

**How can research-based development  
interventions be more effective at influencing  
policy and practice?**

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Further details of the M4P workshop may be found at:

[http://www.markets4poor.org/m4p/index.php?option=com\\_content&task=view&id=51&Itemid=67&lang=en](http://www.markets4poor.org/m4p/index.php?option=com_content&task=view&id=51&Itemid=67&lang=en)

## **Abstract**

The purpose of this paper is to think about ways in which those who are involved in Making Markets Work (MMW) programmes can be effective in influencing policy and practice, whether of governments, development agencies, private companies or NGOs.

The paper draws lessons from two case studies in which initiatives with their origins in research have had some influence: sustainable livelihoods and Drivers of Change. It then considers three issues: how we can most usefully think about the linkages between researchers and policy-makers; the need to understand the institutional incentives facing policy-makers; and the risk of undervaluing communication.

The paper suggests adopting an innovation system approach which emphasises the complexity and inter-connectedness of the elements involved in linking research with policy and practice. Although there are no hard and fast rules, features of better practice emerge which may help to increase the future influence of MMW.

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## Summary

### Introduction and purpose of paper

The purpose of this paper is to think about ways in which those who are involved in Making Markets Work (MMW) initiatives can be effective in influencing development policy and practice. It starts by presenting two case studies of recent examples of research-based approaches that have had some influence. It then addresses in particular three issues:

- How we can most usefully think about the linkages between researchers and policy-makers
- The need to understand the institutional incentives facing policy-makers
- The risk of undervaluing communication.

### Two case studies

Section 2 draws lessons from two examples which share parallels with the MMW approach. These are: sustainable livelihoods (SL), and Drivers of Change (DoC). They are not alternatives: SL is an approach to development that defines aims, and sets out ways to achieve them; DoC is a political economy analytical framework that can be applied to a range of development approaches.

**The sustainable livelihoods approach.** The SL approach is a way of approaching development which focuses on the means by which households, and especially poor households, can improve the level and stability of their livelihoods. It emphasises households' assets (financial, human, social, physical and natural) and the ways in which these can be built up, and combined so that households can improve their livelihoods.

SL is often cited as an example of success in influencing the development agenda. The first statement of the approach is attributed to Robert Chambers in 1986, later elaborated and developed in an IDS discussion paper. These ideas were adopted and pursued by a number of people and agencies, but can be said to have reached the mainstream when they became a central part of DFID's 1997 White Paper, and were developed over the following two to three years for practical application.

This case exhibits a number of important characteristics: the process of developing ideas to mainstream practice took over 10 years; the SL approach provided a simple narrative that summarised a wide range of theory and empirical evidence (aided by a single diagram); it was timely in that it was available in a credible form when in 1997 DFID staff needed a sharper focus on poverty reduction; momentum in a complex situation was maintained by a network driven by a well-resourced dedicated unit; and it shows the need for "blue sky" research, because the early development of SL was not demand-driven.

**Drivers of Change.** The DoC approach is a means of trying to understand the realities of political, social and economic changes, and (in the context of

development) how they impact on poverty reduction. The approach focuses on the institutions and underlying factors that create incentives that cause agents of change to behave in particular ways.

Some of the ideas that are central to DoC have a long history in political science literature, but had relatively little impact on the policies and practices of development agencies. This changed in 2001/02 with a paper by a DFID official (while on sabbatical) on understanding **how** change comes about, a country study of Bangladesh, and the World Bank's Low Income Countries Under Stress approach (LICUS) initiative. With political support from the then Secretary of State of DFID, and catalysed by a DoC team within DFID, the approach was rapidly and widely adopted, in some 25-30 country offices. It is too early to say whether this momentum will be sustained, or whether the approach has in fact improved development effectiveness.

The main characteristics of this case are: once the transfer from the academic realm to a development agency occurred, take-up was very rapid; this is explained largely by the strength of demand, both at the political level and technical levels; a key role was played by a dedicated unit; and, as in the SL case, there was a need for underlying research to be available.

### **Research-policy linkages**

**What form do linkages take?** The idea of a straight-line relationship researchers and policy-makers, whereby researchers generate ideas which are taken up by policy-makers, is too simple. ODI's Research and Policy in Development (RAPID) programme has produced a useful conceptual framework for capturing real-life complexity, based on three main factors: context (politics and institutions); characteristics of the research (relevance, credibility and communication); and links (networks, civil society and trust.) Using this framework, a few points from the case studies may be emphasised:

**Context:** the context is crucial, and in particular the ways in which it creates effective demand among policy-makers; but feedback loops mean that the context is in turn affected by the research; and timing is important, but hard to predict.

**Research characteristics:** there need to be pre-existing credible research-based ideas that can be drawn on and reformulated; and the adoption and sustainability of the approach will depend largely on its meeting the objectives, pressures and concerns of the policy-makers.

**Links:** there are multiple interactions between stakeholders; networks have been important in maintaining momentum; and the approaches so far appear to be more deeply rooted among development agencies than among governments of developing countries.

**From research to innovation.** The need to capture the complexity of research/policy linkages provides an argument for broadening the way we think about research. There is now a growing literature on systems of innovation, summarising international best practice on linking research with policy and practice. The emphasis is on the **use** of the ideas, and not just on generating ideas. Four elements of innovation systems may be highlighted: the need for both the supply push of the research community and the demand pull of the users of new knowledge; the role played by networks that provide frequent two-way communication channels between the many actors in the network; the importance of intermediary organisations in searching through and adapting the range of options within the stocks of existing and new knowledge; and the context of the system.

