

# Education Reform Support

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## *Volume Two: Foundations of the Approach*

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# **Education Reform Support**

*Volume Two:  
Foundations of Education Reform Support*

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Office of Sustainable Development  
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## Preface

In 1995, the United States Agency for International Development's (USAID's) Bureau for Africa published a report titled *Basic Education in Africa: USAID's Approach to Sustainable Reform in the 1990s*. That technical paper examined Agency experience in education in Africa in the late 1980s and early 1990s and drew out several lessons for how USAID could better approach the design, implementation, and evaluation of programs supporting education reform. One of those lessons concerned the role of information and policy dialogue in improving policy formulation and implementation in the education sector. This series, Education Reform Support, is the product of the Africa Bureau's two years of effort to pursue the operational implications of that lesson.

Neither information use nor dialogue is a new idea. USAID and other donors have years of experience supporting education management information systems. Likewise, the development community has grown quite fond of the term "policy dialogue." What Education Reform Support set out to do was to distill the best knowledge about information and dialogue, to examine the development field's experience in these areas, and to systematically apply that knowledge and experience to articulating a new approach.

This new approach, however, is not really new. Financial analysis, budget projection, planning models, political mapping, social marketing, and the techniques of stakeholder consultation and dialogue facilitation have long been available for use in education projects. These tools and techniques, however, have not been systematically organized into an approach.

Similarly, arguments abound for participation and for better—or more informed—decision making. The Education Reform Support series depicts realistically what those terms mean. Further, Education Reform Support identifies how capacity can be built within countries for broader, more effective stakeholder participation at the policy level, and, how that participation itself can contribute to better informing the policy process.

There is an ultimate irony to education. Good schools and good teaching can be found in any education system, sometimes under very adverse conditions. The problem is that they cannot be found everywhere. The challenge confronted in supporting education reform is exactly that: how to help good practice occur on a larger scale.

The inability of education systems to adapt and spread innovation is a result of poor policy and management environments. The policy environment is deficient for political as well as technical reasons. In most countries, the education of children is an issue of direct and personal concern to all sectors of the population, as well as to a number of large interest groups; as a result, education reform is a delicate and highly charged political force field.

To wade into the politics of reform we must focus on understanding the political economy of reform in the countries in which we work: Who are the key stakeholders (both potential gainers and losers) in a given reform direction? What are their strengths, depth and breadth of influence, and points of vulnerability? What are the characteristics of local institutions, groups, and individuals who might be able to play critical roles of influence and dialogue facilitation as well as analytical and technical support to the reform effort, over the long haul? And, most importantly, how can we design reform assistance that attenuates stakeholder tensions and exploits stakeholder alliances, vulnerabilities, and strengths, to the advantage of positive and sustainable movement toward reform overall?

Education Reform Support creates an operational framework through which education programs and projects can organize the techniques of information, analysis, dialogue, and communication into a strategic package. The objective of that package is to help improve a country's capacity to formulate education policy and implement reform. It does so by applying these techniques in order to

- recognize and counterbalance the political interests that accompany reform,
- build the capacity of diverse actors to participate in the policy process,
- reassert and redefine the role of information in policy making, and
- create networks and coalitions that can sustain the dialogue and learning that are essential to educational development.

The Africa Bureau believes this series will prove valuable in helping education officers in USAID and other organizations design projects that take into account the knowledge and lessons gained to better support education reform. The Bureau also feels that the Education Reform Support approach will help governments, ministries of education, and other interested actors better shape their contributions to the difficult process of negotiating and managing education reform.

Julie Owen-Rea  
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## Foreword to the Education Reform Support (ERS) Series

This series of documents presents an integrated approach to supporting education reform efforts in developing countries, with particular emphasis on Africa. It is intended largely to specify how a collaborating external agent can help strategic elements within a host country steer events toward coherent, demand-driven, and sustainable educational reform. Additionally, this series of documents may help host country reform proponents understand the aims and means of donors who propose certain activities in this area. We hope that host country officials, particularly in reform-minded, public-interest nongovernmental organizations (NGOs) and civil society organizations, find this series of documents both an inspiration and a guide for coherently proposing and articulating undertakings to donors, using the donors' own vocabulary of reform and modernization.

Several key premises and motivations underlie ERS. First, the major *binding* constraint to successful educational development in poor countries is neither the need to transfer more funds nor a lack of educational technology and know-how. That is, we contend that in most instances, countries can make sufficient progress by better using whatever internal or external funds and pedagogical technology already exist, but that in order to do so, they need far-reaching modifications in the way they approach both policy formation and system-wide management.

Second, policy-analysis inputs (such as information systems, databases, and models; training in public policy and cost-benefit analysis; training in management, budgeting, and planning; and so forth) into policy reform and management improvements, while necessary, are not sufficient. The constraints to policy improvement are ideological, attitudinal, affective, and political-economic as much as—if not more than—they are analytical or cognitive in origin.

Third, as a means of pressing for the attitudinal and political changes needed for reform, donor leverage of various kinds is largely insufficient and inappropriate. The pressure has to come from within (i.e., it must be both indigenous and permanent), which means that until powerful national groups are mobilized and have the means at their disposal to exert positive policy pressure, little will happen in the way of thoughtful reform.

Our approach aims, therefore, to integrate traditional public policy analysis (using known information and analytical techniques) with public policy dialogue, advocacy, awareness, and political salesmanship, and to build indigenous institutional capacity that can strategically use this integration for purposes of effecting purposeful education reform.

The above suggests that in order to support processes of education reform, a donor would need a rather flexible and sophisticated approach—so flexible that it would verge on a nonapproach, and would simply rely on the difficult-to-articulate wisdom of individual implementors. Yet, to define activities in a way that renders them “fundable” by donors and intelligible within the community whose efforts would support these activities, one obviously needs to have some sort of system—some way of laying out procedures, tools, and

steps that can be used in this messy process. As a way of systematizing both lessons learned and certain tools and techniques, we have developed Education Reform Support (ERS).

A long-winded but precise definition of Education Reform Support is: ERS is an operational framework for developing policy-analytical and policy-dialectical abilities, and institutional capacities, leading to demand-driven, sustainable, indigenous education policy reform. The purpose is to ensure that education policies, procedures, and institutions empower the system to define, develop, and implement reforms that foster relevant and meaningful learning for all children.

There are both operational and technical dimensions to ERS. With regard to the former, we have developed steps one might take in an ERS project. First, there are processes, procedures, operational guidelines for designing a project in ERS. Second, there are the same aspects to running such projects. Aside from the operational and institutional “how-to’s,” we provide a set of guidelines on the tools, techniques, analytical approaches, etc., that can motivate and generate reform movements, as well as assisting in managing the ongoing reform in a modernized or reformed sector.

The ERS series is organized in the following manner. Volume 1 offers an overview of the entire ERS series. It also contains the ERS series bibliography and a guide to some of the jargon that is found throughout the series. In Volume 2, we introduce the problem, and establish the justification and basis to the approach in terms of past donor activities in the sector, and its critiques from both “left” and “right” perspectives. This volume also sets out some of the main lessons learned that establish a basis for the procedures and strategies described in the following volumes. An operational perspective on how to support reform activities is presented in Volume 3. It discusses both the institutional frameworks that reformers can seek to support or help coalesce if they are only incipient, and some likely ideas for sequences of activities. Volume 4 lists and discusses in considerable depth the specific analytical and communication tools and techniques that can be employed. It also places these tools and techniques in the context of past and ongoing donor activities in areas which have in the past used these tools and techniques disparately and unselfconsciously.

Having provided in Volumes 2-4 both the basic intellectual underpinning as to what might be done and how to proceed technically, sequentially, and institutionally, Volume 5 assumes that reformers, particularly donors, might be interested in designing an intervention of considerable size. Therefore, it lays out in detail the specific design steps one might wish to undertake to ensure a healthy start to a major level of support to an ERS process. Finally, Volume 6 presents ideas for how to monitor and evaluate a typical ERS intervention.

In addition to the volumes, the ERS series includes three supplemental documents: *Policy Issues in Education Reform in Africa*, *Education Management Information Systems (EMIS) for Accountability*, and *Strategies for Stakeholder Participation*. An ERS Course Description is also a part of this series. This course description provides guidelines for teaching almost any ERS-relevant course (e.g., education planning, EMIS, policy modeling) within a larger ERS construct. It also details the provision of a core set of ERS skills.

# Table of Contents

Section	Page
Preface . . . . .	iii
Foreword to the Education Reform Support (ERS) Series . . . . .	v
Quotations . . . . .	ix
1 Introduction and Background . . . . .	1
1.1 The Current Environment: Motivating the Reader . . . . .	2
1.2 Some Historical Background . . . . .	5
1.2.1 The Project Approach to Educational Development . . . . .	5
1.2.2 Faulty Assumptions of the Project Approach . . . . .	6
1.2.3 Recognizing the Need to Alter Policy and Institutional Frameworks . . . . .	7
1.2.4 Contradictory Follow-through . . . . .	7
1.2.5 Policy and Management Technical Assistance . . . . .	9
1.2.6 Taking Demand for Granted . . . . .	10
1.2.7 The Conditionality Approach . . . . .	11
1.2.8 Problems with the Conditionality Approach . . . . .	11
1.2.9 Conditionality's Appeal . . . . .	12
1.2.10 Conclusions . . . . .	12
2 Lessons Learned in Reform Support . . . . .	14
2.1 Policy Reform Is Intensely Political . . . . .	14
2.2 Implementation Problems May Turn Out Not to Be Implementation Problems . . . . .	16
2.3 Policy Reform Based on Participation Is Messy but Understandable . . . . .	18
2.4 Implementing Resource Reallocations Helps Illustrate Why a New Approach Is Needed . . . . .	19
2.5 The Process <i>Should</i> Be Slow . . . . .	21
2.6 Participation Is a Technically Sound Idea, Rather Than Just the Latest Politically Correct Fad . . . . .	22
2.7 Information and Objective Analyses Are Important and Yet Very Problematic . . . . .	26
2.8 Leadership Is Important . . . . .	26
2.9 Public Policy Remains a Public Good . . . . .	27
2.10 Recipes Are Nearly Useless and Successful Cases Are Not to Be Copied . . . . .	29
2.11 Some Generalizations Are Particularly Dangerous . . . . .	31



	2.12 A Summary .....	33
3	Education Reform Support .....	35
<b>Annex</b>		
A	Some Issues Surrounding Conditionality .....	A-1

## Quotations

“Reforms of education, whatever their technical merit, will not take hold unless they are politically and socially acceptable. Education is intensely political because it affects the majority of citizens, involves all levels of government, is almost always the single largest component of public spending, and has public subsidies that are biased in favor of the elite. Prevailing systems of public education expenditure and management often protect the interests of teacher unions, university students, the elite and central government relative to parents, communities and the poor. The pace of reform must therefore take account of those vested interests and also of the need for adequate resources to sustain the reform.”

— World Bank, *Priorities and Strategies for Education* (1995, p. 137).

“Just as the individual egoist puts up with further questions only to a point, so also the group is prone to have a blind spot for the insights that reveal its well-being to be excessive or its usefulness at an end.

“Of itself, communication only reveals the disparity. What is wanted is persuasion.... For the problem of effective agreement is recurrent. Each step in the process of technological and economic development is an occasion on which minds differ, new insights have to be communicated, enthusiasm has to be roused, and a common decision must be reached. Beyond the common sense of the labourer, the technician, the entrepreneur, there is the political specialization of common sense. Its task is to provide the catalyst that brings men of common sense together. It is an incomplete accumulation of insights to be complemented and modified by further insights that arise from the situation at hand. It involves some understanding of industry and commerce, but its special field is dealing with men.... It has to be able to command attention and win confidence, to set forth concretely the essentials of a case, to make its own decisions and secure the agreement of others, to initiate and carry through some section of the seriation of social responses meeting social challenges....”

