**Entry points for improving learning outcomes:
Exploring the practical value added of political economy analysis**

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Introduction and motivation

The past two decades have witnessed a sustained effort to move beyond normative and technocratic 'best practices' approaches to development policymaking and implementation – and proceed instead in ways that 'think and work politically', and take context seriously. In recent years there have been some important gains in making this shift using national-level political economy analysis (PEA) – but there has been less progress in moving from the national to sectoral-level. The RISE program is helping to fill the gap. x

RISE has identified a core set of seven countries, in each of which there have been wide-ranging research programs. These programs have included: (i) deep-dives into the evolution of sector policy and performance vis-a-vis learning outcomes; (ii) specific education-sector support interventions that aimed to improve learning outcomes, plus (iii) in-depth analyses of the way in which political economy influences learning outcomes. The synthesis paper proposed here will draw on these analyses (plus some other RISE-supported analyses in other countries) to take stock of whether and how PEA can add value to development policymaking and implementation, at both the (education-) sector level, and more broadly.

A distinctive feature of the proposed synthesis will be a determined effort to further bridge the gap between more 'academic' approaches to PEA and the concerns of practitioners. This focus reflects how I found my way into this area of inquiry. My early work on PEA – in an edited volume, *Building State Capacity in Africa* (World Bank, 2004) – was an effort to learn inductively about institutional and political constraints to reform from World Bank operational work in Africa (in a World Bank unit for which I was the manager). Subsequently, I had the good fortune to work with a variety of academics whose research focused on the ways in which context and institutions shaped development trajectories (Francis Fukuyama, with whom I co-taught at SAIS/Johns Hopkins University; Douglass North and Mushtaq Khan, with whom I worked on the Limited Access Orders research project; and the Effective States and Inclusive Development research team at the University of Manchester). My 2014 book, *Working with the Grain,* was an initial effort to synthesize what I had learned about the academic-practitioner bridge. I subsequently participated in further refinement of the relevant concepts as part of the authorial team for ESID's forthcoming 2022 volume – and made a first effort to apply the approach in depth in a 2018 book, commissioned by ESID, that focused on *The Politics and Governance of Basic Education in South Africa.* I view the proposed synthesis as an ideal opportunity to take stock, within a specific sector, of the practical value added of the overall endeavor, both for the education sector and more broadly.

The approach

The synthesis will build on lessons learned from applying a 'political settlements' approach to PEA. Political settlements analysis has provided a useful framework for moving beyond the very general notion that "context matters" to a more practical exploration of ***how*** it matters for development policymaking and implementation. But does the approach 'land' adequately in a way that is useful for better understanding what works, what doesn't and why – and in so doing offer useful insights as to how to do better - in a specific sector in a specific country? The RISE program's wide-ranging research effort to better understand the determinants of learning outcomes offers a superb opportunity for exploring this question.

The synthesis will focus almost exclusively for analysis, reflection and interpretation on empirical outputs produced by the RISE program. The aim will not be to critique the work that already has been done, but

rather to learn from it – and perhaps to add value to it – by bringing to bear the combination of a particular analytical perspective and a strong practical orientation. The inputs into the synthesis will thus be the following:

- RISE research outputs for at least five of the seven RISE countries. (The seven core RISE countries are: Ethiopia, India, Indonesia, Nigeria, Pakistan, Tanzania and Vietnam)
- Case studies of the political economy of the education sector in South Africa (both my book, commissioned by the ESID research program as per the above, and a further case study commissioned by RISE)
- Insofar as useful, perhaps some input from some of the other four non-RISE countries for which the RISE PET-A program commissioned political economy studies. (In addition to South Africa, studies were commissioned for Chile, Egypt, Kenya and Peru.)
- plus, as useful, the analysis and cases on the politics of education in developing countries in the 2019 ESID volume, edited by Sam Hickey and Naomi Hossain.

