

Learning brief

Issue-based programming in challenging contexts

Learning from Traction Malawi

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Key messages

Traction is a Foreign, Commonwealth and Development Office-funded programme that aims to improve the accountability and responsiveness of local and national government in Malawi by building reform coalitions around tangible issues of economic growth and service delivery.

Traction's Issue-Based Projects were organised via a series of 'Test-Learn-Adapt Sprint Cycles' that encouraged it to learn about the issues, the context, and how to run an adaptive programme in Malawi.

While Traction has had some successes, its 'hit-rate' is rather low. Traction has learned from its mistakes and has made changes that should make failure less likely in the future.

To help identify issues that are tractable and feasible in the context and to better link analysis and action, we recommend that Traction also draws more inspiration from political settlements analysis and game theory.

Even with these changes, Malawi remains a difficult context for improving growth and service delivery and considerable strategic patience is likely to be required.



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Acronyms

AIP	Agricultural Inputs Programme
CALIPER	Categorisation to Enhance Local Investment Planning and Economic Responsiveness
ETA-PSIG	Education Transparency and Accountability in Primary School Improvement Grants Project
FCDO	Foreign, Commonwealth and Development Office
IBF	issue-based facilitator
ibp	Issue-Based Project
IBP	Issue-Based Programme
ISRP	Import System Reform Project
MBS	Malawi Bureau of Standards
MRA	Malawi Revenue Authority
MSMEs	micro, small and medium-sized enterprises
MTR	Mid-Term Review
PDE	procuring and disposing entity
PDIA	Problem-Driven Iterative Adaptation
PEA	political economy analysis
PPDA	Public Procurement and Disposal of Assets Authority
PSA	political settlements analysis
PSIG	Primary School Improvement Grants
SPC-MBS	Streamlining Product Certification within the Malawi Bureau of Standards
SSU	Seed Services Unit
TAPP	Transparency and Accountability in Public Procurement Project
TLA	Test, Learn and Adapt

1 Introduction

Traction is a Foreign, Commonwealth and Development Office (FCDO)-funded programme that aims to improve the accountability and responsiveness of local and national government in Malawi at the same time as improving economic and service delivery outcomes for the poorest people. It comprises three components, the largest of which is an Issue-Based Programme (IBP) implemented by Palladium. The central idea of issue-based programming 'is to focus donor interventions on tangible issues or problems that can provide a rallying point for domestic stakeholders in-country to mobilise and drive change' (Williams et al., 2021: 3).

In this Learning Brief, we focus on this IBP component, presenting lessons from Traction's first seven workstreams or Issue-Based Projects (ibps). We provide a brief overview of the different issues tackled, we discuss the way Traction worked and how it learned and adapted, and we then provide some reflections on success.

Before proceeding, it is helpful to make a few remarks about the context. Malawi is a low-income country of almost 20 million people, ranked 169 out of 191 countries in the United Nation's 2021–2022 Human Development Index.¹ Land-locked, with few natural resources and only a single rainy season, its geographical and environmental disadvantages are compounded by a mode of governance that is generally inimical to rapid development.

After independence, its first president, Dr Hastings Kamuzu Banda, pursued a development model that involved continued close collaboration with the former colonial power and foreign capital, while simultaneously building up an indigenous economic base. Initially, growth was rapid, but by the late 1970s it had begun to falter and the 1980s was a period of stagnation and decline. A transition to multi-party democracy occurred in 1994, and ever since, Malawi's political settlement has seen a shifting set of ethno-regional coalitions compete against one another for electoral victory, with the winners using the power of the state to reward their supporters with offices, contracts and handouts, with little regard for long-term development (Cammack and Kelsall, 2011; Dercon, 2022; Englund, 2002; Chinsinga et al., 2022).²

¹ https://en.wikipedia.org/wiki/List_of_countries_by_Human_Development_Index.

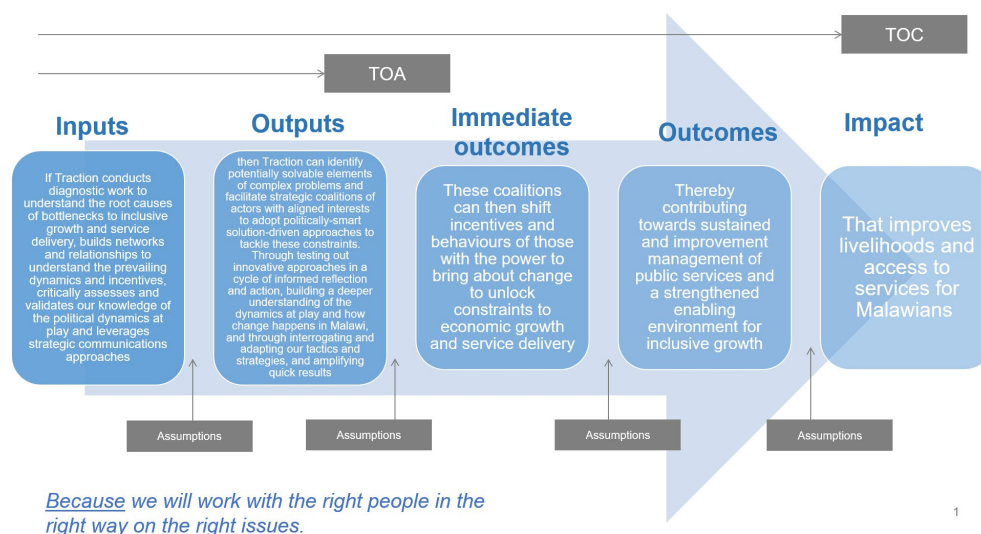
² Bingu wa Mutharika's first term in office (2004–2009) was arguably a short-lived exception to this rule (see Cammack and Kelsall, 2011; Chinsinga et al., 2022).

