



Country Systems and Capacity Development

- towards a more joined up agenda
in the DAC and across the OECD?

Workshop, Paris, 5.March 2009



Asking the right questions...

- **Broad context:** fragile post-conflict region -> middle-income region?
- **Outcome/impact aims:** Basic state survival -> emulation of welfare-state goals?
- **Strategy:** Which country systems are important?
- **Content:** Specific service/regulatory functions and outputs from priority country systems?
- **Capacity:** Specific configuration of priority country systems – basics first or OECD like?
- **Process context:** Drivers and inhibitors, change management capacity?
- **Tools:** How/who to assess, which standards, which design and action-approaches?
- **Donors' roles:** In analysis, design, implementation, evaluation?



Session 1

Country Systems?

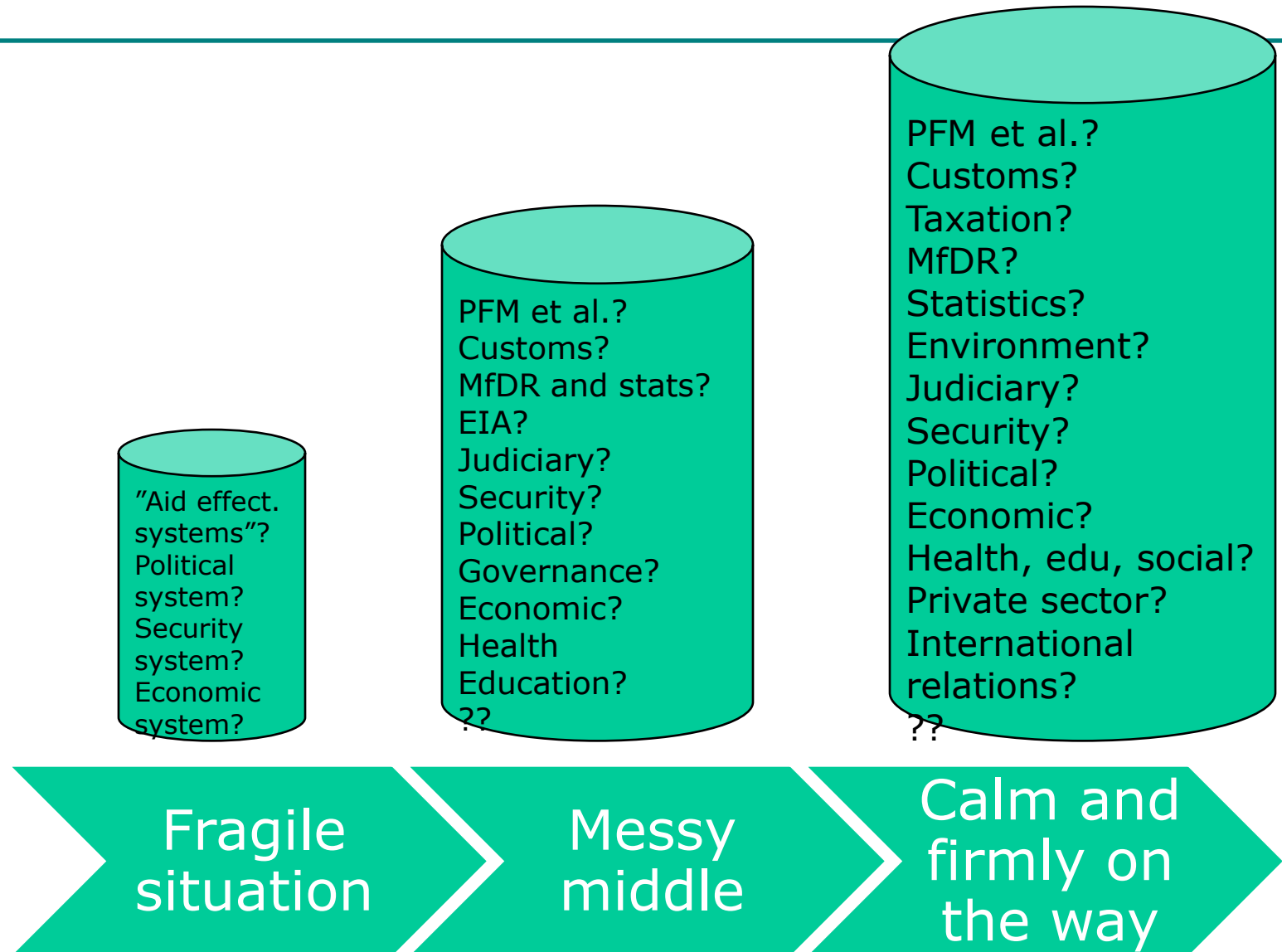
What is a "country system"?

