



ESID Briefing Paper No. 12

Making political analysis useful: Adjusting and scaling

April, 2015

Key messages:

- Sceptics and proponents of incorporating political thinking in foreign aid practice often fail to consider that **analysis can be tailored to very different goals and designed with very different barriers to entry.**
- There are three types of analysis – their purpose affects the questions they should ask, their intended audience, or even their timing. **Agenda-setting analysis** aims to establish a shared language and understanding. **Problem-solving analysis** aims to increase rates of implementation. **Influencing analysis** aims to develop a political strategy for change.
- The usefulness of each type of analysis can be bolstered by **a fractal approach, which follows a common set of questions and statements across various forms of engagement**, such as a one-hour conversation that can lead to a one-day workshop and then a one-month consultancy.
- This briefing encourages aid organisations interested in political analysis to **start small and be pragmatic**, devoting political-economy expertise to finding the most relevant and rigorous questions, then making them accessible to development practitioners for use in their everyday work.

Introduction

The unstoppable force of political and governance analysis has met the unmovable object of aid bureaucracy. Regardless of the merits of this new mental map for development assistance, its proponents have encountered various administrative barriers within the very organisations they are trying to persuade: some of these relate to individual career incentives, some to corporate and professional cultures, and some to pure institutional inertia.

The mood among proponents of political analysis is often sombre, at least compared with the high hopes originally placed on this new model for aid analysis and programming. Many questions plague current debates: are we trying to do too much too quickly? Can we muster the evidence necessary to show the impact of political analysis on aid effectiveness? Is there room for a new advocacy strategy which frames governance considerations in terms of results and effectiveness?

Adjusting analysis: learning, winning and changing the game

The real answer to these questions is: 'it depends'. It depends on what purpose political analysis is intended to serve in the aid business. Is it supposed to make practitioners savvy? To maximise implementation rates? Or to empower donors to influence local politics in favour of reform?

Decades of research into the political economy of development teach us that any policy change anywhere, no matter how big or small, is likely to generate winners and losers, as some actors have become powerful by adapting to and becoming invested in a particular set of institutions. Multiple actors with different interests and ideas are likely to compete or cooperate whenever a policy change is afoot. We can therefore consider that the central dynamic of the political economy of development looks very much like a game, whether in the game-theoretical sense, or in the more conventional chess-and-poker sense. And when there is a game, analysis can help us learn it, win it, or even change it.

Agenda-setting analysis (learning the game)

Early political-economy and governance analysis was concerned with learning the game. The chief purpose of DFID's Drivers of Change¹ or the Netherlands' SGACA² seemed to be to build a more nuanced understanding of the context for policy continuity and change in a given intervention environment. It could be a country- or sector-level analysis, but it was rich in historical background, stakeholder mapping and institutional constraints.

These early political economy analyses (PEAs) were telling practitioners, above all, that there was a game afoot and – based on the number of actors, their interests, decision points, and sets of available strategies – what kind of game it was. By itself this was an important contribution, systematising knowledge and creating a discursive space for politics to enter aid debates in an analytically rigorous manner. It was soon deemed insufficient, however, with practitioners asking the dreaded 'so what?' question, especially after being presented with a mostly static landscape telling them that their plans were not going to work.

¹ 'Drivers of change public information note', UK Department for International Development (September 2004), available at <http://www.gsdrc.org/docs/open/DOC59.pdf>.

² 'Framework for strategic governance and corruption analysis: designing strategic responses towards good governance', Netherlands Institute of International Relations, Clingendael (October 2007), available at http://www.clingendael.nl/sites/default/files/20071000_cru_occ_unsworth.pdf.

In a sense, ‘so what’ critiques were missing the point entirely, as **agenda-setting analysis** is not supposed to tell you what to do: it tells you where you are. Learning the game is an essential first step, one that some development agencies are yet to even take. It is important to know whether an intervention is trying to remedy a collective action or a bargaining game; you would not want to walk into a poker game knowing only the rules of chess.