Malawi's current 'Tonse Alliance' coalition came to power in 2020 on the back of a strong anti-corruption movement known as the Human Rights Defenders' Coalition, potentially opening a window for change. However, the alliance government quickly became overwhelmed by factional infighting. Particularly damaging has been a rivalry between the president and vice-president and their respective Malawi Congress Party and United Transformation Movement parties, making concerted action on any political agenda difficult, and reducing public sector reform and anti-corruption policy to the status of a political football (Matonga 2022).

2 Issue-based programming and Traction's theory of change

Traction's basic modus operandi is to seek-out and bring together individuals and organisations with the motivation, influence/credibility, and experience to find solutions, then support them to deliver change.

Figure 1 Traction's theory of change



Source: Traction (2022)

As illustrated in Figure 1, its theory of change holds that if it can diagnose the root causes of bottlenecks to inclusive growth and service delivery, build networks and relationships to understand the prevailing dynamics and incentives, critically assess and validate knowledge of the political dynamics at play and leverage strategic communications approaches, then it can identify potentially solvable elements of complex problems and facilitate strategic coalitions of actors with aligned interests to adopt politically smart, solution-driven approaches to tackle these constraints. Through testing out innovative approaches in a cycle of informed reflection and action, building a deeper understanding of the dynamics at play and how

change happens in Malawi, and interrogating and adapting its tactics and strategies and amplifying quick results, these coalitions can shift the incentives and behaviours of those with the power to bring about change, contributing towards sustained and improved management of public services and a strengthened enabling environment for inclusive growth, which ultimately improves livelihoods and access to services for Malawians (Traction 2022a).

An outline of Traction's first seven ibps follows.

2.1 Traction's workstreams: an overview

The Seed Certification ibp1: live February 2020–April 2022

Improved seed is a key ingredient in boosting crop yields and improving livelihoods for millions of small farmers in Malawi, yet many are not using it. The reasons are numerous, but one of the most crucial is the prevalence of fake seed in the marketplace. This weakens confidence in the improved seed market, holding back agricultural development and poverty reduction.

The Seed Certification ibp set out to solve this problem by facilitating a coalition of interested state, non-governmental and private sector actors to introduce scratchcards – a technical solution that helped farmers verify the authenticity of the seed they were purchasing. After approximately two years of working on the programme, which included a number of lags and delays, scratchcards had become mandatory under the government's Agricultural Inputs Programme (AIP) and the scratchcard technology had been rolled out across the pivotal crops of maize and legumes. Traction estimates that on the back of a £200,000 investment from FCDO, the scratchcard unlocked some £7.2 million in value for around 500,000 small farmers. The ibp also facilitated the passage of a new law, the Seed Act, and helped create a new agency and regulations around certification and counterfeiting. Looking ahead, the programme could prove to be a catalyst for longer-term institutional change around the introduction of digital anti-counterfeiting technologies to Malawi, and for more fruitful modes of engagement between government and the private sector (Kelsall and Laws 2022).

The Import System Reform Project (ISRP) ibp2: live August 2020–March 2023

Businesses in Malawi complain that customs duties, taxes and exemptions are unpredictable. Disputes arise between importers and the Malawi Revenue Authority (MRA) and the resolution process is frustrating and costly, with corruption often playing a role. The ISRP tried to engage policy-makers' attention by presenting research on the cost to Malawi of these inefficiencies, and then worked with smaller importers and the MRA on a variety of potential solutions, one of which was 'Lifestyle Audits' for customs officials. With progress on its original entry points slow and to some extent

outflanked by another FCDO-funded programme, the ibp then pivoted to working on problems faced by larger importers, and in particular the problem of undervaluing imports. The current plan is to produce a set of 'guide prices' for different classes of goods, which, it is hoped, will reduce disputes in the import process.

Streamlining Product Certification within the Malawi Bureau of Standards (SPC-MBS) ibp3: live December 2020–October 2021

This ibp sought to address frustrations encountered by micro, small and medium-sized enterprises (MSMEs) with the Malawi Bureau of Standards (MBS) product certification process, and specifically the time that it takes to certify products. The ibp aimed to address this through influencing a feasibility study on unbundling the functions of the MBS, supporting MBS with proposed solutions on how to deal with the challenges MSMEs experienced and influencing a new business model that would be more supportive of MSMEs. The ibp was closed earlier than planned, primarily because the MBS leadership was not invested in Traction's approach.

Transparency and Accountability in Public Procurement (TAPP) ibp4: live November 2021–November 2022

This ibp originally focused on the problem of abandoned, unfinished or poor quality school construction projects, finding the root of the problem in procurement and contract management, which is known to be inefficient and not delivering adequate value for money for Malawians. The ibp gravitated towards trying to enhance transparency and accountability by working on the Public Procurement and Disposal of Assets Authority's (PPDA) procurement portal. However, the ibp was closed in November 2022 when it finally became clear that Traction's approach was misaligned with the PPDA leadership's interests.

The Education Transparency and Accountability in Primary School Improvement Grants (ETA-PSIG) ibp5: live May 2022–March 2023

Through FCDO, Traction was approached by the World Bank to help improve transparency and accountability around Primary School Improvement Grants, which are often not used for their intended purpose. After much diagnostic work, a thought piece was developed to help the government's technical working group. At the time this Learning Brief was commissioned, it had been difficult to mobilise an effective coalition on this subject.

Sensible Land Reform ibp6: live April 2022–ongoing

In April 2022, Parliament passed six Acts amending various land-related legislation. Consultation around the amendments was rushed and was not as inclusive as the process should have been. Consequently, there are significant groupings in the private sector, particularly in the commercial agricultural estate, banking and real estate sectors, that have grave reservations about the quality, content and intent of the legislation. Already working on this issue, FCDO asked Traction to mobilise a larger grouping of the private sector to raise their concerns, prior to the laws being translated into regulations. Traction has used a variety of tactics to try and influence the government, and although success is by no means certain, it appears now to be listening to private sector concerns.

