

# Getting to Grips with Politics: Political Analysis at the World Bank and DfID<sup>1</sup>

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## Introduction

This paper looks at a new approach to political analysis being undertaken by the World Bank, in the context of its work on governance, and at the UK Department for International Development (DfID). Both agencies have concurrently developed methods of political analysis within the last few years, but their methodologies could not be more different. They do share two common features, however: firstly, both agencies have developed methods of political analysis in reaction to the increasingly complex and explicitly political nature of their work. Secondly, both agencies seem ill at ease, as though they are not quite sure what 'to do about politics'. This reflects a wider disciplinary distance, in the past two decades, between political science and development studies that is only now beginning to be addressed within academic circles. If academics within the two disciplines are not entirely comfortable with the politics of development, we can hardly be surprised that donors also see politics as somehow outside normal day-to-day development discourse and lack a coherent way to engage with political issues within the country context.

Throughout the post-war period, the politics of development was seen as highly relevant to both disciplines; however, this changed in the 1980s. The domination of economics over the study of development came about following two historical trends: one disciplinary and one institutional. The first was the rise in new classical economics in the 1970s, which was seen as saving the discipline, as Ben Fine puts it, 'from its doldrums', following the failure of Keynesianism.<sup>2</sup> He argues that economics 'has long sought to colonize the other social sciences on the basis of its method by universalising what Gary Becker and his followers call "the economic approach" to any area of non-economic life,'<sup>3</sup> but new classical economics, with its increased dependence on elaborate statistical and mathematical formulas, has been especially successful in doing so. It has done so by a combination of 'reductionism, eclecticism, empiricism, unevenness, ignorance, parasitism, contempt *and* critical, at times futile, conceptual reaction'.<sup>4</sup>

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<sup>1</sup> This paper was presented at the IDD Seminar Series, International Development Department, University of Birmingham, 25 October 2005.

<sup>2</sup> B. Fine, 'A question of economics: is it colonizing the social sciences?' *Economy and Society*, 28(3), 1999, p. 408.

<sup>3</sup> Fine, 'A question of economics', p. 413. Fine refers here especially to G. Becker, *Accounting for Tastes* (Cambridge, MA: Harvard University Press, 1996).

<sup>4</sup> Fine, 'A question of economics', p. 415 (emphasis in original).

This 'colonisation' has occurred at the institutional level as well, following a change of leadership at the World Bank, from the rather eclectic, 'basic needs' presidency of former US Secretary of Defence Robert McNamara, in the 1970s, to that of the former president of Bank of America, Tom Clausen, under whose leadership structural adjustment began in the 1980s. In the past two and a half decades, we have seen the Bank place great emphasis on economic liberalisation and getting macroeconomic policies 'right' for development, with social issues being either attached on to 'pure' economic issues as an afterthought or by 'economising' social issues.<sup>5</sup> This assumes, of course, that there is a 'right' and a 'wrong' way and that this can be defined mathematically. Certainly, this trend has also been reinforced by the ascendancy of rational choice and other such economistic methodologies in prominent political science departments in North America.

We would like to add here that our intention is not to dismiss outright economics as a discipline or its contribution to development studies, nor to dismiss 'economistic' approaches to political science. Indeed, there have been many interesting insights into politics, political behaviour, institutions and so on as a result of this work. However, as Ball informs us, 'economics is in no small part persuasive speech. That discipline's increasingly technical and formal character tends to discourage or disable critics who are not economists, even as it lends an aura of scientific legitimacy to those who speak its idiom'.<sup>6</sup> At its best, this work represents only a fraction of the methodological approaches available to social scientists interested in engaging in political analysis. At its worst, it substantiates Fine's criticisms regarding reductionism, ignorance and so on.

As the Bank has begun to realise the importance of engaging with politics and political discourse, it has embraced these economistic methodologies with which it is more comfortable, while ignoring others, a continuation of this long process of reductionism. As Hay points out, '[C]onventional approaches to the social sciences, based on rigid disciplinary and sub-disciplinary fault lines and demarcations, do not prepare us well for a world of interdependence'.<sup>7</sup> The Bank sees its work on governance in particular as being 'holistic' and 'interdependent', but its forays into political analysis do not seem to be straying far from its rigid rational choice path. This raises some concerns about how the Bank is going about 'doing politics', as we will see.

The Bank has long been seen as a leader among development agencies, and the propensity of donors to develop policies through a process of osmosis,<sup>8</sup> means that any changes at the Bank gradually trickle down into other donor

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<sup>5</sup> See H. Marquette, *Corruption, Development and Politics: The Role of the World Bank*, (Basingstoke: Palgrave, 2004), for a discussion of the effect of this process on the Bank's anti-corruption work.

