

development and institutional reform: between ‘best practice’ and ‘local context’

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Books reviewed

Working with the Grain: Integrating Governance and Growth in Development Strategies

Brian Levy (Oxford: Oxford University Press, 2014), 266 pp., ISBN 978-0199363803

The Limits of Institutional Reform in Development: Changing Rules for Realistic Solutions

Matt Andrews (Cambridge: Cambridge University Press, 2013), 254 pp., ISBN 978-1107016330

Brian Levy's *Working with the Grain: Integrating Governance and Growth in Development Strategies* and Matt Andrews' *The Limits of Institutional Reform in Development: Changing Rules for Realistic Solutions* are two recent books which form an apt pair together. Both are written by scholars of international development based at American universities, both authors had previously worked for the World Bank, and they both happen to have South African roots. The combination of abstract reasoning and factual knowledge, theoretical insight and practical experience, first world and developing world perspectives thus make both books accessible to a wide readership of practitioners and scholars. The books also share a core message: development reforms based on decontextualised international blueprints often fail because they do not fit the local political, social, economic context they are supposed to function in. Both books blend analytical and applied lessons in taking on some of the

established practices and approaches in international development; yet both books also avoid the inflated promises of instant solutions and magic formulas. Instead, in one way or another, both books call for gradual, partial, less flashy, but workable solutions that can continue delivering in the long-run – their message seems to take heed of Voltaire’s caveat, *le mieux est l’ennemi du bien* (‘perfect is the enemy of good’). For Brian Levy, this simply is ‘working with the grain’. As he puts it, ‘a country’s economy, polity, and society – and the institutions that underpin each of these – are embedded in a complex network of interdependencies. To be successful, reforms cannot be reengineered from scratch but need to be aligned with these realities’ (p. xiii). Following in the same *Voltairean* vein, Matt Andrews calls for ‘problem-driven iterative adaptation’ in development reforms instead of one-size-fits-all institutional blueprints: ‘Relevant solutions – those that are politically acceptable and practically possible – emerge through the gradual process of step-by-step experimentation to solve such problems’ (p. 3).

Despite the appearance of a targeted readership in the way both books are framed, all this has relevance beyond the narrow confines of development studies – perhaps even beyond the discipline political science. The complex relationship between formal political institutions and uncoded social structures holds across a number of fields of study. While both books seem to specifically address the international development community, there are big lessons for social sciences in general – particularly concerning the role of formal institutional design and the structural factors that come to influence how such institutions function over time. Both authors use their rich and detailed experiences with various development reform projects in order to distil informative lessons. Here perhaps a little difference between the two books emerges. Levy’s prose is more dynamic, his writing more engaging, his anecdotes more vivid, his lessons more systematic, and his text seems to have undergone more rigorous editing. The book seems to seek somewhat of a broader audience. Andrews’ prose on the

other hand fits in better with the vernacular of development specialists. Both books also contain more detailed proposals for managing various reforms. These various proposals share the idea that modest and partial gains can cascade into sequences of change for the better in the long run. While including very sensible ideas, the 'reform manuals' in these sections are too specific to be of interest to the generalist reader.

While never explicit in their writing, it is perhaps not unlikely that the authors' inherent understanding of the varied and complex challenges of their native South Africa has probably made them suspicious of acronym-heavy facile institutional recommendations cooked up in offices in Washington DC promising everything under the sun to the developing world. The interesting question is why, despite almost universal acknowledgement of the importance of country-based political, economic, and social factors, the one-size-fits-all mind-set of copying and pasting 'best practices' from elsewhere survives. Both books include hints at why such patterns persist. One is an organisational culture among the aid and development community that puts premium on the notion 'technical' expertise. As Brian Levy puts it:

This tendency to focus on, and endlessly refine, the 'best practices' package has been exacerbated by the incentives and corporate cultures of the World Bank and other development agencies and experts: each has a large stake in building a mystique around the special value added of global useful technical expertise. (p. 156)

Such technical language also serves as smokescreen to cover how little is known about the specifics of the country in question. Short-termism and formalism are further products of this language of technical expertise prevailing among development specialists and international donors. After all, the narrow *de jure* is the easiest to change in the short term, and the formal

changes are immediately observable – and measurable. The complex, nuanced, and long-term *de facto* changes on the other hand do not lend themselves to easy bullet-pointing in annual reports. Quite simply, ‘formal dimensions [of reforms] also offer more immediate gains in legitimacy, being quickly visible to external audiences’ (Andrews, p. 77). Not only is the uncodified overlooked – or at best oversimplified, but the formal is overspecified. In his chapter four, Andrews exposes this pattern of institutional failure in development reforms, one where donors ‘overspecify what reforms should involve – demanding international best practices – but oversimplify the content it takes to produce such’ (p. 66). External perceptions of effectiveness are then confirmed by high scores on various international standards – which inevitably rely on easier to operationalise and quantify indicators across the world. What is more, many host country politicians have successfully decoded the way these things work. An open secret among development practitioners is that some governments undertake institutional reforms as a ‘signal’ to garner international support:

[R]eforms may often be introduced as signals to improve short-term external perceptions of government effectiveness, with little focus on fostering better long term results. The signalling game means that countries commit to best practice reforms but seldom succeed in implementing them. (Andrews, p. 28).

Unfortunately, the signalism, the formalism, and the short-termism are all unintended by-products of lofty maximalist goals – what Levy calls ‘a type of high-mindedness that was unconstrained by difficult realities’ (p. 203). The alternative, however, is not a defeatist ‘every country is unique’ reaction and to give up on the hopes of helping development across the world. Attention to the country-specific ‘difficult realities’ does not mean that each and every case is hopelessly unique and beyond the reach of generalizable analysis. Much can be

learned from systematising the role of political, social and economic factors as analytical benchmarks across cases. While both books do great service in providing an accurate diagnosis of the ills afflicting development studies, the challenge of systematising the uncoded across the world cannot be achieved with a quick fix. It is here where interdisciplinary cooperation will be necessary, from the informal powers of traditional leaders in rural areas to the opaque practices of party patronage, from limitations of infrastructural capacity to deficiencies in trained personnel, studying institutional reforms necessitates an approach much bigger than the very institutions in question.

We live in strange times when those with scholarly knowledge of the local political, social, and economic context are dismissed as ‘area specialists’, while others – without any apparent embarrassment – prescribe institutional reforms to countries they cannot even point on a map. Lack of historical knowledge and ignorance of local complexities do not seem to have tempered the unwarranted confidence in the technical content of high-minded reform blueprints – Levy calls this ‘a breathtaking combination of naivete and amnesia’ (p. 7). Back flaps of both books contain ringing endorsements from development grandees; with Dani Rodrik’s pithy point summing up the general tone of the comments: ‘institutional reform can only work if it is tailored to the local context’ (in Andrews, back-cover). All this seems to suggest that there is still hope that common sense might come to win over development economists and donor agencies in the long run. But it is Levy who sums it up best: ‘in crafting a way forward, no simple reform dictum can substantiate for in-depth, country-specific knowledge and informed judgment’ (p. 50).

About the author:

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