The **implications for MMW practitioners** are the need to: understand the full range of issues that are critical to successful influence on policy and practice; seek to build the wider innovation system; and encourage continuous interaction between researchers and users.

### **The context: the incentives facing policy-makers**

Contextual factors are crucial. They create a set of incentives that affect the behaviour of different stakeholders in an innovation system, and strongly influence what policy-makers adopt and implement. A helpful framework for thinking about these institutional incentives is that discussed above, the Drivers of Change. The main features of the DoC analytical framework are that:

- It distinguishes, and studies the interactions between:
  - Foundational, or underlying, factors (including natural and human resource endowments, and the stock of technologies)
  - Institutions (the political, social and economic frameworks of rules structuring the behaviour of agents)
  - Agents (individuals or organisations pursuing particular interests, including policy-makers (whether political or in the civil service), researchers, the private sector, NGOs, and development agencies)
- Interactions work in both directions, between foundational factors and institutions, as well as between institutions and agents.
- Actions by specific agents can affect the institutional framework. Agents can also affect foundational factors, but in a way that is mediated by institutions. In the same way, foundational factors impact on agents in a way that is mediated through institutions. Institutional performance is therefore central to understanding change processes
- The framework is dynamic since changes in foundational factors or institutions, or the behaviour or interests of agents, will function as drivers of change of the system as a whole.

Applying this framework to the innovation system approach is case-specific, but analysing the agents, the incentives and disincentives that act upon them, and the institutions and foundational factors should provide insights into what will make it more likely that different stakeholders will take up the MMW approach.

## **The risk of undervaluing communication**

Irrespective of whether a linear research-policymaker model or a more complex innovations-system model is adopted, good communications among the stakeholders is critical; and it is often neglected. The innovation system way of thinking suggests that effective innovation results from continuous two-way interaction between the suppliers of new knowledge and the users of new knowledge; communications therefore need to be adequate to support this complexity.

The task of communicating research to policy-makers can be severe. There is often a mismatch between researchers' and policy-makers' perceptions of what evidence is valid: researchers emphasise theory, empirical proof, taking enough time, and qualifying results; policy-makers emphasise relevance, timeliness, and clarity of the message. Further, much research output is simply inaccessible. For policy-makers, research evidence is often too long, verbose, detailed, dense, impenetrable, jargonesque, methodological, untimely and irrelevant. What these results suggest is not just that there is often a communication problem, but that real dilemmas arise: messages can not always be simple; timeliness is hard to predict or get right; and evidence is often not conclusive.

There are several factors for MMW practitioners to bear in mind in relation to communication: ideally the narrative should be simple but not simplistic, timely, and from a source the audience believe to be trustworthy; an awareness of the need for good communication should be built in from the start, differentiating the various audiences to be addressed and understanding their needs; communication involves a range of players, not just researchers and policy-makers, and is two-way; the message must be put across in a way that is easily accessible, using the most appropriate media; and the initiative needs a champion with clear responsibility for maintaining the momentum.

## **Conclusion**

Some lessons emerge from the literature on theory and from past experience on what is likely to be most effective in influencing policy and practice. However, it is hard to avoid the conclusion that there can be no hard and fast guidelines, and there is no alternative to intelligent, entrepreneurial, and strategic opportunism. This needs to be based on careful analysis of individual situations, and in particular of the context in which researchers and policy-makers interact, both among themselves and with the other stakeholders who influence innovation in policy and practice.

## **How can research-based development interventions be more effective at influencing policy and practice?**

### **1. Introduction and purpose of paper**

The purpose of this paper is to think about ways in which those who are involved in Making Markets Work (MMW) initiatives can be effective in influencing policy and practice. Change will principally be sought in the public sector: within local or national governments of developing countries; or the staff of bilateral and multilateral development agencies. However, it may also involve the private sector, whether national or international, and NGOs concerned with development.

The paper starts by presenting two case studies of recent examples in which research-based approaches have affected development policy and practice.

It then addresses in particular three issues:

- How we can most usefully think about the linkages between researchers and policy-makers
- The need to understand the institutional incentives facing policy-makers
- The risk of undervaluing communication.

A note on terminology. This paper will use the term ‘policy analysis’ as well as ‘policy research’. The former has the merit of covering both (a) those who are involved in what is clearly ‘research’ (judged in terms of methodology, time-scale, audience, and distance from ‘market’), and (b) those who are involved in trying to draw lessons from practice, whether as practitioners who are involved in reflections on their experiences, or as consultants. The paper will also distinguish ‘codified knowledge’, from ‘tacit knowledge’, the latter emphasising the role in innovation that is played by knowledge that comes from practitioners and policy-makers, and not just researchers. The use of these terms recognises that there is in reality no absolute distinction between research and other means of gaining new knowledge.

### **2. Two case studies**

This section draws lessons from two examples which parallel the MMW approach. These are: sustainable livelihoods (SL), and Drivers of Change (DoC). The parallels lie in the fact that both these approaches and MMW were developed and initially adopted at the initiative of development agencies; yet to be fully effective in influencing development practice, they need to be taken up by wider groups of stakeholders, including developing country governments and NGOs.