<sup>6</sup> T. Ball, *Transforming Political Discourse: Political Theory and Critical Conceptual History* (Basil Blackwell Ltd., 1988), p. 136.

<sup>7</sup> C. Hay, *Political Analysis* (Basingstoke: Palgrave, 2002), p. 5.

<sup>8</sup> Biersteker refers to the 'mimetic' nature of the multilateral development bank (MDBs) and donor agencies. See T. Biersteker, 'Reducing the Role of the State in the Economy: A Conceptual Exploration of IMF and World Bank Prescriptions'. *International Studies Quarterly*, 34, 1990, pp. 477-492.

programmes. In the field of political analysis, however, DfID has chosen a very different approach to the Bank's and is developing a reputation for innovation in this field. This paper provides an overview of both agencies' methods of political analysis, in order to draw points of comparison and highlights some issues that we feel need further investigation.

## **The World Bank and Political Analysis**

It is probably best to start out by setting down what we mean by political analysis. Colin Hay's text is an excellent reference, and one that helps inform the current discussion. In his introduction, he explains that, 'For many, political analysis is synonymous with analytical politics, which is, in turn, synonymous with rational choice theory'.<sup>9</sup> His book is not about analytical politics, but rather it 'is about the *diversity* of analytical strategies available to those engaged in the analysis of "the political"'. Though rationalism is one such strategy, and a highly distinctive, influential and important one at that, it is but one strategy among many. It has no privileged or exclusive claim on the analysis of the political or the label political analysis'.<sup>10</sup> Political analysis is more than simply analytical politics (although analytical politics can offer much towards our understanding of politics), but rather it about diversity of approaches, about dealing with ontology and epistemology, and about deep understanding. In short, political analysis is about being open to the diversity of our profession in order to truly understand politics (or as truly as we can).

### *Why is the Bank interested in political analysis?*

The World Bank took on a more explicitly political stance following the upheaval of the early 1990s, which changed the way all donors approached foreign aid, and ushered in a focus on good governance.<sup>11</sup> The good governance agenda includes issues such as enhanced participation, strengthening of the rule of law, multi-party elections, institution building and making governments more accountable to their electorates, among others. Although the Bank is not (yet) engaged in party politics, it is engaged in a range of activities that political scientists would regard as political, or at best, political but with an economic dimension. These are very different areas for Bank work and certainly not ones with which the Bank was designed to engage.<sup>12</sup>

In addition, because this work is so political, it requires a degree of political will on the part of borrowers that goes even beyond that required for more

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<sup>9</sup> Hay, *Political Analysis*, p. 2.

<sup>10</sup> Hay, *Political Analysis*, p. 2.

<sup>11</sup> See H. Marquette, 'Corruption, Democracy and the World Bank', *Crime, Law & Social Change*, 36(4), 2001, pp. 395-407.

<sup>12</sup> One of the authors recently heard a Bank Country Director speak regarding his work in a politically charged environment. His team know full well that the reports that they put out cover highly political areas and will have wide-reaching political effects, in the country itself, its neighbours and in the international community. Their approach is to write the reports as they wish, and then judiciously edit out anything that could be construed as explicitly political, leaving what they call 'economic and social analyses'.

'traditional' structural reforms. According to Brinkerhoff and Kulibaba, 'Political will ...is defined as: the commitment of actors to undertake actions to achieve a set of objectives...and to sustain the costs of those actions over time.'<sup>13</sup> The Bank suggested in the past that political will is measurable by first, 'identifying key decision makers, their constituencies, and the potential political and financial costs to them of [a particular policy, in this case, reducing corruption]', and second, focusing 'on events...that might signal a commitment to fighting corruption.'<sup>14</sup> This represents a largely qualitative approach and one with which the Bank was not entirely comfortable or in which it had a tremendous amount of confidence.