Categorization to Enhance Local Investment Planning and Economic Responsiveness (CALIPER) ibp7: live March 2022–February 2023

This ibp set out to address the problem that many local authorities' District Development Plans are virtually copied and pasted from one district to another. The plans do not capture districts' varying economic potential and are not fit for anchoring the Malawi 2063 Agenda and the First 10-Year Implementation Plan (MIP-1). Acting on a request from the minister for local government, the ibp explored the possibility of categorising districts according to their development potential and readiness for greater fiscal decentralisation. However, when the minister was removed from his post the ibp lost its backing within the ministry and a decision was made to drop it.

Looking across these seven workstreams, it seems fair to say that only the Seed Certification ibp has a strong claim to success. Four others– MBS, TAPP, PSIG and CALIPER – achieved rather little, while the jury remains out on (a somewhat reduced) ISRP and Land Reform.

In the following sections, we examine how Traction worked and how it has tried to learn about and adapt to the context.

3 How Traction worked

3.1 Scoping and identifying issues

Issues have found their way onto Traction's radar via several routes. Looking across the workstreams under review, initial attention was drawn to them from a combination of: consultation with relevant stakeholders; assessment that they were political priorities, sometimes informally and sometimes in response to formal political economy analysis (PEA); a direct request from a key stakeholder; and/or input from FCDO or other development partners. For example, both the eventual ISRP and MBS workstreams emerged from early consultations with the private sector, a process that Traction was advised by FCDO to do. In contrast, the CALIPER workstream was initiated by a direct request from the minister of local government, a programme advisor to Traction.

After initial identification, issues were explored using a strategy heavily influenced by the Problem-Driven Iterative Adaptation (PDIA) approach, developed at Harvard University. PDIA is a process for identifying, analysing and addressing complex problems. It encourages would-be reformers to frame the problem they aim to address, 'deconstruct' it into its various root causes, and only then consider the potential entry points and space for change.³

Traction adapted the PDIA approach into a three-stage issue-scoping process. The steps are as follows, each accompanied by their own report and recommendation to progress or not on to the next stage:

- **Surfacing issues.** This involves cursory research, both desk-based and through key informant interviews, into the background of an issue. It asks why/if an issue is important, discusses some of its broad causes and makes an initial assessment of the feasibility of Traction taking it forwards.
- **Digging down into issues.** This involves a more detailed framing of the issue, before deconstructing it into its root causes and assessing the space for change under each.
- **Finding potential solutions.** This involves 'crawling the design space' to identify potential solutions to the root causes identified and assessing their political viability.

Over time, Traction has tried to improve the efficiency of this process. The programme's leadership felt that some early workstreams were

³ <https://bsc.cid.harvard.edu/PDIAtoolkit>

‘overdesigned’, spending too long on analysis yet with no guarantee of identifying plausible entry points. Instead, it was felt that it would be more efficient to initiate engagements with key stakeholders earlier and start work on an issue, with more of an emphasis on ‘learning by doing’. A first step in this direction was the introduction of what were called ‘Green Shoots’ ibps. These responded to a recommendation in the programme’s 2021 Annual Review to create ‘a window for short term responsive ibps/solutions [...] that are selected based on a significantly pared down scoping and selection process’ (Traction 2022a, 15). Initial pilots, such as the Land Reform ibp, were seen as promising. The MTR states: ‘the programme piloted ibps that were quickly mobilised and went through a less intensive process of scoping and design. Whilst these ibps are in the early stage, they have demonstrated strong early progress and their responsive approach has the potential to be scaled up’ (Traction 2022a, 2).

Contracting consultant researchers who were experienced and connected to the issue area was key to the streamlined scoping approach. The PSIG workstream utilised an experienced public financial management researcher, who was quickly able to access the key stakeholders and use their existing institutional knowledge of the sector and problem to generate recommendations for consideration. The relevant Quarterly Report concluded that, ‘as a result, the team secured a good base of evidence from which to make a decision about whether Traction should implement a short term ibp on this issue’, and suggested that such issue-based researchers could be a useful complement to issue-based facilitators (IBFs) more generally (Traction 2022c, 31).

Following the success of the ‘green shoots’ ibps – at least in demonstrating the possibility of generating feasible ibps from shorter scoping periods - the programme moved to streamline its issue-scoping process across the board. The three-stage process was collapsed. Rather than 3–4 months of heavily structured scoping, ibps will instead be determined based on more rapid research (which may take less than a month) focused on their political and technical feasibility. The analytical elements of stages 2 and 3 are now intended to be done by the coalition with IBF facilitation, once the ibp has been initiated. This approach is intended not just to speed up the process but also to improve coalition ownership of the process and solutions. Now that this new, streamlined approach is universal, it is no longer thought to be useful to distinguish ibps by their intended length (e.g. ‘Green Shoots’ versus long term), and instead now ‘all ibps are considered unique with their own timeframe according to how strategy develops’ (Traction 2022d, 23).

3.2 Strategy development

At some point in the ibp scoping and initiation process a strategy is developed, setting out the specific entry points the ibp intends to

work on, the corresponding activities and the possible pathways and outcomes. When exactly each ibp begins discussing this level of specificity (and the extent to which it is done in consultation with the ibp coalitions) has varied. Frequently, it has involved contracting sectoral experts to provide recommendations, and these studies are often conceived as influencing tools themselves. For example, the ISRP workstream commissioned a study to demonstrate to the MRA the cost of corrupt practices in the import-clearing process. And in the PSIG workstream, research into the failure points in the allocation and disbursement process was intended to test the motivation of government stakeholders to act on its findings. In the latter case, at least, the exercise appears to have contributed to increased attention from the Ministry of Education on the issue, which subsequently conducted additional visits to monitor the disbursement of funds.

