

***Path-Dependency in the Welsh Assembly: Agency, Leadership
and Institutional Culture***

Kerry E. Howell

University of Plymouth Business School

Faculty of Social Science and Business

Cookworthy Building

Drake Circus

Plymouth

PL4 8AA

Email: kerry.e.howell@plymouth.ac.uk

Tel:01752 585704

**Professor Howell holds the Chair in Governance and Leadership at the
University of Plymouth Business School**

Keywords: Democratic Leadership, Welsh Devolution, Agency, Path-Dependence.

Path-Dependency in the Welsh Assembly: Agency, Leadership and Institutional Culture

Abstract

Can leadership reflected as ‘agency’ identify the source of institutional ‘path-dependency’? To what extent may the foundations of path-dependency be discovered in policy development? If path-dependency is a reflection of agency and individual cultural perspectives can path-dependency be identified in the ideals and debates that underpin the rationales of individuals in emerging institutions? Overall, does the relationship between agency and path-dependency have implications for leadership and institutional cultural environments? In this paper, Welsh Assembly Member activity (agency as leadership) is analysed in relation to sources of path-dependency in the Welsh Assembly (WA) and through leadership theory individual action in a new and evolving institution investigated. Two sets of interviews and surveys provide AM perspectives of the Assembly in relation to the evolving leadership capability and institutional culture.

Introduction

Through leadership theory it is possible to identify and analyse cultural issues and environments in institutional settings. This paper investigates relationships between agency, leadership, path-dependency and cultural development in a new and evolving institution. Leadership theory and practice as well as cultural perspectives of Welsh Assembly Members (AMs) are examined in relation to path-dependency in an

embryonic and evolving institution (the Welsh Assembly). Interviews and surveys provide AM perspectives regarding the emerging structure, leadership capability and institutional culture of the Assembly.

In an attempt to ascertain perceptions of leadership and culture within the WA and identify how these were developing in relation to possible future directions and external variables, surveys and sets of interviews were undertaken with political actors (mainly AMs) during 2001-02 and 2006-07. Qualitative data samples are difficult to replicate and following analysis of the first round of data and on-going debates regarding devolution the initial survey and interviews were revisited and revised in relation to the initial data collection and analysis as well as developments and change within the WA. Each phase of data collection concentrated on validity, involved small samples and through inductive procedures constructed an understanding of specific situations at distinct historical moments.

The initial data set identified issues regarding agency as well as problems relating to a historical starting point for path-dependency. Consequently, the second round of interviews and survey started to investigate these issues further and as well as deal with culture, explicitly concentrate on questions regarding leadership in relation to the formation of the institution and its on-going development. In both sets of data collection, AMs from all existing Welsh political parties were posed questions regarding Whitehall/Westminster perspectives of politics in relation to those of the WA and the extent to which new distinct structures, systems and norms had emerged. Through questions about internal and external relationships AM cultural

perspectives about the evolving institution were explored¹. Indeed, in this paper the issues and questions outlined above are investigated in the following way. First, path-dependency is explained and difficulties regarding agency and historical determinism examined. Second, conceptualisations of culture and leadership are overviewed and relationships between group activity, behaviour (agency) and leadership theory (primarily democratic leadership) investigated. Furthermore, through synthesis of historical institutionalism and leadership in terms of agency and path-dependency a theoretical framework is developed. Third, primary and secondary data are analysed through the theoretical framework incorporating agency, leadership, path-dependency and institutional culture. Finally, through this analysis issues regarding the component parts of the theoretical framework as well as the practical implications for institutional, cultural and leadership capability in the evolving institution are identified and conclusions drawn. Overall, theoretical and practical implications regarding institutional culture and leadership are identified.

Path-Dependency and Agency Issues

Path-dependency has been extensively discussed and analysed in relation to a number of policy issues and organisational situations (for further see Bulmer, 1994, 1997; Bulmer *et al*, 2001; Bulmer and Burch, 2001; Hall and Taylor, 1996; Howell, 2007; 2009; Immergut, 1998; March and Olsen, 1999; Peters, 2001; Peters *et al*, 2005;

¹ Semi-structured interviews were undertaken in 2001-02 with, Peter Black AM, Andrew Davies AM (Economic Development Minister), Glyn Davies AM, Ron Davies AM, William Graham AM, Carwyn Jones AM (Open Government Minister), David Lloyd AM, Dafydd Wigley AM and a Civil Servant of the Local Government Finance Division.

Semi-structured interviews were undertaken in 2007-08 with Leighton Andrews AM, Eleanor Burnham AM, Desmond Clifford (Head of EU Office for Wales), John Griffith AM, David Lloyd AM, John Owen Thomas AM, Jenny Randersen AM, John Williams AM, Dafydd Wigley ex-AM.

Pierson 1996; Thelan and Steinmo, 1992). There are deficiencies for positivist objectivity with path-dependency in terms of subjectivity regarding historical starting point and the deterministic inference this implies. However, with regard to such criticism, March and Olsen (1994; 1996) argued that the idea of subjective value was being lost in the social sciences and that positivist objectivity was ‘inherently incapable of addressing the most important questions of political life, given that it could not integrate individual action with fundamental normative premises or with the collective nature of most important political activity’ (cited in Peters, 2001; p 26) Furthermore, rather than fitting a positivist perspective human beings are ‘suspended in webs of significance that they themselves have spun, I take culture to be those webs, and the analysis of it to be therefore not an experimental science in search of law but an interpretive one in search of meaning’ (Geertz, 1993; p 5). This paper concentrates on validity rather than reliability and uses a qualitative (non-positivist) constructivist approach which allows an analysis of ‘individual action’ as well as the collective nature of ‘important political activity’ in the WA. The task in this paper are twofold; ‘to uncover the conceptual structures that inform (AM agency and their social discourse) and to construct a system of analysis (to understand how AM leadership impacts on the cultural formation within the institution)’ (ibid, p 27).