Learning the game can be useful when there are no formal mechanisms for political or governance analysis to accompany implementation, when country offices or specialists want to get a sense of the political context in which they will operate, or when a country strategy or portfolio is being put together from scratch. It can also be extremely useful in contexts of crisis or rapid political change, where a new assessment of the general landscape for intervention is the only way to make sense of how to move forward.

- **‘Learning the game’ is agenda-setting analysis:** The point is to establish a shared language and understanding of a governance context.
- **Level of analysis:** Country or sector, broad enough to provide a snapshot of the operating environment for an entire mission or for a specific sector portfolio.
- **Components:** Institutional trajectory, dominant norms and beliefs, key relationships, prior reform efforts. It is particularly important to understand what has been tried before, and why it has succeeded or failed. Broad brushes are more useful here than detailed anecdotes, as the goal is synthesis rather than analysis.
- **Author:** A parachuted consultant or academic, with in-depth knowledge of the country and sector context. Context expertise is much more relevant for agenda-setting than operational experience, especially when it comes to assessing institutional trajectories.
- **Timing and frequency:** Before a portfolio or country strategy are designed, once every three to five years, or perhaps with every election cycle. The basics of informal and formal institutions rarely change so quickly as to require yearly updates.
- **Use:** Staff retreats or inductions, strategic planning and review, portfolio evaluations, crisis assessments. This type of analysis is really useful when there is time to think and debate, or when context changes so drastically as to require a new map.

Problem-solving analysis (winning the game)

Operational implications are tricky for political analysis. The minute we begin dealing in games, we become slaves to their structure: this does not mean, however, that games cannot be won. Indeed, a second generation of PEAs sought to overcome the ostensible limitations of Drivers of Change-type studies with a clear focus on problem-solving: not simply learning the game, but winning it. The exemplar of this type of approach may well be the World Bank’s Problem-Driven Political Economy analysis.³

The core tenet of **problem-solving analysis** is that different games demand different solutions. Context has a direct effect on the success of policy proposals and on the choice of interventions: in some cases it may be simply too hard to establish new incentive mechanisms that get actors to cooperate; in others, however, it may be a matter of improving communication or building trust.

³ *Problem-driven Governance and Political Economy Analysis: Good Practice Framework*, World Bank (2009), available at <https://openknowledge.worldbank.org/handle/10986/16777>.

Just as it would be pointless to apply bluffing to a computer game of chess, it would also be foolish to approach poker assuming equal distribution of cards among all the players.

Winning the game is very much about entry points, 'best fit' and working with the grain: given a particular context, the political and governance analysis should tell practitioners which modalities or targets will not work and which are more likely to contribute to the desired policy outcome.

- **'Winning the game' is problem-solving analysis:** the point is to tailor project design in order to optimise rates of implementation.
- **Level of analysis:** Programme or project. Anything above that would be too general and generic to be useful for problem-solving, which calls for specificity.
- **Components:** Actors (preferences, beliefs about other actors), choice points, potential strategies, expected outcomes. It is important to highlight what can and cannot be controlled by the project team, in order to isolate realistic interventions from desirable but unfeasible ones.
- **Author:** A consultant or governance specialist with clear knowledge of programming instruments and requirements, and familiar with the sector or working closely with a sector specialist. In this case, an external researcher with little knowledge of the practicalities of design and implementation may do more harm than good, as the ability to solve problems is not only tied to context, but also to an organisation's own internal systems and constraints.
- **Timing and frequency:** Project design, and/or restructuring, once every year or two, perhaps after annual/mid-term reviews. The premise here is that operating environments are fluid, and one-off political analyses are unlikely to be applicable if conditions on the ground change between design, implementation and evaluation. The more specific the analysis, the more it will be subject to the vagaries of everyday politics.
- **Use:** Project team and evaluators. This analysis is useful when it supplies both pertinent questions and practical answers to assess how and why a project is designed and implemented the way it is. Because of that, it is unlikely to be of use – except as anecdotal knowledge – to audiences removed from the programme or project.