The identification of specific entry points and strategy often involves balancing inputs from various stakeholders. The TAPP project, for example, went through a particularly lengthy strategy development process, with the focus shifting from local to national procurement issues, partly to incorporate requests from FCDO, and culminating in a 'roots-up review' of the ibp. Ultimately, the strategy settled on improving the PPDA portal as the initial entry point. When implementation started, however, it was quickly evident that this was not a high priority for PPDA. This experience contributed to the motivation to streamline the whole issue development process, as described above. Multiple interviewees also recognised that continual outside input into the strategy development process can be counterproductive, and recommended delegating authority to a well-informed consultant to provide recommendations, with outside input (e.g. from Traction management and FCDO) coming at set inflection points.

3.3 Working in Sprint Cycles

Traction implements its ibps using a 'Test, Learn and Adapt (TLA) approach', consisting of a series of 'Sprint Cycles'. Each Sprint Cycle intends to test a 'small bet', described as 'specific short-term actions that attempt to resolve aspects of a given issue and create enabling conditions for further actions towards the resolution of the issue' (Traction 2022e, 3). The end of each Sprint provides a natural review point for the ibps. The objective is to test activities early enough within an ibp to draw actionable lessons about what is and is not working, and adjust the approach accordingly. This process is facilitated through a structured TLA document, which the IBF completes. For each Sprint the documentation prompts reflection on: any progress towards achieving objectives, the willingness of actors to engage on the issue, the alignment of incentives across these actors, the technical and political feasibility of the solution and any adaptation that might be required as a result of the above.

Some earlier ibps planned, as part of their strategy development, sequential Sprints that built upon each other. In the TAPP workstream, for example, it was envisioned that the first Sprint would focus on building connections with the central procurement agency: PPDA. Once some central buy-in had been secured, following Sprints would engage with a sample of procuring and disposing entities (PDEs), that is, procurement officers at local authorities and ministries. However, given the delay in securing central buy-in, the sequential approach was dropped, and various forms of engagement were tested simultaneously. A quarterly review reflected: 'waiting for actors to respond and effect intended changes is not realistic in the timeframe of these ibps [...] We need to be pursuing other avenues concurrently and we need to be more agile and adaptive by responding quickly to challenges as they arise and course-correcting accordingly' (Traction 2022b, 25).

Because of the need for more frequent course corrections and streamlining of the scoping process, the Traction leadership has attempted to foreground the TLA approach. One change has been more frequent reviews of ibps: monthly rather than quarterly. Additionally, ibp reviews were previously focused around their Results Chains, with the TLA documentation then completed retrospectively. The Traction leadership felt, however, that this focus on the Results Chain misses the political economy aspects of deliberation over adaptations: for example, whether an issue was tractable, who the blockers to reform are and what has been learned about the incentives of key stakeholders.

In spite of good intentions, it has proved difficult to use the TLA document as a tool for real-time deliberation. While many IBFs interviewed valued the TLA process, they often noted that the TLA documentation is still predominantly a record of decisions made. The process burden can be seen as taking too much time beyond their day-to-day work. The MTR notes that 'generally, the level of documentation monitoring and reporting is heavy. Palladium should consider reducing this load, releasing key staff time for greater concentration on facilitation and stakeholder engagement' (Traction 2022a: 4). One attempt in this direction has been to integrate the TLA tool with quarterly reporting requirements, which accords with other adaptive programmes that have benefited from integrating learning and reporting processes.⁴

While the TLA process appears to have encouraged periodic, systematic reflection on progress, one reviewer queried whether the language of 'sprinting' is always helpful in the Malawian context. Progress on some issues may be more akin to an endurance run, or else come in fits and starts. Facilitators should remain alive to this eventuality.

⁴ See Sharp et al (2022), Laws et al. (2022).

3.4 Coalition building

The primary mechanism through which Traction's ibps attempt to make progress on an issue is the convening of a coalition or coalitions. These have taken different configurations. The ISRP vacillated between more insider or outsider strategies, and related coalitions, in pushing for reform in import clearing. Many ibps however, especially those focused on issues of policy implementation, have started with key government stakeholders, but then struggled to expand their coalitions beyond closed government spaces. When the issues addressed are sensitive, government officials have been wary of including non-state actors.

The MTR notes that:

[E]ngagement risks being skewed towards government to the neglect of non-state actors. Deliberate attempts over the past year to better engage decision makers within the programme's Issue Based Projects often to the detriment of the involvement of civil society, the media and organised private sector, who increasingly feature in a limited way within the programme's coalitions. This lack of accountability pressures within the programme's coalitions risks reducing progress towards outcomes (Traction 2022a, 2).

In response, the team made enhanced efforts to get civil society organisations into coalitions at an early stage, an example being PSIG, as well as making much more dynamic use of media, as evidenced by the Lands IBP (see below). It is also interesting to note that all three of the ibps that have manifested a decent level of success or at least promise – Seed Cert, Sensible Land Reform, and ISRP – have involved private sector players, a point we return to below.

3.5 The enabling environment

Traction's iterative, 'small bets' approach to programming has been enabled by supportive FCDO management. These principles were embedded into the programme from its design. FCDO has shown patience even when the majority of ibps have stalled, accepting a degree of failure as expected in programmes of this nature and recognising the difficult political economy that underpins lots of the issues Malawi faces and Traction has engaged on. Laws and Rinnert (2022) document how another FCDO IBP had to grapple with balancing 'low-hanging fruit' and potentially more impactful, but less tractable, issues in its portfolio of projects. IBPs have been chided in the past for focusing too much on 'easier' issues (Green and Gujit 2019).

In the case of Traction, it doesn't appear that FCDO have pushed the programme towards 'low-hanging fruit' or issues that might be more likely to yield demonstrable, tangible, short-term achievements. If anything, FCDO have shown a notable willingness, even

encouragement, for engagement on 'higher risk', highly political issues such as public procurement or the import system.