Institutions involve formal and/or informal procedures, routines, norms and conventions which are embedded in structure and polity (Hall and Taylor, 1996). These range from rules embedded in the constitution to accepted conventions or informal agreements. Path-dependency means that ideas incorporated in the formation of an institution are endogenous to present and future decisions. Institutions only change in relation to past decisions; change is ‘path-dependent in that initial choices

determine later developments and once a particular pathway been selected, alternatives tend to be ruled out thereafter' (Bulmer and Burch 2001; p 81). However, attention on agency may highlight 'dissensus ... that exists beneath the surface of a programme, or organisational field and ... (overcome possible) neglect of the forces for change' (Peters et al, 2005; p 1275, author's brackets). Without considering the dynamics of agency, path-dependency may fail to provide a full explanation of change because history as a logical trajectory on the basis of retrospective rationality illustrates long term persistent patterns which support the starting point or historical moment (ibid). Consequently, one must assess the actions of individuals because 'small choices in institutional arrangements can have remarkable consequences' (ibid; p 1287).

Peters² (unpublished draft) outlined a number of difficulties with path-dependency in relation to the role of the actor or agent in it's formulation as well as the distinction between policies and outcomes. Peters considered that further empirical analysis was necessary on the question of how path-dependency is produced. Furthermore, a number of commentators have argued 'that historical institutionalism has weak assumptions of agency and tend to ignore the importance of actors in the process of maintaining the path' (Peters, unpublished draft; pp 6-7). Indeed, such discrepancies may be explored through assessing the actions/thoughts of AMs in the new institution in relation to developing legislation as well as pre-devolution Welsh historical and political literature. A study of the early years of the WA provides an opportunity to assess discrepancies raised by path-dependency and agency as well as modes of decision-making in relation to leadership (specifically democratic leadership) and

² The author would like to thank Professor Guy Peters for allowing the use of this unpublished text.

culture. This paper draws on agency, path-dependency, democratic leadership and culture to identify how the Assembly mediates political difference and considers whether AM interpretations of the institution, leadership and policy are formed through self reflective processes and shaped by collective associations in relation to social, cultural and historical norms (Immergut, 1998).

Cultural Issues and Leadership: Conceptualisations

Schein (1996) considered leadership and culture to be elements of an institutional process through which behaviour is temporally transformed and refined. Organisations disseminate behaviours which provide accepted values and norms for new recruits and on-going decision-making as well as daily interaction. Consequently, leadership and culture were intrinsic for an institution because they define or influence norms and behaviour (ibid). Trice and Beyer (1984) argued that culture incorporated the 'system of ... publicly and collectively accepted meanings operating for a given group at a given time' (p 654). In such a way, 'values and beliefs are both created by and revealed to members of organisations and those with whom they interact' (Dawson, 1996; p 142). Separate institutions can encompass different types of culture which reflect 'their particular history and circumstances of definite groups within organisations' (Salaman, 1979; p 184).

Theoretical and empirical studies regarding culture have moved beyond structure in terms of rules and rational-choice and emphasise values, norms, assumptions and beliefs (Schein, 1996; Hofstede, 1994). Commentators have realised that structure provided a theoretical framework that only partially explained human behaviour in

institutions (Dawson, 1996; Dirsmith and Covaleski, 1985; Fox, 1974; Gouldner, 1954). Institutional values, norms, assumptions and beliefs that may be identified in wider social situations and historical process are essential for understanding the relationship between leadership and culture. However, when assessing leadership it becomes clear that it is an enigmatic concept that requires some discussion. Indeed, there is no single definition or formula and numerous commentators and academics have posited definitions (Wilson, 1945; Barnard, 1948; Adorno, 1950; Kutner, 1950; Stogdill, 1950; Kretch, et al 1952; Fromm, 1965; Lewin, 1987; Bass, 1990; Grint, 1997; Adams, 2007).

This paper concentrates on democratic leadership theory but recognises that there are other important theoretical perspectives relating to leadership. These include: trait theory (Northouse, 2004; Stogdill, 1948), which revolves around the idea that leadership skills and capability are nomothetic and identifiable through specific traits. Emergent leadership on the other hand may be learned and is based on the position an individual holds within an organisation. Similar to this is transformational leadership which identifies relationships between leadership and followership and concentrates on empowering individuals and extending leadership capability (Burns, 1978; Bass, 1985; 1990). Conversely, transactional leadership influences people through rewards and/or punishments in relation to goal attainment and is primarily concerned with the completion of the task (Kuhnert, 1994; Kuhnert and Lewis, 1987). Autocratic leadership involves independent decisions taken by the leader regarding how tasks will be carried out (White and Lippitt, 1960). The autocratic leader ‘makes a decision with no consultation ... and announces it as a *fait accompli*’ (Campbell, 1997; p 89). In contrast to autocratic leadership, servant leadership requires the leader to serve the

group and ensure tasks are performed through empathy, awareness and persuasion (Hesse 2001; Greenleaf, 2007). Other leadership theories include people-oriented (Fielder, 1967), environment (Carmazzi, 2005) and situation theories (Kumar *et al*, 2008). This paper concentrates on leadership in a democratic context or democratic leadership in relation to the Welsh Assembly. There is an abundance of literature describing, discussing and providing definitions of democracy (see Aristotle, Plato, Locke, Kant, Rousseau, Paine, Mill, Dahl, Schumpeter, Shapiro) but little on the notion of democratic leadership. Lewin (1987) called for social science to develop a more in depth comprehension of democratic leadership and followership. Group activity underpins the concept of democratic leadership and agendas and motives must be inclusive, accountable, transparent and open. Indeed, central elements of democratic leadership could be closely related to issues and rationales underpinning arguments for Welsh devolution. For further see, Democratic Declaration (1994) Government for Wales Act (1998), Putting Wales First (2000), the Richard Commission (2004) and the Government for Wales Act (2006).

Bass (1990) considered that leadership was about behaviour not formal positions and for democratic leadership behaviour was the main and central component. In a democratic context, the function of leadership involved action that assists the group in the achievement of desired outcomes, while at the same time promoted behaviours that sustain the democratic process. Krech *et al* (1962) argued that the main function of the democratic leader was to ensure participation in the decision-making processes and encourage the dispersal rather than concentration of responsibility. Nagel (1987) went further than this and argued that democratic leadership should not simply ensure authority dispersion but remind people that they have 'collective responsibilities'.