— Bernard Lonergan, *Insight: An Essay on Human Understanding* (1978, pp. 223 and 209).

## Section 1

### Introduction and Background

The World Bank's recognition of the role of politics and vested interest, as implied in the introductory quotation, is, as far as we can tell, unprecedented as a semi-official, sectoral statement for such a major donor. The approach to sectoral work for most donors, particularly in education, has been based on an implicit (but amply unjustified) assumption of counterpart government rationality, independence, benevolence, and willingness to serve the common interest. Hence, donor activity has emphasized technology and capital transfer, which would presumably be taken up by those in charge of government in the developing world, as soon as the pedagogical and financial rationality of the sectoral innovations were demonstrated by the donor's pilot projects.<sup>1</sup> The blunt blows of repeated failures of replicability, sustainability, and less-than-expected returns to projects have led to a severe questioning of the traditional *modus operandi*.

Other donors are also aware of the situation, are concerned, and are re-examining and writing, but few have put it as starkly as the World Bank. However, within the donor agencies there is little knowledge, and much less consensus, as to what to do with this awareness. How much is politically acceptable and feasible for the host countries? How can donor assistance in such sensitive areas be made more acceptable? What does technically appropriate and proficient assistance in the area of political-economic reform look like? Is there a varied menu of choices for assistance activities, or is there only one way to go? What countries, institutions, and counterparts are suited to these forms of assistance? In this volume and the others in the series, we hope to answer those questions and provide a set of integrated operational guidelines for donor and host country institutional activity in sustaining educational reform. These suggestions are based on (1) donor experience, and (2) an explicit understanding of applied political economy, and of the role information, analysis, and policy dialogue play in shifting the political-economic arrangements that prevent positive

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<sup>1</sup>The rationale for technology transfer in education is particularly baffling, since there is almost no agreement in the developed world itself as to what constitutes a "good" education process in the classroom, and since, as someone who runs community schools has put it to the authors, "running a good school ain't exactly rocket science."

change in the developing world, and particularly in Africa.

In the rest of this volume and this series, we proceed as follows. First, the rest of Volume 2 lays out what we hope is a careful justification for an “Education Reform Support” approach, based on the current political economy of foreign aid and the past experiences with various aid modalities. We believe this justification is needed because in spite of the serious and fundamental attacks on foreign aid, most projects continue to be designed as if none of these attacks had any validity or constituted an intellectual and technical threat, and were entirely political and budgetary in nature. We conclude that current approaches (standard projects, policy-based funding) need to be reinforced with a more participatory, analysis-and-dialogue-based emphasis, that meets the critiques head on. Second, we list the lessons learned regarding how donor support of policy reform has played out. These lessons are listed as a series of related but not systematic points. Third, we propose one approach to a system of donor support that integrates those lessons learned into a series of project-worthy activities that donors can support and recipients can understand. That approach is what we are referring to as Education Reform Support. Fourth, in other volumes in this series, we lay out a whole set of criteria and guidelines for defining and running such projects. Fifth, in other volumes in this series we explain in some detail some of the technical activities and components that can be brought to bear in the process of supporting education reform.

Readers also should be aware of Annex A in Volume 1, which explains the precise meaning of many terms that we use throughout this series.

### **1.1 The Current Environment: Motivating the Reader**

The donor agencies are under an unprecedentedly shrill and intense attack. Several factors account for the historically high level of attack; unless these factors are creatively engaged, the future of foreign aid is dim indeed.

First, whereas there has always been criticism of the donor agencies, particularly from the “left” of the political spectrum (e.g., Hancock 1989; Moore-Lappé, Collins, and Kinley 1980; Payer 1982), today there is just as much critique from the “right” (e.g., Eberstadt 1989, Eberstadt and Lewis 1995), and both “left” and “right” critiques are beginning to sound remarkably like each other (e.g., Adams 1992, who quotes both Payer 1982 and Eberstadt 1989; or Beets 1996, who approvingly quotes Milton Friedman and yet makes the type of plea for more local participation in program design that one usually associates with the “left”). The “left” has always criticized the donor agencies as agents of “imperialism” and as somehow contributing to the dependence and impoverishment of countries through their backing of politically closed and retrograde elites in the developing world, if not

for the actual extraction of economic “surplus.” The call has been for increased popular participation in governmental decisions, and, in general, for an increased popular politicization of everyday life, if not for outright socialization of the means of production. The “right,” on the other hand, has criticized donor agencies as extending the developed world’s welfare state to the developing world, thus increasing the power of inefficient central government monopolies at the expense of private initiative. Their call tends to be for a cutback in the size of the state. While the “right” has been calling for private initiative, the nonsocialist “left” has been calling for community participation.

While the “right” prefers the openness and popularizing of market allocation to government monopoly, the “left” calls for openness and atomization in the determination of the political processes that control the state. These preferences were seen, throughout the 1960s, 1970s, and 1980s, as essentially polar opposites. But, particularly after the collapse of communism, both poles have come to realize that there is not much difference among “community,” “popular,” and “private.” The idea that markets can be instruments of popular participation on the one hand, and that popular accountability may not be a bad way to attack statism on the other, has begun to be realized by the “left” and the “right” respectively, in both the developed and the developing world. The idea that markets are unlikely to be much improved upon as efficient allocation mechanisms, and that a democratic and participatory state can usefully watch over the market by providing information and safety nets, is an increasingly popular one. Such ideas accompany the overall more sophisticated understandings of the relations between states and markets (see, e.g., Castañeda 1992, Goldsmith 1995, Klitgaard 1991).

Second, the donor agencies themselves, officially—and specific individuals within the donor agencies, unofficially—are increasingly cognizant that the critiques may be right (see DeStefano, Hartwell, and Tietjen 1995; Haddad and Demsky 1994; Ridker 1994; World Bank 1993, 1995b). On a more personal plane, more than one United States Agency for International Development (USAID) official of a definitely liberal persuasion (in the Alliance for Progress sense) has (often with a sigh and a despairing shrug) admitted to the authors something to the effect that “Helms is right about a lot of that stuff—I almost wish him luck even if it means my livelihood.” Furthermore, more than one World Bank official of pro-market orientation has admitted that “the first rent-seekers are the private-sector elites, and they’re now supposed to implement the reforms.”

This realization is resulting in donor agency attempts to respond to the criticism. Since the “left” criticism is older and has been more per-

sistent, much of the response (e.g., the emphasis on participation) has a left-mollifying flavor. Still, much of it will be found wanting by the “left,” for reasons discussed below.<sup>2</sup> A response to the “right” criticism has started, but tends to increase the *efficiency* of statist interventions (by emphasizing policy implementation, for example), or to imitate private sector management in the public sector (performance indicators, management by objectives, client orientation, etc.).<sup>3</sup> This response to the “right” will probably also be found wanting. Thus, most of the efforts thus far from the donor agencies fall into one of two categories. One type increases participation and client consultation in project design, but often produces projects of the traditional, rather statist cast. The other type increases the use of efficiency-enhancing managerial tools, but manages projects whose essential logic and appropriateness to the market and the environment are not always clear. Little has been done so far to address some of the more profound aspects of the critiques, and even less has been done to specifically address points where the two critiques intersect.

Third, the critiques are biting into donors’ budgets. They make the budgetary defense, which has been largely bureaucratic thus far, less and less tenable on intellectual and technical grounds. Those reading this volume are very likely personally aware of this fact and feel it in their own budgets, or have noticed it in the budgets of the donors working with them, so no further comment is needed here.

Fourth, donors increasingly find these critiques in the countries themselves, among the very intelligentsia that is supposed to be their counterpart and is supposed to implement the new policies. This is particularly true in the more developed countries with a longer history of donor activity and with more astute (often U.S.-trained) local analysts, who understand the history of donor interventions and who partake of the same debate taking place in the developed world. Many of these analysts naturally are wondering whether structural adjustment, privatization, etc., are part of the same fad-oriented thinking that, in the 1960s, brought them centralized decision making about dams that are now white elephants, nationalized steel industries, ruralized education, state-owned textbook printing operations, state-run agricultural input supply operations, and state-monopolistic grain marketing organizations. Are participation (from the “left”),

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<sup>2</sup>For a sometimes scathing and often on-the-mark analysis, see Stiefel and Wolfe 1994.

<sup>3</sup>What is often ignored completely is that perhaps the most important reason for private sector efficiency is not how it manages (implements) but the fact that the mechanisms it uses to choose what *not* to implement are relatively unromantic and free of wishful thinking (see Drucker 1995). Given that the tasks that only government can do should be quintessential public goods with inherent vagueness and immeasurable output, it remains to be seen whether imitating private sector management is the right way to go.

privatization (from the “right”), and community schooling (from both) simply the new orthodoxy, or is at least some learning occurring in the donor organizations? Hopefully the latter, and we certainly believe it, but it is not always evident even to some of our more observant counterparts. And, within some donor agencies, the search for and promotion of “magic bullets” continues unabated.

If the donor agencies do not address these issues with the seriousness they deserve, it is likely that their own intellectual and technical legitimacy will continue to decline, and their budgets will follow suit. At the same time, host country counterparts can help donors by learning about the issues, and by collaborating with donors in exploring these new agendas. The kinds of projects and activities that donors will likely have to embrace, as a result of this re-examination, are very different from those of the past.

Both in this volume and in this whole series, we address the modest goal of simply broaching the subject of a new type of project that can respond to critiques of both left and right. This effort alone will require laying a great deal of technical, political, and political-economic groundwork. That is, this volume cannot address the ideal education system that new projects could model, and we do not claim to have “the” solution. However, we can claim that variants of what we propose, as modified for a particular country and according to the understanding of specific donor and host country actors, will help solve the problems enumerated above. We also immodestly claim that unless something along these lines is done, the aid “business” will become less and less sustainable in the view of prominent opinion leaders. What is currently being done, at least at the national level in the United States, is much too timid. Some of the experiments in the field (of which Washington is only opaquely aware) are beginning to hit the mark, though. We document these examples in this series, and generalize from them.

## **1.2 Some Historical Background**

To understand the current situation, and to see what activities have already been tried and found wanting and why, we now detour to look at past donor actions. Readers already familiar with this history may skip ahead to Section 2 without loss of continuity.

### **1.2.1 The Project Approach to Educational Development**

Perhaps 95% of donor activity in the education sector has been modeled after the traditional infrastructure projects of the 1950s. As Rondinelli (1993) notes, many donor activities, in terms of both content and the stages of project design and management, are still modeled after infrastructure projects: they use a linear, blueprint philosophy for carrying out a clearly defined and often technically sophisticated task. The tone for this style of work among development agencies was set by a combination of (1) the results of the Marshall

Plan, with its emphasis on capital transfers to societies with a great deal of human resources and organizational capacity; and (2) the project- and quantity-oriented planning popularized by what seemed like success in the socialist countries from the 1930s to the 1950s. The earliest true infrastructure projects (dams, roads, ports, electrical power) were aimed at transferring capital and technical know-how, in order to lift the foreign exchange, savings, and technological ability constraints of the countries being assisted. Later projects—for example, in the agricultural sector—also aimed at demonstrating how to organize a sector or subsector. They modeled the technical and administrative management of a modern sectoral ministry or subministerial agency (proper extension services, linked to research services and credit agencies, proper data gathering and agricultural information systems, etc.). The list of subsectors in which these projects were provided is enormous. In education alone they included the whole well-known panoply of “technical fix” areas such as teacher training (both pre- and in-service); curriculum development; textbook design, printing, and delivery systems; school site selection, design, contracting, and construction; examination design and management; etc. Because in many countries donors could not hope to provide enough capital to really solve the problems, even in one sector, many of these projects naturally were pilot projects whose technological and managerial innovations were supposed to be replicated and sustained by the countries in question.