In fact, the country office has defended Traction in the face of sweeping FCDO cuts. Part of the price might be a closer alignment with the country strategy and something of a dilution of the principle that IBPs should be 'locally led'. For example, in both the ISRP and MBS workstreams, FCDO intervened to encourage more engagement with larger companies, partly because of their reading of the political economy but also to align with the office's economic growth strategy. Similarly, part of Traction's 'sell' within FCDO is helping sector programmes consider the political economy angles underpinning their objectives, which presumably influenced the MTR's recommendation that the programme reach more into the health and education sectors.

It should be noted that at the same time as the Malawian government has been undergoing a series of ructions, changing the odds of success for some of Traction's projects, the UK's FCDO has also been undergoing rapid internal change.⁵ Traction has had to navigate both processes and, in the circumstances, it is perhaps not surprising if the balance of its portfolio has been a little off. As it moves forwards, it would ideally pursue a spread of 'low-hanging' and 'harder-to-reach' objectives, though as we discuss below, it is not always easy in advance to discern the former from the latter.

⁵ www.devex.com/news/uk-aid-s-tumultuous-2022-104577.

4 Learning and adapting

Traction is an IBP for which learning and adaptation are key tools. As we have seen, its theory of change states that: ‘Through testing out innovative approaches in a cycle of informed reflection and action, building a deeper understanding of the dynamics at play and how change happens in Malawi, and *through interrogating and adapting our tactics and strategies and amplifying quick results* THEN these coalitions can shift incentives and behaviours of those with the power to bring about change’ (Traction 2022a, 24). To what extent, then, did Traction successfully apply these principles?

4.1 Within-workstream learning

An analysis of Traction’s different workstreams reveals much evidence of small adjustments to the programme strategy in light of new information or circumstances. Facilitators’ interpretation of what was going on in their workstreams was continually evolving and, as one would expect, strategy was tweaked to reflect this.

There are also examples, understandably less frequent, of fairly major strategy changes as IBFs recognised that the original plans were not getting traction and that something new would be required. For example, in the ISRP workstream, months of engaging with the MRA on an ‘insider influencing’ route had not yielded concrete results, so the workstream began to try an ‘outsider influencing’ route instead, making more use of media and civil society. In the Lands workstream, the IBF was surprised when Traction’s two key civil society partners declined to sign a communiqué on the lands issue. Traction published the communiqué itself and then decided to apply additional outsider influence on the government by staging a TV debate about the issue. This ultimately brought the government to the table. The TAPP workstream pivoted twice in response to a lack of momentum with PPDA – the central procurement agency. First, to focus instead on procurement officers at local authorities and ministries, and then to attempt to re-engage PPDA through a new IBF, with different contacts.

Sometimes a strategy was developed, and then adapted, in response to perceived windows of political opportunity. For example, in the Seed Certification IBP, Traction began to reframe its arguments about fake seeds from ‘losses to the farmer’ to ‘losses to the government’, when it appeared there might be an opportunity to link the scratchcard to the government’s AIP. One of the entry points for the SCP-MBS workstream was a performance contract signed by the

MBS and the Vice-President's Office, although this was abandoned when it became clear that Traction was unable to insert itself into this process.⁶ Similarly, some of the initial thinking around TAPP was inspired by the idea that the new government was going to be serious about tackling corruption in the procurement process. Only very gradually did it dawn on Traction that this was not the case.

On other occasions, strategy change can be traced to influence from FCDO. For example, FCDO felt that instead of working mainly with the Internal Affairs Department of the MRA, the ISRP ought to be working with higher-level actors, such as the MRA's parent ministry and larger importers. It also thought the recommendations emerging from a workshop with small enterprises were unconvincing, and steered the ibp towards working with larger importers. Similarly, TAPP started as a project based on local-level education issues, but was transformed into a programme about central government procurement processes on the advice of FCDO.

4.2 Cross-workstream learning

The Traction team are continually talking to one another and thinking about what is working, what is not and how to improve. However, examples of lessons learned in one workstream being directly imported into another are perhaps less impressive than evidence of a more general process of learning and adaptation as reflected, for example, in its MTR. Among other things, that review recommended that Traction should employ more full-time facilitators and make more use of applied PEA (although it also recommended that the programme should be more opportunistic and responsive, reducing the amount of time the programme spent on diagnostic and background work, as well as on documentation). It also observed that Traction had been overly focused on working with government partners and should increase its engagement with influential non-state actors, scale up its use of media, frame its efforts more in terms of front-line service delivery and growth issues rather than governance reform, and ensure a deeper reach into the health and education sectors. There is some evidence that some of these recommendations have been taken on board in later workstreams under review. As described in more detail elsewhere, later ibps have demonstrated a greater responsiveness in pausing programmes seen to be stalling and the issue-scoping process has been streamlined. The PSIG ibp is one attempt to work in the education sector. However, some of the later ibps (e.g. CALIPER and PSIG) have still struggled to expand coalitions beyond government actors.

A constant balance Traction has to strike is between when to 'fail fast', recognising progress has likely stalled on an issue, and when to deploy strategic patience, recognising that windows of opportunity

⁶ There seem to have been two problems: a reluctance by the MBS's main partner, the Small Enterprise Development Institute to work with Traction, and a general lack of seriousness on the part of government agencies to honour their performance contracts.

are not always predictable and sometimes only revealed through intentional, patient engagement. The correct approach is often only evident in retrospect. Nonetheless, there are examples of how workstreams have influenced each other in striking this balance. Most notably, the Traction leadership's reflection is that some of the earlier ibps under study could have failed faster. The TAPP ibp, for example, spent many months attempting to engage senior officials at PPDA, and then more adapting their approach to engagement, before ultimately closing the project. In retrospect, this decision could have been made quicker, especially as the ibp from the outset recognised that 'the quality of [PPDA and Government] involvement in coalitions [...] will have a substantial impact on the achievements of this ibp' (Traction 2021, 22). Later ibps under review have acted more quickly to close when there are signs of momentum stalling. For example, the MBS ibp was wound down around its tenth month of operation. The CALIPER workstream was paused as soon as the minister who had initiated the project was removed in a reshuffle. An interviewee attributed the haste of this decision to a desire for the programme to learn from the MBS workstream, where a change in agency personnel had stalled momentum. Ironically, at some points the Seed Certification ibp also stagnated for months at a time, and might not have succeeded had it not been for the programme's strategic patience.⁷