Influencing analysis (changing the game)

Winning a game may seem a significant enough victory, but it still means being constrained by the structure of actors, choices, values and resources in any given context. Policy may be the art of matching a strategy to a given game; politics is the art of turning a given game into a more advantageous one.

In other words, why play a collective action game doomed to fail? Instead, devote time and effort to reframing the debate so that recalcitrant actors disappear or change their preferences, and tweak the locus of decision so that the dynamics of strategic interaction can be more conducive to reform. Why resign yourself to play poker when you know the other players bluff better than you do? Why sit down to play chess with a master whom you have no hope of ever defeating?

Some aid actors have adopted political and governance frameworks explicitly targeting this sort of approach, like SIDA's Power Analysis.⁴ But here's the interesting part: all donors – no matter their actual goals – are contributing to changing the game whenever they enter a country, whether their support takes the form of ideas, money, skills or legitimacy.

The minute any form of external assistance enters a local context, some actors will benefit from it and therefore their relative power will increase, even if marginally. Support for civil society organisations is the most frequent strategy for changing the game, empowering constituents' voice or ensuring that new actors become players in a policy process. Coalition building is another way of changing the game, generating the kind of trust that can allow policy actors to move from a non-cooperative to a cooperative game.

Influencing analysis is probably the most difficult kind of political and governance analysis, and definitely the most sensitive. It seeks to expand the reform space,⁵ which is a neat euphemism for 'political intervention'. Iterative adaptation in projects would be a lower-level, less invasive approach to changing the game, re-shaping design-implementation cycles into dynamic learning processes.⁶

- **'Changing the game' is influencing analysis:** The point is to alter the status quo by identifying a strategy of political support for reformers and key partners.
- **Level of analysis:** Any. Influencing analysis can be part of programming, all the way from country portfolio to a particular project, as long as it is tailored to the right level: a country-level analysis may be useless for operations in a specific sector or region, and vice versa.
- **Components:** Potential coalitions and new actors, options for reframing the problem, feasibility of influencing actors' incentives, emerging political opportunities. This type of analysis should not concentrate on identifying entry points, but in imagining scenarios of influence and designing strategies for advocacy.
- **Author:** A local expert or implementer with clear knowledge of all actors involved and the day-to-day political landscape, working with management staff. No external expert, not even a donor staff member, can hope to have the kind of in-depth contextual information necessary for making judgment calls about whom and how to influence. Aid personnel may be reluctant to trust local players with their analyses, but this may be the only way to truly understand the prospects for changing the game.
- **Timing and frequency:** Throughout the project cycle, with updates every few months. This kind of analysis may not ever become a finished study, but exist as a living document which frames discussion among key practitioners.
- **Use:** Project or management team, implementers, strategic partners. Influencing is hardly a donor-centred task: in fact, it can only hope to succeed when it involves the implementation chain, all the way to – and in particular – local strategic partners.

⁴ *Power Analysis: A Practical Guide*, Swedish International Co-operation Agency (2013), available at http://www.sida.se/contentassets/83f0232c5404440082c9762ba3107d55/power-analysis-a-practical-guide_3704.pdf.

⁵ You can read more about Brian Levy's approach to the reform space at <http://workingwiththegrain.com/>.

⁶ 'The DDD manifesto', Doing Development Differently workshop (October 2014), available at <http://buildingstatecapability.com/the-ddd-manifesto/>.

