

**REINTEGRATING EDUCATION, SKILLS AND WORK
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**STRENGTHENING COUNTRY CAPACITY TO PLAN AND TO
IMPLEMENT STRATEGIES FOR POVERTY REDUCTION: THE
GAP BETWEEN ANALYSIS AND ACTION IN DEVELOPMENT
COOPERATION**

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STRENGTHENING COUNTRY CAPACITY TO PLAN AND TO IMPLEMENT STRATEGIES FOR POVERTY REDUCTION; THE GAP BETWEEN ANALYSIS AND ACTION IN DEVELOPMENT COOPERATION.

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The views expressed are those of the author and do not necessarily reflect those of Sida.

The last five years have seen an unusual move in the international donor community to review and to change current work practices. This move is known as "the international agenda for aid effectiveness." It follows as a logical step of implementation of the Millennium Declaration and the Millennium Development Goals, MDGs that were agreed upon in 2000. Two international conferences, Rome in 2003 and Paris in 2005 have hammered out a joint agenda for change. The key words are national ownership, alignment (work through and strengthen existing systems, harmonisation (adjust work practices of donors), results orientation (focus on outcomes rather than your own inputs) and complementarities (concentrate on things that you are good at or even best at doing).

This general trend has placed capacity development at centre stage of this agenda as is evident from the Paris Declaration. It is only when countries have the capacity to plan and to implement the MDGs that they can exercise ownership and donors can create conditions for sustainable results.

The problem that countries of cooperation and donors face is that the needs for capacity that are identified in this process of cooperation and harmonisation can not be met by relying on old recipes. There is a gap between the understanding and analysis of the problems and the responses that are given by the donor community. The background to and reasons for this gap are discussed below. The gap is discussed with reference to Sida's experience and to the current international understanding of capacity and capacity development as reflected in a draft DAC Good Practice Paper on Capacity Development and two recent World Bank Documents on the needs for capacity development in Africa.

Historically, the understanding of the issues has followed two strands. Capacity Development has been understood to mean human resource development and/or has been analyzed as a management and organizational problem. The next two sections will comment briefly on these two traditions with reference to Africa after independence.

1. Capacity Development as a question of human resources.

When African countries gained their independence, they were all faced with capacity problems. The question was how they would maintain and adjust the public sector to be able to implement the new political visions of the new political leadership. This implied expansion and renewal at the same time, not least within the education sector itself. This sector was seen as a key to but also as an object of capacity development. A main question was how to find and train all the teachers, planners, education statisticians, university lecturers that were required and who in turn would train all those who would plan and implement the new policies inspired by the traditions of centrally planned economies.

In some countries, notably the former Portuguese colonies, the problems were acute and very dramatic when all the skilled and educated Portuguese left, literally overnight. In other countries such as Botswana and Zambia, it was more of a gradual process.

Botswana followed a strategy that was reflected within Sida at the time and which was typical for the 1960s and 1970s. Botswana gave priority to education at all levels, it recruited qualified people from abroad to fill the gaps in the public sector and it sent some of its best students abroad.

Sidas strategy was to support vocational education and training, basic education, provide scholarships for studies in Sweden and to recruit Swedish experts to fill the gap. These experts were even called gap fillers. The Building College in Ethiopia, The Kenya Science Teachers College and the Secretarial Colleges in Kenya and Tanzania are examples of this response. A special programme was built up for recruitment of individual experts and for African and Asian students to study at Swedish universities.

The experts would gradually assume the role of advisors as they were being replaced by competent Africans.

The focus was on human resource development. The role, structure and functioning of the public sector in newly independent African countries was not questioned or discussed in any systematic way.

The scholarship programme within Sida was phased out in the middle of the 1970s and the last major undertaking in the field of skills training was the Moshi Vocational Training Centre in Tanzania. The Swedish support to vocational training in Tanzania was phased out in the late 1980s.

Meanwhile and in parallel, there was a myriad of training components within all projects and programmes supported by Sida.

The support to the education sector had concentrated more and more on basic education, a trend that had started in the early 1970s. It was reinforced after the Jomtien Conference which launched what became known as the Education for All Initiative, EFA.

It can be noted that all these efforts aimed at strengthening the capacity of African (and other) countries through education and training. It appeared as support to the formal system, education and training in Sweden, as training components within projects or as training on the workplace when Swedish experts and their counterparts met.

Capacity Development was seen as a question of education and training or as "Human Resource Development."

It is important to note that after the late 1980s, Sidas support to pre-service training had ceased to exist. The special programme to recruit and employ Swedish individual experts had also been phased out in the late 1980s.

There were many reasons for this shift which would merit a more thorough analysis. This is not within the scope of the paper. However, one underlying assumption seems to have been that there now was a base of well trained and educated Africans. Therefore, capacity development in practice could be reduced to training components i.e. skills training on the workplace in projects and programmes in all sectors. In addition, Sida continued to finance different combinations of consultants either in an advisory role or to do the job. This mix of inputs is still there, but was not sufficient when the economic problems were beginning to emerge in many African countries in the 1980s.