According to the Bank,

...understanding the political realities that shape the incentives of key stakeholders in a given program or policy is vital to securing consensus – and may mean the difference between a well-designed intervention that mobilizes critical support and a failed initiative that alienates crucial clients. This realization has increasingly become part of the mainstream thinking at the World Bank...But even if the importance of politics is now recognized, is there an operationally useful way of applying political analysis?<sup>15</sup>

To find this, the Bank argues that it needs to move away from what it calls 'soft and intuitive methodologies', such as stakeholder analysis and retroactive contextual research (i.e., qualitative methodologies), to 'more robust approaches that tap into cutting-edge political science methods' (i.e., quantitative methods).<sup>16</sup>

#### *The EUSM pilot: 'Anyland' and procurement reform*

The Bank has recently piloted a form of political analysis known as the Expected Utility Stakeholder Model (EUSM),<sup>17</sup> in order to overcome the weaknesses in programmes and projects due to a lack of understanding of the impact of politics. The EUSM model, it is argued, does this by using game

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<sup>13</sup> D. Brinkerhoff with N. Kulibaba, 'Identifying and Assessing Political Will for Anti-Corruption Efforts', USAID Working Paper No. 13, January 1999, p. 3.

<sup>14</sup> World Bank, 'Assessing political commitment to fighting corruption', PREM Notes No. 29, September 1999, p. 1.

<sup>15</sup> World Bank, 'Operationalizing political analysis: the Expected Utility Stakeholder Model and governance reforms', PREM Notes No. 95, November 2004, p. 1.

<sup>16</sup> World Bank, 'Operationalizing political analysis', p. 1.

<sup>17</sup> The company that developed the EUSM is called the Sentia Group, formerly known as Decision Insights, formerly known as Policon Corporation. Sentia Group was founded by Bruce Bueno de Mesquita (New York University) and Jacek Kugler (Claremont Graduate University), and the original model was developed by Bueno de Mesquita. A version of this model, called FACTIONS, was used by the CIA for years to forecast policy issues in over thirty countries, with an accuracy rate of about 90%. This is obviously impressive and is said to have outperformed forecasts by the Directorate of Intelligence. R. Siverson, 'A Glass Half-Full? No, but Perhaps a Glass Filling: The Contributions of International Politics Research to Policy', *PS: Political Science and Politics*, 33(1), 2000, p. 62. The Bank contracted the Sentia Group to conduct the Anyland pilot.

theory, decision theory, spatial bargaining and risk management models<sup>18</sup> to 'understand the preferences and behaviours of key stakeholders in civil service and corruption reforms'.<sup>19</sup> The pilot team were very impressed with the results and look set to test the method out in other contexts.

In this paper, we simply provide an overview of the pilot, based on the brief textual data currently available. It is important to note that this is a very early development at the Bank, having been piloted in 2002 in the East Asia & Pacific region and only written up as a PREM note for wider dissemination throughout the Bank in November 2004. Thorough analysis is not possible at this point, especially given that access to the pilot report is restricted due to the sensitive nature of the findings. Our hope here instead is to stimulate debate and explore areas for future research.

We are given some background information on the pilot: it took place in an unnamed East Asian country (known as 'Anyland'), middle-income, highly centralised, but with an emerging and vibrant civil society. The team looked at procurement reform, where there had already been some movement but with real progress regularly stalled by stakeholders, including the prime minister.

The methodology involves interviewing country experts (academics, donor staff and policy officials) to get background context on procurement reform and information about relevant stakeholders. They are not asked to make any predictions or for opinions. They are however asked which actors have an interest in reform and which have a veto over reform. Responses are standardised and quantified and stakeholders are ranked by level of influence and stage of reform.<sup>20</sup>

The results are replicated here in Figure 1. Experts were asked to rank activities on a scale of 0-100, with 0 being the least likely to meet resistance and 100 being the most. This means that '45 – Introduce ad hoc large-scale regulation enforcement' is almost twice as difficult to implement as '25 – Increase competition & public monitoring in bidding'. The Bank has historically tended to recommend restructuring government agencies – 85 on this scale and so very likely to meet resistance from a majority of stakeholders. By aiming somewhat lower, in the spirit perhaps of Grindle's 'good enough governance',<sup>21</sup> the Bank can target its resources at activities likely to be incrementally successful, even if not ideally what the Bank would like to see.