- **"System** is a set of interacting or interdependent entities, real or abstract, forming an integrated whole." (Wikipedia,26.2.2009)
- **Country systems:** A number of (open) systems which together form what we call a country. Or?
- **Logical chain:** Country systems -> functions ->outcomes->impact
- **Examples:** Political system - cultural system - electoral system - judicial system – procurement system - etc.

Which systems, functions, purposes?

- **Systems perspective:** PFM, procurement, audit, results frameworks, monitoring, EIA...(AAA and WP-EFF)
- **Function perspective:** (i) Political processes, governance, security, economic and social welfare functions (OECD: Concepts and Dilemmas of State Building in Fragile States 2008) (ii) legitimate monopoly on violence; admin control; PFM; human capital; citizens' rights and duties; infrastructure provision; market formation; managing state assets; international relations; rule of law (Ghani et al 2005)
- **Purpose perspective:** (i) Effectiveness, legitimacy resilience; (OECD, op.cit.); (ii) Penetration, standardization, accomodation (Van de Walle, Scott, 2009)

Cutting the country system cake?





Session 2

Enhancing country systems – Basic notions



The definitions ...

Capacity:


The ability of people, organisations and society as a whole to manage their affairs successfully.

Capacity development:

The process by which people and organisations create and strengthen their capacity....

Support to capacity development:

Inputs to capacity development processes delivered by external actors....



Four notions about CD of country systems

1. Ownership – sine qua non! But then: how much by whom?
2. Results-focus: Yes, but...
3. Supply/demand side approach
4. Technical/political dimension

Assessment & change dimensions

	<i>Focus on the functional-rational dimension</i>	<i>Focus on the political dimension</i>
<i>Focus on factors within the systems</i>	How does the system operate?	How is power exercised and interests accommodated in the system?
<i>Focus on factors in the external environment</i>	Is there an “enabling environment” for the system?	Which external forces influences the internal power relations in the system?



