

Leadership capital ebbs and flows but trends downwards, influencing political fortunes over time

By Democratic Audit UK

*How can we measure leadership? What makes a leader succeed or fail? Here **Mark Bennister** and **Ben Worthy** examine the idea of 'leadership capital' and offer a way to understand why some leaders 'spend' their 'capital' successfully and others squander or waste it.*



This has been the year of 'Capital' thanks to Thomas Piketty. Piketty's weighty tome has breathed new life into economic analysis of economic inequality. Capital, for Piketty is a stock – its wealth comes from what has been accumulated in all prior years combined. So what happens if we apply capital to political leadership? This presents us with alternative method of understanding why political leaders succeed or fail.

We can think of political capital as a stock of 'credit' accumulated by and gifted to politicians, in this case leaders. Political capital is often used as a shorthand to describe if leaders are 'up' or 'down', how popular they are and how much 'credit' they have in the political sphere. Like with financial capital, commentators and politicians speak of it being 'gained' or, much more commonly, 'lost'. Most importantly, it's viewed as something finite-you only have so much and it quickly depreciates under pressure of the media, opposition or events.

Politicians are acutely aware of their finite stock of authority. Having plenty of this 'credit' means a leader can let's of things done by spending or leveraging it- think Tony Blair in 1997 or [Barack Obama in 2009](#) when their support, popularity and momentum temporarily made them politically unassailable. They believe they can pass laws, set agendas and dominate the 'narrative'. Tony Blair, reflecting in his autobiography, spoke of how he was a capital 'hoarder', trying not to spend his authority in his early years as Prime Minister:

At first, in those early months and perhaps in much of that initial term of office, I had political capital that I tended to hoard. I was risking it but within strict limits and looking to recoup it as swiftly as possible... in domestic terms, I tried to reform with the grain of opinion not against it.

said Blair in his autobiography. More recently we see David Cameron squandering the little amount of capital he had left on Europe in his futile attempt to [block the appointment of Jean-Claude Juncker](#) as the next President of the European Commission.

Understanding leadership capital

Academics have defined political capital in a variety of ways. It can be about trust, networks and 'moral' or ethical reputation. By incorporating many of these ideas, we are developing a notion of [leadership capital](#) as a measure of the extent to which political office-holders can effectively attain and wield authority.

We define leadership capital as an aggregate of three leadership components: skills, relations and reputation. We have worked this into a Leadership Capital Index (LCI). The Index has 10 simple variables to enable leaders to be scored, using a mixed methods approach to capture both quantitative data and qualitative assessments. You can see our more detail index in our article or [here](#).

The measure of a leader's skills refers to the whole range of abilities a leader needs, from the communicative to the managerial and cognitive. We look at the power of a leader's vision, their communication and their popularity. The difficulty for many leaders is that they have, of course, some of these but not all-both Cameron and Blair for example have been accused of having the communication skills and (relative) popularity but not the vision.

Leadership is also a relational activity. Leaders mobilise support through loyalty from their colleagues, their party and the public. Part of the challenge of leadership is to retain these ties for as long as possible or, at least, as [one scholar put it](#), to disappoint followers at rate they can accept. But how they do this can depend on their leadership style (Fred Greenstein's influential [approach gave a psychological framework for assessing style in office](#)). The most obvious and talked about way is through charisma-the Blair or Obama offer of what James Macgregor Burns famously termed 'transformational' leadership. But effective leadership can also be through quiet, technocratic competence and delivery, more in the style of Angela Merkel. Leadership needs to suit the cultural norms of the country and the situation-see [this discussion](#) of Matteo Renzi.

Third, leadership is continually judged and 'sold' by reputation. Leaders create their own performance measurements – have they done what they promised? Each type of leadership claim sets up its own performance test. We look at whether a leader is trusted by the public, subject to challenge or not and to what extent they control party policy or their legislature (see this [article by Michael Rush](#) on the UK).

Looking across these three areas in combination allows us to understand how they influence each other in 'positive' or 'negative' cycles. Successful leaders communicate, achieve aims and strengthen relations and reputation. Failed leaders poorly communicate or never map out a vision, then often lose confidence, control and credit.

David Cameron's EU strategy provides a neat mini-example of capital loss, where he appears to have gambled his capital on a series of high stakes policies with diminishing returns. His failure to communicate his European vision, and tendency for a series of '[Hail Mary Passes](#)' with a promised 2017 referendum and now EU reform, has eroded already ambivalent relations with parts of the Conservative party. This in turn has left him with less control over EU policy or parliament as [party rebels exert more](#) influence. So we see attempts to regain the high ground on the [EU debt](#) or by making ever more [promises on immigration](#) (you can read a more detailed assessment of Cameron [here](#)).

Where next for leadership?

The idea of leadership capital offers one possible way of understanding how leaders succeed and fail. We hope our LCI can provide one way to measure and identify the ebbs and flows of the leadership trajectory over time. We also hope it can be used comparatively between different leaders and leadership across and within countries

However, while the framework provides a neat lens, we recognise that all leaders can be helped or hindered by structural advantages or disadvantages-from [different levels of trust](#) to powers of the office. Different political systems give leaders less or more control and greater or lesser power-most US Presidents would probably happily swap for the power of a UK Prime Minister or French President. The wider environment also offers

opportunities or limitations-war, peace or crisis all shape a leader's influence.

There is also the fascinating issue of comeback. If all leaders only have a limited 'stock' what of those who bounce back? Bill Clinton, Tony Blair (to an extent) or John Howard all managed to turn around their political fortunes and reinvigorate their leadership. Winston Churchill may be the prime example of leader who squandered skills, reputation and relations over and over until late in his life-his career up until 1939 was famously described as a [study in failure](#).

Churchill himself spoke of how politicians 'rise by toil and struggle' and remain caught in a paradox whereby 'they expect to fall: they hope to rise'. Perhaps leadership capital can help us to understand why and how this happens.

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Note: this post represents the views of the authors and not those of Democratic Audit UK or the LSE. You can see the authors' full article written with Professor Paul t'Hart in West European Politics [here](#) and more details on their measuring leadership [blog](#). Please read our comments policy before posting.

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