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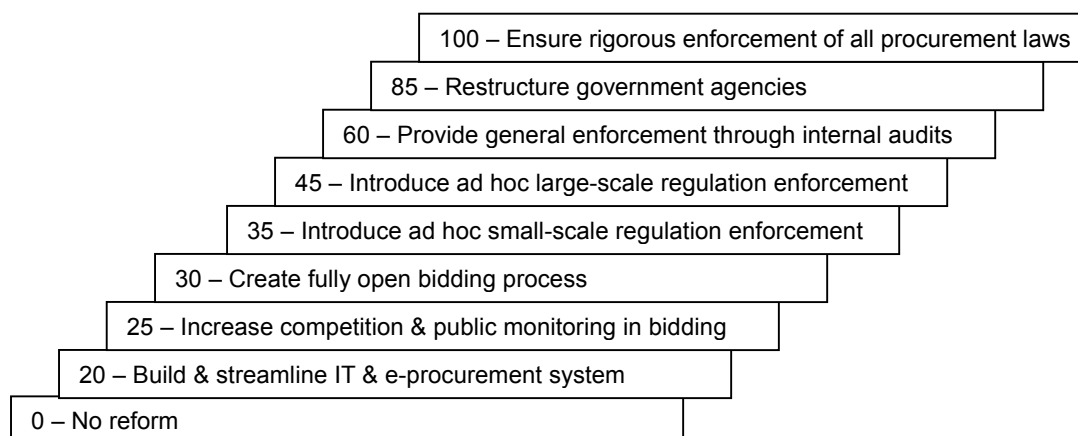
<sup>18</sup> World Bank, 'Doing Stakeholder Analysis for Your Project', downloaded 14/3/2005, available at <http://www1.worldbank.org/publicsector/anticorrupt/PoliticalEconomy/project.htm>.

<sup>19</sup> World Bank, 'Operationalizing political analysis', p. 1.

<sup>20</sup> World Bank, 'Operationalizing political analysis', p. 2.

<sup>21</sup> M. Grindle, 'Good Enough Governance: Poverty Reduction and Reform in Developing Countries', *Governance*, 17(4), 2004, pp. 525-48.

Figure 1: Policy Steps in Procurement Reform: World Bank/EUSM Pilot



Source: World Bank, 'Operationalizing political analysis: the Expected Utility Stakeholder Model and governance reforms', PREM Notes No. 95, Nov 2005, p. 2.

The findings regarding stakeholders' commitment are particularly interesting.<sup>22</sup> The stakeholders least likely to support more difficult reforms are the police, customs, major political parties, large businesses and ministry staff. Four of these are unsurprising, as they have the most to lose through reforms, while political parties are often made up of elites and business leaders, certainly at the top levels, who may not want to support reform. At the other end of the scale, the most reform minded stakeholders include the anticorruption agency, the World Bank and IMF, pro-reform NGOs and new small and medium-size enterprises (which would often be excluded from bids). No surprises there either. However, it is the middle of the scale where we find some interesting results. Those likely to resist more difficult reforms, other than small-scale ad hoc reforms, include the prime minister, the civil service, the Election Commission and the media.

The prime minister and civil service are fairly formidable obstacles to overcome, to say the least, and probably account for the failure of more ambitious reforms, but we think the latter two are the most fascinating. It is not obvious at first why the Election Commission would be all that interested in procurement reform. However, elections require a large number of items that need to be procured: voting machines, booths, ballots and so on. There is both a large initial investment in holding elections, as well as several recurrent purchases. They are often constitutionally granted a great deal of independence, and any criticism of an Election Commission can easily be deflected as politically motivated, in order to undermine the Commission's independence and credibility.<sup>23</sup> Although election commissions are set up ostensibly to prevent electoral fraud, some have been implicated in a number of countries in the region or have had their legitimacy and impartiality

<sup>22</sup> World Bank, 'Operationalizing political analysis', Figure 2, p. 3.

<sup>23</sup> Dr Marquette would like to thank the students on the Ghana Institute of Management and Public Administration (GIMPA)'s Executive Masters in Governance and Leadership for this point.

questioned. Depending on which country Anyland really is, a lukewarm response from the Election Commission could be either very surprising or not surprising at all. It is difficult to assess really without more information.

However, the media is almost always seen as a real force for reform and for accountability, and this includes in much of the Bank's literature (and the good governance literature in general). Clearly, in Anyland, this is not necessarily the case, and this would have a significant impact upon the way the Bank engages with the media in its procurement reform measures. Likewise, there is no mention of 'anti-reform NGOs', but I assume that if 'pro-reform NGOs' have been delineated, their opposite might exist. There is no mention of the public in general, but I think it is safe to assume that public opinion must influence some stakeholders' position. If Anyland is a democracy or is democratizing (it is not clear here but, given the region's recent history, it is likely), then surely this must be taken into account, especially given the media's rather lacklustre commitment to reform.