Session 3

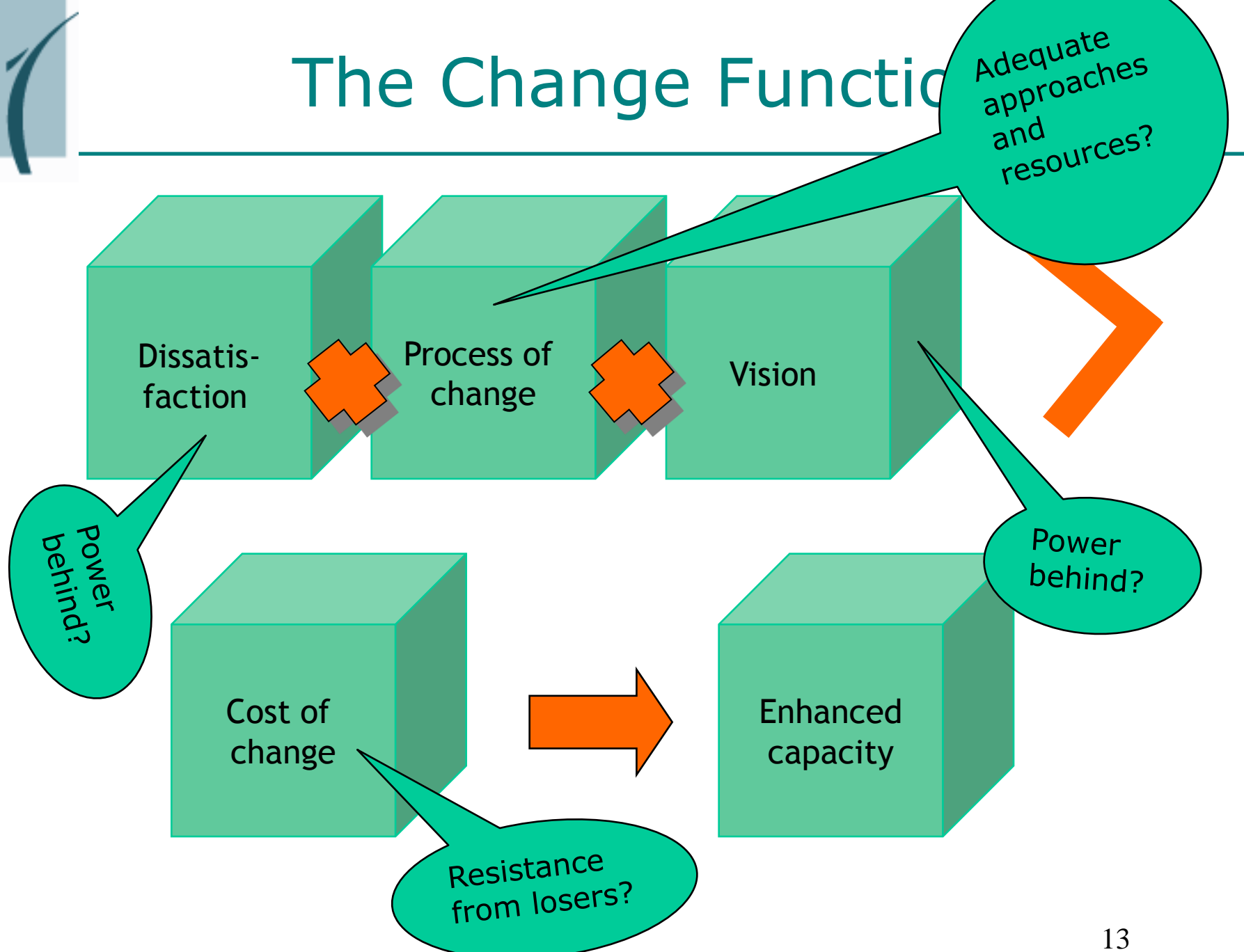
Change management – tools
and donor roles



Drivers, inhibitors and change management

- The change function -> political economy
- Change management basics
- Change management tools
- Donor's role(s)

The Change Function





Change basics and processes

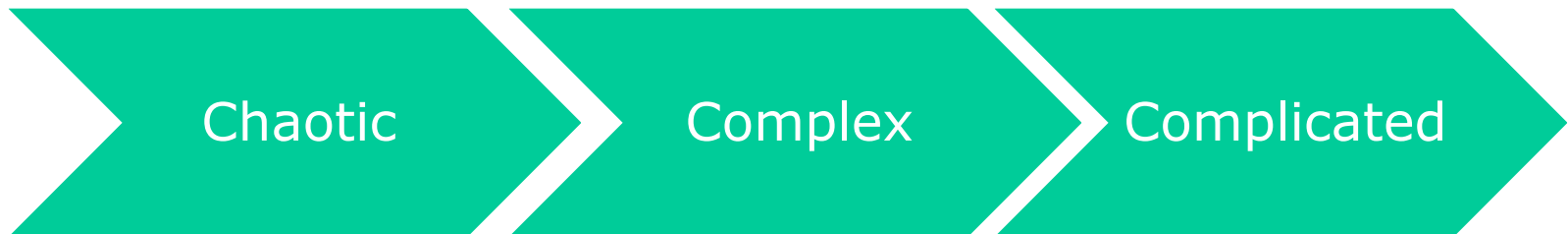
- Rarely linear or continuous
 - Normally contested and resisted
 - Most often incremental
 - Losses materialise quicker than wins
- Flexible change process
 - Pressure for change
 - Leadership
 - Credible coalition for change
 - Carefully crafted change strategy

Which tools for change?