Three sets of questions will guide the synthesis effort; the questions will explore the practical value added for the education sector of political economy research at progressively more 'granular' levels. To begin at the most aggregate level:

- *Question #1: To what extent can one usefully 'read through' directly from a country's positioning within a political settlements typology to the pattern of incentives and constraints that shaped education sector policy and practice - and thereby identify useful, context-specific entry points for improving learning outcomes?*

Discussion of this question will take as its point of departure the approach to political settlements laid out in Levy (2014) and elaborated, refined and explored statistically in Kelsall et. al. (2022). The approach identifies a small number of 'ideal types', each with distinctive incentives, constraints and frontier challenges and thus distinctive 'good fit' policy actions that are both worthwhile and feasible, given country-specific realities. (The approach recognizes that in practice most countries are hybrid combinations of the distinctive types; it has sought to identify characteristic patterns that can serve as guideposts for country-specific policymaking and implementation – for, as per a co-authored 2016 paper with Tim Kelsall, making "first bets".)

Three variables have emerged as being especially useful for characterizing political settlements in a way that usefully connects to policy choices:

- *The extent of power concentration* – which, for now, can be interpreted as distinguishing whether power flows hierarchically, or involves ongoing negotiation among multiple principals;[1]
- *The breadth of the 'social foundation'* – the range of socially salient groups (insiders) and excluded groups (outsiders), with the former comprising those groups that have the potential to disrupt the settlement, and are coopted by the governing coalition.
- *The inherited (and evolving) institutional legacy* – specifically, the balance between personalized deals and impersonal rules in the mechanisms through which governance challenges are addressed.

These three variables potentially yield a typology of eight 'ideal types'. Based on experience elsewhere in applying the typology, the proposed synthesis is likely to give particular emphasis to three distinct types:

- *Hierarchical authority*, with varying degrees of inclusion and impersonality. (Among the RISE countries, Ethiopia, Tanzania and Vietnam are the ones that most approximate this type.)
- *Personalized and negotiated/competitive authority*. (Among the RISE countries, Indonesia and Nigeria -and to some extent, India - perhaps most closely approximate this type.)
- *Impersonal authority*. (the non-RISE South African case study is perhaps the best fit here; with both India and Vietnam having some elements of impersonality.)

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[1] But note that, as Kelsall et al detail, a high power concentration also is achievable if multiple principals are able to resolve their collective action challenges effectively.

The expectation/hypothesis is that the RISE case studies will show that: (i) context will be a crucial influence on whether sector-specific, 'technocratic' approaches have helped improve learning outcomes; and, more broadly that (ii) gains in learning outcomes have been achieved less by focusing on so-called 'best practices', and more by using approaches that are better aligned to specific, prevailing, political-settlement-influenced incentives and constraints.

Insofar as a political settlements approach focuses its attention on the broad national-level, it runs the risk of being excessively deterministic in its policy conclusions - failing to recognize room for maneuver within the broad structure of constraints shaped by the overall political settlement. In practice, as Figure 1 highlights, some sector-level applications of political settlements analysis have explicitly sought to take these 'lower' levels into account. Levy et al (2018) explore how each of multiple levels of the education sector shape the incentives, constraints and room for maneuver at lower-levels (as per the left hand side of Figure 1); Hickey and Hossain (2019) distinguish between the political settlement and 'policy domain' levels (as per the right hand side of Figure 1). Adding these layers to political settlements analysis suggests the following question as the focus of a second level of analysis:

- *Question #2: Insofar as there is substantial variety beneath the 'political settlement level in patterns of incentive and constraint (even with a similar settlement-level pattern), what (if any) systematic lessons emerge from the case studies as to ways forward at the 'policy domain' levels?*

One key line of inquiry for the synthesis will be to explore whether, paralleling the political settlements level, there might be some broader policy-domain-level generalizations that offer useful guideposts as to practical entry points across different (policy domain) contexts.