2. Capacity Development as well functioning organizations.

The 1980s was a period of economic problems and structural adjustment in Africa. It was also a period when the tradition of central planning gave way to market solutions and reorientation of the role of the State. Gradually, there was a focus in these reforms, not only on the internal efficiency of the public sector but also on restructuring that affected its size and role in the process of development. The concept of capacity was redefined and the response from Sida changed.

It was in the early 1980s that Sida decided to initiate a programme for support to Public Administration. It identified key functions of the Public Sector, notably the financial management system and the system for management and training of personnel as key areas of support. Other areas such as auditing, tax administration and national statistics were added. The forms of support changed. Sida began to engage Swedish Professional Institutions to work with their counterparts in partner countries. The cooperation between the National Bureau of Statistics in Tanzania, TAKWIMO and the National Bureau of Statistics in Sweden is an early example of such a twinning arrangement.

These programmes of twinning were established as long term and flexible arrangements. They made it possible for the cooperating institutions to exchange experience through study visits, to engage in training programmes and to provide short term and long term experts. As the partners got to know each other and built up mutual trust and self confidence, many began to change their understanding of capacity and capacity development. There was a focus on management and management training and there was an understanding that in the final analysis capacity development had to be understood as an organisational problem. Such a programme of cooperation could include questions about the mandate, vision, financing, incentives and culture of the organization. Management and management training was a key element in many programmes of cooperation.

Analytical frameworks were beginning to emerge within these twinning arrangements that were inspired by the academic literature that deals with organisations and the management of organizations. The so called staircase model that was developed by a Swedish consultancy firm at Sida's request is typical for this period.

Today this form of cooperation is the dominant mode. It is used in many sectors and regions, not least in the cooperation with Sweden's neighbours around the Baltic Sea.

There are also many other examples. One example in the field of culture is a long term programme of cooperation between Sweden's county Museums and museums in Africa.

3. Understanding capacity development today.

It should be important to note, that the recent emphasis of capacity development is driven by the wider international agenda for aid effectiveness (c.f. above). However, it goes beyond the general (and eternal) call for a more efficient public sector in Africa and elsewhere, much of which had driven Sida's programme for Public Administration in the early 1980s.

The present international agenda is based on the MDGs and on an understanding of poverty and poverty reduction as multifaceted, complex and context specific. Unlike ten years ago, it is not about education or health or agriculture as the key to development. Nor is it a question of growth or distribution but about pro-poor growth. In short, strategies for poverty reduction combine all these aspects and their relative emphasis depends on the country context.

This analysis has led to a request for integrated and politically driven national strategies for poverty reduction. This development has been spearheaded by the World Bank which also has developed the necessary coordinating mechanism at the national level, known today as Poverty Reduction Strategies, PRSs or Poverty Reduction Strategy Papers, PRSPs. These mechanisms have their origin in the Highly Indebted Poor Country Initiative, HIPC as a way to ensure that the funds that were made available through debt reduction would be channelled to the social sectors.

Today, the same mechanism is used for broader national strategies for poverty reduction. The background documents for the Paris Conference report that such mechanisms and processes are in place in almost 60 countries. There is a corresponding move at the sectoral level, known as the sector wide approach, SWAP to planning and to coordination of external funds.

This can be illustrated by the Dakar Declaration on Education for All (2000) which explicitly suggests a sector wide approach to national planning to coordination of external contributions. In order for these processes to be steered and implemented under country leadership, there is a need for capacity development.

This was emphasised by African leaders, notably President Mkapa of Tanzania during the regional consultations leading up to the Paris meeting that took place in February 2005. It is also reflected in recent World Bank Documents. In this context, capacity development has become a question of Good Governance more generally.

When placed in this broad context, it is important to note that the understanding of the concept and the frameworks used for analysis has gone far beyond human resource development and the strengthening of organisations.

A recent Draft DAC Paper on Capacity Development reflects this broad understanding of the term. It talks about capacity as "the ability of people organisations and society as a whole to manage successfully their affairs."

"Capacity development is the process whereby people, organisations and society as a whole unleash, strengthen create, adapt and maintain capacity over time."

Not only do these definitions provide a very broad understanding of the concepts, they also imply that capacity development is a national process. It can be supported through external contributions but their role is essentially to "unleash" what exists.

Sida defines capacity as "the conditions that must be in place, for example knowledge, competence, and effective and development-oriented organisations and institutional frameworks, in order to make development possible." It uses an analytical framework that defines four areas of capacity development as:

- individual knowledge and professional skills
- strengthening of organizations or units within organisations
- strengthening of systems of organizations
- development of institutional frameworks,(formal and informal).

Capacity development is seen as process of mutual learning. The policy argues that learning must not be seen as transfer of knowledge but should be understood as an "active processing of knowledge and that, solutions are developed in a process of give and take between several parties." This means i.e. that new solutions are "seldom, if ever a question of exporting ready-made solutions or ready made knowledge. The relevant knowledge and competence are developed as a result of a process of learning and of social interaction."

A recent World Bank Document on Capacity Development in Africa talks about professional capacity, organizational capacity and institutional capacity.