These two approaches, SL and DoC, are not alternatives: SL is an approach to development that defines aims, and sets out ways to achieve them; DoC is a political economy analytical framework that can be applied to a range of development approaches. They have in common that:

- they have come to influence the policy and practice of development agencies, with DFID having been central to their development and dissemination;

- the motivation in introducing them was to achieve greater effectiveness in promoting development and poverty reduction;
- they both have their origins at least partly in research activities; and
- they both set out approaches to analysing development problems, but do not prescribe specific research methodologies.

They differ in some respects:

- the SL approach is both an aim (‘improving livelihoods’) and an instrument (‘how to go about improving livelihoods’)<sup>1</sup>, whereas DoC as an analytical framework is purely instrumental (‘how to think about change and how to promote it.’)
- the SL approach is ahistorical and has relatively little to say about institutions (‘transforming structures and processes,’) – though it draws on other traditions to do this --- whereas historical and institutional perspectives are central to DoC.

## 2.1 The sustainable livelihoods approach

The sustainable livelihoods approach is a way of thinking about development which focuses on the means by which households, and especially poor households, can improve the level and stability of their livelihoods. It emphasises households’ assets (financial, human, social, physical and natural) and the ways in which these can be built up, and combined so that households can improve their livelihoods.

SL is often cited as an example of considerable success in influencing the development agenda<sup>2</sup>. Although many of the ideas that it incorporates have long histories, the first statement of the approach is attributed to a memorandum to IIED in 1986 from Professor Robert Chambers, later elaborated and developed in a discussion paper (see timeline in Box 1)<sup>3</sup>. These ideas were adopted and pursued by a number of people and agencies including the UNDP, CARE International, Oxfam, IIED, IDS, and ODI. The ideas can be said to have reached the mainstream, at least of DFID thinking, when they became a central part of DFID’s 1997 White Paper – over ten years after the original paper – and were developed over the following two to three years for practical application<sup>4</sup>.

This case exhibits a number of important characteristics:

- Time-scale: the process of developing ideas to practice can take a number of years, over 10 years in this case;

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<sup>1</sup> Diana Carney and Caroline Ashley of ODI, summarising DFID’s 1999 Rural Livelihoods Advisers’ Conference suggested that SL is (a) an approach, an objective and a set of principles, and (b) an overall approach encompassing all of those.

<sup>2</sup> This subsection draws on background material prepared for DFID’s Policy Paper on Research ‘Research for poverty reduction: DFID research policy paper,’ by Martin Surr, Andrew Barnett, Alex Duncan and Melanie Speight, DFID 2002.

<sup>3</sup> *Sustainable Livelihoods, Environment and Development*, 1987, Robert Chambers, IDS Discussion Paper 240. The ideas were further specified in Chambers, R., and Conway, G., (1992), ‘Sustainable rural livelihoods: practical concepts for the 21st century’, IDS Discussion Paper No 296 (not formally published).

<sup>4</sup> “Sustainable Rural Livelihoods: What Contribution can we Make?” edited by Diana Carney, Department for International Development, London, 1998.

- Timeliness: the SLA was timely in that it had been developed and was available as a credible approach when in 1997 DFID staff needed a way of developing a sharper focus on poverty reduction, and when both rural and urban sector advisory staff had a strong interest in ensuring greater people-relevance of their ‘science’-based work;
- The complex interactions between the various players, both users and researchers, in due course formalised into a network both with a dedicated unit to champion the approach and with adequate resources; and
- The need for “blue sky” research: the early development of SL came from outside the existing paradigms and outside DFID’s current policy, and could not at that stage be described as ‘demand-driven’ – though it came to be so later.

## 2.2 Drivers of Change

The Drivers of Change approach is a means of trying to understand the realities of political, social and economic changes, and (in the context of development) how they impact on poverty reduction. The approach focuses on the institutions and underlying factors that create incentives that cause agents of change to behave in particular ways, and it seeks to draw out the implications of this analysis for practical action by governments, civil society and development agencies.

As with SL, some of the ideas that are central to DoC have a long history, in political economy and political science. However, these ideas had relatively little impact on the policies and practices of development agencies. This changed in 2001/02 (see timeline in Box 2) when a DFID official took a sabbatical and wrote a paper on the importance of understanding **how** change comes about, and a country study of Bangladesh adopted a political economy approach to identifying the main factors determining development performance<sup>5</sup>. At the same time, the World Bank adopted the Low Income Countries Under Stress approach (LICUS) which, inter alia, called for more socio-political analysis. With high-level political support from the then Secretary of State of DFID, and catalysed by a Drivers of Change team within DFID’s Policy Division, the DoC approach was rapidly and widely adopted, and has come to influence not only a good deal of analysis, but also the design and implementation of country plans and development programmes in some 25-30 countries. It is too early to say whether it has improved development effectiveness.

The main characteristics of this case are:

- Time-scale: once the transfer from the academic realm to a development agency occurred, the time-scale of the widespread take-up was very rapid
- Demand: The rapid take-up is explained largely by the strength of demand, both at the political level (where the Secretary of State saw it as a means of

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<sup>5</sup> ‘Understanding pro-poor change: a discussion paper,’ Sue Unsworth, September 2001; and ‘Bangladesh: Supporting the drivers of pro-poor change,’ Alex Duncan, Iffath Sharif, Pierre Landell-Mills, David Hulme, and Jayanta Roy. DFID, Bangladesh, June 2002.

achieving more effective aid) and at the technical level (where officials with different mandates and disciplines saw it as encouraging and assisting them to analyse political-economy problems which had hitherto been seen as off-limits.