Unfortunately, the record of such projects has been less than stellar. Judging only in terms of the sustainability of the innovations introduced by the projects, or even of the projects themselves, several evaluations have made it clear that at best about half of such projects have been sustained—about half for the World Bank and, using a different methodology, about one in ten for USAID (see Brinkerhoff and Goldsmith 1992, Norton 1993). Even taking an area as prosaic, technically “hard,” and (apparently) institutionally simple as management information systems, it is clear the majority of the computers procured were underused, the data were seldom used in decision making, and the technical staff trained in computer literacy migrated to the private sector (see Chapman 1990, Chapman and Mählck 1993, Crouch 1995, Gifondorwa 1995).

### **1.2.2 Faulty Assumptions of the Project Approach**

With the benefit of hindsight, the reason for the lack of sustainability appears fairly clear: planners used untenable assumptions to generalize from the Marshall Plan to donor strategies for structural assistance to African education. In Africa, Latin America, and parts of Asia (as opposed to, say, post-war Europe or Japan), the major constraints to development have little to do with capital shortages or access to packaged technical know-how. They have much more to do with:



- regimes of political and economic capacity and accountability,
- the nonexistence of institutional and social infrastructures that result in organized and well-informed competition of economic agents in markets (and political agents in governmental succession),
- the inappropriateness of traditional property rights to deal with current problems,
- governance and administrative problems, and
- the relative lack of cultural receptivity to technical change that characterizes these societies (see Klitgaard 1991, Landell-Mills and Serageldin 1991, Stein 1994).

At the same time, it has become clear to Africans themselves that lifting the constraints to development has little to do with simply getting rid of colonialism and almost nothing to do with implanting “planning” and imploring aid providers for their beneficence.

### 1.2.3 Recognizing the Need to Alter Policy and Institutional Frameworks

Specifically, it is not clear that one should expect good results from demonstrating a better way to provide an education service in a society in which the providers of that service (from the executive of the nation to the village teacher) are not concretely accountable for either the quality or the quantity of the services they provide, and in which the innovations demonstrated by donor projects require more effort and more pecuniary and psychological costs than the status quo. If the innovations were costless in terms of financial resources, teacher effort, organizational ability, and cultural logic, and their pedagogical results really were superior, then they would be implemented, and project sustainability would be achieved. But we know they are not costless. They almost all require heavy financial, organizational, and psychological investments up front, even if they are eventually costless in terms of cost-effectiveness per graduate (see Harbison and Hanushek 1992). In short, both the empirical, observable results and the logic of the situation compel us to admit that unless the policy and institutional framework in which projects operate is profoundly altered (in countries where policy and institutional frameworks are not conducive to education projects) or well-chosen (if conducive frameworks do exist somewhere), then the technical/pedagogical fixes we provide are likely to continue to be unsustainable.

### 1.2.4 Contradictory Follow-through

Yet, most education sectoral operations in Africa still emphasize assistance of the traditional “project” type. Most line officers with aid agencies accord little or no importance to the policy environment, and pay it only lip service, or are baffled as to *what* to do when they do take it seriously (see USAID 1994c.) In spite of their organizations’ official stance, in private conversation they frequently scoff (not

always unjustifiably, in this author's opinion) at policy-oriented nonproject assistance. Most African sectoral leaders, even though they understand many of the new realities, are still developing top-down, statist policy reforms and pedagogical interventions; are still confusing real policy with political posturing and populism; are still thinking—or pretending to think—that events will happen because they are written in a (mediocre) plan; and are still waiting for donor handouts of pencils and paper. They are naturally impatient, when *some* donors are still handing out commodities via projects that allow waste and mismanagement to continue, while other donors are simultaneously calling for accountability reforms. Furthermore, in spite of the very process of “reinvention” at the donor agencies (or, what is more frightening, perhaps *because of* this process, with its emphasis on concrete objectives and measurable indicators—see Brinkerhoff 1995), the project definition and management cycle in areas such as overall education sector improvement still resembles the project definition and management cycle for building a rural feeder road. The contradiction between the inherent messiness of policy reform and the need for clear objectives and timelines in project management has yet to be elegantly solved.

The traditional causes of this contradiction are not hard to find. Most line staffers of the donor agencies are well-meaning individuals with a real desire to help soon and to help in very practical ways, and frequently they have operational-sectoral background and training (rather than political, administrative, or economic training) in their own (Western) societies. In Western societies, institutional and governance problems are not as much of an issue as in Africa and, therefore, technical fixes are more likely to work. The combination of a desire to do good, and to do it quickly, with a training which is largely operational-sectoral; and a lack of predisposition, training, and ability to think about governance and policy problems, renders them impatient with vaguenesses such as “the policy environment,” “political accountability,” etc. Add to this mix the fact that the U.S. Congress (and the equivalent in, say, the Nordic countries) understands new schools and well-fed children much more easily than “promoting an accountability environment where change can continue on its own.” It is no wonder that we find in our own agencies the same unfortunate short-sightedness and underselling of complexity that one finds in Africa itself. Social policy comes to be seen as charity writ large, but with someone else's money.

The reliance of the aid agencies on developed-country lobbyists for support, and contractors for implementation, does not necessarily help matters—especially if the lobbyists and contractors are one and the same, or parts of the same network. Even though the contractors and lobbyists are often as well-meaning as the donor staffers themselves,

they are frequently more entrepreneurially aggressive (because their livelihood depends on it), more zealous (because they have an *idée fixe*), and sometimes better-trained than the staffers. As a result, and because the agencies depend on them for lobbying, the agencies become captured into implementing a multitude of contractors' and lobbyists' latest magic-bullet solutions, from aquaculture to women's microenterprise projects to technology-based distance learning to community forestry to you-name-it. Ironically, the very latest acknowledgment of the importance of nongovernmental organizations (NGOs) as advocates is not necessarily a cure for this problem, and may well make it worse. A quick succession of concrete, appealing fads (who could possibly be against making little fish ponds for villagers, or for teaching poor mothers to use knitting machines, or for having radio stations that teach mathematics?) does not recognize system complexity, sustainability, or the patient, slow institutional work on the basics that are the key to long-term success. Sustainability itself becomes a fad and gets robbed of its meaning. Add the drive to respond to a legislature concretely and in the short term, as discussed above, and impatience with structural, policy, management, and governance issues becomes quite logical.

In spite of all this, attempts have been made to work on the policy and governance issues, even in the education sector, but more often in macroeconomics, agriculture, and family planning. These efforts fall into two categories: policy and management technical assistance, and financial transfers based on policy conditionality.

### **1.2.5 Policy and Management Technical Assistance**

First, some projects have emphasized technical assistance on the supply side of policy, governance, and management. Transfer of techniques in education management information systems (EMIS), analysis, managerial approaches, etc., has been tried. This tack could be termed the "policy-level equivalent of technical fixes." That is, donors often assumed that the demand for policy and managerial improvement existed, and that they only needed to set up policy analysis units, to supply countries with management information systems, and to extend technical ability and training in budgeting, financial analysis, statistical analysis, procurement of materials, inventory and warehouse management, etc. These projects abounded in macroeconomics and specific microeconomic areas such as agricultural policy and agricultural research, starting as early as the 1970s, and perhaps earlier if one includes the public administration and sectoral and project planning assistance of the 1960s. By the 1980s they were common in education, with perhaps a dozen major projects in policy analysis and EMIS funded just by USAID in the 1990s.

### **1.2.6 Taking Demand for Granted**

The results of these analysis-unit (including EMIS) projects generally have been the same as those of bricks-and-mortar, technical-fix

projects: unsustainability. The reason is the same: The demand for analysis was taken for granted, and where it did not exist, few attempts were made to create it, even if knowledge as to how to create it existed. Without a real demand for analysis and for data, there was little chance that anything would be sustained. Demand for analysis and data derive from the effective *external* demand for accountability. Why would a bureaucracy strive to make highly rational, transparent decisions, if this style of decision making would violate the traditional rent-seeking and pork-barrel rationality common in most traditional (and many modern!) political systems? The only answer is pressure exerted by a system of external accountability. Otherwise, the normal human and bureaucratic impulse is to do tomorrow roughly the same thing they did yesterday (perhaps adding 10% to cover inflation), except when political expediency requires it. And political expediency needs little information and less analysis.

Naively (we say with hindsight), most of these efforts went so far as to place the analysis units, which were expected to criticize misguided policies, into the very same ministries whence the misguided policies had emerged. Could civil servants in, say, Zaire, criticize their own minister's and colleagues' policies in any meaningful way?

Because the problems were seen largely as deficiencies in the supply of analytical power, much of the assistance led to studies that were excessively academic in design, and therefore further condemned the units to instant irrelevance. Rent-seeking activity by U.S.-based graduate students and professors implementing such projects meant that the analysis ended up supporting tenure struggles back home, and Ph.D. dissertations for foreign students in U.S. universities, rather than policy struggles in the host countries. The failure of many of these efforts, and some of the suggested cures, has been documented in some of the sectors where it was most heavily tried and most seriously evaluated (see Coutu 1991; Goldsmith 1983, 1993; Tilney and Block 1991).

It is also important to be sensitive to the time horizon of evaluation. While many of these projects did not achieve sustainability, the individuals trained in analysis often went on to take a much more entrepreneurial and demand-led approach to policy, relying on the policy dialogue techniques discussed below. Yet, it seems oddly inefficient to take such an indirect approach naively and as a matter of *design* (instead of political necessity, for example), particularly now that we know how events actually tend to unfold.

### 1.2.7 The Conditionality Approach

Second, there have been attempts to use funding as a means to engage developing-country leaders' attention on policy issues. These efforts, variously referred to as nonproject assistance or program assistance

(with some differences in meaning which need not concern us here) generally take the form of budgetary support in exchange for policy change—a tactic economists refer to as “conditionality” (see also Annex A). Or, more properly, they reward policy change that is already under way. The debate on the effectiveness of this type of assistance is as old as the type of assistance itself, and is older than most aid staffers realize (see Goldsmith 1983 for an example of this debate from the 1960s).

### **1.2.8 Problems with the Conditionality Approach**

Our reading of the literature strongly suggests that such programs are of rather limited utility in the absence of: (1) true (deep, extensive, technically proficient, ongoing) dialogue that motivates a solid intellectual conviction on the part of host-country counterparts about the substance of the change rather than the indicators, and (2) pressure and backing for the reforms from powerful indigenous interest groups and “champions” (including sections of the technocracy itself as an interest group). To put it another way, conditionality without these other two aspects is unlikely to achieve much, but the latter two aspects can achieve a great deal even without conditionality-based financial transfers (Berg 1991; Berg and Associates 1990; Bowles 1989; CDIE 1989; Corbo and de Melo 1987; Goldsmith 1983; Jafir, Eaton, and Sequeira 1989; Lewis 1989; Method 1992; Pillsbury 1991; Piñeira Echenique 1992; Vondal 1989; Weintraub 1989; White 1990a, 1990b). Indeed, most profound reforms have had little to do with donor funding at all, and a lot to do with donor creation of the right technical, political, and intellectual climate in the country, after years and years of patient work, long- and short-term training of key cadres, and preparation of grassroots support (Goldsmith 1983, Haggard and Webb 1994, Piñeira Echenique 1992). Finally, there is certainly evidence that when donors pressure for policy reform, and particularly when they tie reforms to promises of financial transfers that the country can hardly ignore, the results can be less than productive—and even destructive. When stakeholders cannot participate in these processes, the design loses empirical information, a loss often regretted later (see, for example, Haddad and Demsky 1994, in particular the case of Burkina Faso). The most recent specific evaluation of conditionality in USAID’s education programs suggests similar conclusions and places conditionality more or less in the same context as we do (see DeStefano, Hartwell, and Tietjien 1995).