Table 1: Basic features of three types of political analysis

	LEARNING	WINNING	CHANGING
Goal	<i>Agenda-setting</i>	<i>Problem-solving</i>	<i>Influencing</i>
Level of analysis	Portfolio / sector	Programme / project	Any
Essential components	Institutional path, norms, prior efforts	Actors, choice points, strategies, risks	Coalitions, opportunity structure, reframing
Author	Parachuted researcher	Programming-savvy consultant / specialist	Local expert / implementer
Timing and frequency	Every 3-5 years, before any planning	Every 1-2 years, design and restructuring	Ongoing, updated every 3-6 months
Use	Retreats, induction, planning, evaluation	Task team, evaluators	Team, implementers, strategic partners

Scaling analysis: from one hour to one month

Our research on DFID and the World Bank, as well as many conversations with practitioners across aid organisations, highlights the enormous barriers to entry encountered by non-governance practitioners approaching political analysis. It is not just the fact that they may see it as the purview of governance specialists: the problem is compounded by the proliferation of frameworks and toolkits, all seemingly legitimate, each informed by a particular view of political economy and an idiosyncratic commitment to rigour in theory and methodology.

Most non-governance practitioners have an intuitive grasp of politics, but they may not have the training, time or contacts to conduct political analysis to the standards set out by these frameworks (and the same would apply to many governance specialists!). Instead of arguing about frameworks and models, the second main task in making political analysis useful to outsiders may be one of scaling: first, allowing for modalities of analysis which do not require hiring an external researcher for months at a time; and, second, ensuring that there is a common analytical thread connecting lower-engagement and higher-engagement forms of analysis.

The only way to reconcile expediency with analytical rigour may be to adopt a fractal approach to political analysis. A fractal is a natural phenomenon or mathematical set which presents the same pattern at every scale: frost crystals on window panes, for instance, have a fractal structure. The point here is not to marvel at nature, but to reason through analogy: can an aid organisation adopt a framework for political analysis which follows the same principles at very different levels of engagement? What would that look like?

One-hour ('conversation') political analysis

A frequent mistake in PEA frameworks is analytical maximalism: partly because of the need to demonstrate rigour, and partly out of 'economics envy', PEA proponents tend to be as comprehensive and technical as possible. However, the beauty of politics is that everyone has enough folk knowledge to be able to understand complex phenomena, as long as they are expressed in familiar terms.

Is it possible to distil a PEA framework into a short set of intuitive and accessible questions? Can we then give these questions to a couple of development professionals and ask them to chat about them for half an hour? What would 'one-hour political analysis' look like?

The specifics will depend on which framework an office is willing to use, but one can easily come up with five relatively comprehensive but accessible questions for each type of analysis.

Agenda-setting (country-level) conversation:

1. What is the current state of development in this country?
2. What were the most important experiences that led the country to its current state?
3. How do people usually think about politics?
4. Who have been the main players in recent years?
5. What is the position of aid donors in this context?

Problem-solving (project-level) conversation:

1. Has this type of intervention been tried before?
2. Is there demand for the interventions? From whom?
3. Can we work with those actors opposed to or lukewarm about change?
4. Are there any structural or institutional constraints for change?
5. What would be a reasonable expectation for this intervention?

Influencing (sector-level) conversation:

1. Who are the main actors influencing sectoral policies?
2. What incentives seem to motivate competing actors?
3. Can the main issue be reframed to attract a different coalition?
4. Is there any way for aid to help change the dominant incentives?
5. Are there any upcoming political opportunities for influencing policy?

These are just some sample questions, with no relation to any existing PEA framework. Whatever the final model for one-hour political analysis, it needs to meet two conditions: first, the questions have to be analytically relevant; second, they should be posed in an accessible enough way that virtually anyone working in the sector should be able to answer them on the basis of anecdotal knowledge and personal experience.

There may be some missing information, and even personal biases, but that does not mean that a team of trained professionals could not address them over coffee in no more than a one-hour conversation. As long as the assumptions behind the questions are analytically sound, those 60 minutes can be very useful.