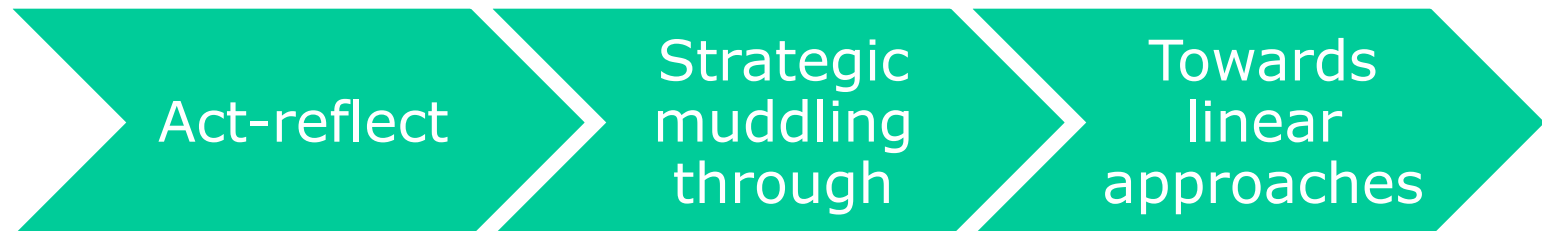
Context



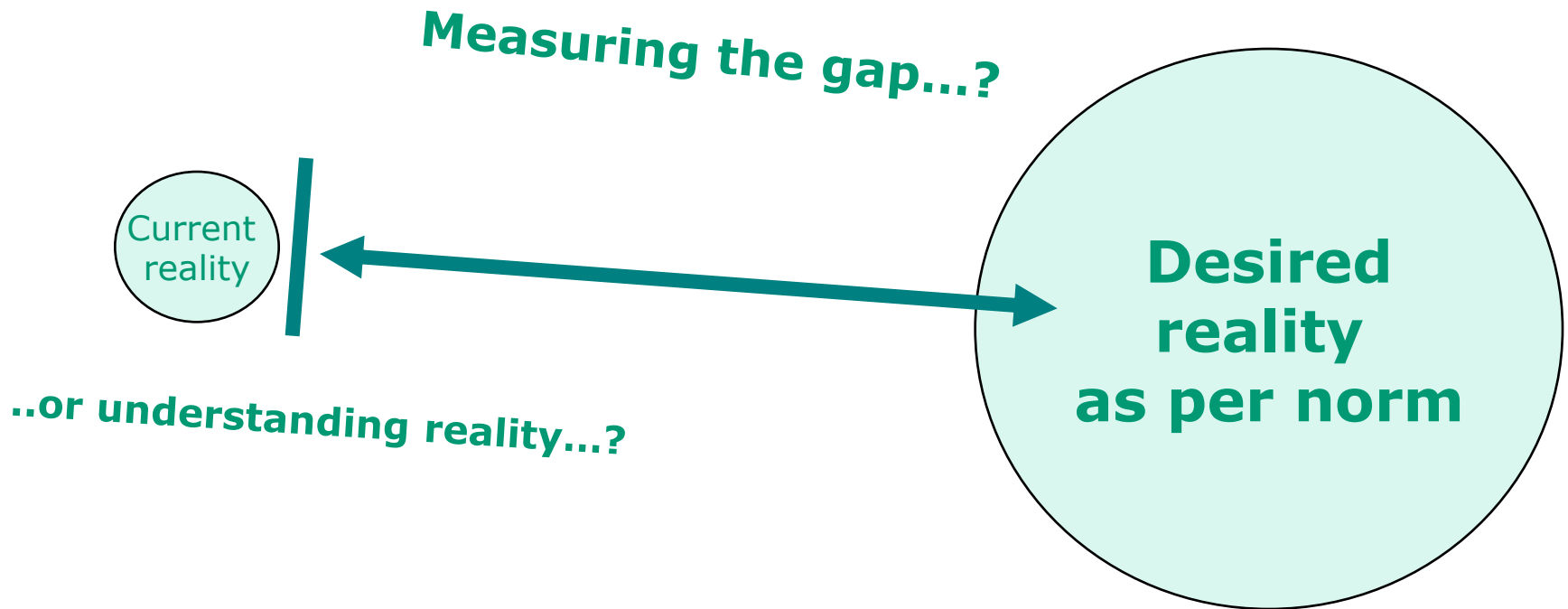
Characteristics of context



