

THINKING AND WORKING POLITICALLY THROUGH APPLIED POLITICAL ECONOMY ANALYSIS (PEA)

The Applied PEA Baseline Assessment Process

UNDERTAKING AN APPLIED PEA BASELINE EXERCISE FOR THINKING POLITICALLY AND PREPARING FOR WORKING POLITICALLY

The *Applied Political Economy Analysis* process, whether at the country, sector or problem level (see “[PEA Levels of Analysis](#)”), begins when Mission staff decide they want a deeper understanding of the politics surrounding a development problem, whether to inform design of a CDCS, sector or specific problem or issue associated with a project or activity, or to support shifts in implementation. This initial step in the PEA framework defines the purpose of the research, as described above. The purpose of the PEA and its scope will shape its methodology, questions, the report, the findings and their uses (see “[Applied PEA Framework](#)”). Prior to engaging a Mission on a PEA assignment, a review of the “[Pre-PEA Checklist for Missions](#)” is recommended. Key factors to consider to ascertain whether undertaking a specific PEA exercise would be useful or add value to USAID’s work in a given mission include:

- What will be the purpose of the PEA? What kinds of questions will it seek to address, at what level of analysis, and why?
- Are there issues in USAID’s existing country program that the PEA is meant to explore?
- How will findings and implications from the specific PEA exercise be used by mission staff and other key stakeholders?
- Who will lead the PEA process and how will other mission staff be incorporated in the research process?
- How will continuity be provided once a specific PEA report is produced to ensure ongoing engagement with its findings and implications for programs and ways of working?

The ultimate strength of the PEA process — from conducting a specific piece of political economy analysis to working through operational and programmatic implications on ways of working — depends heavily on the level of engagement of the USAID staff (technical officers or program/project development officers) throughout, because they will make those recommendations actionable or practical. In terms of the analysis and the production of a PEA report or study, ideally USAID staff will assume a degree of leadership in the initial scoping workshop and actively participate as part of the research team. This will enable them to build direct knowledge of the actors and interests that affect the potential for reform, and broaden their networks to update this understanding in the future. Second best, but far from optimal, they would be involved in PEA planning and attend meetings where the study’s findings are discussed.

Past experience with PEAs has demonstrated that ultimate uptake of PEA findings in the planning, design or modification of development interventions depends heavily on the extent to which officers understand, “buy into” and own the PEA research process. While true of many assessment frameworks, it is especially important given the challenges associated with programming from PEA findings. Reinforcing the necessity of Mission ownership of the process and findings is a key aspect of planning to conduct an applied PEA.

The following processes are recommended to successfully undertake a Baseline PEA study:

- 1) **Prepare a Detailed Statement of Work (SOW):** The SOW addresses the PEA Framework's purpose. The purpose defines why a particular political economy analysis is being conducted. The SOW is the first step of the applied research process whereby core question(s), methodology, team composition, roles and responsibilities, interview agenda, deliverables and the resources required (including budget, and time allotted, are delineated. Arriving at this SOW is an iterative process and will depend upon active Mission engagement in a series of emails and video/teleconferences with USAID/Washington support. See [supplemental reference materials](#) for a sample SOW.
- 2) **Recruit Research Team:** The text box provides an illustrative list of the skill sets required to conduct a PEA study. While having this "dream team" of expertise is ideal, it is not always possible. The research team must, however, include the following set of skills: applied PEA research, subject matter technical expertise, access to networks of local contacts that understand how and who makes decisions regarding the subject matter under study, logistics and meeting coordination. The team leader and the logistics support person(s), should begin immediately with the process for selecting, vetting and setting appointments with key informants so that if/when external experts arrive in country, as many meetings as possible are scheduled.
- 3) **Conduct Desk Study/Literature Review:** The desk study/literature review serves to identify foundational factors, rules of the game and the here and now current events that are impacting the country/sector/problem. Prior to engaging in any fieldwork and interviews, USAID staff or an external consultant should conduct a desk study or a literature review of the core research question. Literature consists of any relevant academic papers, government, donor or NGO reports, and media sources. PEAs that other donors have undertaken are unlikely to turn up in an Internet search due to sensitivities. Personal relationships with counterparts in other bilateral and multilateral agencies are helpful to identify these resources, which they may only wish to share in hard copy. This information needs to be synthesized into an inception report of no more than five pages to identify knowledge gaps and questions for further exploration during field research, and key individuals and institutions to interview to address those questions before and or during the field research. Ideally this should be done far enough in advance to appropriately scope the field work, and confirm needed resources. Knowledgeable persons (academics, journalists, technocrats, donors, NGO workers et. al.) identified in the literature review/desk study can also be a resource for scheduling the initial list of interviews.
- 4) **Hold an Applied PEA Workshop in-Country:** To maximize ownership of the PEA process, it is advisable to conduct a 1-3 day training PEA workshop attended by Mission Staff, representatives from implementing partners and other local specialists, as well as other donors working on related issues. A central part of the workshop is the team working together to narrow the core and supporting research questions into a research guide, which will guide interview and initial meeting agendas. To support the team in developing key research questions, the workshop will review the "[Applied PEA Framework](#)" and review interview techniques, information analysis/ triangulation and sharing the findings and implications emanating from the research.
- 5) **Finalize the Research Agenda and Methodology:** Immediately after the workshop, it is essential to finalize the research guide and interview agenda based on the factors and questions identified in the USAID PEA Framework. Team logistics are also key; Pre-arranged interviews need to be confirmed and new interviews emerging from the workshop need to

be arranged. PEA activities will employ a mixed methods approach that uses a variety of methodologies to identify and collect key information based on the analytical factors outlined in the framework. PEA teams should use their cultural and contextual knowledge to explore which approaches stand the best chance of generating desired data and information.

