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Finding solutions: making sense of the politics of service delivery

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The challenge

In all countries, the wider governance environment influences the delivery of basic services. This fact helps to explain why, despite increases in resources and improvements to formal systems, service delivery outcomes may still not improve. It also suggests that, through processes of political change and transformation, improvements in service delivery outcomes may be possible. Yet, despite a significant and growing body of work on the politics of service delivery, we have not yet developed a sufficient understanding of the relationships between various features of the governance and political context and the delivery of services, and their implications for policy and practice.

The way these issues have been addressed has, in many (though not all) cases, failed to speak to the needs of those seeking to effect or support some form of positive change. Too often, analysts and commentators make generic reference to the presence or absence of 'political will' or unspecified 'incentives' as an explanation of service delivery outcomes. Such comments often have a tautological quality to them (i.e. political will must exist if outcomes are good, or is absent if outcomes are bad). Alternatively, practitioners have expressed frustration with work in which context is seen as paramount – so much so that no trends or patterns can be determined and no lessons learned about what might help improve outcomes.

Analysis of the politics of service delivery clearly must address the incentives of relevant actors. It also must acknowledge and work to address the specific features of the context that help shape those incentives. These are hard-won principles that have (re-)emerged within thinking in development agencies in recent years. However, fuzziness in the deployment of key concepts and an overemphasis on specificity of context inevitably make it harder to design and implement policy and programmatic solutions to development problems. Is it any wonder, then, that water engineers, health specialists or educationalists, particularly those working in unfamiliar contexts, struggle to grapple with these dynamics in addition to the technical demands of their work?

What can we do about this?

What is needed here is an approach capable of finding a practical middle ground between catch-all concepts so broadly specified that they fail to provide analytical purchase and an adherence to context specificity that demands re-engineering solutions from scratch in every case. Improved diagnosis of this sort would allow those endeavouring to contribute to improved sector outcomes to avoid the pitfalls of solely technical solutions while enabling them to better identify appropriate and effective policy options and solutions – and to spot issues that are more or less likely to be tractable.

Looking across the available case study evidence, drawn primarily from Africa and Asia, we find a limited number of political and governance factors that might occupy this middle ground. These factors share a number of characteristics:

- 1 They describe specific sets of relationships among relevant individuals and organisations, or specific features of those relationships.

- 2 They are rooted in an understanding of the motivations of those actors, the opportunities and power those actors have to act on the basis of those motivations and the decisions that result from those motivations.
- 3 They can be observed shaping delivery outcomes in a number of different service delivery sectors and in a variety of country contexts, but often do so indirectly, through their impact on surface-level or technical issues (such as formal systems of public financial management or aspects of planning and human resource allocation).
- 4 They are, to a large extent, non-normative in nature, or at least less normative than much of the existing literature on governance and development. The concepts do not describe the way the politics of delivery should function (and fail to do so), but rather describe the consequences of particular constellations of actors and motivations. They therefore allow for drawing on a range of analytical disciplines in problem solving, rather than promoting a single approach.

Governance factors: a working list

We have developed a working list of governance factors that offer a number of potential entry points for policy and programming. These are not necessarily comprehensive or the final word on what matters for service delivery; however, they draw on experience to date, including a working list developed in Wild et al. (2012) and refined following a series of case studies conducted in 2012/13. These factors include:

The credibility of political commitments, which refers to the ability of governments and other political competitors to make commitments to the electorate that are believable and can thereby become the basis for political competition (Keefer, 2004). **Relevance for service delivery:** Where promises by governments to provide broad-based public goods are not seen as credible by voters, policy platforms become less relevant and service delivery-based political competition tends to operate on the basis of the fulfilment of clientelist dynamics instead. In such a model, the history of political competition, the extent of social fragmentation and the degree of information available to voters about the quality of public services contribute to variations in credibility.

Research on political competition in **Kerala and Uttar Pradesh**, two states with the same formal democratic institutions, reveals that a better-informed voter base, lower levels of polarisation and political competition, based on programmatic issues, in the former have led to better performance on various dimensions of social service delivery (Keefer and Khemani, 2004). Over time, as political promises were kept, the dynamic of political credibility in Kerala was reinforced, further embedding provision of public goods in political competition. In Uttar Pradesh, clientelist practices continue, suggesting external interventions may be necessary to break path dependencies (ibid.).