One-day ('workshop') political analysis

The analytical rigour behind one-hour political analysis is important, so as to enable more thoughtful and dedicated responses if people were given some extra time. If time and budget allow for even a single-day workshop jointly facilitated by a governance and sector specialists, an ad hoc team of practitioners, managers and perhaps local experts can easily grapple with underlying biases and information availability in order to produce a more sophisticated form of analysis.

The chief idea here would be to turn the original one-hour questions into yes-or-no propositions that foster discussion, using multiple voices to correct for individual biases and pool information from a diverse array of sources. Each question would then become its own one-hour segment within a larger structured conversation. Following on the hypothetical examples outlined above, these are the types of questions that one-day political analysis could address:

Agenda-setting (country-level) workshop:

1. This country is on a self-sustaining path to middle-income status.
2. The past two elections have demonstrably changed the way politics functions.
3. People's respect for authority is the source of their political beliefs.
4. The ruling party and the military have been the dominant actors lately.
5. Aid donors have not been able to secure compromises from the government.

Problem-solving (project-level) workshop:

1. This type of intervention was tried before and failed.
2. There is significant demand from civil society.
3. We will not persuade those elite actors already opposed to reform.
4. Low salaries and limited rule enforcement constrain any attempt at reform.
5. We should expect little sustainability of our results in the long term.

Influencing (sector-level) workshop:

1. We cannot do anything in this sector without the minister.
2. The desire to save face in front of the president is everyone's main concern.
3. We could try to frame this not as an accountability issue, but as an effectiveness issue.
4. Aid can influence actor incentives by providing them with information about alternative ways of doing things which seem to have succeeded in neighbouring countries.
5. The coming election is a real window of opportunity for building new policy coalitions.

Again, these are all hypotheticals, but they all share two features: first, they arise from the original questions, and thus from our analytical assumptions; second, they are all worded as position statements that allow every participant to engage. Open-ended and vague questions are the best way to stifle intelligent debate in a workshop environment: by forcing people to argue, political analysis can help them process their assumptions and causal reasoning for the problem at hand.

One-month ('report') political analysis

Finally, given a budget and enough time before the answers are needed, a team can easily put together terms of reference for a short-term consultancy on the basis of the original one-hour questions and the results of workshop analysis. With the benefit of external expertise and time, the positional statements can stop serving as discussion prompts and instead become working hypotheses evaluated on the basis of available evidence. This is just an example based on the type of problem-solving (conversation and workshop) analysis above:

1. *Has this type of intervention been tried before?*
 - a. What were the design assumptions and choices?
 - b. What were the challenges of implementation?
 - c. What were the results of evaluation?

2. *Is there demand for the interventions? From whom?*
 - a. Who are the key actors advocating change?
 - b. Are there any networks linking donors, practitioners and advocates?
 - c. What are the potential political benefits of change?

3. *Can we work with those actors opposing or lukewarm about change?*
 - a. Who are the key actors advocating against change (overtly or covertly)?
 - b. What incentives motivate those actors?
 - c. Are dominant norms supportive of continuity or change?

4. *Are there any structural or institutional constraints for change?*
 - a. What are the distributive implications of change?
 - b. Are formal rules and regulations compatible with change?
 - c. Do underlying informal rules allow for change?

5. *What would be a reasonable expectation for this intervention?*
 - a. What is a feasible outcome in the short and medium term?
 - b. How much control can we exert over the results of our inputs?
 - c. How should we design our results frame to account for reasonable expectations?

The fractal approach to analysis ensures that everyone is on the same page due to lower barriers to entry, while allowing for a scale-up if the occasion calls for it. Moreover, by retaining the same analytical thread throughout, the report-level analysis will seem much more accessible and less academic to non-governance specialists, as they will already have had the chance to grapple with pretty much the same questions themselves.