- A dedicated unit: after the initial development, a key role was played by a dedicated unit, set up to drive the refinement and communication of the approach.
- The need for underlying research: DoC draws on many literatures relevant to political-economy problems of development. Without these knowledge resources, fewer insights would be possible.
- The ‘so what?’ question: the make-or-break judgement on the usefulness of DoC in the future will be in whether it makes development programmes more effective.

**Box 1. Timeline on main events in developing and making operational the sustainable livelihoods approach**

|              | Event  |
|--------------|--|
| 1986/7       | Original idea set out 1986, elaborated in <i>Sustainable Livelihoods, Environment and Development</i> , 1987, IDS Discussion Paper 240.  |
| 1987/88      | Chambers contributes to Brundtland Commission. Conway works on Agro-Ecosystems in the Philippines and Indonesia.   |
| 1992         | Chambers, R., and Conway, G., (1992), 'Sustainable rural livelihoods: practical concepts for the 21st century', IDS Discussion Paper No 296 (not published)  |
| 1996         | Development at IDS 1996. Leads to Working Paper on sustainable livelihoods (Scoones, 1998)   |
| 1997         | Forms central part of White Paper 1997   |
| 1998/99      | Sustainable Livelihood Advisory Group develops approach for use by DFID, 1998-99   |
| 1998         | NR Advisers' Conference 1998 (Publication: 'Sustainable Livelihoods: What have we learned?' D.Carney, ODI)   |
| 1998/99      | Infrastructure and urban Development Department initiates SL research work in engineering sectors (e.g. energy, ICT). Engineering Advisers' Conference has rural and urban SL as major theme.                      |
|              | Sustainable Livelihood Support Office established (1999 to present), with IUDD adviser form 2001. Inter alia, preparation of SL Guidance Sheets for practitioners.   |
| 1999/2002    | SL Resource Group (i.e. a network of research and consultancy groups) established.   |
| 1998 onwards | SL operational support provided to country offices, with adoption of SL approach in some country programmes. Regional workshops (Africa 2000, Asia 2001) involving wide range of advisers from country programmes. |
| 1999/2002    | Influencing / engagement with international and other bilateral agencies   |
| 2000 onwards | In-country and regional research to operationalise approach.   |

Source: Authors; background work for 'Research for poverty reduction: DFID research policy paper,' by Martin Surr, Andrew Barnett, Alex Duncan and Melanie Speight, DFID 2002.

## Box 2. Timeline on main events in developing and making operational the Drivers of Change approach

|         | Event  |
|---------|--|
|         | Political science and governance literature over the years (e.g. from Mick Moore and colleagues at IDS, Sussex), respected, but generally not very influential among practitioners   |
| 2001    | 2001 Sue Unsworth, DFID governance official, takes sabbatical at IDS, prepares paper 'Understanding pro-poor change: a discussion paper' focussing on the 'how?' of change   |
| 2001/02 | 2001/02 World Bank develops Low-income Countries Under Stress (LICUS) approach emphasising weak institutions and governance, and calling for more 'socio-political' analysis.  |
| 2001/02 | As part of preparing Country Assistance Plan DFID Bangladesh commissions 'big-picture' study of determinants of development. Paper 'Supporting the drivers of pro-poor change,' focuses on political economy factors; DFID Secretary of State expresses support.   |
| 2002/03 | Other DFID country studies follow (Zambia, Nigeria, India). In Nigeria OPM refines DoC approach as part of DFID Nigeria adopting DoC for large-scale studies of development context.   |
| 2003    | DFID establishes 'Drivers of Change Team' in Policy Division, London, to develop and disseminate approach within DFID and among other development agencies.  |
| 2003/04 | Webcast to staff by DFID top management mainstreaming DoC approach; workshops to disseminate DoC to DFID staff, researchers and consultants; also to other development agencies; by March 2004, DFID staff in some 25-30 countries involved in DoC analysis. Influences content of several Country Assistance Plans and development projects and programmes. |
| 2004    | June 2004 the OECD DAC's Governance Network holds an informal workshop on "Sharing approaches to understanding Drivers of Change and political analysis," showing that several other donor agencies (SIDA, GTZ, USAID, World Bank) were engaged in related analysis.   |

Source: Authors.

## 1. Research-policy linkages

“Research is only one element in a system. There is now much evidence of what works and what does not work. A central feature of this evidence is that to be effective ‘research’ must be located more securely in the context of ‘knowledge’ or ‘innovation systems’”<sup>6</sup>

“[P]olicy analysis as a social process of relating objectives to resources by interaction as well as cogitation, constrained by dogma as well as criticized by scepticism, inevitably changes preferences as well as possibilities.”<sup>7</sup>

“[Research-policy linkages are] complex processes influenced by politics, actors and knowledge. Politics and institutions are influenced by paradigms and discourses, and “the information age”. Actors and networks interact in complex ways. Knowledge circulates through different media, often changes and has varying value.”<sup>8</sup>

### 3.1 What form do linkages take?

These quotations confirm that the idea of a straight-line relationship researchers and policy-makers, whereby researchers generate ideas which are, or are not, taken up by policy-makers, is too simple. There are many models of policy change and of the role played by technical analysis, all of which emphasise the complexity of the factors involved<sup>9</sup>.

