

## CONTEMPORARY CONCEPTS OF LEADERSHIP AND POWER AND THE CASE WITH BULGARIA

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### **Abstract:**

*There are different concepts of power and leadership. Models of power based on strong personality, money and organization are superimposed on models of hereditary power, clan affiliation and icnomic (democratic) power. The neoliberal conception of power and leadership has universal claims, but it does not offer the only successful model, even in the United States. In Bulgaria, a country from the Eastern Orthodox tradition, the neoliberal model has been imposed factually on traditionalist power relations, and poor outcomes in societal development have led to alienation between elites and ordinary citizens.*

**Keywords:** *types of power and leadership, culture, characteristics of Bulgaria.*

## СЪВРЕМЕННИ КОНЦЕПЦИИ ЗА ЛИДЕРСТВОТО И ВЛАСТТА И ПРИМЕРЪТ С БЪЛГАРИЯ

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### **Резюме:**

*Съществуват различни концепции за властта и лидерството. Моделите на властта, основани на силна личност, пари и организация, се наслагват върху моделите на наследствената власт, клановата принадлежност и икономическата (демократичната) власт. Неолибералната концепция за властта и лидерството има универсални претенции, но тя не предлага единствения успешен модел, дори и в САЩ. В България, страна от източноправославната традиция, неолибералният модел е наложен върху традиционалистките властови отношения, а лошите резултати в общественото развитие водят до отчуждаване между елитите и обикновените граждани.*

**Ключови думи:** *типове власт и лидерство, култура, български характеристики.*

## INTRODUCTION

Issues of leadership and power are of paramount importance in the context of the crisis of the model of social development that has become evident in the Western world since the economic collapse of 2008. The

consolidation of Bulgaria as the worst performing country in the EU is also simplistically explained by the inappropriate choice of political leaders, without looking deeply into the relationship between cultural and historical conditioning of power and leadership.

## I. LEADERSHIP AND POWER

According to one definition Leadership is "...a process of social influence in which a person can enlist the aid and support of others in the accomplishment of a common and ethical task". Basically, leadership can be defined as an influential power-relationship in which the power of one party (the "leader") promotes movement/change in the "followers".(John C. Maxwell, 1993) According to the laws of sociology each human community creates its own leader. The levels can be different:

1. World level – the simplest example in this case are religious leaders, real or legendary personalities like Moses, Christ, Mohammed or personalities of world importance in modern times like Mahatma Gandhi, Mother Teresa etc. who have had a noticeable impact on world development.

2. Society level, including concrete state – a leader of local importance – political, military, spiritual, with significant contributions to societal development.

3. Small community/group – enterprise, interest group, football team, etc.

Leadership is directly related to power and effective management. In “Anatomy of Power”, John Galbraith outlines power as a combination of charismatic personality, organization and money. According to his argument, power can be exercised when only two of the conditions are met. (Galbraith, 1983) The third missing condition can be met in the course of exercising power. That is, if a charismatic personality emerges with inspiring ideas and succeeds in creating an organization to implement them, that organization will also acquire financial resources. If financial resources and organization are available, then the same can elect a leader to whom they can attribute "inspirational ideas" - i.e. the "leader" can be artificially created through the means of propaganda. (Galbraith, 1983) This is all the easier the more difficult direct communication is between the people and the leader. In large communities (from entire nations to large companies with several levels of leadership) this direct connection is usually the exception; communication is mediated by technical means (radio, television, Internet, official correspondence) and by technology and communication technologists – so-called Public Relations.

This means that we are dealing with either a real leader or a fictitious leader who is the product of high-tech social engineering. In the latter case, it

may be a "hidden" leader (a "grey cardinal") or a "hidden" collective leadership that, for various reasons, does not want to be publicly accountable. There is a variant in which the strong influence of an individual is not necessarily accompanied by organisation and money. This is the case with those spiritual leaders (including writers, poets, scientists, etc.) who do not seek real power and material gain. Often their influence grows after their death, and their charisma is exploited by their followers who seek real power and build a mythology around them that reinforces (or even distorts) the messages they convey.

Mikhail Hazin also looks at the three types of power, but from a different perspective. The first kind of power is economic in nature. It is the most complex, flexible and diverse; the relations between people in it are short-term - hiring, working, leaving. Economic power requires no special qualities from subordinates - the job description plus the controls allow almost anyone to achieve results. This is the kind of power that a democratic political system is most suited to. Above all, this kind of democracy that takes political relations out of economic relations. But, according to Hazin, economic relations and ties are weaker than feudal ones. (Hazin, 2016, ch. II) Loyalty in a democratic political system can be more easily bought, for which there are ample evidences in contemporary Bulgarian practice.

Above economic power is the second kind of power, "feudal" power, based on relations of personal loyalty. This mechanism is simpler and therefore more reliable. Economic and feudal power are closely linked to the economy and the state: while the state sets the rules, the economy constantly tries to circumvent them. The weakness of this kind of power is evident when the state, ruled according to the simplified "feudal" model, tries to manage the economy itself in times of crisis. Simplification of governance processes drastically reduces efficiency - a managed system cannot be more complex than the centre that manages it. "The economy is like a bird in the hand, if it is squeezed too hard - it will suffocate". (Hazin, Ch. II).

The third type of government exists only in states with hereditary elites and is even older and more stable than feudal statehood. It is "tribal" power, the most primitive and the most reliable. "In hereditary dominions, accustomed to a ruling family, the difficulties of preserving them are much less than in new ones". (Machiavelli, 1513, chap. II) The man who belongs to the elite is educated from childhood in the spirit of the "us-them" confrontation and remains faithful to tradition, despite vassal oaths. For this reason, elites (if there are any) always control political power. At the same time, however, tribal power is extremely inert, and if the elites themselves directly attempt to rule the state, the consequences can be disastrous. (Hazin, 2016, chap. II) As society became more complex in the 19th century, the concept of the "absolute monarch" collapsed, and the hereditary monarchies in Europe practicing direct

rule ended for good in the early 20th century. Monarchies such as the British survived, in which hereditary elites were content merely to control society in a discreet manner.

## II. CONCEPTS OF LEADERSHIP AND MANAGEMENT

There are different opinions on the qualities a leader should possess. These certainly include internal resilience (uncertainty should not be externally manifested) and strong will - a group of people cannot be convinced of the strength of a message if the person spreading it is not able to go to extremes to defend it. (There are many examples of people sacrificing their lives for certain ideas.) Physical strength and beauty, even eloquence, are not necessary qualities, although they are very useful, especially in "assembling" an "artificial" leader through the means of propaganda. Even sociability is not obligatory; there are successful introverted leaders. Bill Gates is such a person, so is Charles Darwin (Geher, 2018). But people skills, including manipulative skills, is a must for leaders who strive for power.

Different types of leadership are described in textbooks. It is important to note that most of them derive from Anglo-Saxon concepts of management. It is a conjuncture in science. After 1990, the neoliberal model of social development practiced over the last 3-4 decades in the United States and elsewhere seems to be the right one, as the socialist model decisively lost the Cold War. This neoliberal model has been imposed as universal. Somewhere it has been adopted with great willingness, including in Eastern Europe, which is rushing to apply the formulas of more successful social development. At the heart of this model is the concept that the rights and freedoms of the individual take precedence over the interests of society, which must, however, benefit from the removal of obstacles to the free initiative of the individual – for instance the concept of Trickle-Down Theory.

In Eastern Europe, this economic model is being imposed simultaneously with the restoration of the democratic political system. However, it presumptively rejects the concept of "authoritarian" style leadership, which poses an interesting contradiction with traditional culture, e.g. in the USA. The pronounced individualism of American society actually promotes the cult of the strong personality ("self-made man"), and this long before Ludwig von Mises and Friedrich Hayek formulated the tenets of neoliberalism: the cults of the legendary authoritarian founders of business empires - Vanderbilt, Rockefeller, Henry Ford - of the late 19th and early 20th centuries are a case in point, and also of Bill Gates, Steve Jobs and Elon Musk in modern times.

Donald Trump's successful political breakthrough (personal charisma, then mastery of the Republican Party, and ultimately raising sufficient

financial resources for success) was possible on the basis of this traditional culture in which power rests on "feudal" loyalty. (A good literary expression of this culture are the neo-romantic works of the classic Jack London, e.g., "Burning Daylight".) The ensuing "Fronde" against Donald Trump is an expression of the conflict between the two models of power, "feudal" and "economic" (embodied in the US more by the Democratic Party), in which the "economic" model is able to mobilize more resources but has trouble sustaining motivation and power over a longer period. And above all with the emanation of a "charismatic" leader, a task last accomplished with the nomination of Bill Clinton as presidential candidate.

Despite the cult of the strong leader in the US, there are democratic constraints on power, including in the economy - e.g. boards of directors and general meetings of shareholders in public companies. But before the media, organizations tend to remain in the shadows as a source of power - collectivism does not fit the culture of American society. Because of this ambiguity, some strange cases often cannot be understood - for example, why and how Steve Jobs was forced to leave Apple, the company he himself founded in 1986 (Hazin, 2016, ch. I).

But societies in the Far East follow the opposite concept of the primacy of public interest over private interest, hence a different model of leadership. There, collectivism is the rule. Even in post-war Japan, carefully modelled on the USA, individualistic liberal democracy is a façade of a traditional society that has retained its links with feudal traditions, even at the state level, and even more so at the corporate level. Japanese leaders great power in based on Confucian hierarchy model, which involves the middle management layer in governance and implies consensus, where the team is more important than the individual. (Yous, 2017) The success of Japanese management style caused a wave of imitation in American corporations in the early 1980s and prompted Thomas Peters and Robert Watermann to write the book "In Search of Excellence: Lessons from America's Best-Run Companies", 1982. There, Peters and Waterman show that management style does not work well if it does not fit the local culture. Rather, they look for the answer in line with American traditions, for example, for which it is not common to seek a consensus solution. The Japanese style of management and the Japanese concept of leadership proved not suitable for the US, and besides the Japanese "economic miracle" ended in the late 1980s. But it is not the Japanese model of governance that is to blame for this, but demographic processes in the country and external political pressure (the Plaza Accord).

A pyramidal power structure with clear loyalties and obedience to the common good in exchange for lifetime security is typical of all Far Eastern societies, and the political system plays almost no role. Singapore, like Japan, is a democracy, but the People's Action Party has ruled there continuously

since 1965. The country's success is associated with the personality of the party's founder, Lee Kuan Yew. His son, Li Xiang Lun, is now Prime Minister. Their style can be described as authoritarian from a liberal point of view. It corresponds to the management style in the companies, but above all it corresponds to the local Confucian culture and has been extremely successful.

The struggle for power is always a struggle to acquire and allocate resources. But in many cases the quest for power is only for power's sake. There are leaders for whom power is an end in itself. They do not seek to enrich themselves through it, but to exercise it in the public interest, as in the above example of the leaders of Singapore. This is usually the case with hereditary elites who think strategically for decades ahead and see the state as an asset to be preserved, developed and passed on. However, such state-centric thinking can also be found among leaders from different, humble backgrounds, and even in business, as is the case with American business empires - Andrew Carnegie and others, after the initial accumulation of capital. The case of Belarus, for example, is similar - Alexander Lukashenko is often described as a dictator, but there is no evidence to support suggestions that he exercises his power for material gain. In fact, the country's economy is mainly controlled by the top bureaucracy, which is expected to manage property in a statesmanlike manner.

For elites of humble origins, short-term thinking is more prevalent and power is then associated with the possibility of profit, and it is only at a later stage that the power-money-more-power scheme of the model described by Galbraith emerges.

Since different and even opposing management models can be successful, the question arises: what is the criterion for success? Obviously, success boils down to this: to take power and hold it, then demonstrate such results of exercising it that cannot be effectively challenged by anyone. At least in the case of businesses, the results are obvious and measured in financial terms, yet their leaders can fail for reasons beyond their control. With football teams, good coaches are easy to find, and here too sporting results are a good, if not perfect, indicator. At the political level, objective assessment is much more difficult - the results of social development itself are often controversial and best assessed over time, so the contributions of political leaders may remain controversial for a long time.

### III. CULTURAL AND HISTORICAL CHARACTERISTICS OF BULGARIA AND LEADERSHIP

First of all, it should be noted that Bulgaria is one of the oldest countries in Europe - it was founded in 681 and still bears the same name, which is rare. During this long period, the most important cultural change was

the adoption of Orthodox Christianity in the 9th century, after which the culture remained relatively constant, despite strong Western influence after the mid-19th century.

This culture conforms to the pattern of Orthodox societies established by the Eastern Roman Empire. It includes centralization of power - sole rule, hierarchy, public interest is subordinated to private interest, and the guiding concept is "justice". Its guarantor is the emperor/king as the representative of God, "supreme judge, administrator... but also the embodiment of the living law." (Tomov, 2012, p.76) This concept was inherited in medieval Russia, but also in the Ottoman Empire, the political successor of the destroyed Eastern Roman Empire. "Orthodox civilization" does not know the Western division of power between different centers, which is done in the West for different reasons. It is a reminder that Charlemagne became emperor in violation of the law of the time (there couldn't be two Roman emperors), and this is one of the reasons for the ensuing hostility between East and West. From an Eastern European perspective, the power struggle in Western Europe between the Pope and the secular rulers was also unnatural and incomprehensible. This tendency to unite behind a clear center of power is characteristic of Orthodox societies. This means that here the model of the strong personality prevails, and if the personality is not strong enough, the organization is always ready to build a corresponding mythology around it - the "cult of personality", which is also known in Central and East Asia.

For more than 13 centuries, the Bulgarian state disappeared twice - between the 10th and 13th centuries and between the 14th and 19th centuries. In the second case - during the Turkish rule, the Bulgarian aristocracy was completely destroyed. For 144 years the third Bulgarian state failed to build a lasting hereditary elite due to many vicissitudes: two national catastrophes - in 1912 and 1918, the complete replacement of the elite after the socialist revolution of 1944, again a complete social reconstruction after 1990. Therefore, we currently have a "feudal" form of government - the communist elite ruling until 1990 handed over power to their children and grandchildren, including at the cost of political renegadeism. (Some of the children mentioned are now among the most prominent "anti-communists" and "professional" democrats).

In the political constellation after 1990, feudal power is hidden under the mask of economic power - Bulgaria is formally a liberal democracy and a market economy. Through privatisation and other mechanisms in the period 1990-2005, the country's wealth fell mainly into the hands of a few clans, derived mostly by the former communist elite. In reality, there is a constant struggle between these clans for a monopoly over income-generating activities and natural resources. There is a truce between the clans when resources are sufficient, but when resources are scarce the struggle resumes and expresses

itself externally in political crises. This struggle involves political and business leaders and associated senior officials. It is a simple oligarchy that buys its peace from its external patrons and demonstrates loyalty to them on all issues, even in the face of apparent public opposition.

Today's Bulgarian elite is only the second or third generation. Given the vicissitudes of recent Bulgarian history, its long-term survival as an elite is uncertain. For 32 years it has been driven mainly by the search for material resources, always ready to export what it has acquired abroad. Particularly in the crisis events of 2021 and 2022, the Bulgarian elite's confidence that the country is securely protected by NATO and the EU is diminishing, along with its confidence that it is able to pay for external security guarantees. The results of his 32-year rule have been generally poor. Feudal relations prevail within the already stable clans that have political representation. Behind the façade of a market economy lies another kind of economy and another kind of relationship of patronage and competition, simplistically called "corruption". Corruption in a market which, in most of its segments, is so small that it is all too easy to control and monopolise. Corruption in fact embodies the now firmly established economic model that began with the looting of state property through "input-output economics" and privatisation and of people's savings through price and currency speculation in the period 1990-2005.

Success under these conditions requires leadership in the face of unrestricted competition reminiscent of the power struggles in medieval Italy described by Machiavelli. In the early 1990s, street gangs emerged in Bulgaria and were used by the elite to clear the field of unwanted competition. The successful leaders of some of these groups attempt to emancipate themselves from their founders, but only those of them who truly combine the qualities of "lion and fox" (Machiavelli, 1513, ch. XVIII) remain alive and make successful business and even political careers. This also applies to professional political leaders, many of whom lack personal charisma but use the services of the dependent media in building an artificial one. The successful business leader at lower level is now the one who tests the upper limit of growth allowed him by the elite and manages to redeem himself while participating in the distribution of public goods. This implies very different qualities from those taught in the usual translated management textbooks. The patterns of behaviour described in these textbooks allow for success at a very low level in Bulgaria - small businesses in niche markets with very low profit levels and sums, e.g. a bakery, a car service etc.

There is more leeway for companies with activities that do not allow effective control - for example, logistics has long been a profitable industry in Bulgaria, mainly because many freight forwarders serve external customers within the EU. Information technology is another example of a market that cannot be controlled, forming part of a global network to create new value.



There are individual, few, examples of successful leadership based on the economic power model taught in our universities - Walltopia AD, Telerik, etc. There are many small and medium-sized enterprises of this kind that are struggling to achieve this success, but so far the results have been modest and this sector of the economy has no political representation.

At the same time, feudal groups are represented by political parties that take turns in power and maintain the same pattern of (failed) social development. Significantly, among the common accusations that these parties make against each other in the political struggle is that they are "leadership parties" - a model that is culturally specific to Bulgaria and at the same time alien to the dominant EU concept of "democratic" (economic) power. In fact, these parties are ostensibly democratic parties successfully legitimised in the party alliances represented in the European Parliament.

As a result, there is a large disconnect between the population and the elite - both at political and corporate level. From the point of view of at least half of the population, this elite is not legitimate (not fair) in terms of democracy and the rule of law, which is reflected both in participation in political life, in weak loyalty to business and leadership, and in the general accumulation of scepticism, which manifests itself in various forms - Greta Tunberg and her "cause", for example, have almost no support in Bulgaria, especially among the older generation.

Bulgarian society now looks with suspicion at any political leader who openly states that he wants power, because over the last 32 years there have been too many examples of abuse of power for personal gain. In contrast, people are more likely to trust and follow figures who are outside political life but active in the cultural sphere, for example. However, the attempt of such authorities to transfer this duality to politics generally leads to failure due to a mismatch with the rules of the power struggle, which in this case are far removed from the idealised and simplistic notions of the "rule of law".

## CONCLUSION

Types of leadership and power are culturally and historically conditioned. A preoccupation with culturally alien models cannot produce good results, but can only cause internal divisions in society, whereby the "feudal" type of power and leadership more often prevails as more reliable and closer to the inherited culture, which is difficult to change within two or three generations.

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