Based on experiences in earlier workstreams, Traction has also shifted from part-time IBFs attached to a single ibp to full-time IBFs responsible for two ibps as well as new issue scoping. It is felt that having IBFs attached to a specific workstream made it harder to 'fail fast', with IBFs incentivised to advocate for the continuation of their own workstreams, which they had dedicated time to, and which their contracts depended upon. The new configuration is intended to lessen these incentives, freeing IBFs to advocate only for the workstreams under their purview that are seeing progress, or scope for new issues instead. The programme has also taken steps to enhance the political savvy of the IBFs it hires. In its latest round of recruitment, prospective candidates were invited to specify issues with interesting political economy dimensions. Shortlisted candidates were then tasked with working through these issues at a three-day political economy 'boot camp' that formed part of the selection process. The programme then offered jobs to those it felt displayed the most political savvy (as opposed to specific technical skills or sectoral experience).

Another area Traction has reflected on across its workstreams is the appropriate degree of focus on tangible issues, and the extent to which they serve as more plausible entry points than the systemic governance issues that underpin them. The MTR is quite explicit in this regard. It recommends that ibps 'be framed around tangible "non-

⁷ Alternatively, if more 'small bets' had been taken, it might have succeeded without being tied to the government's AIP, which is only the latest in a long line of somewhat controversial input subsidy programmes.

governance” entry points (e.g.: livelihoods, business, jobs, health and education issues) to bolster popular interest in them and ensure they appear less ‘threatening’. Interest in specific governance issues in Malawi is likely to be limited. For example, a project looking to address improvements in procurement of construction services is likely to find more support when framed in language concerning improvements in school building/education facilities than when framed explicitly in terms of procurement reform’ (Traction 2022a, 15). This last point is clearly influenced by the TAPP ibp, where multiple interviewees also cited the decision to shift the focus from sector-specific procurement issues to procurement issues higher up the system as, in retrospect, a strategic mistake. In contrast, the programme ascribes some of the success of the Seed Certification ibp to its focus on a tangible solution – the scratchcards – that can ‘get people on board’. Finding similar tangible solutions has proved challenging, however.

5 Reflections on success

Readers will recall that Traction's theory of change is based on the idea that by combining diagnostic work, coalition building and the testing and adaptation of solutions, it can build a deeper understanding of how change happens in Malawi, and use this to shift the incentives and behaviours of those with power. Three years in, and with only one of its workstreams having a strong claim to success, it would be fair to say that Traction has not quite found its feet here.

It is important to stress that some failure is expected of IBPs. It is often only through failing that one learns. To enhance our analytical leverage, however, it is useful to set Traction's experience against that of other similar programmes. In their comparative analysis of IBPs in Nigeria, Williams et al. (2021) identify various lessons for success, including:

- identifying tangible, tractable and feasible issues
- linking analysis to action
- facilitating locally led and self-motivated stakeholder engagement
- mobilising the right combination of skills
- recognising the importance of programme leadership
- using donor funds strategically
- enabling flexible and adaptive programming

Similar points are made by Kelsall and Laws (2021) and Laws and Rinnert (2022).

On several of these counts, Traction appears to be evolving, increasing the probability of greater success down the line. For example, with its foregrounding of the TLA approach and its recruitment of consultants and full-time, more politically savvy IBFs, Traction appears to be enabling more flexible and adaptive programming and doing more to mobilise the right combination of skills.

When it comes to using donor funds strategically, Traction has taken a strict 'money off the table' approach. This is thought to be important for gauging the seriousness of commitment to reform in a context where partners are often believed to sign up to projects for the sole purpose of having resources and allowances flow through their offices. The problem is that in such a constrained environment, even

committed reformers may need a resource injection to achieve anything, and Traction's MTR suggested that in some circumstances it could be a little more flexible in its approach.

Locally led and self-motivated stakeholder engagement has arguably been facilitated by telescoping the issue-scoping process. Increasingly, it is the stakeholders themselves that are doing the analysis and crafting solutions, rather than Traction staff doing them in-house. The programme has also been advised to focus on stronger non-state actors who are more likely to have the means to effect change (though this may be in tension with its ambitions to help the poorest people).

Perhaps the most challenging areas are identifying tangible, tractable and feasible issues and linking analysis to action. In their Nigerian study, Williams et al. (2021) observe that '[t]he most successful programmes focussed on issues that directly affect people's lives and livelihoods (tangible), are prioritised by domestic stakeholders (tractable) and also provide realistic prospects for reform (feasible)'. And also that '[a] critical success factor for IBP is the quality of the analysis of the issue and how this analysis is used to inform the intervention strategy' (Williams et al., 2021: 4).

There is no shortage of tangible problems in Malawi, and, as we have seen, Traction's MTR recommended that it focused more attention on them. The problem is finding issues that stakeholders – many of whom are resource-strapped – care enough about to invest time and energy in, and that have realistic prospects for reform. We can unpack this further, perhaps, by examining some insights from political settlements analysis (PSA) and game theory.

As Box 1 elaborates, PSA typically characterises Malawi as a 'competitive clientelist' (Said and Singini, 2018) or 'broad-dispersed' settlement (Chinsinga et al., 2022). The implications of this include the fact that although there is some popular pressure on elites to deliver benefits widely, the centre of government is weak, internal government hierarchies tend to be dysfunctional, politicians' time-horizons tends to be very short term and there are huge pressures to engage in corruption and rent seeking to fund political competition. In this kind of context, the odds of top-down, system-wide, performance-enhancing reforms succeeding are rather slim, even when politicians are ostensibly committed to them. Indeed, Traction's own PEA analysis had suggested that the pro-reform, anti-corruption faction within the Tonse Alliance was by no means a dominant force, so that hopes of successful public sector reform ought to be tempered by realism. In spite of this, in several of its workstreams – ISRP, MBS, TAPP and PSIG – Traction appeared to be betting on government agencies reforming themselves or being incentivised to reform by higher authorities.

