What has CARE has learned from political economy analysis?

Problem-driven, locally-led, adaptive, iterative, entrepreneurial

✔ Start with problems, not ready-made solutions.

✔ Understand and engage with the politics.

✔ Support locally-led reform.

✔ Don't be afraid to try, fail and try again.

✔ Think like an entrepreneur: take risks, make small bets.

Context matters... best practice > best fit

- All governance and accountability initiatives depend on national and local context (see Bukenya, Hickey and King, 2012; O'Meally, 2013 and Joshi, 2013).

- There is an emerging consensus that says that development should be "politically smart" "locally led" and "flexible (Booth and Unsworth, 2014; Rocha Menorcal, 2014)."

People & Government!

PEOPLE   GOVERNMENT

This is the BEST explanation I have ever seen

Piloting PEA

- **Phase 1:** Between October 2012 and June 2013 CARE piloted the use of a political economy guidance note in 9 country offices: Peru, Pakistan, Sri Lanka, Nepal, Egypt, Uganda, Malawi, DRC, and Ethiopia.

- **Phase 2:** Between April and July 2013, we carried out a survey and interviews with key members of staff in these country offices to help adapt and adjust the guidance note, addressing the structure of the document, content, methodology and tools.

- **Phase 3:** In May 2014, having made revisions to guidance note, we re-piloted core components of the approach in Zambia and in India in March 2015 and Kenya in September 2015.

Who's the audience? What's the level?

- There was considerable **variation in the quality of reports** between different countries. £5,000 is not a large budget, so expensive international consultants were out of reach.

- **Problem-driven analysis** is not ideal for COs is that they have not yet identified a single problem, but rather a cluster of problems, and are looking to use the analysis to help redefine which are more important than others.

- What many staff were most keen for was not country or sector level analytical frameworks, but something that allowed them to **analyse political economy dynamics at local level.**

What's an institution anyway?

- Staff struggled with the **concept of formal and informal institutions.** Structures and formal institutions are often used interchangeably by many consultants and so it is often hard for staff to keep up.

- We also found that the analysis tends **focus too much on formal institutions**.

| Formal Institutions	Informal Institutions
Generally **written rules;** these include constitutions, laws, decrees, regulations and policies. Power and control over resources resides in those with a *de jure* **mandate.** There are usually **official mechanisms, channels and spaces** for their creation and implementation, **state agencies for their enforcement** (e.g. police and courts) and **explicit sanctions** to make them effective (e.g. fines).	Generally **unwritten rules**; these include customary law, patrimonialism, clientelism and rent seeking. Power and control over resources resides in those with a **de facto mandate**, which is achieved through **bureaucratic, kinship, religious, political ties or hierarchies**, by political settlement between different groups, or even usurped through superior force. Informal institutions both **precede and exist in parallel with formal institutions**, and they sometimes emerge to replace them when these rules are incomplete, are not widely accepted, adequately implemented or enforced, or when those that have the mandate to enforce them (e.g. state agencies) have low legitimacy or capacity. Informal institutions are sometimes **enforced** through social shunning, ostracism, quasi-legal redress mechanisms or sometimes even threats and the use of violence.

Shortcut stakeholder analysis

Roles & Responsibilities	Interests & Incentives	Capacities & Resources	Accountabilities & Influence
What are the actor's official and unofficial mandates /roles and responsibilities? (e.g. responsible for oversight or policy-making, humanitarian mandate)

Who does the actor represent? (e.g. formal/informal constituency) | What are the actor's main interests related to your chosen issue? Are they in favour, against or undecided? (e.g. politician's campaign promise)

What incentives and disincentives does the actor have to collaborate and include marginalised citizens? (e.g. clientelist ties)

What is the actor likely to win/lose by supporting your agenda? (e.g. gain/lose political support) | What are the actor's capacities to respond to poor citizens' rights and needs? (e.g. for oversight, policy formulation, service delivery)

What resources does the actor have at its disposal to achieve this? (Financial, human, physical, etc.). | How is the actor linked to other stakeholders? (e.g. informal networks, political, ethnic or religious allegiances)

What influence (power) does the actor have over decision-makers?

