

Important questions have been raised about the conceptual and policy utility of the concept of political settlements (Dressel and Dinnen 2014). This *In Brief* considers how a political settlement view could usefully inform more effective approaches to democratic governance programming in Melanesia (specifically in Papua New Guinea and Solomon Islands where democracy programming has been most significant), by supporting a more sophisticated understanding of politics and democracy which opens up alternative entry points for donor engagement.

Donors have struggled to engage effectively with the challenges of political instability in Melanesia, characterised by high representative turnover, unstable processes of government formation and intensive, localised politicking (Steeves 2011). Donor efforts have centred on strengthening formal democratic institutions in the hope that stronger parliaments, electoral systems and political parties will channel political behaviour more productively, conducive to political stabilisation and development. In some cases, donor support has helped improve democratic institutions in the region. The Solomon Islands Parliament has become a regional exemplar. But evidence that donor efforts have helped lift the overall quality of democracy in Melanesia is limited.

There are a variety of reasons why donor programs have struggled to improve the quality of democracy in Melanesia. Political change is a slow, organically driven process that seldom channels predictably through relatively new and superimposed democratic systems. But donor approaches have also struggled to gain traction. Ironically, a key problem with democratisation programs is they have failed to engage with fundamental issues of politics and how power, structure and agency combine to shape, constrain and compromise the operation of formal democratic institutions.

This is where we consider the political settlement framework to have significant potential, because it requires policymakers and scholars to think differently about how we understand the challenge of democracy in the region. In particular, a political settlement lens brings with it a distinctive focus on three key elements of democratic governance — elites, power, and institutions and institutional performance.

Elites

A political settlement approach requires consideration of the role of elites and how they work to shape political orders in their own interests. Dressel and Dinnen (2014) note that political settlement analysis has suffered from a reductionist treatment of elites that is poorly suited to engaging with the variegated nature and fluidity of elite interests in Melanesia. While this is true, democratisation programs have generally overlooked consideration of 'elites'. Instead, they have tended to approach democratic actors in neutral terms as functional to the requirements of democratic systems. This has resulted in a programmatic focus on the 'usual suspects' — politicians, political parties and civil society — as actors requiring capacity building to enable them to better fulfil their roles in the overall system. Programmatic support flowing from this perspective includes traditional candidate training, party strengthening and institutional capacity-building programs. The utility of these technical approaches is limited in Melanesia where informal political institutions are crucial determinants of democratic performance. A political settlement focus requires donors to think of democratic actors in political terms. A focus on elites is useful because it directly considers power, interests and mobilisation strategies, which have been largely overlooked. It therefore provides a useful way of thinking about political 'stakeholders' and potentially new entry points for donor support. For example, in Melanesian societies undergoing rapid social change, new elite groups are emerging that are currently marginalised from formal democratic processes but could exert positive influences on democratic politics. This includes the emerging middle class, the overseas tertiary educated, the formalising private sector and diaspora groups. While there is no guarantee that these groups will be committed to democracy, thinking about how they could be supported to engage constructively with fragile democracies could open new avenues for donor support.

Power

It makes no sense to support democratic governance processes in developing countries without a clear sense of the sources of power, how it is exercised and by whom, and to what ends it is deployed. Being risk

averse, donors have sought to avoid political sensitivities inherent in democratisation programs by approaching democracy in apolitical, abstract and technocratic ways. This has undermined effectiveness. For example, efforts to support female candidates across the Pacific have focused on capacity building around campaigning while avoiding consideration of the structural impediments preventing electoral success and how prospective women candidates might better be supported to work around such impediments when campaigning. A political settlement approach cognisant of power relations requires a more realistic engagement with democracy as a political process, including how social groups can work politically within the opportunities afforded by democratic systems to challenge prevailing political orders. Efforts to increase the electoral representation of women have struggled in part because they have not considered how to build politically powerful change coalitions that could overcome the blocking coalitions that underpin the status quo across Melanesia.

Institutions and Institutional Performance

The logic of donor programs focused on strengthening formal democratic institutions lies in the assumption that stronger institutions will tame political behaviour and improve governance and stability. A political settlement analysis questions this logic by recognising the contingent nature of institutions. Elites accept formal democratic institutions as legitimate insofar as they are functional to an underlying distribution of political power and material interests. Where formal democratic institutions threaten dominant elite interests, elites work to adapt institutions through informal compromises (clientelism, patronage). Political settlement analysis can help explain the questionable contribution to good governance of democratic institutions in Melanesia because they can be compromised through informal institutional arrangements. This recognition goes some way to explaining the general elite commitment to formal democracy in Papua New Guinea and Solomon Islands *and* the persistence of democratic behaviours that undermine the quality of democratic processes. Arguably, parliamentary democracy is functional to elite interests by ensuring that competing elites will have successive opportunities to win control of government and its material benefits (Corbett 2013:206). Recognising formal institutional fallibility in the face of local politics will encourage greater sobriety in terms of donor expectations around reform support (e.g. that legislative reform of electoral systems is a silver bullet).

It will also require donors to think laterally about where they focus support, warranting a 'good enough' approach (Gisselquist 2012) to formal democratic institutional strengthening in favour of a greater focus on improving the content of existing democratic systems.

Policy Implications

Political settlement analysis goes some way to explaining why democratic strengthening programs struggle to translate into observable improvements in political governance in Melanesia. Bringing concepts such as agency, power and politics into the democratic picture in Melanesia provides new entry points for donors to think about more effective democratic governance programs. This includes a shift from formal institutional strengthening and capacity-building programs in favour of more effective support focused on the quality of democratic participation in developing countries. This might include a better focus on how emergent constituents for change (new elite groups such as the middle class) could be supported to engage constructively with the democratic system, how powerful coalitions of reform might be incentivised around reform issues and, ultimately, thinking about how emergent democratic stakeholders might be supported to exert positive influences over prevailing political settlements.

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