The strength of oversight systems that may link actors along the delivery chain, including both horizontal and vertical oversight systems, to ensure certain levels of performance are maintained. **Relevance for service delivery:** Examples of horizontal oversight systems include institutions such as the judiciary and supreme audit institutions; vertical oversight includes the various oversight functions implied by the relationships laid out in the 2004 World Development Report:

- Policymaker–service provider relationships (contractual oversight);
- Citizen–politician/policymaker relationships (political oversight); and
- Citizen/service user–provider relationships (client-based oversight).

The strength of these mechanisms will depend on both the information available and the motivations of those tasked with acting on the available information.

In **Malawi**, formal processes for monitoring and supervision are not followed across the chain of service delivery provision, because of a number of structural and institutional features. This has contributed to tolerance of poor performance within the health sector, and a growth in illegal and unregulated private sector health care, opening up greater health risks for patients (Cammack, 2011; Wild and Cammack, 2013). In Rwanda, in contrast, coherent oversight systems, both horizontally and vertically, with strong top-down supervision as well as mechanisms for integrating user feedback and complaints into delivery systems, helped enable significant reductions in maternal mortality (Chambers and Golooba-Mutebi, 2012).

The degree of coherence in policies and processes for implementation. Coherence for implementation can also be assessed ‘horizontally’ (including whether cross-government policies are consistent) and ‘vertically’ (whether there is a clear division of roles between different levels), and also with respect to the framework of rules in which service providers operate in practice. *Relevance for service delivery:* Levels of policy coherence will determine how clearly roles and responsibilities are defined for service delivery, which has implications for both expectations and delivery processes.

In **Cameroon’s** health sector, processes of decentralisation did not ensure the alignment of health district and territorial administrative boundaries (Gruénais et al., 2009). This meant a single health district served several administrative districts, resulting in unclear supervision lines; in some cases, ‘health areas’ were located in more than one health district and/or more than one administrative unit (ibid.; Wild et al., 2012). In contrast, in the Sri Lanka water sector, historical legacies of (uneven) service provision by a centralised welfare state to some of its key constituencies and high levels of technical competence in the implementation agency have contributed to a degree of policy coherence that has supported impressive progress in the sector.

Capacities for local problem solving and collective action. Solving many development problems, including many of those necessary to achieve improvements in service delivery, depends on a wide range of actors coming together to do something none of them could achieve alone. The motivational challenges involved in getting actors to behave in this way are often referred to as collective action problems. *Relevance for service delivery:* Where capacity for collective action is low, because of either limited space for problem solving or a lack of sanction/enforcement mechanisms, free riding may undermine service provision.

In **Freetown, Sierra Leone**, cost recovery within the water sector and improvements in quality and coverage of services depend in part on collective adherence to payment of water tariffs – payment for water by any single service user is insufficient without that of other users (Harris et al., 2012). However, features of the underlying political economy mean there has not been sufficient collective adherence to tariffs; instead, a significant number of service users remain immune from sanctions for non-payment, and this has undermined the generation of adequate revenue to support service delivery, reducing access and coverage.

In other contexts, space for collective action at the local level has been undermined even by well-meaning policies. In Niger, commitment to national policies regarding free access to primary care resulted in the forced cessation of a local initiative, known as the Extra Pennies Scheme, which required health centre users to pay a small charge into a common fund to provide financing for fuel and other costs associated with ambulance transfers (Olivier de Sardan, 2010).

(continued) Examples of the successful resolution of collective action problems in service delivery include the introduction of Community-led Total Sanitation. In Pakistan, a local non-governmental organisation (NGO) used this approach to facilitate collective action within informal settlements and slums to address chronic sanitation problems, as part of a long-standing initiative (Sansom, 2011). As a result, infant mortality rates in the project’s target area fell from 130 deaths per 1,000 live births in the early 1980s to fewer than 40 by 2006 (UNDP, 2006).