How open is the actor to share information? And, to whom is the actor accountable? (vertical accountability to minister or external agency, downward accountability to beneficiaries) |

Multi-level engagement in Zambia
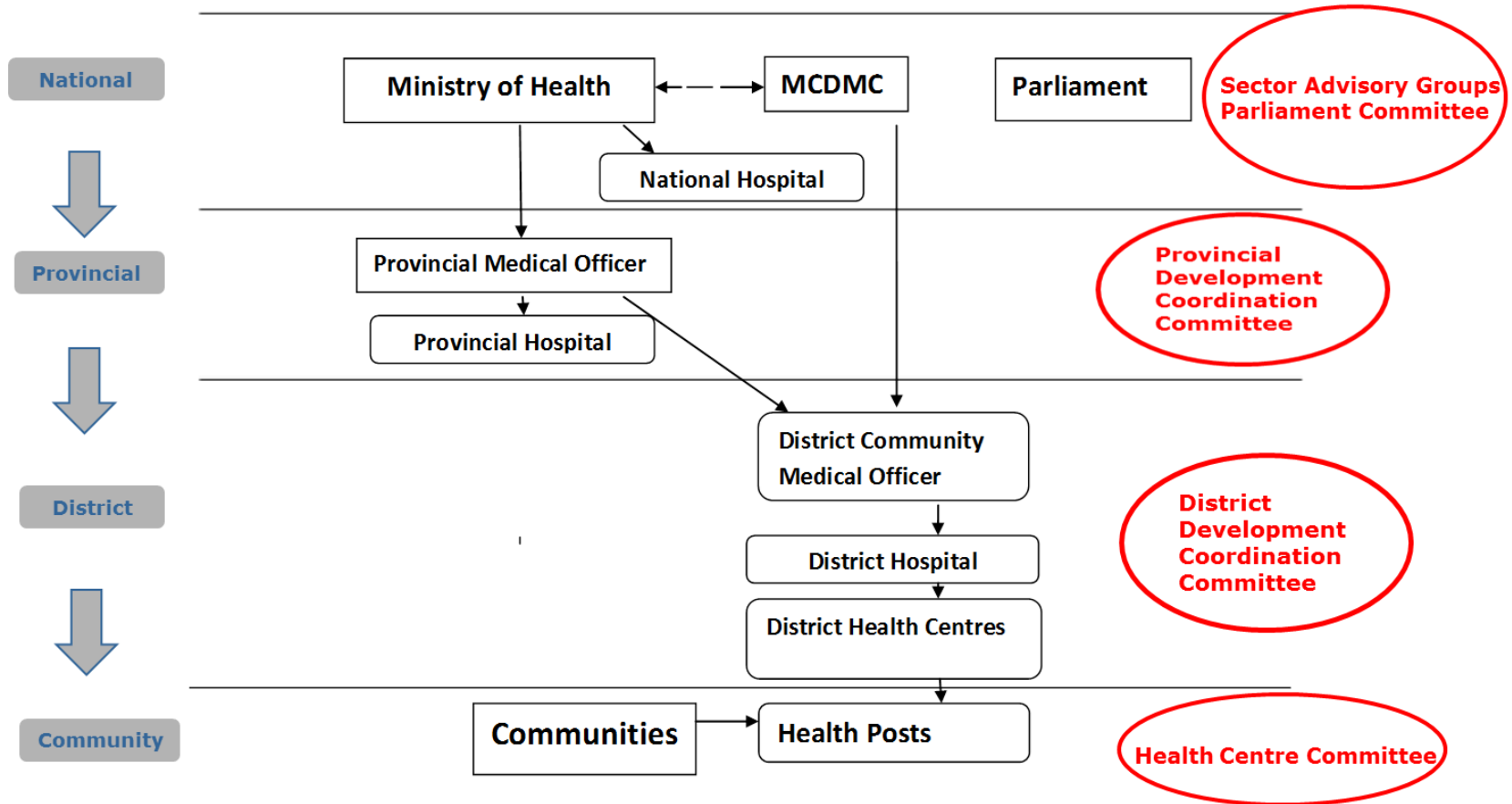
Back door PEA: Interests and incentives of youth monitors in Egypt

- In Sharkeya, social accountability was a new concept. Monitors were incentivized by a sense that they could **learn something new** and to receive training and acquire new skills. They were also interested in improving the quality of services. As many of them were students, they also had free time to participate over the summer.

- In Beni Suef, some youth had experience with social accountability, whilst others didn't. For most, it was an opportunity for new experience, to acquire more skills, and get certificates. Some even felt they gained power; the opportunity to influence decisions locally. Inspired by the revolution, some even felt that this work could be a **staging post for a future political career**.

Iterative analysis in Peru

- The Peru case also showed that it is worth **carrying out the analysis in more than one step**. Updating and deepening the analysis with a smaller group a few months later (March and May, 2013) revealed various issues. As is common, CARE and its partners (the civil society health forum – Foro Salud) had overstated their strengths and opportunities and understated their risks and weaknesses.

- As Foro Salud was the only civil society health representative in the national health committee, they felt they were the *only* relevant civil society actor. Equally, they have previously had direct communication with the health minister. Therefore, they felt that they were in a good position to *influence* the health sector reform without changing their position or way of working much.