### *Benefits and limitations of the EUSM for the World Bank*

Clearly, the EUSM has a good deal of potential in mapping out stakeholder interests in particular reforms, and the Bank seems impressed by the results of the pilot. Instead of simply blaming 'politics' or a lack of political will for reform failure, the Bank can try to assess what level of reform is likely to succeed and engage at that particular level. It can, for example, be applied to a wide range of issues, has proven very accurate in other applications and provides a structured way to collect data on policy reform issues.<sup>24</sup>

In addition to the above benefits, Barbara Nunberg<sup>25</sup> also highlights a few of the model's limitations, and we will highlight two of the more general ones here.<sup>26</sup> Firstly, as with everything, the success of the model is highly dependent upon the quality of the data available. The data used is expert opinion, and there is a shortage of experts in some areas. Experts also have to have in-depth country knowledge, and this might prove difficult. One would have to be an expert on, say, procurement *and* Anyland (and possibly even a particular region of Anyland) for the analysis to be really effective. This is a tall order for most, especially in a time when having both a country and a sectoral specialism is increasingly rare. Secondly, there is no in-house capacity to run the model. Because of the very sensitive nature of the data and the findings, the Bank does not want to rely upon outsiders to conduct this analysis. Nunberg says that one of the 'next steps' is to develop this in-house capacity, but we are not sure at this point how far this is possible.

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<sup>24</sup> B. Nunberg, 'Getting Serious about Stakeholder Analysis: Piloting Political Science Methods in World Bank Operational Work', presentation, 26 January 2005, available at [http://siteresources.worldbank.org/EXT/DEVELOPMENT/Resources/2005-01-26StakeholderAnalysisPresentation\\_rev.ppt](http://siteresources.worldbank.org/EXT/DEVELOPMENT/Resources/2005-01-26StakeholderAnalysisPresentation_rev.ppt).

<sup>25</sup> Nunberg currently is the head of the Bank's programme on public sector reform and governance for the EAP Region and one of the key Bank staff involved in the Anyland pilot.

<sup>26</sup> Nunberg, 'Getting Serious about Stakeholder Analysis'.

We would like to add a few points to Nunberg's. Firstly, the model relies on elite opinion, with all of the caveats that usually apply to this method.<sup>27</sup> There is no mention in the available documentation of the nationalities of the experts consulted. Who were the experts? How were they chosen? One assumes that some of these were in-country experts, but this is not stated. We suspect that it relies heavily on outside experts and all that that entails for the Bank's concurrent support for more participatory methodologies.

Secondly, for all of the supposed sophistication of the model, the results themselves seem rather basic. It is unclear, for example, how the four methodologies (game theory, decision theory, spatial bargaining and risk management models) have been used to reach these results. Also, presumably the ranking by level of influence and stage of reform involves some weighting. Any weighting is arbitrary, and it is not possible to assess the methodology unless the Bank explains the weighting so that it is transparent.<sup>28</sup>

Thirdly, there is no mention of the 'public' in the documentation. Is the assumption that the public is not able to influence policy here? That it does so through included stakeholders? That it does not matter for the analysis? If what the Bank is trying to measure is political will, then the citizenry need to figure into their analysis somewhere, and not just as a rather amorphous 'civil society'.

Fourthly, we presume the method is fairly time-consuming. Is it possible to mainstream it across the Bank's very wide-ranging governance work? What about other sectors/programmes? How often will it be done? Who will make that decision? Will it be done routinely? Is that feasible? Additionally, what happens to the findings in the end? As they are always likely to be sensitive, how will the Bank share important findings with its own staff, let alone other interested parties? Will it still be able to draw in outside experts, despite the sensitivity issue?

Finally, and most importantly, the model only provides a 'snapshot' of a particular reform during a particular time, government, electoral cycle etc. Wider analysis is still necessary, and the method requires other forms of political analysis for support and contextualisation. This model seems simply to provide a ranking without any explanation of *how* and *why* each of these stakeholders is an obstacle. These are the interesting questions here, the questions that need to be answered in order to truly understand the lack of political will for reform. Without a deeper understanding, the Bank will have conducted a presumably expensive and time-consuming analytical exercise that is of very limited use and from which it is not possible to make generalizations applicable across reforms in Anyland or anywhere else, for that matter. This is why emphasizing instrumentality over deeper understanding is so problematic. These explanations require independent and

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<sup>27</sup> See, for example, A. Kezar, 'Transformational Elite Interviews: Principles and Problems', *Qualitative Inquiry*, 9(3), 2003, pp. 395-425; P. Burnham et al., *Research Methods in Politics* (Basingstoke: Palgrave, 2004).

<sup>28</sup> We would like to thank Professor Carole Rakodi for this point.



objective research, which would also help to triangulate the existing findings, as these could be, frankly, quite mistaken, or even deluded.