Box 1 Types of political settlement

The Effective States and Inclusive Development Research Centre at the University of Manchester has produced a two-dimensional political settlements typology (Kelsall et al., 2022; Chinsinga et al., 2022). On the first dimension, political settlements rest on ‘social foundations’ that can be either ‘broad’ or ‘narrow’. In settlements with broad social foundations, a large segment of the population, though it may be divided into many different groups, has the power to change or disrupt the settlement, and the political leadership responds to that potential power by attempting to ‘co-opt’ those groups. By contrast, in ‘narrow’ political settlements, only a comparatively small segment of the population has that power; or, a large segment has disruptive potential but the leadership responds mainly with repression. PSA predicts that in broad political settlements, political elites will be more motivated to distribute benefits broadly, or, in other words, to pursue an inclusive development strategy.

But precisely how the elite follows through on that commitment is influenced by the typology’s other dimension. The ‘power configuration’ variable measures the relative strength of the political settlement’s apex vis-à-vis challengers, both from within the ruling coalition and from outside. Put simply, where the country’s de facto leader is strong vis-à-vis his own (more and less loyal) supporters and his opponents, in the sense that there are few credible threats to his own position or to the settlement itself, we say that power is ‘concentrated’, and where he is weak, we say that power is ‘dispersed’. Ever under threat of removal, a weak leader tends to have a short time-horizon, while the strength of contending factions means that rather than flowing unproblematically down the chain of command, central directives tend to be accompanied by extensive bargaining and side-payments (cf. Khan, 2010).

FCDO staff admit that they may have been victims of an ‘optimism bias’ in this regard. Interestingly, however, some recent research into external governance programming has suggested that it is most impactful precisely when it tips the scales towards progress on finely balanced issues (Piron et al., 2021). As such, FCDO and Traction should not necessarily be blamed for trying. Rather, reflection should focus on how they could have maximised the chances of success by facilitating the ‘positional play’ of more agile coalitions (Kelsall, 2016), and how they could have minimised wasted effort by more effectively taking the political temperature in real time.

This approach would be consistent with the prediction that in broad-dispersed political settlements, successful reform is more likely to be found in pockets, where committed individuals in government engage with interested multistakeholder coalitions (Levy, 2014; Kelsall et al., 2022). Although Traction did try to galvanise such coalitions, for the most part it failed to find strong enough partners or reform champions

either inside or outside government to deliver change. This may be in part a reflection of the weakness of civil society in Malawi in comparison to countries such as Bangladesh, from where some of the advice on multistakeholder coalitions emanates (Levy, 2014).⁸ Looking across the cases, the Traction team have found private sector actors to have stronger incentives and greater capacity to invest in ibps than their civil society counterparts.

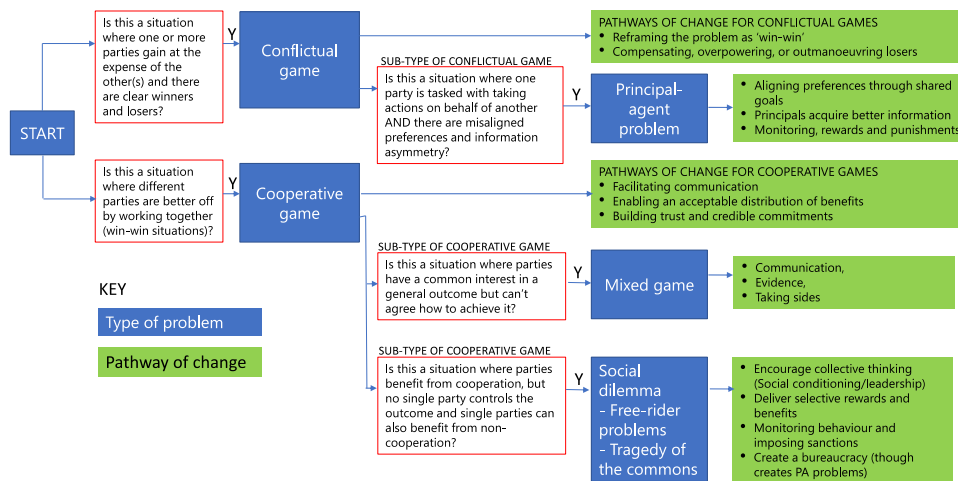
Naturally, assessing the seriousness of actors' commitment to reform is much easier with the benefit of hindsight. It is clear that Traction staff often found themselves grappling with complex issues involving various combinations of 'innocent' technical problems, policy disagreement or resource shortage, with more 'malign' vested interests, making it difficult to discern the real motivations of actors or to assess the reasons why a project might at one point be moving fast and at another slow.

One way of cutting through the noise of day-to-day engagement to shed more light on the types of issues around which successful coalitions are most likely to be found is to try and draw insights from game theory. As Figure 2 shows, game theory distinguishes, crudely, between conflictual and cooperative games, each of which has various subtypes. Generally speaking, cooperative games occur in 'win-win' situations where all the key players stand to benefit from a change. All that needs to happen for change to occur is that communication among actors is facilitated, trust and credible commitments are built and bargaining over an acceptable distribution of benefits is permitted to occur. In conflictual games, by contrast, the gains of one set of players come at the expense of others, so resistance to change can be expected. Sometimes parties can be persuaded to cooperate by reconsidering their interests and coming to see a situation as 'win-win'. Alternatively, pro-change actors can form a coalition that is strong or savvy enough to outmanoeuvre, overpower or compensate losers.