The point here is not to suggest what the right questions are or what the best framework is, or whether analysis is a one-off or iterative process. The proposition is much less ambitious – and simultaneously much more practical – than that: instead of agonising over the specifics of the model, make sure that the political analysis is 'fractal' enough to allow scaling for different levels, budgets and participants, while retaining the same analytical thread.

Table 2: A fractal approach to political analysis

	ONE-HOUR	ONE-DAY	ONE-MONTH
<i>Assumptions</i>	Analytically grounded	Same	Same
<i>Participants</i>	Core team	Core team, management, other specialists	Core team, consultant
<i>Format</i>	Chat	Moderated workshop	Report
<i>Style</i>	Open-ended questions	Positional yes-or-no statements drawn from the questions	Hierarchical sections assessing the available evidence
<i>Sources</i>	Personal experience	Personal experience, collective knowledge	Primary and secondary data

Bottom-up instead of top-down

It is hard to make political analysis useful for practitioners. Academic political science has hardly developed a consensus of the kind one sees – however questionable – in mainstream economics. If anything, political research tends to inject greater uncertainty into what would seem rather straightforward technical problems. But the answer is not to run away from politics, to make political analysis into some kind of deceptively predictable toolkit.

Let us start with the recognition that political analysis is about managing uncertainty. That is already a difficult task, but it is made even harder by the confusion between different goals and purposes (learning, winning, changing) and the fixation with lengthy reports, as opposed to analytically guided conversations. A different approach is possible:

- First, **choose what the purpose of the analysis will be**, and design it accordingly: agenda-setting, problem-solving and influencing are all worthy tasks in themselves, but their requirements and objectives are hardly the same.
- Second, **design the core analytical framework to be scalable**: focus on the small set of intuitive but theoretically justified questions that anyone can chat about, but design them to allow for deeper engagement in workshops and reports, should the need arise

This briefing encourages aid organisations interested in political analysis to start small and be pragmatic. Instead of maximalist models worthy of peer-reviewed journals, the focus should be on trust: trusting political-economy experts to determine what the important questions are; and trusting development practitioners to be smart enough to answer those questions, so long as they are worded in a readable way. Let questions feed into workshops and then research, not the other way around. Plant the seeds of political analysis and then watch it grow.

Further reading

- Yanguas, P. and Hulme, D. (2014). 'Mainstreaming political-economy analysis (PEA) in donor agencies', *ESID Briefing Paper No. 5*. Manchester: Effective States and Inclusive Development Research Centre.
- Yanguas, P. and Hulme, D. (2014). 'Can aid bureaucracies think politically? The administrative challenges of political-economy analysis (PEA) in DFID and the World Bank', *ESID Working Paper No. 33*. Manchester: Effective States and Inclusive Development Research Centre.
- Routley, L. and Hulme, D. (2013). 'Donors, development agencies and the use of political economic analysis: Getting to grips with the politics of development?' *ESID Working Paper No. 19*. Manchester: Effective States and Inclusive Development Research Centre.

About this briefing

This briefing paper was prepared by Pablo Yanguas as part of ESID's ongoing research project on the use of political-economy analysis by development donors. For more information visit:

<http://www.effective-states.org/issue-pea/>

The Effective States and Inclusive Development Research Centre

The Effective States and Inclusive Development Research Centre (ESID) aims to improve the use of governance research evidence in decision-making. Our key focus is on the role of state effectiveness and elite commitment in achieving inclusive development and social justice.

ESID is a partnership of highly reputed research and policy institutes based in Africa, Asia, Europe and North America. The lead institution is the University of Manchester.

The other institutional partners are:

- BRAC Institute of Governance and Development, BRAC University, Dhaka
- Center for Democratic Development, Accra
- Center for International Development, Harvard University, Boston
- Department of Political and Administrative Studies, University of Malawi, Zomba
- Graduate School of Development, Policy & Practice, Cape Town University
- Institute for Economic Growth, Delhi

In addition to its institutional partners, ESID has established a network of leading research collaborators and policy/uptake experts.