benefit from more civic minded citizens and some societies are
held back by conditions in which ‘disenchantment’ is more prevalent among members of the public (Denk et al., 2015). Future research studies may provide fuller explanations of whether and how strategic state capabilities of governments and democratic cultures in the population are in a reciprocal relationship.

If democratic cultures are important in fostering strategic state capabilities, as suggested here, perhaps it is important governments shift even further away from technocratic formulations of governance problem solving to an understanding that governance deals with the problems of the public as part of a democratic process. If so, European cultures may require more ‘open government’ and more inclusiveness so that the embryonic strategic states of Europe can better leverage information and resources of society, so that governments can offer more powerful societal leadership. This is not to say that open government and inclusiveness offers quick and easy solutions to the problems of building the kinds and degrees of consensus that are required by strategic states based on democratic cultures.

References: