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**Politics
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Making sense of the politics of delivery

our findings so far

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Introduction

In January 2012, researchers at ODI asked: Why do countries fail to deliver adequate services despite large injections of cash, improved policies and formal systems? (Foresti, 2012) Now, as then, we think politics has much to do with the answer and that development agencies need to take politics into account more if they are to improve sector outcomes. But we also recognise that to design and implement more politically informed programmes, practitioners need more – and more systematic and specific – evidence and guidance.

To respond to this need, we began a new programme on the politics of delivery. This brief gives an overview of our main ideas, activities and findings, and our initial plans for future work.

Recent research has found that sectoral aid and support for service delivery focus mostly on macro-policy rather than ‘downstream’ delivery issues. This has meant that, while sectoral aid and programmes have improved formal policy and systems, they have not necessarily addressed the incentives faced by frontline service providers and managers who have direct control over the provision of goods and services (Williamson and Dom, 2010; Wood et al., 2008).

These incentives remain something of a ‘black box’. There is a need to better understand the political economy issues that influence the motivations and behaviour of service providers, regulators and users, and which can undermine better delivery of goods and services within different sectors and countries. Understanding this black box, and what can be done about it, is the main focus of our work.

Politics of delivery: diagnosing the problem

There is no doubt that political economy analysis (PEA) has helped answer some of these questions. Yet many would say that researchers have not found a middle ground between generality and specificity (Harris and Booth, 2013). On the one hand, the use of catch-all concepts, such as political will or unspecified incentives, fail to provide enough analytical purchase on which to hang entry points for reform. On the other, if we view every context and problem as *sui generis*, experience cannot be used to construct theories of change that in-

clude learning across programmes and contexts.

Based on research in education, health, water and sanitation, we have developed a set of possible explanatory factors about how politics and governance can constrain or enable equitable and efficient service delivery in developing countries. We are particularly interested in the interactions at regional, district and community level between local government officials, service providers and users – the ‘missing middle’ of the service delivery chain. Some of these constraints reflect the nature of the wider governance system, and may have similar effects across sectors, for example in how financial resources are used or how human resources are allocated (see Box 1).

Box 1: Common governance characteristics

These governance factors are non-normative and describe the motivations of actors and relationships between them.

- Credibility of political commitments.
- Strength of oversight systems.
- Coherence of policies and processes for implementation.
- Capacity for local problem-solving and collective action.
- Presence/absence and severity of moral hazard.
- Presence/absence and severity of rent-seeking.

Source: Harris and Wild (2013); Wild et al. (2012).

There are also specific technical features of sectors themselves, which can have political implications (see Box 2). Understanding how these features of the wider context and specific characteristics of sectors interact is key.

These diagnostics, and a newly developed problem-driven PEA framework, provide us with a toolbox of concepts, methods and processes that go beyond generic references to problems of political will or perverse incentives in order to identify specific political constraints and opportunities.

Box 2: Technical characteristics of sectors with political implications

Technical characteristics of sectors influence both the incentives that users, providers and politicians face and the accountability relationships between them, with important consequences for the quality of service delivery:

- The nature of good or service: e.g. whether the good or service is rival and/or excludable.
- Market failure characteristics: e.g. whether the sector displays monopoly tendencies, positive/negative externalities or information asymmetries.
- Task-related characteristics: e.g. measurability and visibility of outputs, levels of discretion, transaction intensity variability or the degree of professionalisation among providers for different tasks.
- Demand characteristics: e.g. how service users access and experience services and how they voice preferences, including variation in frequency and predictability of access and the political salience of services.

Source: Harris and Wild (2013); Wild et al. (2012).

Our approach: from problems to theories of change

Development agencies now accept that political economy analysis is an important tool for programming, but they are frustrated with the lack of practical insights from generic, country-level studies. Our approach is therefore to work closely with in-country advisers and programme managers, throughout the programming cycle, to help them identify, analyse and respond to specific problems in the delivery of public goods and services.