### **1.2.9 Conditionality’s Appeal**

The reasons for the appeal of conditionality as a mechanism for supporting policy reform are clear. First, it promises to be easy to implement, because “all” one does is to establish—and monitor—performance indicators in exchange for funding, in the best “reinvented government” tradition. It promises a cut-and-dried process that generalizes the notion of behavioral incentives from economics to government. However, the literature on principal-agency problems

alerts us to the fact that reinvention solutions are least likely to work in the situations present-day conditionality is trying to deal with (see Donahue 1989). It is doubtful whether a careful reading of, say, Osborne and Gaebler (1992), or any of the other proponents of reinvention, would support the use of incentives and indicators as currently proposed by donors.

The second reason for conditionality's appeal is more psychological and hypothetical. We submit that the adjusting countries' governments have demonized the World Bank and the International Monetary Fund (IMF) as the "bad boys that made us adjust." The donors thereby serve a useful purpose as scapegoats for those governments. In many cases, the "anti-imperialist left" in the countries, as well as the "imperialist" agencies themselves, both accept the scapegoat and have come to believe the mythology of their own power. (In many cases the mythology is no doubt true.) Personal and institutional self-esteem is always comforting, whether it is based on empirical data or not.

Thus, the power of donor conditionality, comforting as it is to all concerned, has become legend; and attempts to generalize it to sector work have followed suit. In any case, it does seem clear that for certain actors, and around certain issues, conditionality is more useful than for other actors and for other issues.<sup>3</sup> Suffice it to say that for a bilateral donor among other major bilateral and multilateral donors (as is the case for USAID in much of francophone and anglophone Africa), most education reform issues are only weakly amenable to conditionality pressure by itself. Yet, many donor activities are still being structured with conditionality as a key component of the activity, even in situations (countries, issues) where experience would seem to indicate it is not suitable.

### 1.2.10 Conclusions

To conclude this first part: We have shown that the donor agencies are under what is perhaps the most intense attack in their histories. Further, we have argued that many of the major operational modes for these agencies have had problems that feed the critique—problems that in part flow from environmental issues to which the critique has been trying to draw attention for years. We propose that these problems can only be addressed with profound sectoral reforms, using methods that are sharp and aggressive, but that can nevertheless be widely participatory and consensual. In the rest of this volume we lay out what these methods and approaches consist of. We propose them not as an alternative to any of the traditional methods, but as an adjunct that can make the traditional methods more sustainable, more demand-driven. We first draw out lessons learned from other attempts to support

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<sup>3</sup>Because a discussion of these issues here would take us too far afield, we have relegated the discussion to Annex A.

reform processes, and then use them to create a systematic and holistic approach. Finally, in other documents in this series, we draw up a set of operational guidelines, checklists, and suggested activities for various issues and contexts.

## Section 2

### Lessons Learned in Reform Support

We first lay out the main lessons learned, as they emerge from both experience and literature. Then we go on to expound a systematized approach based on these lessons. Exposing the lessons learned first, in a serial manner, and then synthesizing them, mirrors the learning process required in order to tackle a concept this messy. It is a replica of induction, whereby some conclusions can be derived.<sup>4</sup>

Our empirical grounding comes from various sources. The first is academic literature on processes of policy change as such. The second is practitioner literature describing the failures and successes of donor projects whose specific aim has been to bolster policy change using analysis, dialogue, and persuasion. Because there are few cases of successful policy reform in education and in Africa, many of our case studies and examples involve macroeconomics, agricultural policy, and family planning, although there is a sprinkling of literature from other sectors. A third source of empirical grounding is case studies of policy formation in education in developing countries, particularly in Africa. Note that these are often cases of policy formation, not policy *reform* and, much less, *successful* policy reform. Finally, we name our own practical experience in carrying out these processes in a trial-and-error manner at first, and with growing confidence in our system as we have learned how to do it.

#### 2.1 Policy Reform Is Intensely Political

Evaluations of the policy reform process, all the way from irrigation (Erickson and Poulin 1993), to health care and pharmaceuticals (Reich 1993), to macroeconomics (Bates 1991, Haggard and Webb 1994), to education (Haddad and Demsky 1994, World Bank 1995b), to generic evaluations of the role of information and analysis in policy change (Coleman 1990) suggest that policy reform is as much about politics as about technocratic ability. By definition, policy reform is all about resource allocation, subsidization, and taxation. And, particularly if properly understood, policy reform effects changes in the institutional *rules* that determine these things, rather than just causing the superficial changes that are so often mistaken for policy change (see

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<sup>4</sup>“It is a capital mistake to theorize before one has data.”—Sir Arthur Conan Doyle.



Volume 1, Annex A, on jargon). So, most actors are aware that actual reforms, as opposed to superficial changes, are a high-stakes game whose outcomes will directly affect their livelihoods, possibly in irreversible ways. There is some evidence that decision making at the macroeconomic level with regard to policy reform is not quite as politicized as at the sectoral or microeconomic level, mostly because actors do not always totally comprehend the distributional consequences of some of the reforms being proposed (see Bates and Krueger 1993).

However, at the sectoral level most actors are acutely aware (or think they are) of the consequences of the important policy reforms. They also let it be known, even though in some cases they may be mistaken. There is little doubt that increasing certain university fees, for example, will result in more payment by middle-class students. University students, confronted with the possibility of user fees, will burn buses, beat up the secondary school students who do not join the disturbances, and, occasionally, burn a minister or two.<sup>5</sup> Teacher union leaders, confronted with the possibility that hiring and firing might be done at the community level, and that salaries might correspond to effort deployed, will engage in collective actions such as strikes, takeovers of the education ministry, etc. Candidates for teacher training, who have always seen certification as a salary entitlement, will not take kindly to a proposal that the certificate-producing pre-service teacher training be radically altered or eliminated in favor of minimal pre-service and more intensive in-service training. Almost all reforms worth undertaking represent serious changes in allocation and benefits. Thus, they will have important winners and losers. And because they are reforms in the *public* sphere, the winners and losers will express themselves *politically* and sometimes violently. Such reactions are inevitable, and to pretend otherwise is naive and irresponsible. The pretense creates a cozy illusion about the power of analysis and data, and contributes to over-optimism about whether donors can in fact support these processes. While the politicization of the process does not render donor support hopeless, it does render it unpredictable and very difficult.

A clear implication for donors is that the process is never as cheap as it might promise to be, and that explicit attention must be paid to the politics and political economy of the situation, which requires shrewdness and patience (see Crosby 1992a, 1992b, 1992c, 1995).

## 2.2 Implementation

Policy implementation is a major concern both in education and in

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<sup>5</sup>This was indeed the case in Mali, where a minister of education was confronted by a mob of protesting university students, pulled from his car, and set afire.

### **Problems May Turn Out Not to Be Implementation Problems**

other sectors (Craig 1990). If what we mean by “implementation” is the actual enactment of a changed policy, then reform implementation becomes synonymous with reform itself. To illustrate: On paper, the implantation of user fees has no effect. However, when the university gates are blocked except to those who have paid their fees, then the fees bite. Of course, enactment of the policy is the difficult step. But it strikes us, and other authors as well (see Craig 1990), that “policy reform” inherently includes the implementation aspect; otherwise, what is the point? However, it is also clear that in political and bureaucratic circles in much of Africa, the *expression* of a *desire* for a policy change, on the part of a few people in the government, is often referred to as “policy.” Thus, one may hear that “it is the policy of this government to charge user fees at the university” when no user fees are in place and there is no concrete plan for collecting them. Or “our policy is universal primary education,” but no one has any idea whether this idea is feasible, or has secured the budget or made the plans to make it feasible (see Psacharopoulos 1990 for a long and woeful list of unimplemented education reforms). All this assuming that talk of policy change *is* policy change applies to situations in which there are political (including budgetary) limits to reform. We argue that in these cases, pointing out to African decision makers that a policy reform is hardly a reform unless it is implemented, is indeed a salutary point of departure for discussion about what “policy change” really means. It is important to distinguish policy from wishful thinking and posturing; otherwise, all policy problems will appear as implementation problems.

At the same time, we suggest that with good design and preparation, the implementation aspect can be finessed to a large degree—if the problems are political, budgetary, or ideological, rather than administrative. Part of the problem of implementation is that the “policy” was simply decided in a back room, and brought out as the great leader’s gift to his people. Then, surprise, there is effective opposition or lack of capacity when someone tries to implement it (see Craig 1990 and Psacharopoulos 1990 for reviews of these tendencies from the 1960s to the 1980s). More recently, there is often backing for a policy change at very high levels (e.g., the president, the minister) and among grassroots communities, but the bureaucracy balks at the loss of control. Since it is the bureaucracy that has to implement, there is obviously a problem here. But is it a problem of implementation, or a problem of not having done a good enough job with analysis, persuasion, dialogue, and compromise during the design stage?

A process of design based on participation and dialogue, where special interests (such as university students, the bureaucracy, the unions), can be isolated and deprived of intellectual and ideological legitimacy, or offered a chance to compromise, will result in policy change that is

much easier to implement. There are several reasons for this phenomenon. First, the opposition will have been identified ahead of time. Second, if planners are sufficiently able and have resources, and have the “truth” on their side, they will have used marketing and debate techniques to isolate the special pleaders. Thirdly, if those planners have technical as well as process skills, they will have been able to craft efficient (win-win, positive-sum, or dialectical, rather than win-lose, zero-sum, or split-the-difference) compromises ahead of time. Whether this three-step process is considered part of “design” or part of “implementation” is immaterial. Perhaps it is implementation of design or design of implementation. The point is that, at least in a democracy and often in dictatorships, the three steps have to take place before the policy is implanted, and often they do not, with resulting problems appearing during the implementation stage.

However, in many cases there are administrative rather than political/ideological difficulties in reform implementation. This is a more genuine implementation problem. One can define a decentralization policy, and one can even implant it and make it stick in legal, bureaucratic, and even ideological terms (e.g., by overcoming the resistance of the teachers’ union, or by reaching a creative compromise), but if there simply is no managerial ability in the lower rungs of government, the policy will fail during implementation. This shortcoming is particularly deleterious because the more creative compromises reached during the political stage, which render implementation easier from the political angle, often increase the administrative and technical difficulties. For example, a useful compromise in decentralization of teacher hiring and dismissal might be to have a two-tiered system. Such a system would give communities the flexibility and sanction capacity they need, but also protect the teachers against arbitrary local power. But managing such a system demands more technical-administrative skill than managing a simpler one-tiered system that is either central *or* local. It also demands much more implementation assistance, and for a long time.

Thus, we need to distinguish political, bureaucratic, and ideological problems that appear as implementation problems because not enough analytical, political, and team-building homework was done during the design and definition stage, from the more basic managerial implementation problems. Political-type problems may indeed result from lack of *managerial* and technical capacity in the reform motivation and definition stage, but they are different from “genuine” implementation problems that result from lack of managerial capacity in a reformed or reforming ministry, once the policy has actually been accepted by those who would implement it.