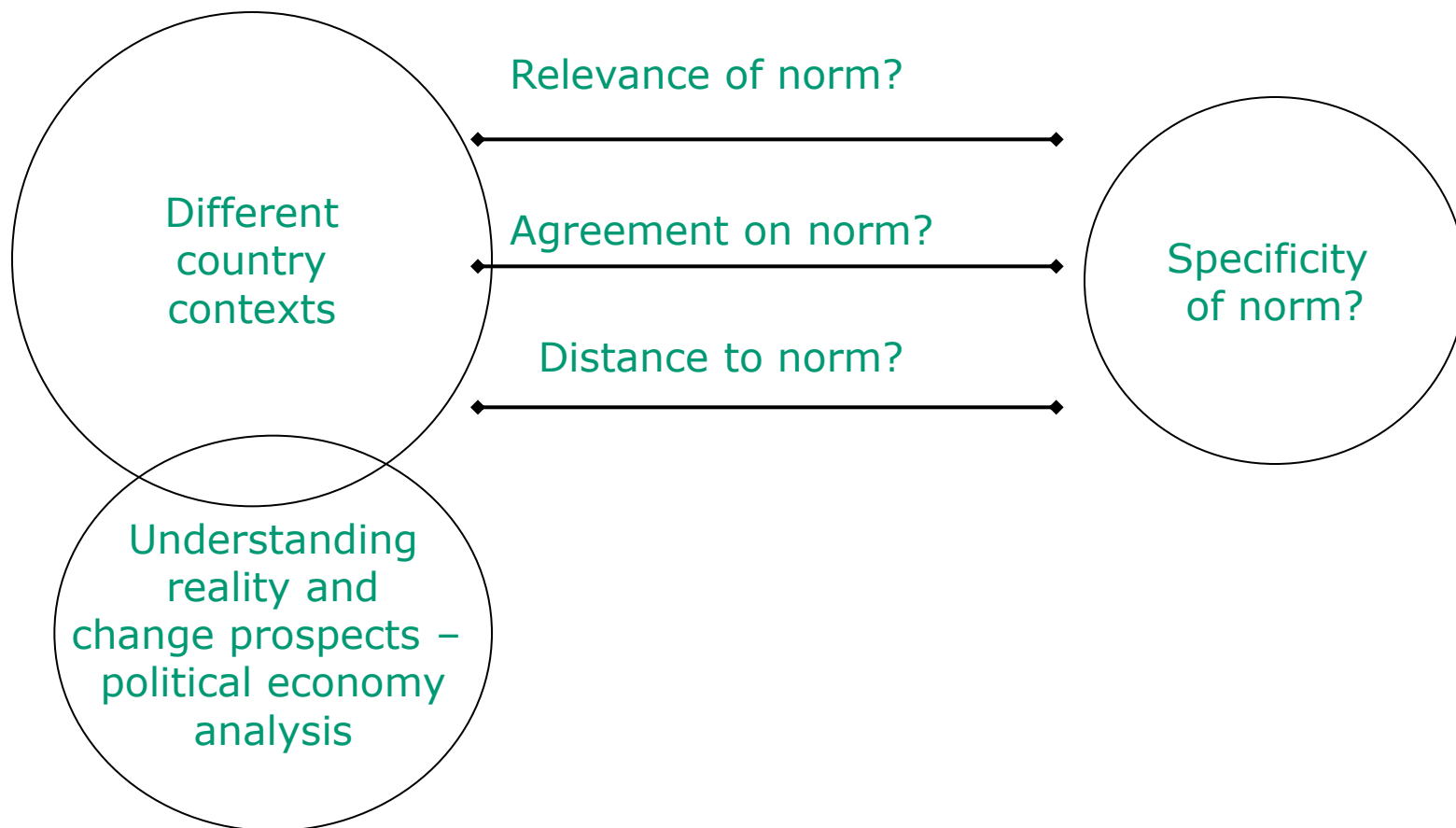
Approach to action



Assessing versus understanding



Standards and benchmarks?