⁸ Bangladesh's political settlement has sometimes been characterized as 'competitive clientelist' or as having a 'dispersed' power configuration, thereby providing a prima facie plausible comparison for Malawi (Levy, 2014; Khan, 2010; Kelsall et al., 2022).

Figure 2 Games, problems and pathways of change

Decision tree to identify problem types and pathways of change



Source: Gareth Williams and Tim Kelsall, PEA in Action Training Course (ODI/The Policy Practice)

Looking across Traction’s portfolio, it is notable that the only clearly successful IBP appears to have had a cooperative game at its heart, represented by the main cooperative pathway in Figure 2. The Seed Certification ibp essentially involved building trust among different actors in a value chain by providing a technical solution to counterfeiting. A critical mass of key private sector players had an incentive to cooperate, and Traction merely facilitated that. A government regulatory agency, the Seed Services Unit (SSU), also had to be brought on board, but by being given a share of the scratchcard proceeds, it was given a clear incentive to do so. As we have argued elsewhere, this was not a *simple* coordination problem, however (Kelsall and Laws, 2022). There were also some vested interests to overcome, but this was achieved by skilfully tying the scratchcard solution to the AIP, which, while not beyond criticism, would likely be a key plank in the government’s re-election strategy.

By contrast, most of Traction’s ibps were arguably conflictual games at heart. For example, in the ISRP ibp, a ‘cartel’ of customs officers, brokers and importers were rumoured to have a vested interest in a status quo where they could profit from corruption. To succeed, Traction would have had to assemble a coalition of interested actors with real power to force them to change. As it was, much of its early efforts focused on the MRA itself, and in particular on the solution of ‘Lifestyle Audits’, implicitly treating the issue as a principal–agent problem which could be solved by providing higher-level management with better information about what its customs officers were doing. While this was not guaranteed to fail, it did perhaps naively assume that there was a functional hierarchy within the MRA, and that customs officers would not have other sources of powerful

protection. That workstream is now focusing on a technical solution to a linked but narrower issue: it remains to be seen whether it will succeed.

A similar story could be told about TAPP. Opaque procurement processes are arguably integral to clientelist politics in Malawi, creating powerful vested interests against reform. When it came to MBS, the coalition again provided few incentives for the MBS to reform itself, while failing to assemble a coalition powerful enough to force change upon it.

The Lands ibp appears to be taking a slightly different tack. Although this is also a conflictual issue, the coalition – comprised primarily of a group of private sector actors with interests in the status quo – is actually attempting to block change. They are hoping to do so by presenting evidence and arguments to try to persuade the government that its proposed changes will be self-defeating, or ‘lose-lose’. Though they are not guaranteed to succeed, the strategy is consistent with the tenets of game theory.

We need to re-emphasise that it is easier to apply these insights in retrospect than in prospect. Many ostensibly cooperative games in Malawi turn out on inspection to be freighted with vested interests, a predictable consequence of its political settlement. Nevertheless, recourse to some basic game theory might help facilitators apprehend the underlying incentive structures of a problem more readily.

6 Conclusions and recommendations

In summary, we have found that in most cases, Traction failed to find issues where there was a strong agency incentive to reform, or assemble multistakeholder coalitions with sufficient heft to force reform. Often, entry points were chosen on the basis that they were ostensibly aligned with central government policy. However, the high-level players in government who might conceivably have had the wherewithal to lend authority to Traction remained, for the most part, unreachable. Given the huge amount of infighting in the ruling coalition at this time, and the politicisation of corruption issues, this is not entirely surprising. Political reform windows, even if they were ever really open, rapidly closed.

It should be stressed that some degree of failure is to be expected of IBPs. Indeed, failure is seen as a crucial element of learning. And, to its credit, Traction has been actively engaged in a process of self-conscious reflection, learning and adapting around the way it works. The changes it has already made will likely enhance the probability of future success. However, despite the strength of the prima facie case for a programme such as Traction, it needs to be accepted that in a place such as Malawi the elite bargain is extractive, most issues are thick with vested interests, most 'progressive' actors are rather weak and, given the nature of the political game and the dispersed nature of power, most windows of opportunity will be ephemeral if not illusory. Thus, a long process of searching, many false starts, considerable skill and some measure of luck are likely to be required before the right issues are identified and problems can be successfully solved. Where breakthroughs occur, it will be wise to stay engaged, trying to build on or outwards from success stories by maintaining coalitional pressure and learning more about how change occurs. As we have argued elsewhere (Kelsall and Laws, 2022), the decision to wind down the Seed Certification IBP once its immediate objectives had been achieved was perhaps a missed opportunity to consolidate and expand change.

With this in mind, Traction might be advised to apply the following rules of thumb:

- Look for issues, which, while complex, have cooperative games at their heart.

- To overcome vested interests, look for coalitional actors with real clout, both inside and outside the agencies that are tasked with change, and perhaps especially in the private sector.
- Be hard-headed about the balance of power and the incentives potential change-agents face.
- Be flexible but savvy about the ‘money off the table approach’, as befits the context.
- Seize windows of political opportunity where they exist, but be aware that they may soon close.
- Once a win has been achieved, maintain momentum by staying engaged.

Returning to the matter of Malawi’s political settlement, it is notable that the ‘breadth’ of its social foundation is perhaps more evident in the strength of social media, social movements such as the (now weakened) Human Rights Defenders’ Coalition and party competition than in organised civil society. As such, credible civil society partners may be thinner on the ground than in some other comparable countries. More use of media, as suggested by the MTR and evident in some of Traction’s more recent operations, may be one way forwards. Another is to try to create the foundation for multistakeholder coalitions via more conventional civil society-strengthening programmes. A better approach still, perhaps, is to try to build civil society capacity *through* issue-based programming or tangible problem solving, finding a middle ground between ‘money off the table’ and more conventional grant-based funding. The precise modalities for this would need to be worked out, but it is an area that deserves greater consideration.

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