Research-policy linkages are characterised by the following:

- They take place in a political and social context, reflecting underlying values as well as explicit aims and preferences, and in turn affecting all of these
- There are multiple interactions (some conflictual, some more harmonious) between different stakeholders with different interests.
- The very term ‘policy-maker’ can be misleading, implying more freedom of action for senior officials than often exists in practice<sup>10</sup>.
- There is a need for mutual learning, understanding and trust between policy-makers and analysts.
- There are strong feedback loops: the process of analysis, and the realities of implementation choices, can inform and change policy aims and preferences by revealing true costs and benefits and by showing what is feasible.

ODI’s Research and Policy in Development (RAPID) programme has produced a useful conceptual framework for capturing some of this complexity and considering

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<sup>6</sup> ‘Research for poverty reduction: DFID research policy paper,’ by Martin Surr, Andrew Barnett, Alex Duncan and Melanie Speight, DFID 2002. (Summary, para. 3.)

<sup>7</sup> “The art and craft of policy analysis,” by Aaron Wildavsky, Macmillan, 1979, p.404.

<sup>8</sup> Website of ODI’s ‘Research and Policy in Development’ (RAPID) programme.

<sup>9</sup> Usefully identified in: ‘Bridging research and policy: an annotated bibliography,’ ODI RAPID website: [http://www.odi.org.uk/RAPID/Projects/R0040a/Biblio\\_Intro.html](http://www.odi.org.uk/RAPID/Projects/R0040a/Biblio_Intro.html)

<sup>10</sup> A senior Kenyan official once said to one of the authors: ‘I am not a policy-maker. I am a policy-discussant.’

the factors determining the likelihood of research affecting policy and practice<sup>11</sup>. This is based on three main factors, and a set of sub-factors, as follows.

**Context: politics and institutions**

- Factors influencing policy formulation
- Factors influencing policy implementation
- Decisive moments (timing)
- Exogenous factors

**Research characteristics: relevance, credibility and communication**

- Relevance and credibility
- Communication

**Links: networks, civil society and trust**

- Networks and influence
- Legitimacy
- Trust

This framework is applied to the two case studies in the following table (Box 3). For illustration, some points may be highlighted from these cases:

**Context**

- The context is crucial, and in particular through the ways in which it creates effective demand among policy-makers for a new approach.
- The timing is important, but hard to predict. With SL, there was a particular moment (a change of government in the UK); with DoC, not so much an event as a situation of growing pressure for development agencies to be effective in achieving the MDGs.
- The longer-term sustainability of the approach will depend largely on experience during implementation over the first few years. Two points may be highlighted:
  - The approach needs to be perceived in practice as meeting the objectives of the policy-makers, in particular those making financial decisions. A central question in these cases is: does it make aid more effective?
  - The approach needs to be consistent with other pressures and concerns of policy-makers. In these cases, in particular with DoC, there is a concern (given DFID's expanding budget and pressure on staff) that it may be demanding in terms of staff resources and does not lead directly to the disbursement of large amounts of aid.

**Research characteristics**

- There need to be pre-existing credible research-based ideas that can be drawn on, reformulated and re-synthesised to make them fit for purpose in assisting the policies and practices of a development agency.

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<sup>11</sup> See: <http://www.odi.org.uk/RAPID/Lessons/Framework.html>

- The DoC approach, through seeing and analysing development agencies themselves as actors, can lead to awkward truths about dysfunctional ways of working and about unintended political consequences of aid.

### **Links**

- Building networks for communication of the approaches, feedback, refinement and constituency-building, among political leadership, officials, NGOs, and researchers has been important in maintaining momentum.
- The approaches appear to be more deeply rooted among development agencies than among governments of developing countries. With SL, there has been some concern that this is yet another transient fashion among the aid community; and among DoC, the analysis leads towards sensitive social and political issues.

**Box 3. Applying the RAPID research/policy framework to the adoption and implementation by DFID of Sustainable Livelihoods and Drivers of Change approaches**

|   | Sustainable livelihoods   | Drivers of Change   |
|---|---|---|
| <b>CONTEXT: POLITICS AND INSTITUTIONS</b>                                 |   |   |
| <b>Factors influencing policy formulation</b>                             | Pressure to find people-centred ways of reaching International Development Targets (MDGs)   | Widespread concern at top and middle levels that much aid was not very effective. Demand was strong for understanding why.  |
| <b>Factors influencing policy implementation</b>                          | Ability to influence DFID country plans and development projects/programmes. However, decentralisation means centre cannot dictate to country offices.  | Ability to influence country plans and development projects/programmes. Country teams crucial: decentralisation means centre cannot dictate to them. Reduction in staff numbers is a problem, as is pressure to disburse increasing aid budget. |
| <b>Decisive moments (timing)</b>  | 1997 election. Government White Paper on development needs fresh approaches.  | MDGs further concentrating minds on how to be effective.  |
| <b>Exogenous factors</b>  | Adoption of approach by non-DFID agencies reinforces momentum   | View was weakening over time that political factors are off-limits to development agencies.   |
| <b>RESEARCH CHARACTERISTICS: RELEVANCE, CREDIBILITY AND COMMUNICATION</b> |   |   |
| <b>Relevance and credibility</b>  | Research base for SL approach already existed. SL provided a means for defining agenda for actions.   | DoC applied political-economy perspectives to existing DFID work on poverty reduction. Intuitively made sense to many officials and advisers. But still not clear what difference DoC will make in practice.                                    |
| <b>Communication</b>  | Big effort through SL Unit; user-friendly guidelines prepared; conferences; research funded into gaps. However, not all DFID departments accepted SL.   | Central DFID DoC team prepared user-oriented documentation; top management support was made clear in a webcast; workshops and conferences.  |
| <b>LINKS: NETWORKS, CIVIL SOCIETY AND TRUST</b>                           |   |   |
| <b>Networks and influence</b>   | DFID set up committee of researchers, consultants, NGOs, civil servants to develop SL. Later established SL resource network of consultants and researchers to support implementation, research, communication. | OECD DAC used as forum for wider dissemination. Networks to developing country governments weak, but stronger with researchers and civil society.   |
| <b>Legitimacy</b>   | New government in UK. Reasonable acceptance in developing countries, but some saw it as yet another donor fashion.  | Uncertainty about whether DoC encroaches unacceptably into sensitive political and social matters in developing countries.  |
| <b>Trust</b>  | Well-established relationships between DFID policy-makers and researchers.  | Well-established relationships between DFID policy-makers and researchers.  |