Democratic leadership reflects aspects of positive liberty or a developmental democracy that ensures all interests are represented and considered equally. Once interests are represented further issues arise; are group members capable of representing their own interests? Will participation in elections and decision-making teach the population and interest groupings to participate in democracy more effectively? ‘People think it fanciful to expect so much from what seems so slight a cause – to recognise a potent instrument of mental improvement in the exercise of political franchises by manual labourers. Yet unless substantial mental cultivation in the mass of mankind is to be a mere vision this is the road by which it must come’ (Mill, 1988; p 274).

Democratic leaders should ensure that members or followers have the opportunity to become leaders themselves; the leadership base should continually be broadened (Baker, 1982; p 325). Democratic leaders engender productive, effective democratic policy-making and facilitate a deliberative process to ensure these objectives. Overall, we may argue that ‘webs of significance’ meaning and wider social specific values relating to historical process can be identified in Welsh politics in terms of the continued arguments for democratic accountability. Indeed, this paper investigates whether the WA embodies a Welsh leadership which is reflected in values, policy-making and cultural production. Schein (1996) argued that

‘we must not confuse the individual assumptions of the leader with the shared assumptions that define the concept of culture. Culture only arises when those individual assumptions lead to shared experiences that solve the group’s problems of external survival and

internal integration. Culture is created by shared experience, but it is the leader who initiates this process by imposing his or her beliefs, values and assumptions at the outset' (p 225).

To assess these issues this study requires an overview of recent Welsh historical and political literature and identify perspectives (agency) that existed in the Assembly during its early years and those that persist today in relation to possible examples of path-dependency.

Welsh Devolution, Path-Dependency and Early Culture: Issues for Leadership

As with democratic leadership many of the arguments for devolution and the WA were based around values relating to levels of participation, transparency, inclusiveness, accountability and autonomy. Even if these arguments were not categorically distinguishable at a general level, for many years Plaid Cymru, the Liberal Democrats and the Welsh Labour Party called for QUANGO accountability and democratic control of the Welsh Office (WO). In 1992 the Welsh Labour Party made clear that 'power must be decentralised from Whitehall to local communities in order to create a system of government that is both efficient and responsive to their needs' (Opportunity Wales, 1992 cited in Chaney *et al* 2001; p 3). Griffith (1950) argued that 'what Wales needs now, above all else, is a greater measure of responsibility for its own future, it needs the challenge and all the heart searching it involves' (p 182) in general, 'Welshmen would regard administrative devolution as a necessary step' (p 183). Fifty years on little had changed however, with the

Government of Wales Act (1998) a level of devolution was realised and with the Assembly, one may argue, the heart searching began.

Pre-devolution Wales lacked an institutional focus and culture was built on factors such as language, religion and education. With the realisation of the WA it was possible that this would change and the new institution provided another factor for building culture and identity (see Howell, 2003; 2007; 2009). Further considerations regarding the WA as embodying leadership in the form of cultural producer can be ascertained from studies undertaken by a number of political scientists and historians. Barry Jones and Balsom (2000) argued that even though the institutional change in Wales was 'ahead of individual attitudinal change' (p 283) a new civic culture was developing. Wyn Jones and Trystan (1999) considered that the legitimacy of the WA would depend on its ability to translate the rhetoric of inclusiveness into reality through incorporating all of Wales. Historical texts produced by Davies (1990), Evans (1981), Williams (1985) and Williams (1971) also raise concerns regarding the role of an assembly in relation to Wales. For example, Davies (1990) considered that through the growth of a political institution the Welsh would find their voice and define themselves.

Framework for Analysis: Primary and Secondary Data

To assist analysis of data this paper developed a framework consisting of AM agency in relation to leadership and path dependency as the basis for institutional culture; this provides a means of assessing the relationship between AM agency as leadership and path-dependency as institutional culture. The framework is designed to allow the

analysis to ascertain linkage between agency and path-dependency in the form of leadership and identify ideas and ideals regarding individual interpretations that become the values and norms underpinning institutional culture. As noted in the introduction the data consists of two surveys, individual interviews and historical or more general perspectives of devolution and the WA³.

In the first set of interviews AMs were concerned with developing institutional culture and through agency and leadership converting individual perspectives into a coherent structure. Consequently, ideas such as democratic accountability, inclusivity, diversity, transparency and representation provided tangible agency issues on, which the embryonic culture could be based. Indeed, these ideals still provided underpinning for path-dependency, leadership capability and the institutional culture further investigated through the second set of interviews.

AM Surveys 2001 and 2006: A Generic Perspective

The survey data (2001; 2006) allowed comparative analysis of AM perspectives and clear indication of temporal change. The initial survey illustrated support for an evolutionary approach to devolution when 91% of respondents considered that existing arrangements between the WA and Whitehall/Westminster provided a starting point for transition toward greater legislative powers for the WA. Such a perspective was supported by 64% of respondents who considered the Assembly required tax raising powers. Furthermore, when questioned about constitutional

³ To ensure a level of anonymity and aid analysis interviewees are referred to in terms of party and interview 1 (2001-02) or interview 2 (2006-07) e.g. Plaid Cymru AM (a-1) designates 2001-02 and Labour AM (a-2) identifies 2006-07. The 2001 survey will be labelled Survey One and the 2006 survey labelled Survey Two (Response rate for Survey 1 was 50% and Survey 2, 30%).

arrangements, 86% of AMs thought revisions were needed if the WA was to function as a fully democratic institution. These results indicate that, in general, AM agency and leadership capabilities pursued WA reforms linked to a path-dependency which would extend their power-base and enhance the democratic credibility of the emerging institutional culture. Arguments for devolution and the WA were based around values relating to democratic deficit, participation, transparency, inclusiveness, accountability and autonomy. Such values involve the main tenets of democratic leadership and identify a close relationship between the theoretical framework outlined above and practical situation discussed here.