The presence or absence (and severity) of moral hazard, which refers to situations in which some form of insurance insulates actors from the consequences of their decisions, encouraging them to adopt riskier behaviour. *Relevance for service delivery:* While moral hazard features extensively in the health financing literature, with respect to the behaviour of service users (i.e. the insured are more likely to behave in ways that carry some risk to their health), a similar principle can operate at a higher level within the governance system as a whole. This could affect service delivery directly, as in the Samaritan’s Dilemma, whereby states do not make the effort necessary to deliver services (or other developmental goods) because of the perception that aid organisations will do so for them.

In **South Sudan**, water supply and sanitation services have largely been delivered through humanitarian assistance (often provided by international NGOs), reflecting the consequences of the long-running conflict between Sudan and South Sudan. There is some evidence that this has reduced the incentives of different levels of government to play a more active role in monitoring and the eventual running of provision; it has also resulted in a number of 'common pool' problems, whereby communities withdraw from maintenance, leading to eventual disrepair and destruction (Wild et al., 2012). It may also affect incentives for delivery indirectly, where the presence of significant quantities of foreign aid or access to natural resources revenues undermines the fiscal contract between the state and citizens, reducing incentives for public investment.

The presence or absence (and severity) of rent seeking, which refers to situations in which actors seek to capture income above market value for particular goods or services, by securing privileged access to scarce resources (e.g. through politically created monopolies). **Relevance for service delivery:** The emphasis here is not narrowly on the availability of rents in the sector and the distribution of those rents among relevant actors, although this is clearly important, but on understanding more broadly the role played by rents at a systemic level (i.e. in the political system as a whole).

In **Nepal**, where political competition (and political party financing) is fuelled by rents, provision of health services in remote rural areas is undermined by rent-seeking behaviour in human resource management, with access to preferred posts, training and career advancement opportunities determined by patronage relations rather than on the basis of merit or through the simple rotation of staff (Harris et al., 2013).

The linkages between particular aspects of governance and service delivery outcomes remain complex, making it difficult to identify reliable linear causal chains. Even the limited set of factors described above will intersect and combine with one another, as well as with the political implications of sector-specific characteristics and with other technical challenges in service delivery. Indeed, our experience suggests it is rare that a single governance factor alone is observed to constrain service delivery. Researchers and practitioners may choose to try to identify the single most binding constraint to performance (Hausmann et al., 2004) or to design a package of interventions that will facilitate improvements by addressing a number of factors simultaneously or in sequence. In either case, they will need to be **aware of the interactions between factors** in a given context.