Over the past fifteen months, we have been doing problem-driven applied PEA in different sectors – health, water, sanitation, justice and security, social protection – and countries, including Malawi, Nepal, Rwanda, Sierra Leone and Sri Lanka.

Our problem-driven framework for applied political economy analysis (Harris, 2013) builds on existing guidance (e.g. Fritz and Levy, 2009), but addresses important gaps. Two features, in particular, improve its operational relevance:

1. The framework is built around a process that clearly distinguishes between three distinct, but related, phases in the analysis: problem identification, problem diagnosis, and consideration of feasible change

processes for programmes to engage with (see Box 3).

2. We provide a conceptual and theoretical toolbox to help with diagnosis of specific political constraints and, crucially, identification of potential entry points for reform. Grounded in social science theory, this toolbox provides suggestions about how structural and institutional factors might influence, and be influenced by, people's interests, relationships and behaviour.

Box 3: PEA framework: from problems to theories of change

This framework takes a layered and iterative approach to problem-driven analysis, structured around three main dimensions:

Problem identification: identifying the specific 'problem' to be addressed or those poor outcomes to which political economy issues appear to contribute.

Diagnosis: This has two components: (i) Structure: identifying those systemic features that help to explain why the problem persists (e.g. historical legacies, geographic and social features, geopolitics, and the 'rules of the game' that underpin power relations); and (ii) Agency: identifying the incentives that shape actors' behaviour, including key motivations, decision logics and power dynamics. Crucially, analysis needs to look at the interaction of both structure and agency, and can draw on a varied toolbox of relevant analytical concepts.

What can be done: Identification of plausible theories of change and assessment of the range of potentially viable entry points (selection of appropriate modalities, timing and sequencing of interventions, and so on).

Source: Harris (2013)

Our findings I: country and sectoral case studies

Table 1 presents the main findings from our sector studies. In almost all cases, we worked with practitioners to identify a specific operational or developmental problem for analysis, using the problem-driven PEA framework. For some studies, we deliberately sought to understand why progress had been possible in some sectors, despite broader governance constraints. As a result, findings relate to a diverse set of problems, issues and diagnoses of underlying constraints or enablers.

Table 1: Politics of delivery in different sectors: problems and causes

Country	Problem/Issue	Diagnosis of problem or drivers of progress
Health sector		
Malawi (Wild & Cammack, 2012)	Widespread stock-outs of medicines despite formal policy commitment to free essential medicines.	<ul style="list-style-type: none"> • Structural and institutional factors, including patronage-based appointments and erratic decentralisation, mean that formal processes for monitoring and supervision are not followed across the chain of service delivery. This has led to tolerance of poor performance and the growth of private health provision. • Monitoring is made more difficult by both monopoly tendencies, caused by centralisation of medicine supply, and the difficulty of standardising medicine supply, which needs to match disease burdens. • The scope for both collective action and bottom-up monitoring is limited because curative care is episodic and unpredictable, and users lack technical knowledge.
Rwanda, Malawi, Niger and Uganda Chambers & Booth (2012)	Variation in improvement in maternal health outcomes.	<p>In contrast to Malawi, Niger and Uganda, Rwanda has in place:</p> <ul style="list-style-type: none"> • coherent (horizontal and vertical) oversight systems, with strong top-down supervision, • coherent and mutually reinforcing policy reforms, • state-supported community problem identification and solving, as well as mechanisms for integrated user feedback and complaints into delivery systems.
Nepal Harris et al. (2013)	Unequal distribution of health professionals across urban and rural areas	<ul style="list-style-type: none"> • Human resource management in the health sector is undermined by policy incoherence and rent-seeking. Patronage networks rather than merit or staff rotation determine access to preferred (urban) posts, training and career advancement. Patronage is intimately linked to political clientelism, competition and party financing rather than straightforward economic gain. • Lack of education means that information asymmetries are more pronounced in rural areas and health professionals fear violent reprisals from users if their relatives die or suffer injury during treatment.
Water and sanitation sectors		
Colombo, Sri Lanka Mcloughlin & Harris (2013)	Impressive progress despite civil war	<ul style="list-style-type: none"> • Historical legacies of service provision by a centralised welfare state to key constituencies and high levels of technical competence support policy coherence and improved delivery. This has increased citizens' expectations and made political promises around the delivery of water and sanitation credible. • Water services are more visible and create more opportunities for rents than sanitation. The lack of political salience of sanitation has meant that the state has been more willing to devolve responsibility for these services to lower levels of government than it has for water.
Justice and security sectors		
Sierra Leone Denney & Fofana Ibrahim, (2012)	How women experience violence and seek redress	<ul style="list-style-type: none"> • Women can be subject to different types of violence, and these are often related, e.g. where structural violence creates the enabling conditions for domestic, sexual or cultural violence. • Women seek redress through three different justice chains – formal, customary and alternative dispute resolution mechanisms – that are intimately linked. • Issues of access influence how women navigate these justice chains; as do other factors relating to the individual crime and victim, and their perception of justice providers.

