Connecting the Dots: Systems Practice & Political Economy Analysis

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Local Systems Community
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1. Seek out local perspectives
2. Identify and bound the local system “as it is”
3. Develop an understanding of the system’s dynamics
Imagine a system ...
A Local System

Local System Boundary

ENVIRONMENT

Resources Rules Roles Relationships Results
# The 5-Rs

<table>
<thead>
<tr>
<th>5-Rs</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>[Target]</strong></td>
<td>The specific outcome sought</td>
</tr>
<tr>
<td><strong>Result</strong></td>
<td>The functions that actors take on</td>
</tr>
<tr>
<td><strong>Roles</strong></td>
<td>The interconnections between actors in the system</td>
</tr>
<tr>
<td><strong>Relationships</strong></td>
<td>Regulations, policies, norms that structure the system</td>
</tr>
<tr>
<td><strong>Rules</strong></td>
<td>Inputs into the system—financial, human, physical</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
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</tr>
</tbody>
</table>
## Understanding a Local System

<table>
<thead>
<tr>
<th>Element</th>
<th>Illustrative Information Sources</th>
</tr>
</thead>
</table>
| **Results** | - Technical studies  
                        - Opinion surveys  
                        - Customer/client satisfaction surveys |
| **Roles**   | - Gender analysis  
                        - Social Network Analysis  
                        - Organizational Performance Index  
                        - PFMRAF Stage 1 and 2  
                        - Technical capacity analyses |
| **Relationships** | - Social Network Analysis  
                        - Value chain/market analysis  
                        - Causal loop diagrams |
| **Rules**   | - **Political Economy Analysis**  
                        - PFMRAF Stage 1 |
| **Resources** | - **Political Economy Analysis**  
                        - Economic growth forecasts  
                        - Market studies  
                        - Customer/client satisfaction surveys |
Ongoing analysis

The 5Rs help to identify what we should **listen** for, where we should **engage**, what we should **discover** and what interventions we may need to **adapt**.
WHAT IS APPLIED POLITICAL ECONOMY ANALYSIS?
What drives behavior?

- Political
- Economic
- Personal
- Social/Cultural

BEHAVIOR
Most PEAs will seek to identify:

• Who has an interest in preserving the status quo? (spoiler)

• Who has an interest in change, reform, etc.? (champion)

• WHY? (key question)
USAID applied PEA framework

<table>
<thead>
<tr>
<th>Foundation Factors</th>
<th>Geography, history, society, economy, politics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rules of the Game</td>
<td>Formal rules, informal norms and institutions</td>
</tr>
<tr>
<td>Here and Now</td>
<td>Impact of current events</td>
</tr>
<tr>
<td>Dynamics</td>
<td>Dynamics between factors and prospects for change</td>
</tr>
</tbody>
</table>
Levels of PEA

- **Country Level**: General sensitization to country context
- **Sector Level**: Identification of sector barriers and opportunities
- **Problem/Issue Level**: Illuminates specific policy or programmatic issue/problem
A complement to technical analysis

Technical Analysis

- What are the technical and capacity constraints of reforming X?
- Design and implement technical interventions
- New X is institutionalized, delivers benefits

Political Economy Analysis

- Who wins and loses from the current system and WHY?
- Situate proposed reform within broader institutional context
- Explicitly map risks and assumptions
- Design and implement politically savvy interventions

Technically Sound, Politically Savvy Programming
Tanzania PEA
Hunting concessions allocation process

- To inform PROTECT contract’s workplan

Question:
Why does the hunting concession process operate as it does?

What are the implications for reform to promote more effective sustainable natural resource management?
Tanzania PEA
Key findings

- Culture of patronage weakens supply of and demand for public goods
- Vague official process to allocate hunting blocks; in practice, marred by secrecy and conflicts of interest
- Political shifts offer potential window of opportunity
- Financial and public relations pressure may increase hunting operators’ willingness to reform
PACT-lead political economy analysis
PEPFAR implementation in Namibia

- PACT implementing PEPFAR programming in Namibia
  - PEA conducted at mid-term
- The Problem
  - Continued threat of HIV infection, particularly in poor communities
  - Limited elite attention to the issue
  - Extreme disparities in service Delivery
PACT PEA in Namibia

Findings

SOCIAL ISSUES AND DEGREE OF LINKAGE TO HIV/AIDS

PERCEIVED VALUE TO GOVERNMENT

- HIV/AIDS as a pandemic
- Faith
- Maintenance and Alimony
- Gender Based Violence
- Nutrition
- Alcoholism
- Women and Maternal Health
- Young and healthy labor force
- Quality of Life/ Life Expectancy
- Veterans
- Gender Equity
## Leveraging political economy

<table>
<thead>
<tr>
<th>System Snapshot</th>
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<tbody>
<tr>
<td><strong>What . . .</strong></td>
</tr>
<tr>
<td><strong>Who . . .</strong></td>
</tr>
<tr>
<td><strong>Why . . .</strong></td>
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</table>
Appreciating the environment
Nestedness

Operational (Local System)

Governance

Constitutional
Leveraging political economy

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<tr>
<th>What . . .</th>
<th>System Snapshot</th>
<th>System Dynamics</th>
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<tbody>
<tr>
<td>. . . is the nature of the system?</td>
<td>. . . is the potential for systems change?</td>
<td></td>
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<tr>
<th>Who . . .</th>
<th>System Snapshot</th>
<th>System Dynamics</th>
</tr>
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<tbody>
<tr>
<td>. . . is part of the system?</td>
<td>. . . are the advocates for change and who are the opponents? And how can interventions support advocates and neutralize opponents?</td>
<td></td>
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<tr>
<th>Why . . .</th>
<th>System Snapshot</th>
<th>System Dynamics</th>
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<tr>
<td>. . . is the system configured the way it is?</td>
<td>. . . has the system changed in the past? And how can we leverage those dynamics?</td>
<td></td>
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### Leveraging systems analysis in TWP/PEA

<table>
<thead>
<tr>
<th>PEA</th>
<th><strong>What</strong> . . .</th>
<th>... are the useful rules of the game to explore?</th>
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<td><strong>Who</strong> . . .</td>
<td>... can shed more light on incentives and connections?</td>
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<td><strong>How</strong> . . .</td>
<td>... have prior reform efforts translated to systems changes?</td>
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<th>TWP</th>
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<tr>
<td><strong>What . . .</strong></td>
<td>. . . are powerful/sticky reforms to pursue?</td>
<td>. . . indirect effects is our work having?</td>
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</table>
| **Who . . .** | . . . can shed more light on incentives and connections? | . . . are untapped coalition or change agents?  
And who can strengthen advocates or coopt potential spoilers? |
| **How . . .** | . . . have prior reform efforts translated to systems changes? | . . . are dynamics changing system actors?  
And how can we anticipate critical junctures? |