## **DfID and Political Analysis**

DFID's relationship with political analysis stands in direct contrast to that of the World Bank. In fact, DFID eagerly views political analysis as their 'niche area', and considers itself to be a leader amongst the other donors, both bi- and multi-lateral, in this area. DFID's current tool in political analysis is the 'Drivers of Change' (DoC) approach, which has been developed by the department since 2001. Below is an explanation of the approach and why it emerged, and analysis of its strengths and weaknesses.

### *What is the Drivers of Change approach?*

During the late 1990's, DFID became increasingly aware that the introduction of technically sound programmes, supported in-country by individual champions for reform, did not always bring the desired results. From this understanding, instead of just tinkering with programme design or abandoning programmes as failures, DFID began to focus on the importance of the pre-existing political context to any reform. It was this new approach that provided the impetus for the development of a political analysis tool that staff could use in-country to heighten their chances of successful development intervention.

The tool that emerged was the DoC approach, which aims to identify and analyse the factors that drive or impede change in any given context. The theory of DoC is based on political economy analysis on three levels: agents, structural features and institutions. 'Agents' can include political elites, civil servants, politicians, the judiciary, donors, civil society organisations and the media, to name a few examples. These agents affect, and are affected by, structural features. Examples of structural features are natural resources, trade, investment and urbanisation. However, agents affect and are affected by structural features via institutions. Institutions can be understood as the formal and informal rules governing the behaviours of agents, for example, formal public administration processes or informal social norms. This argument gives institutions a central role as mediators of change between agents and structural features. In seeking to understand potential change processes in a given country, DoC analysis therefore focuses on agents, structural features and institutions, paying particular attention to the "formal and informal rules, power structures, vested interests and incentives within these institutions".<sup>29</sup>

### *Benefits and Limitations of the Drivers of Change approach*

The most important strength of the DoC approach as a tool of political analysis is its flexibility. The approach was first used on a national level for in-depth country analysis, for example in Nigeria and Pakistan. DoC studies

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<sup>29</sup> DFID, 'Public Information Note: Drivers of Change' (2004), p. 2.

have now taken place in over 20 states, with studies in Afghanistan, Angola, Mozambique and Tanzania underway and more planned for the future. However, although DoC analysis has primarily been used on a national level, it also has potential to be used on a sub-national level. For example, it would be possible to commission a study on 'what are the Drivers of Change in the Inhambane province?' In theory, DoC analysis can be applied to as small a unit as necessary, even down to the level of a particular town or small region. The reverse is also true - DoC analysis can be used on a supra-national or regional level. For example 'What are the Drivers of Change for the Horn of Africa?' This is not something that DFID have yet initiated, but with the increased global attention on regional instruments like the African Union and NEPAD, it seems a likely, and welcome, future development.

DoC analysis is also flexible in that it can also be used for sectoral analysis. For example, a recent DoC study aimed to identify the drivers of change for the Nigerian health sector. This is an important departure from country level analysis and indicates the multiplicity of situations in which DoC analysis has something to offer. The list of potential studies is enormous, for example 'what are the Drivers of Change for the education sector in Orissa?' or 'what are the Drivers of Change for the sanitation sector across South East Asia?'

Also, DoC analysis is thematically flexible. The implication when asking 'what are the Drivers of Change in x country' is that you are actually asking 'what are the drivers of pro poor, developmental change? It would also be possible to ask 'what are the Drivers of economic reform in Malawi?' or 'what are the Drivers of administrative reform in Mongolia?' The inverse is also true, as change cannot be assumed to be a positive thing: for example, 'what are the Drivers of economic instability in Georgia?' or 'what are the Drivers of hostility in Northern Uganda?' This sort of analysis is emerging in DFID, for example with a paper on 'Drivers of Fragility'<sup>30</sup> and increasing discussion around 'drivers of insecurity' and 'drivers of conflict'.

The DFID 'Drivers of Change Team' was disbanded in 2004 and the 'Institutions and Political Systems Team', recently renamed the 'Effective States Team', are now responsible for 'championing' DoC within DFID. The emphasis is now on 'mainstreaming' DoC analysis in the same way that gender is mainstreamed throughout the department. This is testament to the flexibility of DoC and its ability to act as a lens through which various situations can be viewed. Whilst mainstreaming may seem like a tall order, especially given that there is no team specifically dedicated to the promotion of DoC within DFID, Drivers of Change continues to have a fairly high profile within the department. It is perhaps significant that during 2005, DoC still managed to feature on the time- pressured agendas of the retreats for a number of different cadres, including Governance and Human Development.

Another important strength of the DoC approach is that it strongly resists the kind of toolkit approach advocated by so many other donors, including the

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<sup>30</sup> Vallings, C. and Moreno-Torres, M., 'Drivers of Fragility: What makes States Fragile?' PRDE working paper no. 7, (DFID, 2005).