- 6) **Conduct the Fieldwork:** Fieldwork is likely to take approximately two to three weeks, though could be much longer depending on the scope of the questions, the depth of the inquiry, the budget and the availability of staff to travel. The initial list of key stakeholders will vary according to the question(s) to be researched, but should seek to go beyond USAID's usual interlocutors and incorporate new perspectives that collectively provide a balanced view of interests impacting a particular development challenge. Ideally there should be a minimum of two and maximum of three persons interviewing a subject. One on one meetings are acceptable if very sensitive information is likely to be shared, and would not be shared if a second interviewer was present, including where a prior personal relationship exists between interviewer and interviewee. Between one and maximum of four meetings per day is advisable (assuming each one is approximately 1-2 hours). Too many meetings can contribute to poor data capture and insufficient time for triangulation. Interviews should include a request for any literature the stakeholder is willing to share, e.g., reports, reviews, published pamphlets, unpublished papers, minutes of their own meetings, etc. Sometimes, upon explicit agreement of the interviewee, photos can be taken that illustrate a point made during interviews. Asking for recommendation of other knowledgeable people to speak with will facilitate the genuine expansion of team networks and data sources.
- 7) **Analyze Data:** The PEA Framework informs data analysis, which begins with the literature review and continues through to the baseline findings and implications. However, the bulk of analytical work is done during the fieldwork phase¹. Analysis of how foundational factors influence the rules of game and implicit and explicit incentives that influence and constrain the behavior of key actors is a fundamental aspect of applied PEA. To ensure data is triangulated, the research team should meet to share and compare notes after each meeting or at end of the day. Where team members disagree on what was said, or draw different conclusions on key issues, follow-up meetings need to be scheduled to ensure rigor. New interviews should be arranged and the interview guide and data collection plan adjusted to include or exclude certain questions. It is important to monitor the local media during the fieldwork to make sure the research team is aware of any current events that could impact the research. Given that PEA fieldwork often involves more than one team conducting interviews simultaneously in different locations, it is imperative to hold a workshop (1-3 days) to triangulate findings, and analyze how the emerging dynamics compare with the literature review. Analysis should highlight the implications of the findings as they relate back to the purpose, and the team should review the findings after their completion and, where possible, invite additional perspectives to interrogate the implications of findings for strategies, tactics, and approaches. Where disagreement exists, it should be noted; implications may not be clear-cut, and may inform focal areas for further learning over time rather than a single decision point.

¹ Note: USAID follows the Federal Policy for the Protection of Human Subjects (Common Rule) as developed by the US Department of Health and Human Services for research involving human subjects. Thus, the team will conduct the PEA and accompanying field research in a manner compliant with the ethical standards expected from this type of social research. The details of the Common Rule policy are included as Appendix.

- 8) **Brief Sector and Mission Leaders on Preliminary Findings:** Upon completion of field research, the team meets to discuss findings, plan their debriefing(s) and reporting. While the mission team will determine attendance at debriefing(s), and the audience for the report but these may include the mission's Front Office, staff from other technical offices and/or the program office, embassy staff, other donors and NGOs, contractors and possibly the partner government. The extent to which the findings and emerging implications are shared will depend on the sensitivity of those findings, the country situation, and the extent to which the team feels that sharing the findings will support broader goals. In addition to reporting, the team should plan on developing a presentation to be delivered by the PEA team leader. Ensure enough time for questions and answers.
- 9) **Document PEA Findings:** Reporting coming out of the PEA should reflect the PEA Framework and describe the purpose of the research, political context of the problem under study, the research questions, the methodology and interviewees², preliminary findings and programmatic implications. While a standard initial written report will be approximately 15-25 pages with a 2-3 page executive summary, some PEA exercises have successfully been recorded through robust PowerPoint presentations, or bulleted findings--thereby minimizing the burden from reading and writing, and maximizing the potential for information to be absorbed and used. Whatever form the reporting takes, it should not be a theoretical piece, but focused on the ultimate strategic or programmatic need. Where possible, it should address how the learning from the PEA may inform these processes over time.
- 10) **Next Steps: the Iterative PEA process:** Based on feedback from the entire team, broader Mission contacts, and any additional interviews or research, reporting should be shared with key people in the mission, in order to serve as a baseline record for an iterative PEA process. The iterative PEA process begins with the end of the baseline study period. As detailed in section 5 of the PEA guide, conducting a PEA can help USAID staff gain a deeper appreciation of the country, sector or problem context in which they will make decisions on how to invest USAID funds. However, it is just the beginning of the process of thinking and working politically. Working politically requires translating insights from the PEA into their implications for USAID support, and adapting programs accordingly through an ongoing process of testing and learning. The lead office(s) who commissioned the PEA should detail their initial thoughts about how they will incorporate the PEA into programming, as appropriate to purpose, scope and timing. Other factors such as funding availability, "pipeline pressures," USAID's influence in the sector, capacity of local reform leaders, and the potential unintended consequences of acting on recommendations for other USAID programming, should be assessed when designing and adjusting programming based on PEA findings. USAID actively supports these more flexible and adaptive ways of working through Collaborating, Learning and Adapting (CLA).

² Due to the sensitive nature of the findings of many PEA, it is not recommended to list the names of those interviewed or quote without expressed permission. Citation can be made by references to the date of the interview and the institution.