Donors can assist in both areas, but the types of assistance needed are

clearly different.

### **2.3 Policy Reform Based on Participation Is Messy but Understandable**

A result of the political nature of policy reform (as discussed in Section 2.1) is that processes of reform, and therefore of donor support to reform, are unpredictable and nonlinear in terms of final output or results. This point has been repeated often, most recently and with most relevance for our proposal by Porter (1995). It has several implications for donors and providers of technical assistance.

First, process control and process quality matter just as much as technical ability and a focus on outcomes (Brinkerhoff 1995, Warwick 1982). The abilities to maneuver between and among groups, to generate consensus, to use workshops to clarify agendas and set strategic plans, to use marketing techniques to generate pressure for reform or to “sell” reform once it has been generated, are all “process” issues usually dismissed by donors with a technical-sectoral orientation. Various USAID projects, such as Implementing Policy Change (see IPC 1995a, 1995b) and Data for Decision Making (DDM; see Reich 1994) are now working on these issues. Their experience is invaluable, and is captured in the set of materials that have been produced under this effort. On the other hand, technical ability cannot be ignored, since process knowledge is often insufficient for defining conflicts in a manner that can result in positive-sum games and also avoid nonsensical, but popularly appealing, solutions. Balancing the two is not easy, and convincing donors that they need to pay attention to both is particularly difficult, since it often increases the cost.

Second, because the final results in terms of actual educational improvements are far off and are relatively unpredictable, many of these efforts should be judged based on the process quality rather than on the eventual results. This choice might appear to be a problem given the trend, at least in USAID, toward more “results orientation” (see Allison and Macinko 1993, Brinkerhoff 1995). But for those concerned with reinvention issues—if we can be permitted to transgress across sectors in the donor agencies—this process/results dilemma is to some degree a matter of semantics. What is “process” to the education sector is “result” to the governance sector. Why not define achievement in education using indicators from the governance area? What could be more measurable than the passage of a law that approves of parent-teacher associations (PTAs) partaking in decisions over school funding? Or that requires PTA boards to be democratically elected? Other examples abound. Furthermore, the “governance” and “democratic participation” initiatives, at least at USAID, use a conceptual framework that is essentially indistinguishable in content, if not in the literal terminology used, from what we propose here. (See Walker 1995 for a discussion of the convergence between “governance” and “sector work” that tracks quite nicely with everything we say here.)

In short, what goes on in policy arenas (as in most areas of social life) may not be very tidy, but it is understandable; and our formulation of the approach called Education Reform Support in this series of documents offers a well-organized and practical set of methods for interpreting and influencing complex policy processes. ERS does not, and cannot, entirely follow the linear logic underlying most donor project designs, but it is systematic and strategic in its approach. Strategic, in this context, means being sensitive to the timing and flow of policy action. The vision informing ERS focuses on these dynamics. A positive and important point introduced here is that the goals of “governance” or “democracy” projects not only are relevant, but also are virtually the same as the process goals of ERS. Perhaps even more importantly, one of the best ways to implement governance-improvement projects is in a sector-specific manner. (See Oakerson 1995 and Walker 1995 for a related line of thinking from the governance side.) And these goals are at the heart of what we mean by taking to scale a more informed and participatory policy process, along with its supportive institutional environments.<sup>6</sup>

## 2.4 Implementing Resource Reallocation Helps Illustrate Why a New Approach Is Needed

Most serious analysts of reform processes see reforms as having to do with the rules and institutions that determine the state’s relationship with the citizens. Policy *changes* refer to changes in basic rules and institutions, not to quantitative shifts in certain parameters that govern behavior. Policy *reforms* mean a set of systematic and interrelated policy changes in rules and institutions. But this does not mean that the only changes worth making are “real” policy changes. Marginal changes in certain parameters (e.g., shifts in allocation between university and primary) are not really policy changes, but at some point a difference in degree becomes a difference in kind, particularly because a large enough numerical change does, in fact, imply a change in the nature of the relationship between the state and the citizens.

Most of these important nonreform changes—which can become true reforms if they have sufficient magnitude—have to do with budgetary matters. In some countries, one of the most important nonreform changes would be to improve budgetary allocations to education in general. Another would be to change the shares between different types of inputs (labor vs. materials, say) and levels of the system (university vs. primary). At the margin, these are not strictly reforms or even real policy changes, because no change is needed in the institutional rules and processes that govern allocation. Furthermore, in some cases, the interests pressuring against such increased allocations are diffuse; that is, the interests are not so much pressuring *against* improving

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<sup>6</sup>We are grateful to Bob Porter (vice president, Porter/Novelli, Washington, DC) for some of the insights and language in this section.

allocations for education in general, as they are clamoring for improved allocation to *their* sectors. However, the experience in trying to support or leverage these kinds of reallocations has proved instructive for formulating a more sustainable approach.

Poor allocations appear to have two main causes. First, the powerful economic ministries and the executive cabinet in general simply may not be sufficiently aware of the vital importance of education, and of its nature as a *public* good to be funded, in large measure, out of the fisc. Education ministries are often accused of not knowing how to “sell” and not knowing how to intervene, both administratively and technically, in the budgetary process (see Sanguinetti 1992). Education ministries also accuse other ministries of not understanding that “education is an investment.” There is much truth to these statements, and clearly donor support could boost this capacity on the part of education ministries. An example would be promoting the use of sophisticated policy marketing methodologies, to which we refer below and in other pieces in this series (see Crouch, forthcoming; Crouch, Spratt, and Cubeddu 1992).

Second, however, education ministries’ attempts to sell education as an investment to, say, finance ministries, will tend to fall on deaf ears if education ministries do not behave like good investment managers. The lack of project and implementation imagination, and the lack of cost-effectiveness in education ministries, conspire against their being trusted by other ministries, with the result that they are often underfunded in spite of the fact that the personnel in the economic ministries do understand that in principle education is a good investment. The lack of implementation capacity in education ministries, partly due to an incapacity to think beyond the usual means of bureaucratic control (i.e., overseeing myriad rules and regulations), results in education ministries that are often unable to execute even the budgets they do have (see Castañeda 1992, Prawda 1992).

To help negate all these explicit and implicit reasons for underallocation to education, there is a need both for marketing of education and for reforms that convince others that the education ministry is an effective manager. Both marketing and reforms will require governance and accountability innovations, which will, in turn, require the kinds of support activities we argue for and describe in this series of papers.

Finally, to the extent that NGOs and other groups in civil society can convince the economic ministries that they have effective ideas for delivering education services, they may find unsuspected allies in these ministries. “Closing the loop” among NGOs, finance and planning ministries, and education ministries via dialogue and debate may not

be a bad idea. All this interaction is part of the policy dialogue process needed to get the NGOs' innovations in service delivery accepted as part of the overall system, or to give NGOs legitimacy as claimants on public moneys for service delivery. Education ministries' capturing of the lessons from NGOs may be one way for them to convince economic ministries that they are becoming better managers.

These are all areas donors can assist with, by providing the kinds of tools, technical assistance, and process support we discuss below.

## **2.5 The Process *Should* Be Slow**

It has been said that there really is no such thing as a person-month. This means that, even when the situation is as politically simple as building a bridge, updating a software package, or designing a new radio, the time it takes to complete a project rarely can be shortened by adding more people and compressing the execution time so as to complete the same critical events sooner (see Brooks 1975).

If this statement is true even in engineering, where the notion of a person-month was first popularized, the nonexistence of this concept is even truer in policy reform. Here, the *essence* of the process is the fact that policy change is often more a matter of evolution than of revolution (see Ericksen and Poulin 1993). A policy proposal may be more radical than even its proponent desires, but its sponsor puts it into the marketplace for reaction. The proponent then sees who resists, and negotiates. Since the purpose of negotiation is to seek higher-order, positive-sum compromises, the negotiation is often more a process of mutual education than of mere conversation toward split-the-difference compromise. This process naturally takes a long time, a time that is not under the control of those in charge of the process, or guiding it. Yankelovich (1993) has estimated that the period from budding of awareness among intellectuals, to spreading of that awareness to the public, to agitation for solution, to the emergence of "wishful thinking" solutions, to the final emergence of real solutions, can be as long as ten years in an unmanaged process around a difficult issue, in a developed country. We hope that with good management of the process and with donor support, in a developing country, where the issues are more stark, the time will not be longer. But it would be over-optimistic to think that dealing with the serious issues in education reform will ever take less than five years.

Furthermore, reality resists not only in intellectual terms, but also in the sense that each reform tends to engender new and real problems, and until the problems are perceived as crises, little action is likely (consider the crisis in Ghana at present, as described in Fobih, Koomson, and Godwyll 1995). One can create a perception of crisis to attempt to resolve the problem; this method is valuable, but has its limits. Crises develop at their own pace, regardless of how many

person-months of technical assistance the donor can compress into a given amount of calendar time.

For all these reasons, a truly participatory process of policy reform will try the patience of most donors, and will be difficult to define in a highly goal-oriented manner. Not even the *process* is easy to predefine in terms of steps, because the optimal next step will depend on who resists and how they resisted. In this situation, stretching the person-months into calendar years, by supplying less technical input at any given moment, may be the best option.

## **2.6 Participation Is a Technically Sound Idea, Rather Than Just the Latest Politically Correct Fad**

Whereas there is a strong trend among donor agencies to favor participation, largely under critical pressure from developed- and developing-country NGOs and intellectuals (see Stiefel and Wolfe 1994), there is an opposing reaction that sees participation as wooly-headed idealism, and as a disturbance to the “proper” procedures of clear, strong bureaucratic definition and problem solution.

It is important to defend participation in rigorous terms against both the real likelihood of a too-wooly approach and its logical opposite, the bureaucratic imperative. Participation may be a good thing. But obviously, there are limits; and unguided participation, without leadership, without methods for making and marking progress, without agreed-upon mechanisms to seek positive-sum solutions, etc., is not productive and can paralyze a society. For that reason, even the most highly democratic societies on earth use mechanisms such as parliamentary rules to limit participation so that it can be more productive. (For example, not everyone can speak at the same time, or debate can be closed even though not everyone agrees it should be.) But the tendency of participation to be disorderly does not mean one should jettison it wholesale and return to blueprint plans written by bureaucrats. Rather, it means that technical assistance must be provided to enable such participation to be effective from a technocratic perspective.

The simple issue here is that participation is to implementation-intensive public sector activity what free, atomistic competition and information are to the operation of an efficient market in economics. As Przeworski (1991, p. 185) has put it: “...the reason technocrats commit ‘technical’ errors is that they do not consult and concert with those who are affected by their blueprints. There is something paradoxical when believers in the informational efficiency of decentralized decisions fear them the most.... The main obstacle to reform is people....” This was said of macroeconomic reforms which, because they imply the *removal* of controls and regulations, are relatively implementation-unintensive. Education reforms, even decentralizing and privatizing ones (where they are desirable), however, will tend to



be implementation-intensive. Bureaucrats, particularly in education ministries (and particularly in monopolistic ones) simply do not ever have enough information to design implementable and sound programs, if they derive such information strictly through technical means such as censuses, surveys (even extensive ones such as the World Bank's Living Standards Measurement Survey), focus groups, and "participatory needs assessments." Even these last two are passive means for gathering information, and their point is to allow the bureaucrat to design *for* people rather than *against* them. There are also well-known *inherent* limits to how much can be learned from multivariate analysis of survey data and the evaluation of pilot projects, no matter how sophisticated.<sup>7</sup> This is the case particularly for the definition of reforms rather than for marginal adjustment of existing programs. Aside from the information issue, there is some evidence and some relevant theorization about the dangers of self-reinforcing "group-think" in policy formation (see t'Hart 1990).