Figure 1: Beneath the 'political settlement' level
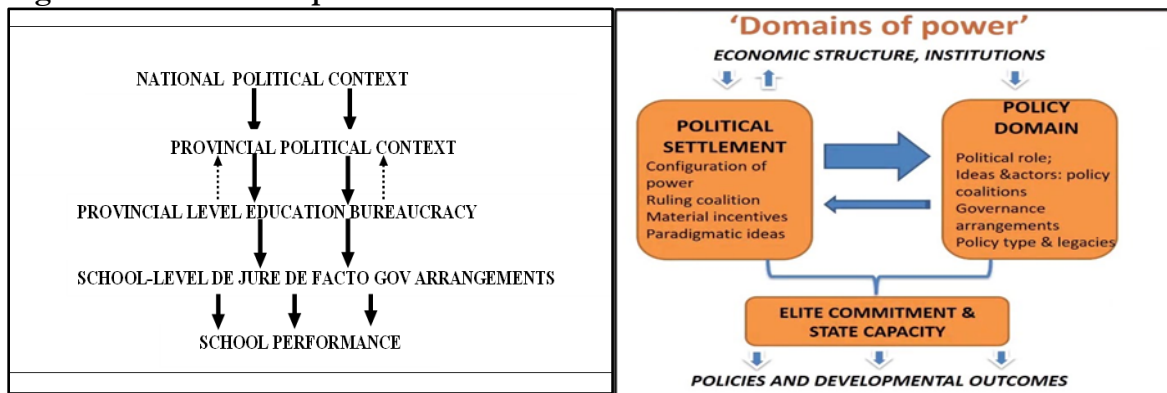
The third level of analysis will take the granularity one step further. It will focus on variation by type of task, and variation by type of intervention intended to improve learning outcomes. Thus:

- *Question #3: What insights does political economy analysis offer as to which of a variety of micro-level sector-specific entry points (very specific interventions associated with very specific tasks) are more likely to gain traction in improving learning outcomes in different contexts?*

With respect to 'tasks', the public management literature makes a useful distinction between 'logistical' and 'craft' tasks. This distinction aligns well with a further distinction made in the 2018 World Development Report, *Learning to Realize Education's Promise* - between whether or not an education system is coherent and whether or not it is aligned to learning. A coherent system can potentially be effective in addressing logistical tasks – and these tasks are key to expanding system access. Improving learning outcomes also requires taking on a variety of more craft-oriented tasks. Building on these distinctions, the synthesis will aim to explore how experience with implementation of a variety of distinct tasks (which vary in their logistical-craft balance) has varied across different contexts. These might include:

- efforts to strengthen measurement of learning outcomes, with transparency in sharing the results;

- improving pedagogy surrounding an instructional core (curriculum; support materials; training; support for teachers);
- a career path for teachers which motivates good-quality teachers; and
- a supportive school-level environment (via both governance arrangements and norms) which motivates teachers to teach and learners to learn).

The hope is that, for at least some countries and some classes of intervention, there will be sufficient detail within the RISE material, to make it possible to drill down into how context influences the effectiveness of these micro, sector-specific levels.

Researcher and selected references

Brian Levy teaches at the School of Advanced International Studies, Johns Hopkins University. He was the founding Academic Director of the Nelson Mandela School of Public Governance, University of Cape Town (retired December 2019). He worked at the World Bank from 1989 to 2012, including as head of the secretariat responsible for the design and implementation of the World Bank Group's governance and anti-corruption strategy. He has published widely on the interactions among institutions, political economy and development policy, including *Working with the Grain: Integrating Governance and Growth in Development Strategies* (Oxford U Press, 2014; info at www.workingwiththegrain.com) and, as lead editor and author, *The Governance and Politics of Basic Education: A Tale of Two South African Provinces* (Oxford U Press, 2018). He completed his Ph.D in economics at Harvard University in 1983.

The principal focus will be on the RISE inputs as specified above. In addition, the following will (for obvious reasons) be important points of reference for the analysis.

Sam Hickey and Naomi Hossain, The Politics of Education in Developing Countries (Oxford: Oxford University Press, 2019)

Brian Levy, Working with the Grain: Integrating Governance and Growth in Development Strategies (New York: Oxford University Press, 2014)

---- with Tim Kelsall, Nicolai Schulz, William Ferguson, Matthias vom Hau and Sam Hickey, Political Settlements and Development: Theory, Evidence, Implications (Oxford: Oxford University Press, 2022, forthcoming)

---- with Robert Cameron, Ursula Hoadley and Vinothan Naidoo, The Politics and Governance of Basic Education in South Africa (Oxford: Oxford University Press, 2018)

---- with Tim Kelsall, "Working contextually: what works in different types of political settlements" ESID Research Centre, mimeo 2016

---- with Verena Fritz and Rachel Ort, Problem-Driven Political Economy Analysis: The World Bank's Experience (Washington, DC: The World Bank Directions in Development Series, 2014)

World Bank, *Learning to Realize Education's Promise,* World Development Report 2018, Washington DC