Accountability and democratic control continued to be on-going concerns for the Assembly membership in 2006. All AMs that responded to the 2006 survey clearly thought that the Assembly provided a vehicle for leadership in Wales. However, the number that thought existing arrangements provided the basis for greater legislative powers fell to 60% (this could mean that 40% either considered the WA had enough powers or that the existing institution no longer provided the basis for the appropriation of further powers). Furthermore, 85% of AMs did not think the WA should have tax raising powers (a large change from the 2001 survey which may reflect the idea that greater legislative powers were required if tax raising capabilities were to be successfully deployed and administered by the institution). Indeed, 80% considered that revisions were required if the Assembly was to act as a fully functioning democratic institution (this does seem to indicate that the rationale for the response to tax raising capabilities and greater legislative powers related to an overhaul of the institution in terms of its democratic validity). For example, even though Peter Hain (Secretary of State for Wales) considered that the Government for

Wales Act (2006) ‘settles Wales constitutional future for a generation’ (Western Mail, April 19th 2006; p 2) certain pressure groups in Wales disagreed. Based on arguments for primary legislation and an enhanced democratic role for the WA in Welsh affairs, pressure groups such as Tomorrow’s Wales wanted further powers for the Assembly. Only then can Wales be governed ‘properly and effectively’ (ibid). The responses from the AMs in the survey reflect these sentiments and identify close relationships between AM agency and institutional path-dependency in the form of leadership and culture; the following interviews intend to investigate these relationships and issues further.

AM Interviews: Agency, Leadership and Cultural Path-Dependency

This section analyses the interviews in relation to the framework set out above (Agency/Leadership and Path-dependency/Institutional Culture). As noted in the introduction, qualitative data samples are difficult to replicate and following results and analysis from the first round of data collection and on-going debates regarding devolution the initial questions were adapted and further questions included in the semi-structured interview framework. The interviews involved small samples and the data collection and analysis concentrated on validity. In the second set of interviews it became apparent that leadership was not only about individual introspection regarding the Assembly (even though this was still important) but also about the institution as a representation of Welshness and related issues regarding Wales as a region of the UK and emerging relationships with the EU.

Agency and Leadership

In terms of cultural development, leadership may be identified through the actions and strategy of Ron Davies in the early 1990s. During this period there was a general recognition that greater democratic accountability was required for Wales. And it is interesting that at the same time as the Democratic Declaration (1994)⁴, Ron Davies identified inclusiveness as the basis of devolution; inclusiveness based on democracy and accountability for Wales. ‘I started using the word inclusiveness in 1994-95 when I was having discussions with the other political parties and it seemed to me a sort of buzzword almost a code word for proportionality. But I could not say proportionality – and it gradually seeped into the [Welsh Labour] Party’s use and from that it seeped into wider use’ (Interview with Ron Davies cited in Chaney and Fevre, 2001; p 23). In a deposition to the Richard Commission, Ron Davies outlined that the blueprint or initial legislation for the WA had been formulated on the basis of inclusivity and powers sharing.

‘It was about ... having a system ... where information, power and decision-making would be shared. It was based on proportionality so that the elected representatives from all parties in Wales would be included. It was based on the idea of partnership ... The construction was therefore an inclusive Assembly – a unique model

⁴ Values such as accountability, democracy and inclusiveness were outlined in the Democracy Declaration (1994) which gave embryonic arguments for an Assembly and underpinned cross-party path-dependency or cultural perspective. The Declaration was approved by a Constitutional Conference of 250 people who represented local authorities, political parties, trade unions and churches in Wales. Osmond (1995; pp 171-2) argued that the ‘conference registered a land-mark in Welsh politics. A strong intellectual case for legislative and financial powers for a Parliament was made, as well as inclusive and transparent democracy in its elections and procedures’. The Declaration outlined an ‘elected parliament, cultural diversity, gender balance, responsibility and greater democracy in terms of electoral procedures and representation’ (ibid; pp 187-88). Issues linked to those identified in the Declaration may be seen in the discussions that formed the devolution legislation, and informed Assembly initiatives and debates thereafter e.g. Government for Wales Act (1998), Putting Wales First (2000), the Richard Commission (2004) and the Government for Wales Act (2006).

of government designed for the particular circumstances here in Wales' (Richard Commission, 2004; Ron Davies).

Inclusivity was born of political expediency, however one may argue the universal acceptance of the term involved a receptive audience in specific political parties and civic society in general. Overall, the extent that inclusivity was perceived as the basis of political expediency or an ideal that emanated from democratic accountability and representation in a Welsh context was debateable. Plaid Cymru AM (a-1)⁵ argued that rather than political expediency inclusivity, transparency and accountability represented a specific form of Welsh political culture. He considered that the Assembly was the outcome of a developing consciousness that recognised the need for a political structure to meet the political aspirations that existed in Wales. However, as identified in Survey One, during the early years of the Assembly there existed some discontent with the settlement and the consequent structure and culture developed on the basis of this. For example, Labour AM (c-1) argued that if wholesale cultural changes were to be realised AMs needed to act in different ways. He considered too much confidentiality remained and too little accountability had been realised, the system was closed and still represented a Whitehall/Westminster institutional culture. Plaid Cymru AM (b-1) agreed with Labour AM (c-1) and thought that when the WA was initiated it was heavily influenced by a Whitehall/Westminster perspective, for instance 'it was the same civil service and the same way of doing things in government. Of the original sixty members, only seven were previously MPs, in other words fifty-three were completely new to politics'. AMs would eventually become professional politicians and develop a new institutional culture but because they were

⁵ To ensure a level of anonymity for AMs the interviewees will be labelled as AM a, b or c and the interviews as 1 = 2001-02 and 2 = 2006-07.

uncertain of their role they would need to learn quickly and develop norms and symbols if their role in the institution was to be clear.