The evidence is overwhelming that this type of information-gathering has led to failure after failure in education reform. Even worse, some programs have simply been designed based on "expert" knowledge, group-think, and "obvious common sense" among policy elites, followed by media campaigns. For examples of such failures in

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<sup>7</sup>These limits include self-selection biases, multicollinearity, recursive causation, self-selection for success in pilot projects, impossibility of costing out factors such as timeliness of fund disbursement and quality of entrepreneurial zeal in pilot projects, recursive determination of policy and behavior in the sense of rational adaptations to poor policy vs. true behavioral trends, etc. (See Cook and Campbell 1979, Judd and Kenny 1981.) Most of these problems lead to either exaggerated fears or exaggerated hopes for reforms based on either pilot projects or quantitative assessments—as witness the still ongoing and somewhat inconclusive debate over the effectiveness of Head Start in the United States, which is one of the most-studied social interventions of all time. Frequently it is impossible to tell *ex post ante* whether the fears are more exaggerated than the hopes. This is not to say, by any means, that technocratic analysis is useless, but simply to say that purely technocratic analysis has limited value as the basis for state interventionism. At this point, participation—the political equivalent of an atomistic, free-market competition—is key. The ideal is a process whereby participation is combined with analysis, advocates have to prove their point in the public arena based on agreed-upon rules of evidence, *and* program design (e.g., the operation of selection criteria in subsidy targeting) minimizes the actual need for bureaucratic types of information. Take, for example, an issue that is consistently found in U.S. education research: the fact that more education for teachers or principals is often totally uncorrelated with their quality as principals or teachers. There are multiple reasonable hypotheses as to why the data might show this in spite of the fact that it may not be true, and there are also multiple reasons why this may be true but it does not imply that more education for teachers is a waste of money. Finally, it may well be true and it may indicate that more education is a waste of money, and yet it may not be possible to act on that knowledge, in the public sector, for political reasons. For example, it may not be true because teachers with more education are thrown into more difficult situations, or it may be true but not particularly relevant because the more educated are younger, and experience is known to matter, and the two tend to cancel each other out in terms of statistical significance, yet leaving out one variable biases the estimate of the impact of the other. We can attempt, via multivariate analysis, to finesse and control for these factors, but in the end the best we can do is to offer plausibilities and educated guesses. There are simply intractable methodological problems that make any kind of multivariate analysis a very poor substitute for true, double-blind experimental design, and the latter is nearly impossible in social science, for political as well as methodological reasons (and less for ethical reasons as is commonly thought). The best solution would appear one where the wisdom and knowledge of experienced providers is allowed to prevail, in an atmosphere where thousands of natural experiments, in an information-rich environment, are simply the way in which business is carried out.

education see Haddad and Demsky (1994), paying particular attention to the Burkina Faso case, the Benin case as described in Debourou (1995) and Welmond (1995), the Mozambique case as described in Massingue (1995), the Mali case as described in Bagayoko and Hittenberger (1994), the early Ghana case as described by Fobih, Koomson, and Godwyll (1995), and, unfortunately, many, many others (see Psacharopoulos 1990 for an early rehearsal of the same failures). In family planning, the dangers of top-down arrogance, in terms not of some ultimate values but of program effectiveness, have been documented by Warwick (1982). Even processes that are participatory in the sense that they start out by canvassing opinion, say in a large “*Etats Généraux*,” end up going nowhere if the original event was seen simply as a means for gathering information on which the bureaucrats would design and implement. For cases that serendipitously or purposefully have done somewhat better, and have relied to a greater degree on participatory techniques (which is not to say even this arrangement cannot be much improved upon), see Hartwell (1994) on Botswana, Selwyn (1995) on Mauritius, and Kamano (1995) on Guinea. Both the latter and Fobih, Koomson, and Godwyll (1995) demonstrate that participation, particularly when limited to canvassing opinion in the design stage, is not enough to guarantee good results. Other cases touted as successfully participatory, such as the Dominican Republic (World Bank 1995b) appeared highly successful initially, but more recently may have stalled, perhaps because the participatory aspect eschewed the more difficult issues (e.g., decentralization of many types of authority) on which ideological and political blockage was likely, and that is where the stalling appears to be.

Bureaucratically obtained information is seldom enough to allow for efficient design, much less efficient implementation. This maxim was one of the crucial flaws of central planning, and is the crucial flaw of much donor-inspired activity. Given how much is known about these basic theoretical facts, and how long it has been known (see Hayek 1944), and given how well-documented and self-documented have been the practical failures in education (see Haddad and Demsky 1994, Ridker 1994), the current *modi operandi* are not tenable (to the best of our knowledge, they are still the current *modi* and they are still *operandi*).

Obviously, there are nuances here. The simpler and more homogenous the society, the less inherently contentious the policy, the smaller its claim on national resources, the less the new policy departs from old policy, and the more technically proficient—and incorruptible—the bureaucracy, the more likely it is that policy can be effectively designed and implemented with bureaucratic mechanisms, and based on technocratic analyses. But these conditions, while perhaps operative in, say, Korean social security policy, are hardly the case in most of

African or Latin American education policy.

It is clear that inexpertly handled participation can indeed simply bring into sharper relief the mutual incompatibilities of opposed wish lists. This finding is documented to some degree in, for example, Fobih, Koomson, and Godwyll (1995); and it is summarized in our introductory quotation by Lonergan. Furthermore, it is not obvious that mere participation will lead to good solutions, since popular opinion is by no means always correct, and an averaging of such opinions is likely to be *inside* the policy frontier rather than on the frontier. In the United States, for example, it is well-documented that the public has very cost-ineffective and irrational ideas about how to deal with environmental problems and safety hazards in general (e.g., focusing on toxic waste rather than on smoking, or on pesticides rather than on mundane public health concerns such as vaccinations and tuberculosis prevention). It is also clear that such irrational fears can well be abetted by self-interested NGOs whose livelihood depends on panic creation.

In most of the Third World, the popular notion is that governments could simply decree prices to be low, teacher wages to be high, and private schools to charge lower tuition, without undue negative consequences that have to do with real-world constraints rather than greed. Such policy proposals could be a not-improbable result of unguided participation. In fact, many of the current problems may have been caused precisely by government imposing populist solutions apparently backed by the common sense of the masses (e.g., “free” education for “all” with “fair” salaries for teachers, leading to budget explosions and drops in quality that leave the net amount provided exactly where it was before). In some cases, the apparent obviousness of the solution was so great that the leaders could give these policies as gifts to the masses, without much undue and messy discussion of the finer technical points and the limits of state intervention. The results are the social policy equivalent of basing navigation and exploration policy on a participatory assessment of the earth’s obvious flatness.

In summary, the role of donors should be not just to naively call for more participation (as seems to be the danger now in some donor circles), but also to provide appropriate tools and approaches to allow such participation to help reform move forward. This type of participation uses information and stakeholder education to produce technically solid, defensible, and sustainable reforms. We discuss these techniques in other documents in this series.

## **2.7 Information and Objective Analyses Are Important and Yet Very Problematic**

The vision of the policy process as a rather linear one that gathers information for the design of policy, and proceeds in systematic stages, may be useful for thinking about clear inputs to add to specific *points* in the policy processes. Researchers, however, are increasingly aware

that the “stages” view is inadequate if one wants to support improvements in the *process* of policy formation, and to ensure that the point interventions are sustainable and meet demand. A much more interactive and inherently messier view of the policy process ties information use to stakeholder interests and sees policy formation and implementation as a highly recursive phenomenon. (See Goldsmith 1983; Jenkins-Smith and Sabatier 1993a, 1993b; Porter 1995; Sabatier 1991; Sabatier, Hunter, and McLaughlin 1987; Sabatier and Pelkey 1987; Weiss 1995; White 1990a, 1990b.)

Thus, donors had best not simply provide recipients with analytical capacity. Instead they should work with recipients on ways to inject this analytical capacity into a messy, recursive, special-interest-ridden process. The purpose is not only to be more effective in abetting the larger goal of supporting reform, but also (more narrowly) to make analytical and EMIS units more sustainable.

At the same time, because of the dangers of too simplistic an approach to “participation,” all parties should have recourse to serious information of a relatively objective nature as policy processes are opened up to interest groups. This situation helps to better inform the policy process and to ensure the sustainability of the work with EMIS and policy units.

## 2.8 Leadership Is Important

Participation is important for controlling (1) bureaucratic arrogance, (2) the prohibitive expense of obtaining complex information via bureaucratic means, and (3) the tendency of small groups to develop self-validating theories via group-think. The flip side of the coin is that even (or particularly) in democracies, leadership is vital. Some scholars of reform have suggested that most reforms, in most countries, are led by a nucleus of at most four to five people per sector (see, e.g., Harberger 1993; and see our discussion of a reform support infrastructure in other documents of this series). Evidently, as we have suggested above, the capacity of such small nuclei to design implementable reforms depends on the nature of the reforms and the situation. Even in cases where such nuclei cannot design implementable reforms, because of the information costs (e.g., many education reforms), such nuclei are still important in steering the debate. Crosby (1992a, 1992b, 1992c) and other analysts of donor-funded reform projects have documented that one key determinant of the impact of such reform projects is the ability of the donor-provided technical assistance teams to get close to the topmost decision makers, and to be useful to them. Certainly, the personal experience of the authors of this document, in many policy projects, confirms the difficulty of making useful and policy-relevant analyses when the senior analysts in donor projects do not enjoy close relationships with the prime movers of reform efforts. This type of relationship is also part of the secret of providing demand-

led policy assistance, a topic discussed in greater depth in other documents in this series.

## **2.9 Public Policy Remains a Public Good**

When the state is weak, or is based on few and very narrow interest groups, the provision of public goods of a wide and generalized benefit, such as basic education, naturally tends to fail. It also fails, for somewhat different reasons, when the state is strong but its direction is determined by a relatively closed leadership and bureaucracy that implement “obvious” solutions based on populist mass appeal. Both of these cases are frequently found in Africa as in much of the developing world, and both equally lead to policy failures in the provision of public goods. In the first case, they fail because of insufficient attention and concern. In the second, they fail because of unwise, ill-informed attention and concern that ignore inherent limits and constraints and, somewhat paternalistically, assume that the state’s powers of provision are much greater than they turn out to be. Reality, more often than not, is a combination of the two cases. The result is a spiraling degeneration of the ability to supply the most basic public goods, whose most likely beneficiaries have the least-organized defenders.

Unfortunately, good public policy (i.e., well-informed, carefully considered, participatory, implementable, and well-balanced between equity and efficiency) toward the basic public goods is the most abstract, and hence most “public” public good there is. This is because it is the public good with the most widely dispersed external benefits, the most concentrated private costs, and the most rarefied and intangible immediate products and processes (see Stein 1994). Even in some older industrial democracies, the interest in the public good, and the ability of private individuals to invest in it, is quite limited, and perhaps only the size of the market makes the emergence of privately funded policy work likely (see Grofman 1993). As Klitgaard (1991) and Goldsmith (1995) also explain, societies do not have efficient markets by accident: the nurturing and creation of markets, through the *effective* use of information for public policy, is itself a high-order public good—these are quintessentially public activities, and the ability and inclination to carry them out are extremely scarce in most African countries. (There is debate around this argument as well, with some social scientists proposing that good governance generally follows rather than promotes the efficient working of markets. See Rapaczynski 1996.)