### 3.2 From research to innovation

Capturing the complexity of research/policy linkages, as well as the need for emphasis on the use and impact of research, provides an argument for broadening the way we think about research. There is now a growing literature on systems of innovation<sup>12</sup>, of which research forms a critical part, but not the whole. Innovation systems thinking was developed initially in the context of technological innovation; it can readily be extended, however, to policy innovation.

Innovation means ‘the use of new ideas, new technologies or new ways of doing things in a place or by people where they have not been used before’<sup>13</sup>. The emphasis here is strongly on the **use** of the ideas, and not just their generation. This also implies that we need to think broadly about what we mean by ‘research’. As a generator of new knowledge in the context of innovation, it is important to consider two types of knowledge: “codified knowledge” (which is knowledge that is documented or in some other way systematised) and “tacit knowledge” (which is associated with human skills and experience.) The emphasis on the latter highlights that in a process of innovating, relevant knowledge does not just come from researchers, but from other stakeholders, including practitioners and policy-makers.

Four elements of innovation systems may be highlighted:

- the importance of both the supply push of the research community and the demand pull of the users of new knowledge.
- the importance to successful innovation of networks that provide effective communication channels linking the various organisations and individuals that make up the system.
- The importance of intermediate organisations in searching through the range of options within the stocks of existing and new knowledge to find what best meets the need. These tasks of intermediation tend to be undertaken by consulting organisations, and non-government organisation (NGO) or applied research institutes and research associations
- The context, or framework conditions, of the system.

#### Implications for MMW practitioners

Thinking in these terms will have several implications for those involved in the MMW approach:

- Recognise the complexity of the system involved in developing and applying the MMW approach
- Understand the full range of issues that are critical to successful influence on policy and practice, including the context, and the various stakeholders who need to be involved.

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<sup>12</sup> See “From ‘research’ to poverty-reducing ‘innovation,’ Andrew Barnett, 2004. Paper available on <http://www.thepolicypractice.com/experience.htm#SCIENCE>

<sup>13</sup> Barnett, op.cit.

- Seek, within the limits of what is practical, to build the wider innovation system, focusing on elements that are highlighted by the innovation system literature --- which are also considered good practice in development management. These are:
  - Participation (understanding user needs)
  - Partnership (changing power relations, and increasing the ‘voice’ of the users, clients, etc)
  - Capacity Building
  - Trust relations and the reduction of transaction costs.
  - Informal networks and social capital
  
- Finally, in developing communications around research and its uptake, emphasise the need to encourage continuous interaction between researchers, users and other stakeholders. A high value needs to be placed on flexibility as initially users will not be able to specify their needs adequately, not least because they do not know what the options are. And similarly the researchers will not initially know precisely what the users need – partly because they have not interacted with some of the users before. This co-learning is likely to change the nature of the research itself, not just how the knowledge is used.

#### **4. The context: the incentives facing policy-makers**

“Most definitions of incentives include two components: an external stimulus and an internal motivation. In institutional analysis, the term refers to rewards and punishments that individuals perceive to be related to their actions and those of others.”<sup>14</sup>

The current approaches to thinking about research-policy linkages that are set out above give considerable emphasis to contextual factors. Crucially these factors create a set of incentives that affect the behaviour of different stakeholders in an innovation system. Of particular importance to the subject of this paper are the incentives that determine whether or not policy-makers adopt and implement research-based development interventions.

The purpose of the section is to provide a framework for thinking about these institutional incentives, a framework that can be applied in particular cases by those involved in MMW work. It is not the intention here to provide a definitive analysis of any one case or any one set of stakeholders. However, after setting out the general framework, we do consider some particular aspects relevant to MMW.

The framework is that discussed above, the Drivers of Change approach<sup>15</sup>. At its broadest, the DoC is an approach to understanding processes of economic, social and political change that impact on development outcomes, and to linking these to an agenda for action; for convenience it is sometimes called a political economy

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<sup>14</sup> From ‘The Samaritan’s dilemma: the political economy of development aid,’ by Clark C.Gibson, Krister Andersson, Elinor Ostrom and Sujai Shivakumar. OUP, 2005 (p.9).