Hence, there seems to be an emerging consensus that capacity and capacity development should be understood in this broad sense. It is more than human resource development and strengthening of organizations.

This widening of the concept and the analytical frameworks are a reflection of and adjustment to conclusions drawn in many of the PRS and SWAP processes mentioned above.

It is quite common to conclude that the needs for capacity development should be defined in terms of strengthening of systems for financial management (budget processes, accounting and auditing systems and tax systems).

Capacity development in the education sector is defined more and more as strengthening of the system of organizations and the institutional framework (policies and laws) that constitute the education sector and which are necessary for the implementation of the MDGs. One implication of this understanding and analysis is that the political dimension comes to the fore. It goes without saying that changes of the financial management system, including new budget laws can not be separated from the wider political context.

It is equally obvious that improvements and/or more far reaching reforms of such systems include technical aspects, including IT-technology.

What can be observed is that the donor community gets increasingly engaged in complex and politically and socially sensitive processes. These are to a large extent an outflow of the understanding and analysis of what it takes to implement the MDGs.

The problem today is the gap between this understanding and analysis of what it takes to implement the goals and the means that the international donor has used historically to develop capacity.

4. The two strands of external support.

It has been noted above how the broad emphasis on human resource development was reduced to training within the framework of individual projects and programme. Pre-service vocational training has disappeared from the agenda of Sida and from the agenda of many other agencies. There is a focus in the education sector on basic education, notably primary education for all children before 2015 which is one of the Millennium Development Goals. This is happening while alarming reports are beginning to appear from Africa that the MDGs in the health sector can not be sustained unless more attention is given to training and retention of staff. Migration of qualified staff coupled with increasing death rates due to HIV/AIDS mean that the health systems can not be sustained. The same is probably true for the education sector.

There is a need to revert to a broad strategy for human resource development of the 1960s and 1970s.

A recent UNDP review of Technical Cooperation suggests that the external support to capacity development in partner countries is driven by traditional Technical Assistance, i.e. individual experts that are financed to introduce technical systems, safeguard the use of donor funds and/or speed up implementation within projects. There is an increasing quest for immediate and tangible results.

These forms of support are ill suited to match the broad understanding of what it takes to strengthen complex systems.

In addition, there is an urgent need for donors to come together, coordinate their efforts and to harmonise their procedures.

This is hardly the case today. Capacity development in practice is seen as provision of technical inputs, professionals who transfer their knowledge from those who know and have the skills to those who do not. Either they are identified individually in a process of international competition or provided as "tied aid" by each bilateral donor from its national resource base.

5. The challenges ahead.

In view of the above, the international donor community including Sida, is faced with a number of challenges.

One is to bring back the broad human development agenda back. However important it is to achieve Education for All before 2015, these efforts have to be seen in the wider context of human resource development and the need to strengthen African systems of education. If it is the case that education and health systems can not be sustained due to migration and the HIV Aids pandemic, then it is necessary to have a genuine sector wide approach to education and training in Africa. The EFA goals, the Fast Track Initiative and the Millenium Development Goals for Education which focus on primary education only, have to widened and placed in this broader context. It is time to revisit the "expanded vision" of basic education as laid in the Jomtien Declaration of 1990.

Questions about skills development and the links between education, training and work in present day Africa should be revisited. The World Bank Paper on Skills Development in Africa is one step in this direction, the international study about the needs in the health sector is another contribution to a new agenda of human resource development in Africa.

It is necessary to develop a shared understanding between countries of cooperation and the donors at the country level of the needs for capacity development when it comes to systemic reforms of the financial management system, the health sector and the education sector. It is not sufficient that donors operate within the framework of individual projects which includes training components and technical assistance whose tasks are defined by the framework set for the project.

Based on such an understanding, it would be necessary to agree on a process of change and reform work. Questions that arise are how complex systems change. Is there a sequence of events, to what extent can such changes be planned, what does it take to introduce a computerized accounting system and what purpose should it serve? The documented base of good practice is not very well developed. Work is being carried out by the European Centre for Development Policy Management, ECDPM for the DAC but more has to be done. Sida, through its long term twinning arrangements, has some experience that has been documented. The work that has been done in Mozambique between the Ministry of Finance in Mozambique and the Swedish National Audit Authority is one example that illustrates what is required.

Finally, it will be necessary for the donor community to find mechanisms of cooperation and coordination. Two answers are beginning to emerge. One is that countries and donors establish a fund for capacity development that they control jointly. Another is to take up the challenge from the Paris meeting of complementarities. It would be important then for each agency to identify its strength and weaknesses, for example when it comes to diagnosis of financial management systems or to strengthening educational planning for human resource development.

6. Concluding comments

It has been noted that the international agenda for aid effectiveness has brought capacity back as a key issue. Analytical work is being done those points towards a "systemic" approach.

This is taking place at the same time as the support to capacity development has been confined to training and technical assistance within individual projects.

Therefore it is necessary not only to broaden the analysis but also to agree on strategies for change and to establish mechanisms of cooperation and coordination at the country level.

Finally, it should be important to revisit the agenda of human resource development of the 1960s and 1970s.

List of references

Missing, to be inserted later.