Good public policy is then a “meta” public good. So, how is it possible to set aright the provision of a public good (education) whose failure is due to a state failure, by pushing for better public policy, when the public policy is even more likely to fail in the same situations and for the same reasons? Evaluators of donor-based policy reform efforts in

other sectors have asked essentially the same questions, and have issued strong caveats (see Tilney and Block 1991). Is this not perhaps a totally quixotic proposition? Several reasons are cause for hope in some countries in Africa. We will not delve into these reasons in great depth, since they would take us too far afield, but they need to be addressed, lest our effort be accused of indeed being too quixotic.

First, the process of democratization has led to at least a nominal openness toward a resurgence of public activity by more broadly representative groups, as part of the democratization itself, rather than as a pursuit of specific public goods. Second, leaders in Africa are now increasingly (though by no means universally and clearly) wary and weary of the obvious and simple solutions of the past. Third, donors themselves are pressuring for more carefully considered choices, as we propound in this piece. Finally, pressure from the apparent success of real-life reformist attempts (e.g., the community schools in Mali and Chad) is building up and becoming harder to ignore. Reality is forcing government to define policy. Thus, the time is ripe for this kind of activity. (See DeStefano 1995, and Fass 1995a and 1995b, for a related discussion.)

However, whereas these changes in direction provide a useful conjuncture for donor assistance in getting some processes going, they do not solve the problem of long-term sustainability faced by policy reform analysts and decision makers. The *funding* of independent, tough-minded units capable of a continuous process of critical policy analysis and discussion will not be an easy problem to solve. Few governments pay for their own public watchdog functions, either in dictatorships or in democracies, since it is hardly in the self-interest of those in government, and since bad policy so often flows from the government itself.<sup>8</sup> Frequently not even the data-gathering functions needed for accountability are paid for by government, so that even outside criticism is difficult to base on data. Further, as a gross generalization, in many countries in Africa it will be difficult to find economic groups in civil society with both the deep pockets and the vision needed to at least co-fund foundations or think-tanks in civil society that can play these advisory and critical roles. In many of the poorer countries, the large-scale private sector that could possibly have both the funds and the vision to fund these ventures, is an appendage of the state, or lives in a situation of co-dependency with the kleptocratic and inefficient state. As has often been observed, private sector failures mirror public sector failures, and weaknesses in one have to be expected in the other. Thus, the willingness to undertake long-term support of public policy units is unlikely to come very soon from either the state or civil society.

Two implications follow: donors will have to provide much initial

support, and long-term national support will be fragile and slow in coming. Both a donor kick-start and then much patience will be required, which should be obvious but is often forgotten in the drive for quick results and people-level impacts. Development will be a very long-term game in many African countries, and pretending otherwise is to fall into the realm of “obvious common-sense solutions” that have been so deleterious in the past. We make some suggestions in other pieces in this series, and put this problem into context below.

The implication is that donors must often work with civil society NGOs and think-tanks, and that these will often need donor support for several years. The points where the absorption of such functions into the normal operations of the state is not likely in the medium-term future, where support for these functions from the domestic private sector is unlikely, or where self-support of these functions from cross-subsidies by policy entrepreneurs who are also consultants is not already emerging, are the places where these donor-initiated activities are least likely to be sustainable.

### **2.10 Recipes Are Nearly Useless and Successful Cases Are Not to Be Copied**

The almost-universal donor and host-country tendency is to look for successful cases that can be replicated. This is true both in actual implementation (e.g., replicate the BRAC NGO and community school ideas from Bangladesh to elsewhere, or the Mali community schools’ apparent success to Guinea), and in processes of reform and macro-level policy (e.g., replicate the East Asian miracle in South Africa). However, we argue that success often comes when ideas are tried for the first time precisely because it is the first time, and therefore those who came up with the idea had no guide but theory, and had to depend on their own practical experience in the form of small-scale pilot-testing, in a process of trial and error that may have lasted for many years. Most successful cases are successful precisely because they were not copies, and had to be developed patiently and experimentally. It is, therefore, the process that needs to be copied, rather than the result. The lesson of BRAC is not that one must provide schooling in this or that way, or that NGOs must do this or that, but that BRAC took years to discover how to do it, and made many useful mistakes along the way, and had a means to learn from those mistakes.

What we are saying here is simply that every case is different. However, such arguments usually are taken to mean that, therefore, theory is useless (“let’s roll up our sleeves and get to work; there are plenty of examples of how to make this work”). In fact, what it means is that recipes and preconceived notions are useless, but theory itself, as a way to coherently organize one’s thinking, and as a stock of

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<sup>8</sup>For an excellent account of producer-consumer conflict, see Lieberman 1993.

knowledge about first principles, may be precisely what is needed. If it is tempered by an understanding of local realities, it allows one to design an approach appropriate to each case. There must, of course, also be a way of bringing best practices and successful-case information to the public arena, but only as sources of ideas, not as solutions. Only those who understand the real theoretical principles of, say, sample survey design, feel comfortable about breaking the rules and doing a quick-and-dirty design that respects the basic theoretical principles but at lower cost than cookbook design approaches. Similarly, only those who understand the fundamental theoretical issues of public finance and education, and who also deeply comprehend the local culture, are likely to successfully adapt the notion of public education to local conditions. Cookbook approaches, such as those that say that “active teaching methodologies are better” or “learning materials make the most difference” or “centralize this but decentralize that” will not often help. Theory- and culture-based approaches seek to understand *why* (and *why not*) in some instances, one can find efficient human organizations in which certain functions are almost always decentralized. They also investigate under what cultural norms these organizations are most likely to succeed, particularly when tempered by modesty, information, and a great deal of initial experimentation.

Thus, in this volume and in this series, we caution strongly against basing interventions on case studies of what worked here or there. Cases are indeed useful, but only as data in building an approach and an intuition. In fact, one of the real advantages of cases is that they teach the value of theory-like understanding of first principles, precisely because each case is different; often, what appear to have been opposite approaches both worked equally well. We realize it is tedious to constantly try to take stock of what is fundamental to the task at hand, and that the shortcut of learning from others’ successes is tempting, but we are quite adamant that copying successes leads to failure, precisely because one is trying to copy the success rather than the slow process that led to the success. In everything that follows, both in this paper and in the series, we almost never say “do this,” or even “in this situation do this, in that other do that.” Instead, we present maps of options and tools that can be used in various situations, as well as suggestions for how to read the situations.

### **2.11 Some Generalizations Are Particularly Dangerous**

Some of the biggest “reformist” successes are likely to generate some of the most specific and controversial opinions about how to “do” reform (e.g., democracy is not helpful in macroeconomic reform; it is a good idea to copy non-Western authoritarianisms such as Singapore’s; etc.). In that sense, since two of the biggest apparent donor (or donor-counterpart) successes have been in macroeconomic reform and in fertility rate reduction, the temptation to generalize from



macroeconomics and from family planning is particularly acute. Although some of the lessons are applicable, many should be resisted, for several reasons.

First, as Rodrik (1996) documents, there is extensive disagreement among economists, not so much about the fact that the “Washington consensus” is more or less sound (though there is debate about this claim as well), but about the conditions needed for this consensus to gain ground in a particular country and for reform to be efficiently and smoothly undertaken and implemented. The debates range from the familiar, such as the debates between Sachs and others about the role of shock-therapy, consensus, participatory processes, and so forth, to the much more subtle debates about whether strong legislative support is important, whether reforms should be implemented by economists in positions of independent authority, etc.

Second, the conditions in education are very different from the conditions in the macroeconomy, in family planning, and even in microeconomic reforms such as irrigation or agricultural adjustment (although the latter is closer to education). The differences are too vast to catalogue completely, but we can cite a few key ones.

Macroeconomic and most microeconomic reforms imply doing away with price controls, exchange rate controls, excessive Central Bank intervention in determining exchange rates, etc. Thus, once the rules are thrown out and the bureaucracies dismantled, the “reforms” implement themselves. There is little call for managerial ability in, say, implementing the removal of price controls. On the contrary, the call for managerial and informational ability is in the implementation of price controls, which is partly why they tend to fail. It is interesting that, even in economic reform, the reforms that call for implementation ability (usually the microeconomic reforms) tend to lag the most: privatization lags a little, financial reform lags more, and property rights reforms in, say, land (requiring in many cases the development of the whole cadastral infrastructure of a country) lag a great deal. Unfortunately, there is some evidence—or at least serious opinion—that getting the microeconomic reforms right is more important, in the long run, than getting the macroeconomic reforms right. If we add the fact that educational is a microeconomic reform, and that it affects what is arguably the most important form of capital a country possesses, we may conclude that the most important reforms may well be the most difficult.

Macroeconomic reform may be easier because special interests feel less threatened (for a contrary argument, however, see Fernandez and Rodrik 1991). Liberalization, for example, has less predictable obvious consequences on social groups than, say, the implantation of user fees,

or the loosening of teachers' salaries from bureaucratic determination.

While in family planning the contrary interests are ideological, customary, and religious (as well as budgetary), in education there are in addition rather well-defined economic and bureaucratic interest groups, on top of the ideological ones. Family planning bureaucracies are new, or to be created. Dismantling or reforming an old and inefficient bureaucracy cobbled together out of various interest groups, which responds to complex and multitudinous mandates, and which is quite aware of its own inefficiency (that is, most ministries of education), may be harder than creating new, missionary, driven bureaucracies, as has been the successful case in many family planning programs. The lessons from mature family planning programs, which have had time to develop vested interests in practices which may have become dysfunctional but are now difficult to uproot, are much more likely to be useful than the lessons from the policy reforms that have been successful in getting programs going.

Thus, not only is "learning from success" generally dangerous, but learning from success in some specific sectors is doubly dangerous. The lessons for education reform have to be experimentally tested in each new situation against reality, and against basic theory and basic common sense, rather than simply generalized from successful cases. And, in terms of sectors, generalizations from sectors such as health, irrigation and utility systems, and perhaps agriculture, may be more useful than those from macroeconomics or family planning.

## 2.12 A Summary

We have covered a good bit of ground in Section 2, and the ideas are fairly disparate. A simple listing of what we believe are the key lessons should help summarize where we have been. Note that in the two subsections immediately above we have cautioned both against recipe-like approaches and against drawing the wrong lessons from other reforms. In that spirit, the summary of lessons learned in this section as well as in this whole volume is meant to provide not a recipe but a set of principles to be used with discernment and caution.

- Reforms are about livelihoods and interests; not everyone can win; and therefore people will fight them. (As Napoleon said, "a man will fight harder for his interests than for his rights.") Since they also are about public allocations, the struggles will be political. Policy reform is nothing if not about politics.
- Badly designed policy reforms are typically impossible to implement. Bad implementation is a sign not only of lack of management capacity, but also of poor design. One should guard against the popular conception, common in ameliorist circles, that the government can do anything efficiently (and therefore *should* do it) if it copies the management techniques of the private sector.