In 2006 Plaid Cymru (a-2) considered that AMs had learned these lessons quickly and perceived a clear relationship between individual agency and leadership as the basis of path-dependency and institutional culture, which provided the impetus and rationale for institutional and political leadership. He argued that AM leadership (especially in Plaid Cymru) involved democratic principles and self-determinism; self-determinism at the national, party and Assembly levels. Furthermore, he considered that as an institution the WA provided leadership in Europe and argued that full Welsh membership of the EU was very necessary because Scotland and England as well as Wales would be strengthened if all were full individual members. Indeed, the Assembly helps the Welsh to identify self and assists in developing pride in their Welshness; it is a form of symbolic leadership. Such has implications for the thoughts of Labour AM (b-1) in 2001 who stressed that for the first time ever; ‘we have our own directly elected institution’. He argued that the Assembly was an institution, which for the first time ever provided the Welsh people with a national symbol, an institution where the focus is the representation of the people of Wales. An institution that provided leadership and reflected cultural perspectives through the values it embodied. Such involves a level of democratic leadership where ‘the good or interests of each person ... given equal consideration (and) all members are ... capable of making decisions on behalf of the demos’ (Dahl, 1989; p 85).

Such interpretations of the Assembly identified a relationship between agency and path-dependency in terms of individual conceptions of leadership and the institution

as a vehicle that embodies Welsh leadership. In this context, how the institution should act was outlined by Plaid Cymru Ex-AM (b-2) who considered that both democratic and autocratic leadership procedures were necessary for a fully functioning Assembly. Inclusivity was useful but balance was required. 'I wouldn't argue for a moment that you shouldn't consult people or decisions were not transparent' in a functioning democratic institution, 'but decisions need to be taken'. Labour AM (a-2) thought that the Assembly provided leadership for Wales and following the Government for Wales Act (2006) this would increasingly be the case⁶.

The head of the Brussels Welsh Office (WO) was able to further illustrate how the Assembly provided leadership for Wales through explaining the relationship between his Office and the European Union (EU). Post-devolution the Welsh Assembly Government (WAG), the Assembly and recently formed Welsh Office in Brussels ensured a coherent Welsh approach and strategy to the EU (especially regarding the advanced stages of EU Regional Development Policy negotiations). Regions in England that were beneficiaries of the same policy took much longer to deal with issues relating to regional development because of difficulties involved in negotiating with numerous local authorities and the problems this causes for a combined strategic vision.

⁶ The third part of the Government of Wales Act 2006 outlines the Assembly's existing powers in terms of Measures, legislative competences and procedures (see Part 3; 93-102). The 'Assembly may make laws to be known as Measures of the National Assembly for Wales' (93; 1) 'within the Assembly's legislative competence ... if it falls within sub section (4) or (5)' (94; 3). An Assembly Measure provision falls within sub-section (4) or (5) only if 'it relates to one or more of the matters specified in Part 1 of Schedule 5 and it neither applies otherwise than in relation to Wales nor confers, imposes, modifies or removes ... functions exercisable otherwise than in relation to Wales (94; 4a, 4b). Part 4 of the Act is more strategic and provides the mechanisms for calling a referendum regarding primary powers. However, Jones-Parry (2009) considered that there may be limited support for a referendum; that said, success in a referendum might be attainable but there is some uncertainty regarding Welsh opinion. A single issue question would be required. However, what should this incorporate and who will lead the campaign was unclear? What about turnout? The date was also perceived as problematic; June 2010 following the Westminster elections and before the Assembly elections in 2011? This would have meant putting before Parliament in early January 2010 so as to incur 120 days then a referendum in late Autumn 2010. It is likely that the entire process will take at least six months. Consequently, a referendum in Autumn 2010 is possible and would be preferable to other mooted dates i.e. on the same day as or following Assembly elections in 2011. However, this leaves only 3 months to inform people about the Act. The Conservatives consider that the referendum should be held if a request is made.

Before devolution Wales was unable to speak with one voice and strategy regarding EU funding and policy development remained uncoordinated. Wales had a limited profile and unlike Scotland and Ireland was not really recognised by EU institutions. Devolution has changed this but the Welsh Office in Brussels and the Assembly still needed to ensure visibility. The Assembly displayed leadership in the EU through the WO and extensive networks. However, he noted that, complacency was not an option as the journey had just begun.

As personification of an embryonic leadership the way AMs perceived the reasons for devolution in relation to the rationale for the Assembly provides important insights into the developing institution and indicates agency in relation to specific path-dependency. In general, AMs interviewed in 2001-02 thought the main reasons for devolution included:

- (a) Democratic deficit (no electoral mandate)*
- (b) Colonial rule through QUANGOs and non-Welsh Secretary's of State (a form of occupation)*
- (c) A voice in the EU*
- (d) Leadership of Ron Davies and inheritance from John Smith (pro-devolutionist).*
- (e) Inclusivity in terms of redistributing goods and justice through economies of scale and heterogeneity*

From these rationales for devolution we may begin to develop an understanding of AM agency or perspectives and the basis of path-dependency in the evolving

institution. In general, we are dealing with issues that directly relate with ideals such as; democratic accountability, internal and external representation, historical precedence, a leadership willing to take these issues forward and inclusive politics in decision-making and distribution of justice. Indeed, these issues are closely related with those identified in the Democratic Declaration (1994) as well as previous deliberations and documentation relating to rationales for Welsh empowerment. For example, Williams (1985) argued history has been central to the continual re-incarnation of Welshness and cultural producers or Welsh ‘movers and shapers have repeatedly employed history ... to turn a past into an instrument with which a present can build a future’ (p 304)

By 2006 AMs considered, that as envisaged in the initial stages, the Assembly remained inclusive, open and transparent in the way it functioned. Liberal AM (a-2) thought that the leadership style and culture of the Assembly was supposed to have been completely open and inclusive. However, it soon became evident (especially for the First Minister and WAG) that if you are open to the press (especially the tabloids) information supplied would be distorted and primarily used as criticism of Assembly initiatives. Consequently, for governments or ministers there needed to be a systematic shift away from the idea of complete transparency. Inclusivity is sought in terms of formulating policy decisions but such is exacerbated through funding issues. Indeed, in certain situations only specific policies may be pursued even though inclusive discussion would opt for alternative outcomes. That said, in general Assembly institutional culture and leadership styles are still ground in the initial ideals based around democratic accountability, inclusivity, transparency and representation.