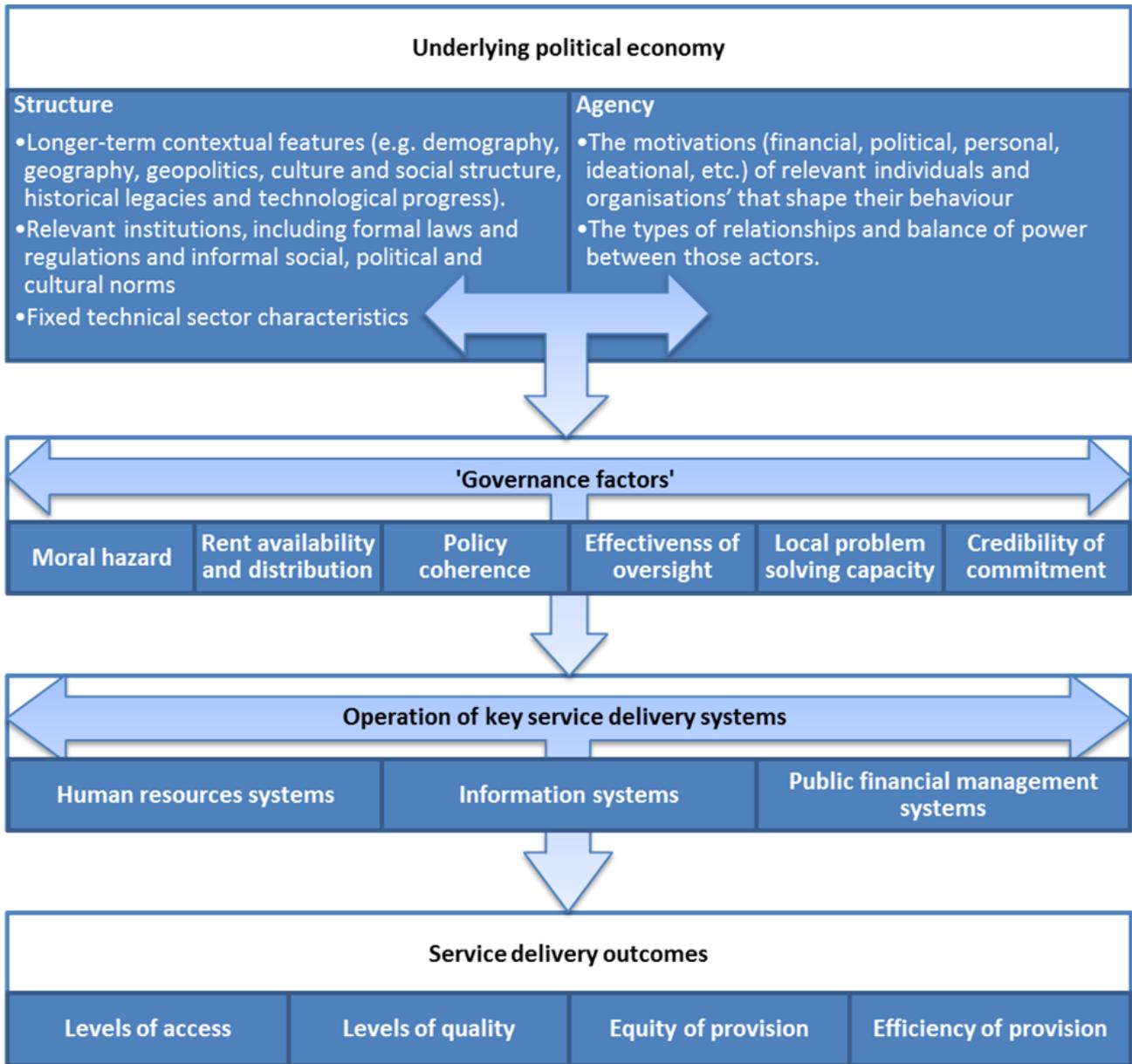
What does this mean for service delivery processes and outcomes?

It can be challenging to draw links from the enormity of potentially relevant actors, institutions and incentives to service delivery outcomes, or even to the observable functioning of key service delivery systems; understanding specific governance factors, and how they relate to the wider political economy context, can help make this a manageable exercise. When these concepts are deployed based on diagnostics and evidence, rather than being used as a pre-existing blueprint, they help give a recognisable structure to complex interactions of structure and agency.

Figure 1 (overleaf) highlights the interaction between a country's underlying political economy, the governance factors we identify and the impacts these factors have on the operation of service delivery systems and outcomes.

Thus, the governance factors described are both the product of actions within a particular historical and sociological context ¹ and capable of shaping subsequent decisions and behaviour (thereby influencing developmental outcomes, through the operation of key service delivery systems).

Figure 1: Linking the political economy to outcomes via governance factors



What does this mean for what we do differently?

A key strength of this approach is that it provides those working on service delivery issues with a toolbox of concepts to help more systematically diagnose which governance factors affect service delivery (positively or negatively). It does this by identifying the drivers of behaviour that undermine the function of key service delivery systems. By improving our understanding of why challenges persist, and not just identifying manifestations of dysfunction – i.e. the gaps between current performance and an ideal or ‘best’ practice – this approach allows us to learn from experience without simply transplanting solutions blindly. In other words, improved diagnostics of this sort help us to ensure that the theories of change underpinning programming are plausible based on what is known about the context. This gives us a better understanding of how to match diagnosis of particular problems or constraints to different solutions and policy options. We set out below what some of these might be.

Where political commitments to citizens for service delivery are not seen as credible, long-term initiatives to reduce the extent of social fragmentation may be important. Institutional reforms, including decentralisation, have been suggested, but their effectiveness depends on the political salience of provision of local public goods in local elections; voter knowledge of the service delivery process and the budget constraints to local provision of public goods; and clientelist pressures not being exacerbated at the local level by the prevalence of personalised relationships (Keefer and Khemani, 2004). Shorter term, there may be scope to promote social accountability initiatives or other programming that provides independent validation of service quality and individual performance, allowing politicians to take credit for achievements and establishing track records for parties in subsequent electoral cycles.