- Policy reforms are messy, nonlinear, negotiated processes. Technical inputs matter, but they are not taken up at all straightforwardly. Salesmanship, negotiation, and maneuvering are all also important.
- There is no such thing as a “person-month” in policy reform. It is an event-dependent process.
- Not all changes are reforms. Many donors tend to think of quantitative changes (e.g., devaluing the exchange rate, increasing teacher’s salaries) as policy reforms. Many of them, including most of the ones donors obsess about, are not even policy changes, much less reforms. Policy changes are changes in rules and institutions that govern parameters of behavior, not just changes in the parameters themselves. Yet, that does not mean that only important “policy changes,” rigorously defined, are worth fighting for. The distinction is important, nonetheless.
- “Participation” is not just a romantic or “do-gooder” notion. It is a sound technical idea. Bureaucracies really do not know, most of the time, how to run things in detail. That is, bureaucratically acquired information is not enough for running most social systems. Information costs are simply too high unless the interested parties have incentives to reveal their information, or simply to act on information whose transaction costs are high. Thus, participation is to public policy as free competition and market information are to the functioning of markets. Rather than a hindrance, it is essential to the efficient supply of collective goods. But the participatory process, if it is not to result in paralysis or collective folly, must be well-guided.
- While the supply of both participatory and technical or scientific information is essential, it is not a simple matter, because often the effective demand is lacking. In societies with tremendous informational asymmetries, low-level equilibria develop where those who are very unequally supplied have little incentive to deploy more effort to acquire more information. Thus, the process of getting information actually used in developing societies is a complex and delicate one: it is a real problem requiring more than just supplying governments and NGOs with analytical skills.
- Most analysis and information is a “meta” public good, and will therefore be particularly difficult for governments and the private sector to fund in societies without traditions of accountability, and/or of private donations to public interest research and advocacy. The funding of informational and policy research functions can be expected to remain a serious problem.
- Copying successes in policy reform is dangerous or useless, because most successes derive from good process. The results

cannot be copied unless the process is copied, and if one is going to take the trouble to copy the process, one might as well go ahead and discover results that are custom-made for the situation at hand. In fact, that is *why* one needs to take the trouble to go through the process, using theory and cases as inspiration, but not as guides to action.

## Section 3

### Education Reform Support

All of the above lessons learned suggest that, in order to support processes of education reform, a donor would need a rather flexible and sophisticated approach—so flexible that it would verge on a non-approach, and would simply rely on the difficult-to-articulate wisdom of individual implementors. Yet, to define activities in a way that makes them fundable by donors and intelligible within the community whose efforts would support the activities, one obviously needs to have some sort of system, or some way of laying out procedures, tools, and steps, that can be brought to bear on this messy process. Thus, as a way of integrating all of the various lessons learned into a practicable approach, we have developed the notion of ERS. We argue that, at least from the point of view of the donors' responsibilities, the aim should be (1) to enhance system-wide reform, and (2) to develop a new type of education project that embodies what might loosely be called a “modernization” or “reformist” agenda (accountability; client orientation; targeted financing; competitive access to public funding for education provision; movement of decision-making to where local information acquisition costs, economies of scale, and certain requirements of homogeneity and equity all balance each other; information-based management and finance; voice and exit control mechanisms; etc.)

The development of both system-wide reform and “reformist” projects requires great country receptivity to reform ideas. In effect, this statement means that the appropriate groups within countries must come to own the necessary ideas. This ownership, in turn, will require (1) much more learning from existing pilots and from the plethora of ongoing natural experiments that have never gone to scale; and (2) better methods for policy dialogue and, more broadly, policy communications. ERS aims to integrate traditional public policy analysis (using information and analytical techniques) with public policy dialogue, advocacy, awareness, and political salesmanship (using communication techniques). Education Reform Support seeks to invoke these mechanisms as a means to improve the process of policy decision making in the education sector. We define an “improved policy-making process” as one that is (1) much richer in the use of information and analysis; (2) more competitive, transparent, and

accountable;<sup>9</sup> (3) more open to broad stakeholder participation; and (4) ongoing. In short, the process must be as deliberative, accountable, democratic, transparent, and information-rich as is reasonable to push for.

A long-winded but precise definition of what we mean by Education Reform Support would be: **ERS is both a conceptual and an operational framework for developing policy-analytical and policy-dialectical abilities, and institutional capacities, leading to demand-driven, sustainable, indigenous education policy reform.**

This definition is precise and rigorous, and therefore worth explicating. In the remainder of this document we explain what ERS is, what its component parts are, and how it can be implemented. All of the remaining documents in this series are in fact an elaboration of this Section 3.

To start with, an expansion of the above definition would say that:

- First, ERS aims to affect policy and reform, in rigorous terms, as opposed to negotiating singular changes in some policy indicators, or wringing concessions on changes in a few administrative procedures. The process aims to be indigenous (under the control of local counterparts) and endogenous (capable, in real time, of both initiating and responding to policy change impulses and opportunities).
- Second, we can refer to (1) any of a number of reasonable theoretical models or understandings of the policy process (see, e.g., Porter 1995), (2) theories on organizational development and learning, and (3) donor experience as captured in most of the lessons above, to emphasize the *process* whereby analytical and organizational tools can be brought to bear on education reform.
- Third, our references to the literature on the tools of policy analysis and dialogue catalogue a series of approaches and tools that can be used in supporting processes of policy change.
- Fourth, by understanding the demand-side and institutional aspects these processes need to become self-sustaining, or in what country situations they are likely to be sustainable, we provide an approach to such sustainability.

ERS is an integration of all these pointers and practices, and as a “systematized approach” consists of:

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<sup>9</sup>We use the terms “competitive” and “transparent” in the sense that groups proposing certain policies must prove the worthiness of those policies using information in a competitive marketplace of ideas that has as few barriers to entry as possible.

- an operational framework for getting things done, and a process for strategically maneuvering within that framework (as discussed in Volume 3),
- a set of analytical and policy-dialectical tools that are the substance of that maneuvering (as presented in Volume 4),
- a set of suggestions for the design of (typically) donor-funded activities in ERS (as explained in Volume 5), and
- a means by which to monitor and evaluate what is inherently a very messy process (as put forth in Volume 6).

The ultimate aim, of course, is to build the national institutional capacity to apply this approach, helping to establish and nurture a permanent reform support infrastructure.

What does it take to *effectively* set up a process of Education Reform Support? To put it simply: It takes a set of actors who know *what* to do and *how* to do it, from both a philosophical and an operational point of view; and who have the right tools, techniques, and funding at their disposal. Note that we do not suggest that these factors “make” reform happen, and hence that donors can “make” reform. Our argument is more modest. Reform is up to countries. What outsiders can “make” (or more accurately, help make) happen is only effective support and encouragement of those reforms.

## Annex A

### Some Issues Surrounding Conditionality

Our reading of the literature, and our own practical experience, suggest that (1) the success of conditionality as a mechanism for eliciting policy change, and, in turn, (2) a policy's capacity to affect education positively, depend on several factors. All of these factors hinge essentially on two facts. Most policies that exist are the result not only of analytical mistakes, but also of political preference and choice, including explicit and implicit political cost-benefit analysis. Second, some policies are not as effective as others at actually inducing change.

- The larger the donor and the greater the donor's leverage as a gatekeeper to other funding, the more powerful conditionality is (by shifting the benefit factor of a decision maker's cost-benefit analysis) as a means of inducing policy change.
- The less politicized the relationship between the donor and the host country, in terms of the political importance of the host country to the donor, the more likely conditionality is to work. Some countries have such strong lobbies in the donor's own country, have such geopolitical importance (although this is less the case after the end of the Cold War), or are emotional "pets" for such strong politicians, that conditionality is unlikely to hold up funding. Multilateral organizations rarely face such pressures; as a result, other things being equal, conditionality works better for multilaterals.
- The less the career advancement of specific technocrats is tied to the disbursement process, and the more the success of policy reform (rather than the flow of funds and project implementation activity) is made the yardstick of bureaucratic success in the donor agency, the more likely conditionality is to stick at all. When disbursement and successful project implementation are the keys to bureaucratic advancement, conditionality is likely to lose some of its teeth.
- Isolated reforms that simply *lift a constraint* on a natural human tendency are the most easily affected by conditionality. Examples are abolishing price controls, or reallowing the existence of private schools with minimal legal constraints. All other reforms tend to be implementation intensive, in that the post-reform system requires more, not less, implementation activity.
- Isolated reforms or legal changes that *prohibit* a natural or cultural tendency are less likely to stick. Instituting price controls, and making them actually stick, is much harder than eliminating them and letting prices find their level. Prohibiting discrimination is harder than creating incentives for recruitment.
- Isolated legal reforms that attempt to mandate "good" behavior are the weakest of all, even if such behavior is measurable. In general, reforms and changes that prohibit vice are much easier than reforms that encourage virtue. Reforms that simply allow natural behavior to take its course, whether it be considered virtuous or not, are easier still, since in most cases they simply involve the removal of laws that formerly prohibited this natural tendency from taking its course. Yet, it is surprising to what degree



developing countries themselves, and now policy conditionality, attempt to mandate good or virtuous behavior via laws and regulations.

- Isolated legal reforms in general are more likely to work than reforms that rely on continuous quantitative indices. *Qualitative* indices are almost no good at all in conditionality processes. (We are not referring to “indices of quality” since quality can often be measured quantitatively. We are referring to qualitative indices, such as “An adequate plan must be prepared.” Such conditionalities invite endless bickering and recrimination, and are practically impossible to enforce with a serious face. Yet they are used with either breathtaking naivete—if someone thinks something will actually happen—or breathtaking cynicism—when we impose it knowing we will look the other way in the end.)
- Isolated changes in a price are easy, but they are not reforms. For example, a devaluation is not a reform, whereas changing the legal framework that allows nonmarket interventions in exchange determination is a reform. Raising the procurement price of maize is not a reform, but eliminating the parastatal that procures maize, so that prices are determined by the market, is a serious reform. Raising (or lowering!) teacher salaries is difficult, but not nearly as difficult as it would be to allow salaries to be determined by the communities they serve or to reflect productivity. Of all these cases, only the last is a real reform, but it would be difficult to achieve through conditionality.
- Conditionality aimed at moving quantitative proxy indicators (e.g., the net enrollment rate, the percentage of the budget devoted to something, or the school completion rate) are weak because they are the hardest to audit, and usually are the most distantly related to the behavior one is trying to affect. Budgets and data are extremely easy to fudge and to backslide on after the fact. Few donors have the resources, the technical assistance time, and the stomach to audit data to the point that would be needed if a country really wants to fudge the data, particularly when the changes in question are relatively marginal. Furthermore, conditionalities aimed at quantitative indicators displace the discussion from the reasons why the change is desirable in the first place toward whether the change was made or not, precisely because it is so easy to fudge the data, and so much is a matter of judgment. To the extent that conditionality encourages this kind of game-playing, it discourages transparency in the host-country’s governmental affairs, which can hardly be a desideratum.
- Simple, isolated, legal-change conditionalities are easy to coordinate among donors. Other conditionalities tend to be fudged and tend to create coordination problems even among the donors, and often send conflicting messages to the countries.

It should be clear that most of the education reforms needed in Africa, as sponsored by USAID, do not fit into the categories that are “easy,” assuming conditionality by itself. Trying to get real change by requiring that “an adequate plan for the integration of girls into schools” be developed is like trying to get a toothless baby to eat a frozen bagel: there will be a high ratio of saliva and jawing as a proportion of real progress.

## Documents in the ERS Series

The Education Reform Support (ERS) series of documents presents an integrated approach to supporting education reform efforts in developing countries, with particular emphasis on Africa. It is designed for development agencies and for individuals interested in helping strategic elements within a host country steer events toward sustainable reforms in education, as well as for host country reform proponents who wish to understand the aims and means of agencies that propose activities in this area.

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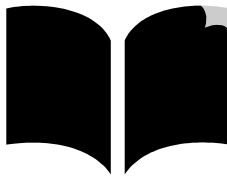
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