Path-dependency and Institutional Culture

Arguments that a WA should, could or does symbolise leadership in the form of cultural production can be ascertained from studies undertaken by a number of political scientists and historians. Barry Jones and Balsom (2000) argued that even though the institutional change in Wales was ‘ahead of individual attitudinal change’ (p 283) a new civic culture was developing. Wyn Jones and Trystan (1999) considered that the legitimacy of the WA would depend on its ability to translate the rhetoric of inclusiveness into reality through incorporating all of Wales. Historical texts produced by Davies (1990), Evans (1981), Williams (1985) and Williams (1971) also raise concerns regarding the role of an assembly in relation to Wales. For example, Davies (1990) considered that through the growth of a political institution the Welsh would find their voice and define themselves.

Pre-devolution Wales lacked an institutional focus and culture was built on factors such as language, religion and education and the new institution provided an important vehicle for expanding notions of culture and identity (Howell, 2003; 2007; 2009). Devolution enabled an institution through which further facets of leadership path-dependency and institutional culture could emerge. However, Conservative AM (a-1) thought that the WA was missing a distinct path-dependency and institutional culture because the WLP and local government cultures had been the dominant forces. AMs were being steamrolled into new norms and scripts or WLP culture which included Welsh local government perspectives. Such was still considered the situation by Plaid AM (a-2) who thought that in 2006-07 the predominant culture and leadership within the Assembly was dominated by WLP ideals this provided the basis

for complicity with UK Labour, which would not be challenged until there was a change of Assembly government.

However, one may argue that the synthesis of Labour and local government perspectives could be perceived as an emerging institutional culture. This counters arguments forwarded by Plaid Cymru AM (a-1) and Labour AM (a-1) who denied the inclusion of local government perspectives in institutional arrangement but provided some agreement with the Civil Servant (2001 interviews) who acknowledged local government norms and scripts played a part in the development of a new institutional culture. Labour AM (b-1) indicated that the structure allowed the development of a different institutional culture. In addition, an electoral system based on Proportional Representation (PR) provided diversity and because of this, as well as the scale of government, the Assembly looks toward inclusivity. "I know it's an over-used phrase but inclusivity was to be a new focus. The fact that we have a focus on PR means that diversity and inclusivity are built into the foundations of the NAW, this was clearly a deliberate attempt to promote diversity".

In general, in 2001-02 AMs considered that new norms and values based on pre-devolution ideas were being constructed as the Assembly developed. Labour AM (a-1) argued that the Assembly possessed an institutional culture that incorporated inclusivity. However, he thought that politics in the Assembly were still confrontational. He stated that politics 'were not as confrontational as Westminster but were still politics with an edge'. He did not think one could have a chamber 'where people stand up and be reasonable with each other all the time. It bores the public. It blurs the edge of the debate' Similar issues were raised in 2006-07 by

Labour AM (a-2) who noted that politics in the Assembly are more confrontational in terms of policy rather than the role of the Assembly itself, but it is still a million miles from the Yahoo politics of Westminster. There are differences between the parties and passionate debate about policy but not about the demands of the institution and its necessary trajectory. Consensual politics exist but not in an ideological context, insults are not used and language is measured. The more important the policy the more passionate the debate and under the new arrangements this will only increase.

Labour AM (a-2) considered that inclusivity and transparency were still important parts of the culture within the Assembly. Devolution had been about opening politics up and groups that have worked with the Assembly from the outset would be up in arms if they were now omitted from the policy formulation process e.g. Older Peoples Forum etc. The separation of the legislature and executive was something that needed to occur but politics in the Assembly was still distinctly different from Westminster; politics are still informal, inclusive and consensual. However, the difference is less apparent than it was in the early years of the Assembly.

Liberal AM (a-2) thought the distinction between inclusive politics of the initial years and the present will become more explicit during the third term when the corporate structure is officially dismantled and a sharper version of the reality of government emerges. However, at this point and for the foreseeable future the culture and leadership style in the Assembly was more open than Whitehall and Westminster and the stronger structure (post-2007) will reinforce this culture with an emphasis on new modes of leadership. Similar thoughts that underpinned path-dependency and shared assumptions were forwarded by Labour AM (a-2) who considered that the Assembly

was increasingly seen as the institution that decided on policy and identified what happened in Wales. 'Policy should be created in the Assembly and this should increasingly be the case'. Indeed, over the last eight years clear red water has continued to emerge, which will increase again under the Government of Wales Act (2006).

In general, AMs concluded that there were contested debates and political differences regarding policy; however, inclusivity is clear for issues relating to devolution and how the institution should be taken forward. The Assembly is a cultural producer; it drives culture and nation building in Wales. Culture and identity has been strengthened by the Assembly. A large part of devolution has been the creation of a new Wales; a stronger Wales. The Assembly has developed belonging, cohesiveness and stronger positive cultural identity. Not an exclusive conceptualisation of Welshness but an inclusive perspective; one that has positive rather than negative views of others. Wales has lacked confidence for many years – creating a stronger positive identity creates stronger positive confident consumers and citizens. This involves an internal inclusivity informing cultural production through the idea of an inclusive Welshness that is adhered to by a majority of political parties in Wales. AMs thought that the Assembly was an important institution because it underlined that Wales exists (the WA had become an entity around which many social bodies congregate). The Assembly has become a symbol based on democratic ideals that empowered the people of Wales. Indeed, the initial ideas regarding path-dependency espoused by individual AMs in the first set of interviews were expanded upon in the second and provide an appropriate setting for the continuation and dissemination of democratic leadership.