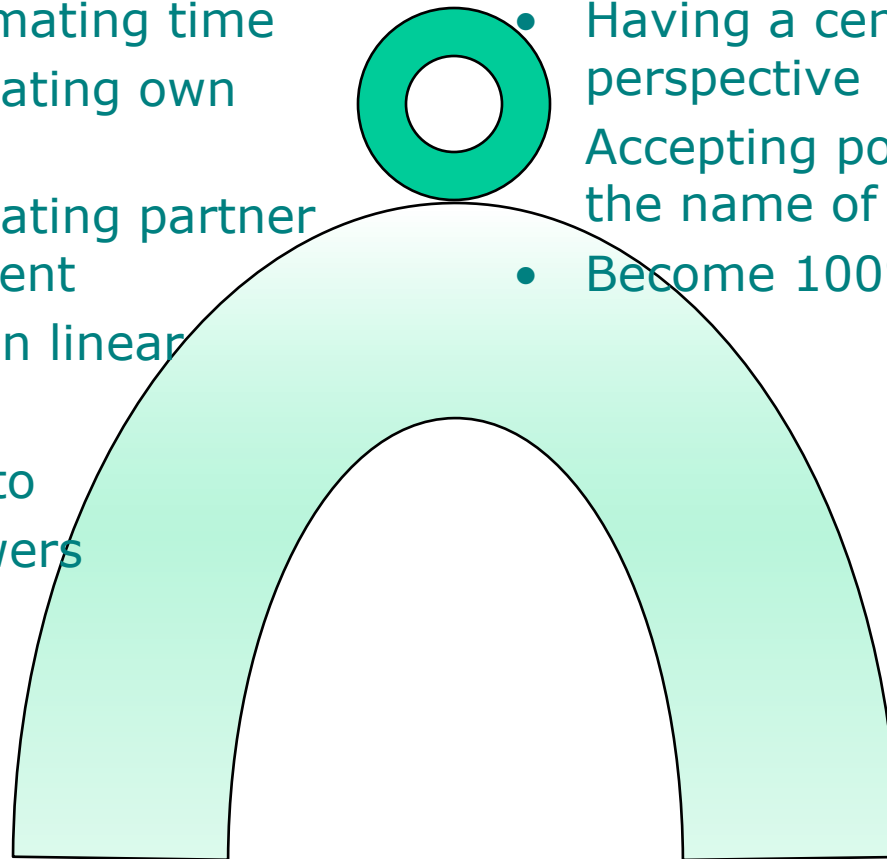
The donor dilemma?

Doing too much

- Undermining ownership
- Underestimating time
- Overestimating own capacity
- Overestimating partner commitment
- Believing in linear blueprints
- Believing to have answers

Doing too little

- Waiting for Godot
- Having a century perspective
- Accepting poor quality in the name of ownership
- Become 100% opportunistic