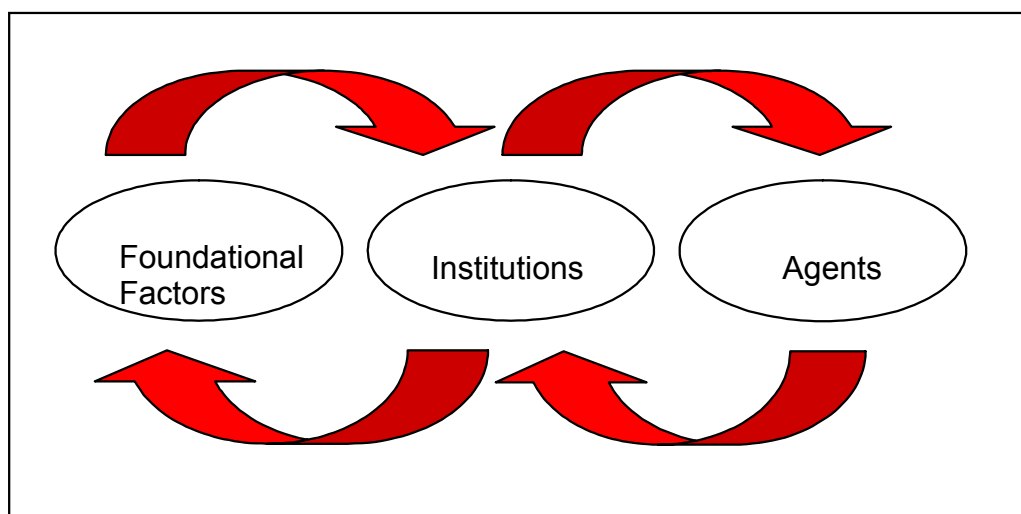
<sup>15</sup> This section draws on ‘Drivers of Change: reflections on experience to date,’ Discussion Note. Alex Duncan, with contributions from Stephen Jones, Evelyn Dietsche, and participants at a workshop held in Oxford on June 23<sup>rd</sup>, 2003. OPM 2003.

approach. At its heart, it is an approach to trying to understand the institutional incentives that affect the behaviour of agents of change, and how processes of change can be stimulated or supported, or indeed countered if they are likely to be anti-developmental.

As an approach to thinking about research-policy linkages, the approach can be interpreted as addressing the following issues:

- Developing an analytical understanding of political, economic and social change processes, and in particular the changes that are involved in taking up new development policy and practice
- Assessing the extent to which these processes are or are not pro-poor in their likely impact, and what new policies and practices would be pro-poor
- Identifying factors that have the potential to bring about pro-poor change (the drivers of change)
- Identifying entry points by which a development agency might support these drivers.

The following diagram sets out a very general analytical framework.



The main features of the framework are the following:

1. A distinction is made between foundational factors (natural and human resources, economic and social structure, and other non-institutional facts), institutions (the frameworks of rules structuring the behaviour of agents), and agents (individuals and organisations pursuing particular interests).
2. There are in principle causal links running in both directions, between foundational factors and institutions, as well as between institutions and

agents. The framework is therefore not deterministic, although it can incorporate deterministic theories.

3. Actions by specific agents can affect the institutional framework. Agents can also affect foundational factors and processes, but in a way that is mediated by the institutional framework. In the same way, foundational factors impact on agents in a way that is in principle mediated through institutions. Institutional performance is therefore central to understanding change processes and how they will impact on the poor.
4. The framework is dynamic since it will be changes in foundational factors or institutions or the behaviour or interests of agents that will function as drivers of change of the system as a whole.

Applying this framework to the innovation system is context-specific, and there is little value in doing so in general terms. However, while this paper does not seek to apply the framework to a particular case, some broad observations may be made about its application to MMW in which research seeks to influence policy and practice, following the categories set out in the above diagram. For illustrative purposes, some relevant examples are:

**Agents:** these include the range of categories of stakeholders involved in the system (and categories are themselves often not homogeneous): policy-makers, whether political or in the civil service; researchers; intermediary organisations, including NGOs; the media; the private sector, whether formal or informal; and of course development agencies. It is important to understand the formal or informal accountability to which these categories of agents are subject.

**Institutions:** these include political institutions and ideology (which affect the acceptability of market-based approaches to development); social institutions, such as ethnicity (political sensitivities can be created if for instance markets are dominated by ethnic minorities, or if some ethnic groups conversely are excluded from markets); economic (if the enabling environment for investment and growth is adverse, the opportunity for developing the efficiency of, and widening access to, markets will be reduced.)

**Foundational factors:** these include technologies for research and communication; and natural resource endowments of the economy (which affect for instance whether governments have access to revenues from mineral wealth or whether they have to rely on taxation from the private sector).

There have been cases in which this type of analysis has helped to identify coalitions of different stakeholders who share interests and can work together to achieve goals that they have in common.

### **Implications for MMW practitioners**

In conclusion, there needs to be clarity on who the stakeholders are, and what are the incentives, priorities, and concerns to which they respond. For MMW practitioners,

the main implication of this is to take advantage of the insights that political economy analysis might offer into the incentives that will make it more likely that different stakeholders --- whether in the private or public sectors --- will take up the MMW approach. Detailed analysis, which must be case-specific if it is to be of practical use, may identify ways either of strengthening stakeholders' incentives to adopt the MMW approach, or of building coalitions to take it forward.

## 5. The risk of undervaluing communication

“Speaking truth to power.”<sup>16</sup>

“...much current practice is like pushing more knowledge down a hose pipe, in the hope that at least some of it will come out of the other end.”<sup>17</sup>

“Project communication was most effective when the target audience was clear and the information was presented in a format that was useful for decision-makers and interested stakeholders”<sup>18</sup>

Irrespective of whether a linear research-policymaker model or more complex innovations-system model is adopted, good communications among the stakeholders is critical, and often undervalued. DFID’s 2002 Policy Paper on research was critical of the lack of attention often paid to communication.