Conclusion

This paper provides an analysis of empirical data (AM perceptions of the WA) through a theoretical framework including agency/leadership and path-dependency/institutional culture. In both sets of data, underlying ideals such as inclusivity, democratic accountability and representation informed AM perceptions and developing institutional culture. In the initial data, concepts such as inclusivity and transparency were more vigorously adhered to than in the second survey and set of interviews. However, underlying principles relating to democratic accountability and representation remained important ideals and provided the basis of a democratic leadership and institutional culture.

The Assembly leadership evolved essential world-views, scripts and norms and even though strategic decisions would be taken in relation to these a distinct institutional culture emerged from the initial path-dependency. Culture arose through shared experience on the basis of initial policy and early leadership ideals realised through agency and leadership of individual AMs; these were ground in ideals linked with democratic accountability, inclusivity, diversity and transparency and a developing form of democratic leadership.

Concepts such as inclusivity and transparency constituted underlying values and beliefs even though the realities of government diluted these ideals in terms of policies they were still important ideals in terms of an overall institutional culture and firmly ground in path-dependency. The ‘individual assumptions’ and ‘shared

experiences' of AMs in relation to 'internal integration' and 'external survival' led to an institutional culture not entirely based on 'individual assumptions' but 'negotiated assumptions' that ensured institutional leadership for Wales (Schein, 1997; p 225).

Inclusivity was initially used as a means of arguing for devolution and uniting disparate party positions. However, difference emerges between this concept as a political mechanism and cultural perspective; through the individual actions and interpretations of AMs inclusivity becomes an important basis for the direction of devolution. Inclusivity portrays AM agency in the formation of path-dependency where 'small choices in institutional arrangements' enabled 'remarkable consequences' (Peters et al, 2005; p 1278). Path-dependency is apparent in terms of some taken-for-granted 'shared basic assumptions' (Schein, 1997) as they emerged from AMs historical perspectives in relation to evolving interpretation of documentation and emerging Assembly structures. 'Emerging stable relationships' drew on pre-devolution ideas and through shared learning in terms of concepts such as democratic accountability, inclusivity, transparency and openness etc, the membership developed institutional cultural perspectives through agency and the interpretation of worldviews (Schein, 1997; p 17).

Through democratic leadership theory this paper begins to provide some solutions for problems regarding agency and path-dependency, even though the difficulty of historical moment remains (and one might argue arbitrary). Overall, the data suggests that through agency or interpretive activity based on democratic accountability, transparency, inclusivity and representation brought into the institution by a democratic leadership the AMs developed a distinct path-dependency or institutional

culture. Ideals that underpin the rationale for the Assembly are apparent in on-going policy formation or cultural production that provides democratic leadership for the Welsh people through representation at EU and UK levels while at the same time (in general) continues to maintain pressure for further democratic accountability through the realisation of primary powers. If a referendum was called for autumn 2010 there would need to be engagement with the Welsh populace and clear explanation regarding the issues. As would clear consistent questions regarding what would we be requested; law making powers or independence? In this context, does devolution end in an independent Wales? Was this always the path-dependency?

REFERENCES

- Adorno, T. (1950) *Democratic Leadership and Mass Manipulation in Studies in Leadership* (Ed) Gouldner, A. W. pp 418-35. New York: Harper and Bros.
- Adams, A. (2007) Developing Leadership Wisdom. *The International Journal in Public Services*. Volume 3, Number 2, pp 29-50 (12).
- Barnard, C. (1948) *Organization and Management*. Harvard University Press: Cambridge Mass USA.
- Barry Jones, J. and Balsom, D. (2000) *The Road to the National Assembly for Wales*. University of Wales Press.
- Bulmer, S. and Burch, M. (2001). *The Europeanisation of Central Government: the UK and Germany: Historical Institutional Perspective* in G. Schneider and M. Aspinwall (Eds.) *The Rules of Integration: Institutional Approaches to the Study of Europe*. European Policy Research Unit Series, Manchester, Manchester University Press, pp 73-96.

- Bulmer, S. Burch, M. Carter, C. Hogwood, P. and Scott, A. (2001) *European Policy-Making Under Devolution: Britains New Multi-Level Governance*. European Policy Research Unit (EPRU) Book No 1/01 Department of Government Manchester University.
- Bulmer, S. (1997) *New Institutionalism, the Single Market and EU Governance*. Arena Working Paper WP 97/25
- Bulmer, S. (1994) The Governance of the European Union: A New Institutional Approach. *Journal of Public Policy* Vol. 13 No 4 pp 351-380
- Chaney, P. and Fevre, R. (2001). Ron Davies and the cult of inclusiveness: Devolution and participation in Wales. *Contemporary Wales*, 14, 21-49. Cardiff: University of Wales Press
- Chaney, P. Hall, T. and Pithouse, A. (Eds) (2001) *New Governance-New Democracy?* Cardiff: University of Wales Press.
- Davies, J. (1990) *A History of Wales*. London: Penguin.
- Dahl, R. A. *Democracy and its Critics*. Yale University Press: New Haven.
- Dawson, S. (1996). *Analysing Organisations*. Basingstoke, Macmillan Business.
- Evans, G. (1981) *Land of My Fathers: 2000 Years of Welsh History*. Swansea: John Penry Press.
- Fromm, E. (1965) *Escape from Freedom*. Avon: New York.
- Gastil, J. (1994) A Definition and Illustration of Democratic Leadership. *Human Relations*. Vol 47 (8) pp 953-75.
- Geertz, C. (1993) *The Interpretation of Cultures*. New York: Fontana Press.
- Government White Paper (1997) *A Voice for Wales*. London: HMSO.
- Government of Wales Act (1998). London: HMSO.
- Government of Wales Act (2006). London: HMSO.