Social protection sector

Country	Problem/Issue	Diagnosis of problem or drivers of progress
Nepal Harris et al. (2013)	Political feasibility of a national employment guarantee scheme	<ul style="list-style-type: none"> • There has been a proliferation of public works programmes in Nepal. Domestic drivers of this include: nature of political competition and the prevalence of coalition politics, the politicisation of bureaucracies and bureaucratic competition, and political uncertainty. • On the donor side, issues to consider in terms of the feasibility of a consolidated approach include: ideological and organisational preferences about instrument selection and design, concerns about fiduciary risk and incentives for information-sharing rather than active coordination.

In most cases, the research went beyond the diagnosis of the nature of a problem to consider plausible change processes and entry points through which programmes might support changes in incentives and relationships (see Box 4).

Box 4: Entry points for reform

The case studies above document current examples of theories of change that do not effectively engage with the realities of front-line provision. More closely aligning these theories of change with the governance dynamics identified should improve programming and, in the long run, outcomes. For example, analysis in the health sector from Malawi and Nepal suggested the following:

In **Malawi**, where chronic stock-outs of essential medicines have persisted despite increased funding and repeated reform efforts, we recommended that donors prioritise two areas:

- Strengthening policy coherence and performance monitoring, through change management support to the Central Medical Stores and exiting from parallel medicine supply systems; and
- Supporting improved local level monitoring and delivery of medicines, including through scorecards initiatives (Wild and Cammack, 2012).

In **Nepal**, where poor availability of qualified human resources in remote rural areas continues to undermine health outcomes, we recommended:

- Improving information to the health workforce (e.g. on future employment needs and training opportunities, as well as transfers and training opportunities) and to health planners (e.g. on private sector training, recruitment and retention);
- Reducing the gap in perceived value between rural and urban posts by improving conditions in rural posts or through the extension of existing mandatory service requirement schemes; increasing incentives for transfers; and
- Addressing aspects of party financing (e.g. through improved reporting and audit mechanisms), to reduce the ability of political parties to use health worker allocation for rent seeking opportunities (Harris, et al., 2013).

Our findings II: aid modalities and models of engagement

On the basis of this first round of diagnostic and empirical activity, we have been able to refine and develop our thinking and approach for the next phase of country and sector engagement. In addition, we have considered how choices about aid modalities influence the ability of development agencies to engage with domestic reform processes that seek to address institutional constraints to improved service delivery. We have also started to explore potentially innovative models of engagement to help build the institutions that act in the collective long-term interests of citizens of developing

countries.