World Bank. DoC emphasises the importance of donors understanding the history and political economy analysis of the country or situation in which they are working. This is a critical difference to the 'cookie-cutter' style of development that ignores or over-simplifies the context. For example, let us consider the issue of fragile states. Literature in this area has been extremely blind to the individual country context, for example, OECD-DAC's 'Principles for Good International Engagement in Fragile States'.<sup>31</sup> The implication of these principles is that countries as diverse as Afghanistan and Zimbabwe can be dealt with in the same way, as they have both earned the label 'fragile', though for very different reasons. It would be far more preferable for the development of donor programmes in such 'fragile' states to be preceded by a national DoC study. In the 'fragile state' context, even DFID has not yet recognised the importance of specific country level political economy analysis. Here, the department slips back into pre-DoC style analysis that ignores the specificities of the individual country's political context and settles for sweeping generalisation instead.

Several of the weaknesses outlined below are flaws in DFID's approach to DoC, rather than inherent problems in the theoretical concept of DoC analysis. For example, DoC analysis, as done by DFID, is not about countries diagnosing their own problems and strategising for change. It could be, but DFID have not unleashed this potential in a convincing way. Instead, DoC studies are about short-term, time-pressured consultants writing a report with the input of the DFID country office. There is no conceptual reason (though there may be several practical reasons) why DoC studies could not include more wide-scale consultation and involve more civil society groups in the analysis. It is important to understand that there are always 'multiple realities' in any environment; different people, from different contexts within the country, are likely to identify different drivers of and obstacles to change. Increasing participation in DoC studies can therefore only be beneficial. DFID do emphasise the involvement of their national staff in country offices in DoC studies, and have attempted to use workshops to facilitate wider participation.<sup>32</sup> However, it is questionable whether this is enough, for example, do the attendees of such workshops represent a suitable range of 'multiple realities' in any country? Also, identifying and analysing deeply embedded social norms and institutional values takes time and research expertise. 'Deeply embedded' is not necessarily a euphemism for 'blindingly obvious'. It goes without saying that excellent research techniques, involving wide participation, spread over a realistic timescale are essential for any DoC study to be worthwhile.

Another major weakness is in the operationalisation of DoC analysis. DFID itself is aware of the difficulty of converting DoC analysis into specific techniques for programme planning, exactly the opposite problem faced by the Bank's EUSM approach.<sup>33</sup> The country studies certainly produce some interesting findings in terms of potential drivers and likely obstacles to reform

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<sup>31</sup> OECD-DAC, 'Principles for Good International Engagement in Fragile States', Learning and Advisory Process on Difficult Partnerships (OECD, 2005).

<sup>32</sup> See DFID, 'Public Information Note.'

<sup>33</sup> Pers. Comm. with senior DFID official.

in a particular context. However, actually operationalising this research is not so easy. For example, should working with agents who are identified as 'obstacles' rather than 'drivers' be encouraged as a way of winning converts, or should it be discouraged as a waste of time and effort? Also, if civil society is identified as a potential driver of change in a given context, that doesn't help the donor know how to go about supporting and developing that potential. Essentially, this is the old problem of converting analysis into concrete policy, and the theoretical approach of Drivers of Change does not help in this area. Similarly, what should donors do when no strong drivers of change emerge, as in Nigeria? Or how should donors decide which drivers should be prioritised? How can strong drivers be differentiated from less strong? How can moveable obstacles be differentiated from those that are unlikely to change in the foreseeable future? These are all-important questions that impact on the practical usefulness of DoC studies and have yet to be tackled by DFID.

Another weakness is that the theory of DoC can make the whole issue of change seem a bit too easy. Generally, development and pro-poor reform is about massive, macro level change of the kind that takes hundreds of years and multiple actors. In reality, change or transformation is never easy and it never follows an obvious path. In addition, change tends to be incremental over long time horizons. In contrast, DFID staff are encouraged to use DoC analysis to consider just middle-term change opportunities. Whilst this is understandable, due to the short timeframes that international donors work to, it is a definite limitation in the use of the analysis.

Finally, as with the Bank's EUSM, the DoC approach is also limited in that it considers *who* or *what* will drive or block change, but it does not consider *why*. Understanding why an institution is pro-change is as important as identifying that it is a potential driver. Essentially, DoC analysis could be improved by including consideration of the incentives for change in a given context.