Where ineffective performance monitoring and oversight mechanisms constrain performance, it will be critical to understand whether failures arise from imperfect information or are rooted in other issues. Much of our discussion on credible commitments may be relevant to attempts to improve political oversight. Similarly, contractual and client-based oversight may benefit from the provision of improved information regarding levels of performance. In all cases, it is important to avoid wishful thinking with respect to capacity for improvements in the information available without due consideration of the motivations of those tasked with acting on it.

Where there are high levels of policy incoherence, priorities might be tailored towards better defining mandates, roles and responsibilities (horizontally and vertically), which is in principle well suited to smart technical assistance. It will be particularly important to identify and resolve conflicting mandates that impinge on implementation. There may also be scope to support government prioritisation processes to address specific implementation gaps (Tavakoli et al., 2013). Programming of this type will need to manage resistance to change, particularly where mandates entail control over financial or human resource allocation. This is likely to be easier where assistance is tailored to the context, with a focus on facilitation of change rather than policy advice

Where under-provision reflects a lack of capacity for collective action, a scorecard approach may be helpful, or something that tries to broker action by communities themselves, possibly through third-party or ‘arm’s-length’ assistance that separates the facilitation and disbursement functions (Booth, 2013). In this, assessment of the capacity of the assembled actors and organisations is critical. If those present have agency for service delivery needs (e.g. through co-production), it may be possible to move towards a collaborative reform process and establish the types of institutional requirements necessary to enforce collective agreements, as in Malawi (Wild and Harris, 2012) and in Pakistan (Sansom, 2011). If inputs from elsewhere are necessary, it will be important to identify pathways to inclusion for those with agency.

Where moral hazard dynamics demotivate states or other actors, reflecting on choices on instruments and modalities may be helpful. It may be better not to provide large-scale funding to a sector, despite high levels of need, if the institutional environment means achieving value for money will not be possible, for example for school construction or medicine distribution when it may reduce the incentives of government or others to take on maintenance and distribution themselves. Identifying how to balance different short-term needs and these longer-term risks, based on strong diagnostics, will be key to ensuring funds are spent widely and appropriately.

Where rent seeking constitutes a significant barrier to progress in service delivery, it will be important to consider whether it is possible to address it head-on. In some cases, non-monetary rewards may help change behaviour. For example, in Vietnam, visible political recognition of good performance in sanitation by local politicians aims to shift the calculations of this important set of actors so as to incentivise them to rebalance allocation that has to date prioritised rent-rich water supply projects to the detriment of rural

sanitation (Harris et al., 2011). In Nepal, the deeply rooted nature of rent seeking suggests external partners may be better off undermining this behaviour in the distribution of human resources for health by improving conditions in rural areas, rather than trying to confront the informal sale of access to preferred urban posts directly (Harris et al., 2013).

Conclusion

In this brief, we have laid out a case for better diagnostics capable of identifying specific governance constraints to service delivery in a way that can inform policy and programming decisions aimed at improving sector outcomes. We put forward an initial list of six types of constraints that emerge from a review of existing cases. The evidence base for both these diagnoses and the effectiveness of particular policy and programmatic prescriptions, however, remains partial.

The process of developing improved diagnostics, then, should be seen as ongoing; indeed, other briefs in this series further explore evidence on effective aid strategies to address some of the constraints we identify (Tavakoli et al., 2013). Greater research and documented examples of practice continue to be necessary to best identify what types of approaches are suited to particular diagnoses. The recent emphasis on the application of experimental methods to issues of governance and development offers promise here, but this needs to make clear the diagnosis underlying the treatment and develop a plausible theory of change in the context in question. We hope this brief can contribute usefully to these debates.

Endnotes

¹ Analysis of this complex political economy therefore needs to explore how factors interact with and are shaped by longer-term processes, which include key features of geography, geopolitics, population, culture and social structure and historical legacies, as well as the relevant institutions, including formal laws and regulations, informal norms and the distribution of power.

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