Donor-partner roles in CD

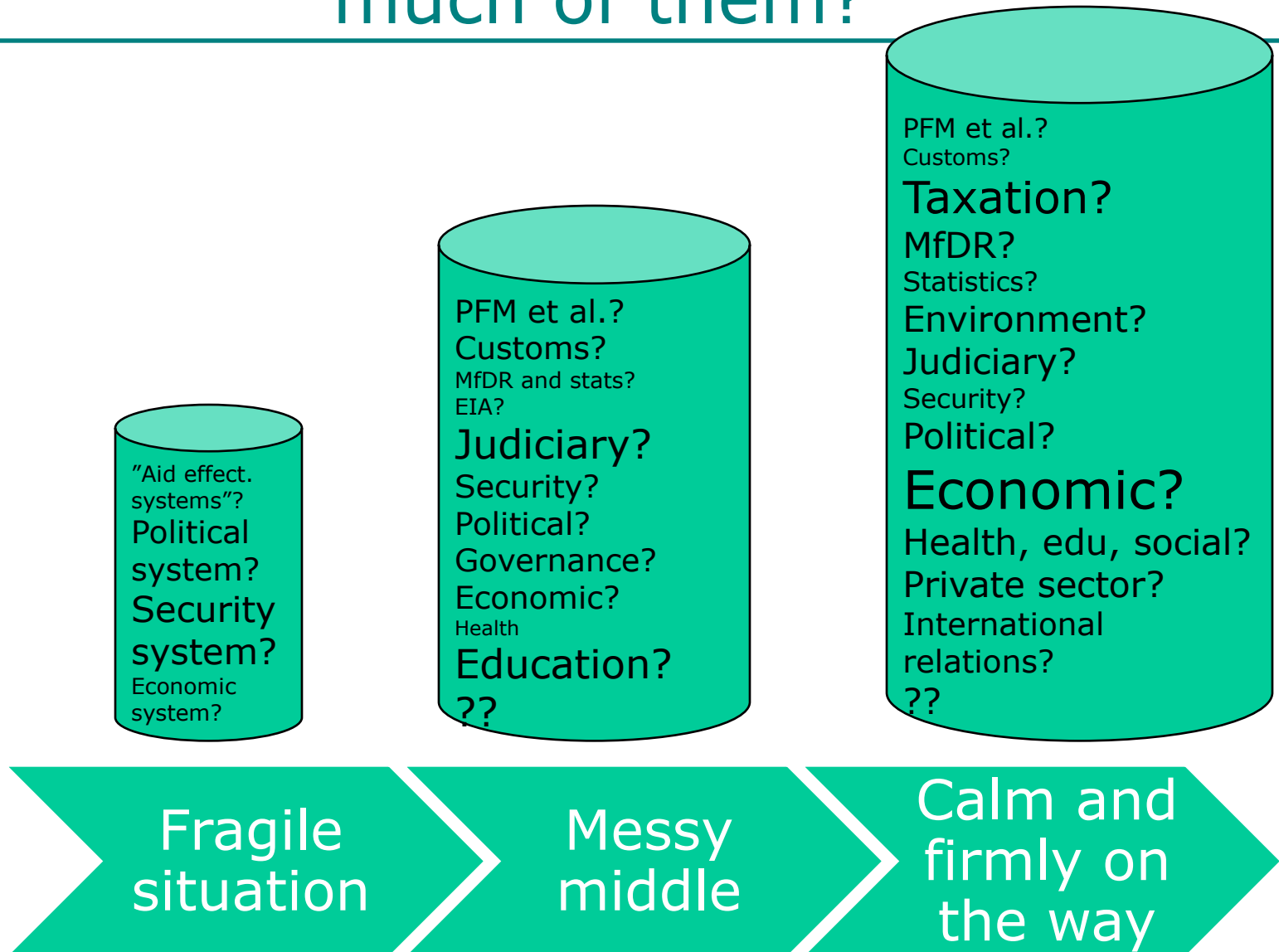
- The devil is in the details:
 - Who take initiatives?
 - Who lead analytical work, who participate?
 - Who lead assessments, who participate?
 - Whose project/programme is it?
 - Who design?
 - How is implementation governed and managed?
 - Who monitor?



Session 4

Bringing the ingredients
together: Scoping and
sequencing of CD for country
systems

Which country systems, and how much of them?





Focus on “core functions” of states and systems?

- “Basics first” and “Good enough” – but what does it mean??
- Inputs and procedures before results?
- External controls before trust in managers?
- Don’t replace patrimonialism, work to modify it?
- Work on reducing discretionality and opaqueness, rather than introducing the Perfect System?
- Leave NPM on the shelf?
- Asking the right questions rather than having right answers?

Frequent debate: How much can we learn from present day OECD countries, how much from historical “take-off” processes?



Session 5

Implications and next steps



Over to you

Does the focus on capacity development and performance of country systems point to needs for common actions/exchanges/coordination across units, task forces and staff in OECD/DAC?