“Locating ‘research’ in the wider context of ‘knowledge systems’ ... has the major advantage of emphasising the dissemination and uptake parts of the impact process. In particular it makes clear the necessity for the ‘supply side’ of the system to engage continuously with ‘users’ of research in order to understand who they are, how they are differentiated, and what their needs are. One respondent, who is particularly well placed to know, says that research institutes generally “have an extraordinarily vague notion of who those users are, and how they regard and deploy research. There is a great deal of loose talk about ‘reaching policy makers’, but how it actually happens in practice is for most a distinctly grey area”. We believe strongly that communication issues and the user angle need to be put at centre stage, rather than treated (as they have been traditionally) as an afterthought.”<sup>19</sup>

While good communication is essential whatever the approach, the innovation system way of thinking suggests that effective innovation results from continuous two-way interaction between the suppliers of new knowledge the users of new knowledge, and intermediary organisations; communication systems therefore need to be set up to support this complexity. Just as users of new knowledge need to be part of the governance arrangements controlling the research system, in order to help specify the problem that needs to be researched, so they need to influence the design of communications. Building coalitions of researchers, intermediary organisations and the intended users of the knowledge at the outset of the research process, with communications as integral, makes it more likely that when the results begin to come out the main players all “own” the output.

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<sup>16</sup> Title of a classic work on policy analysis: “Speaking truth to power” by Aaron Wildavsky, Transaction Publishers, 1966.

<sup>17</sup> Barnett op.cit.

<sup>18</sup> From “Making the most of research: research and the policy process,” IDRC, June 2004 (p.5.)

<sup>19</sup> The Surr Report (op.cit.), p.290.

The task of communicating research to policy-makers can be severe, as recent work by the UK Cabinet Office’s Government Social Research Unit shows<sup>20</sup>. This is based on interviews with senior UK policy-makers who were asked to prioritise sources of advice and information in affecting policy and practice. Two points are worth highlighting.

**First**, as the following table suggests, there can be a mismatch between researchers’ and policy-makers’ perceptions of what evidence is valid.

| <b>Policy-makers’ evidence</b>      |  | <b>Researchers’ evidence</b> |
|-------------------------------------|--|------------------------------|
| Colloquial / anecdotal (contextual) |  | Scientific (context-free)    |
| Anything that seems reasonable      |  | Proven empirically           |
| Policy-relevant                     |  | Theoretically-driven         |
| Timely                              |  | As long as it takes          |
| Clear message                       |  | Caveats and qualifications   |

Source: ‘Making public policy more evidence-based,’ Philip Davies, Government Social Research Unit, Cabinet Office, UK Government. Presentation to ODI Impact and Insight Seminar, October 2005.

**Second**, much research output is simply inaccessible. For policy-makers, research evidence is often too: long, verbose, detailed, dense, impenetrable, jargonesque, methodological, untimely, and non-relevant or irrelevant<sup>21</sup>.

What these results show is not just that there is a communication problem, but that real dilemmas arise: messages can not always be simple; timeliness is hard to predict or get right; and evidence is not always conclusive. The results do not suggest that decision-makers are right and researchers wrong (or vice versa); rather they indicate the need to put more effort into creating the mutual gain that can result from being more effective in getting research results into the evidence chain.

In the two case studies set out in section 2 of this paper, of initiatives which did influence policy and practice, communications linking researchers, users and intermediary stakeholders came to receive a good deal of attention as part of the process of refining and making operational the basic approach. In both instances, networks animated by special-purpose and adequately-resourced units were key to this. Means included in-house urging on the part of senior management (more obvious in the case of Drivers of Change), printed materials and websites (more highly developed in the case of sustainable livelihoods, where considerable investment was made into guidance sheets and a learning platform), and workshops and conferences.

In conclusion, there are several factors for MMW practitioners to bear in mind in relation to communication:

- At the heart of the linkages between researchers and policy-makers is communication in which there is ideally a simple but not simplistic narrative, that is timely and comes from a credible and trustworthy source;
- An awareness of the need for good communication should be built in from the start;

<sup>20</sup> Source: ‘Making public policy more evidence-based,’ Philip Davies, Government Social Research Unit, Cabinet Office, UK Government. Presentation to ODI Impact and Insight Seminar, October 2005

<sup>21</sup> Ibid.

- Communication involves a range of players, not just researchers and policy-makers, and is two-way
- The message needs ideally to be put across in a way that is easily accessible, using the most appropriate media.
- The initiative needs a champion: responsibility for maintaining the momentum needs to be clearly located.

## **6. Conclusion**

Sections 3, 4 and 5 have all ended by drawing out the implications for those involved in MMW initiatives. They suggest that there are some general lessons that emerge from the literature on theory and past experience, and that do provide some suggestions for good practice in trying to influence policy and practice. The case studies set out in this paper have indicated some of these.

However, it is hard to avoid the conclusion that there can be no hard and fast guidelines, and there is no alternative to intelligent entrepreneurial strategic opportunism. This needs to be based on careful analysis of individual situations, and in particular of the context in which researchers and policy-makers interact, both among themselves, and with the other stakeholders who influence the processes of innovation in policy and practice.