Aid modalities: A summary of an exploratory analysis of four aid programmes suggests that aid-funded activities can facilitate government efforts to address governance constraints in public service delivery. However, it also indicates that how programmes are designed and implemented affects whether they are able to gain domestic traction and support institutional change (see Box 5). This is an exciting area of research and policy engagement because it suggests that external actors can play beneficial roles in government efforts to address political constraints if they adopt appropriate approaches. Unlike domestic factors in partner countries,

donor countries have direct control over how they provide aid (Tavakoli et al., 2013).

Box 5: Aid characteristics that support institutional change and improved outcomes

Six factors appear important to enable aid-funded activities to gain domestic traction:

1. Identify and seize windows of opportunity: exploit country-led imperative for change.
2. Focus on reform of goods and services with tangible political pay-offs.
3. Don't focus on ideal models; build on what exists and get current policy and legal mandates working.
4. Move beyond reliance on policy dialogue and focus instead on making existing systems deliver.
5. Bear transaction costs to facilitate problem-solving and local collective action.
6. Ensure adaptation by learning.

Source: Tavakoli et al. (2013).

Arm's length aid: This think piece makes the case that a particular model of engagement and organisation may be best placed to help people in developing countries build the institutions that enable them to act in their collective long-term interests. Such 'arm's length' models work through organisations that offer advisory services directly to governments and other public bodies in developing countries and have had some success as brokers of collective action and/or facilitators of change. Examples include the Africa Governance Initiative, the Budget Strengthening Initiative and TradeMark East Africa. We propose that this sort of arm's length aid could contribute to locally anchored institutional innovation and reform in developing countries – and that donors should consider delivering more aid in this way (Booth, 2013).

The way forward: matching solutions to problems

The combination of diagnostic tools, conceptual frameworks and empirical research provides a toolbox to help diagnose more systematically the governance factors that affect service delivery (positively or negatively). By improving our understanding of why challenges persist, we can learn from experience without simply transplanting solutions blindly. This helps to ensure that the theories of change that underpin programming are plausible, based on what is known about the context. This gives us a better understanding of how to match diagnosis of particular problems or constraints to dif-

ferent solutions and policy options. It can also provide a useful shared language for governance and sector advisers and practitioners.

As an example, Box 6 illustrates how, in the presence of two of the common governance constraints identified above, namely policy incoherence and a lack of collective action, interventions could be tailored to better support implementation.

Box 6: Matching solutions to problems

Identification of the specific governance constraints that undermine service delivery in each case or problem enables solutions to be matched to actual problems. For example:

Where there are high levels of policy incoherence, programming might be tailored towards better defining mandates, roles and responsibilities (horizontally and vertically), which is in principle well suited to smart technical assistance. There may also be scope to support government prioritisation processes to address specific implementation gaps (Tavakoli et al., 2013).

Where under-provision reflects a lack of capacity for collective action, a scorecard approach may be helpful, or something that tries to broker action by communities themselves, possibly through third-party or 'arm's length' assistance that separates the facilitation and disbursement functions (Booth, 2013).

Moreover, identifying how the nature of the sector interacts with the wider governance environment allows us to better identify the entry points for reform. Some issues may be resolved by reforms or support aimed at the particular activity or sector; others may require broader, more systemic changes and new partnerships or forms of engagement that go beyond the sector in question. There may also be greater opportunities for cross-sector dialogue and lesson learning, for instance, where two or more sectors have recurring problems of a bias towards visibility (which can lead to the prioritisation of construction over quality) or have shared challenges of information asymmetry (which can undermine user accountability and erect barriers to collective action).

Over the next few months we will take this work further, through greater documentation and sharing of findings about how different programmatic and aid approaches can better respond to these constraints and dynamics. This will include new analysis about how aid modalities and programmes can best engage with front-line service delivery incentives and decentralised service

provision. We will also document lessons on how to support social accountability for service delivery more effectively. Alongside these efforts, we will hold a series of high-profile events and discussions, and we will work with a range of practitioners to help take this work forward.

Politics of delivery resources

All our resources can be downloaded from the ODI website: www.odi.org.uk.

Country evidence

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Literature reviews

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