Linked with this weakness is the problematic way that DoC studies can slip into treating institutions like civil society or the bureaucracy as homogenous units. For example, several studies cite the media as a potential driver of change.<sup>34</sup> This is problematic – it is unlikely that all institutions, organisations or agents within the media are drivers of pro-poor change, as the EUSM pilot has shown. There is an obvious need to take the findings of national DoC studies and disaggregate by gender, class, geographical location, socio-economic position, age, organisation and so on. An obvious step would be to commission further studies of each identified driver to 'drill down' further to discover both the drivers and obstacles within a previously identified potential driver.

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<sup>34</sup> McLeod, D., 2005, 'Review of Drivers of Change Country Study reports', report to DFID.

## Conclusion

Despite being very ambitious, difficult to operationalise, unable to deal with long-term change processes, and unable to analyse incentives, the Drivers of Change approach as a political analysis tool is extremely useful. DFID is right to be proud of their serious attempt to understand politics and mainstream political and institutional analysis. They are also justified in considering themselves to be world leaders in this niche market. They are attempting to move beyond a purely instrumental approach to political analysis that may be helpful for one particular project or programme but which fails to shed any real light on the politics of development.

However, we do not want to conclude on such a negative note about the Bank's EUSM. Indeed, we are intrigued by the reported findings and would like the opportunity to learn more about it. We understand as well as anyone the need to be able to determine whether or not sufficient political will exists to undertake reform. The EUSM certainly seems like a step forward for the Bank, and certainly better than the 'wait and see' approaches of the past.

We are concerned however that the Bank, having found an economic approach with which it feels comfortable, will believe that it is engaged in political analysis and will leave it at that. It is unlikely that staff will ever engage in important evaluations of their own epistemological or ontological views; that they will ever question the assumptions upon which such models are based; and that they will ever question the desirability of reform in the first place or understand the political implications of reform in the long term. They will continue to see politics as 'messy', as something that needs to be coped with, as opposed to an integral part of human society, and thus the development process, in the first place (no matter what the nature of the regime).

The Bank has in the past utilised a more qualitative method, developed by Haggerty and Matsuda, called 'Reform Readiness Analysis'. This seems like a less inclusive version of the Drivers of Change approach but does look like an interesting way to (relatively) quickly assess client commitment to reform. This is based on the belief that the following are preconditions for successful sectoral reform:

- *Reform must be politically desirable – the benefits to the leadership and its constituencies must outweigh the cost.*
- *Reform must be politically feasible – the leadership must be able to enact reform and overcome opposition.*
- *Reform must be sustainable over time – both the desirability and feasibility of reform must be sustained over time and the opportunity for reform reversal must be limited.*<sup>35</sup>

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<sup>35</sup> L. Haggerty & Y. Matsuda, 'Assessing Clients' Commitment to Sectoral Reforms: A Reform Readiness Analysis', (Washington DC: World Bank, 1999), available at <http://www1.worldbank.org/education/globaleducationreform/pdf/haggarty.pdf> (emphasis in original). See also World Bank, 'Assessing borrower ownership using reform readiness analysis', PREM Notes No. 25, June 1999. I am currently working on a paper using this

The analysis is designed in such a way that it can be done, at least in the initial stage, by country staff without training in political analysis. Therefore, the authors point out an important caveat: 'the questionnaires should be accompanied with a sound understanding and analysis, if feasible, of both the historical evolution and the contemporary contexts of the political economy of the country's development'.<sup>36</sup> The method addresses many of the EUSM's limitations and should certainly continue to form part of the Bank's political analysis toolbox. Perhaps it also serves as a 'bridge' between the Bank's EUSM approach and DFID's Drivers of Change and provides an opportunity for important collaboration between the two agencies.

The increased interest in the politics of development, certainly here in the UK, is a positive overall trend for both disciplines. It opens up a range of research opportunities for ourselves, widens the curriculum choices available to our students, and diversifies the UK base of available expertise. It also creates the opportunity to better demonstrate the utility of the range of political analysis methodologies available to donors and other development actors. It sends out the message that politics and development are intertwined and that it is not possible to engage in one without the other. In doing so, we let the World Bank and others know that the separation of development and politics is not possible; that, in order to be really effective, the analysis of politics should take into account the diversity of methods available; and that politics is not 'messy' but, rather, is central to development.

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approach to test out commitment to corruption reforms being undertaken by a post-conflict country that have been designed with considerable input from the author's department, to see if there is anything that the method can contribute to the on-going reform process.

<sup>36</sup> Haggerty & Matsuda, 'Assessing Clients' Commitment to Sectoral Reforms', p. 1.