- Griffith, W. (1950) *The Welsh*. UK: Penguin.
- Hall, P. A. and Taylor, R. C. R. (1996) Political Science and Three New Institutionalisms. *Comparative Political Studies* Vol. XLIV 936-957.
- Hazell, R. (2004). *Conclusion: The unfinished business of devolution* in Trench A. (Ed) *Has Devolution Made a Difference? The State of the Nations 2004*, pp 255-74. Exeter, UCL Constitution Unit, Imprint Academic.
- Hofstede, G. (1984) *Cultures and Organisations: Software of the Mind*. Harper Collins.
- Howell, K. E. (2003) Developing Self and Other Recognition: Political Identity in the National Assembly for Wales. *Public Policy and Administration*. Vol 18 (2) Summer pp 89-105.
- Howell, K. E. (2007) Cultural Perspectives in the National Assembly for Wales: Identifying Path-Dependency, Critical Moments and Critical Junctures. *Contemporary Wales*, Vol 19, pp 38-56. Cardiff: University of Wales Press.
- Howell, K. E. (2009) Devolution and Institutional Culture: Path-Dependency and the Welsh Assembly. *Policy Studies*. Vol 30, Issue 2, 2009 pp 221-235. UK: Taylor & Francis Publishers.
- Immergut, E. M. (1998) The Theoretical Core of the New Institutionalism. *Politics and Society*, Vol 26, No 1, pp 5-34. Sage Publications, Inc.
- Krech, D. Crutchfield, R. S. and Ballanchey, E. L. (1962) *Individual in Society*. New York: McGraw-Hill.
- Kuhnert, K. W. (1994) *Transforming leadership: Developing people through delegation*. In B. M. Bass and B. J. Avolio (Eds), *Improving organizational effectiveness through transformational leadership* (pp. 10-25). Thousand Oaks, Ca, Sage.

- Kuhnert, K. W. and Lewis, P. (1987) Transactional and transformational leadership: A constructive/developmental analysis. *Academy of Management Review* 12 (4) 648-657.
- Kutner, B. (1950) *Elements and Problems of Democratic Leadership* in *Studies in Leadership*.
- Lewin, M. (1987) Kurt Lewin and the Invisible Bird on the Flagpole: A Reply to Graebner. *Journal of Social Issues*, Vol 43, pp 123-39.
- March, J. G. and Olsen, J. P. (1998) The Institutional Dynamics of International Political Orders. *Arena Working Papers WP 98/5*.
- Mill, J. S. (1988) *Representative Government* in *John Stuart Mill: Three Essays* p 274 pp 142-243. Oxford University Press.
- Morgan, K. O. (1999) *Welsh Devolution: the Past and the future* in Taylor, B. and Thompson, K. *Scotland and Wales: Nations Again?* pp 199-219 University of Wales Press.
- Nagel, J. H. (1987) *Participation*. Englewood Cliffs New York: Prentice Hall.
- Osmond, J (1995). *Welsh Europeans*. Seren, Bridgend.
- Osmond, J. (2000). *A constitutional convention by other means: The first year of the National Assembly for Wales* in R. Hazell (Ed.) *The State of the Nations 2000: The First Year of Devolution*. Exeter, UCL Constitution Unit, Imprint Academic, pp 37-78.
- Osmond, J. (2004). *Nation Building and the Assembly: The Emergence of a Welsh Civic Consciousness* in A. Trench (Ed.) *Has Devolution Made a Difference? The State of the Nations*. Exeter, UCL Constitution Unit, Imprint Academic, pp 43-78.

- Parry-Jones, E. (2009) Future of Devolution: After the Convention. *Welsh Devolution: Life under the Tories Conference*. Institute of Welsh Affairs and Cardiff University 4th Dec 2009.
- Peters, B. Guy. (2005) The Politics of Path-Dependency: Political Conflict in Historical Institutionalism. *The Journal of Politics*, Vol 67, No 4, pp 1275-1300. Southern Political Science Association.
- Peters, B. Guy. (2001) *Institutional Theory in Political Science: The New Institutionalism*. Continuum.
- Peters, B. Guy. (unpublished draft) Path-Dependency and Public Sector Reform.
- Pierson, P. (1996) The Path to European Integration: A Historical Institutional Analysis. *Comparative Political Studies*. Vol. 29 No. 2 April pp 123-163. Sage.
- Richard Commission (2004). Commission on the Powers and Electoral Arrangements of the National Assembly for Wales, Cardiff, National Assembly for Wales.
- Salaman, G. (1979). *Work Organisations: Resistance and Control*. New York, Longman.
- Schein, E. H. (1997). *Organizational Culture and Leadership*. San Francisco, Jossey-Bass.
- Smith, M. (1945) Social Situation, Social Behaviour, Social Group. *Psychological Review*. Vol 52, pp 224-29.
- Thelan, K. and Steinmo, S. (1992) *Historical Institutionalism in Comparative Politics in Structuring Politics: Historical Institutionalism in Comparative Analysis* (Eds) Steinmo, S. Thelan, K. and Longstreth, S. Cambridge: Cambridge University Press.

Trench, A. (Ed) (2001). *The State of the Nations: The second year of devolution in the United Kingdom*. Exeter, UCL Constitution Unit, Imprint Academic.

Stoghill, R. M. (1950) Leadership, Membership and Organisation. *Psychological Bulletin* No 47 pp 1-14.

Trench, A. (Ed) (2004). *Has Devolution Made a Difference? The state of the nations*. Exeter, UCL Constitution Unit, Imprint Academic

Trice, H. M. and Beyer, J. M. (1984). Studying organizational culture through rites and rituals, *Academy of Management Review*, 9, 650-66.

Welsh Development Agency (2000) *Entrepreneurship Action Plan for Wales: Making it Happen*. Cardiff: WDA and Steering Committee.

Williams, D. G. T. (1985) *Wales and Legislative Devolution in Devolution* (ed) Calvert, H. pp 63-88. Professional Books Ltd, London.

Williams, G. (1971) Language, Literacy and nationality in Wales. *History* Vol 6 No 186 Feb. The Historical Association.

Williams, R. (1981) *Culture*. Fontana Original UK.

Wilson, L. (1945) *Sociography of Groups in Twentieth Century Sociology*, Guritch, G. and Moore, W. E. (Eds) pp 139-71. New York: Philosophical Library.

Wyn Jones, R and Trystan, D. (1999) *The 1997 Welsh Referendum Vote* in Taylor, B. and Thompson, K. (eds) *Scotland and Wales: Nations Again?* University of Wales Press.