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BUILDING PUBLIC CAPACITY IN SUPPORT OF PRIVATE SECTOR TRADE AND INVESTMENT: The IPC Experience in Guinea-Bissau

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Over a two-year period (1992-94) the U.S. Agency for International Development Mission in Guinea-Bissau engaged consultants from the Implementing Policy Change Project (IPC) to work with Guinean counterparts on three policy reforms related to trade and investment promotion. During one of the last visits to Guinea-Bissau by an IPC team, the USAID Representative suggested that the normal end-of-mission debriefing, scheduled for the next day, be held with the Guinean collaborators. It would be an opportunity to see what they had to say about the IPC approach, which focuses on building strategic managerial capacity, or indeed if they recognized it as an "approach." It was one thing for the IPC outsiders to report on applying strategic management concepts to implementing policy reforms in Guinea-Bissau. It was quite another to have the Guineans articulate their policy implementation objectives, strategy, and progress. This was particularly true since the technical assistance team was made up of external consultants versed in the policy implementation process and their national counterparts were specialists in the technical areas of the reforms.¹

After a brief introduction by an IPC team member, the presentation and subsequent discussion was all theirs. It would be hard to improve on what they had to say as

a summary of the overall IPC effort. First, they had never experienced this type or degree of participation, witnessed by that very meeting with the USAID Representative. The *intention* of participation was not new to donor projects in Guinea-Bissau, and these individuals had all participated actively as counterparts to numerous technical assistance missions. What was new was that they were clearly responsible, right from the start, for defining and moving on the issues the effort addressed. They sensed that the IPC project existed to support what they had determined as priority objectives; their participation did not serve to support the predetermined objectives of a donor project.

Related to this, the Guineans did not need nor want help identifying what was wrong and the general direction they wanted to take, but perceived the project activities to have helped them think through the practical implementation of their goals. This outside support had helped them determine the steps necessary to accomplish incremental progress toward their goals, including enlisting support from those with the power to influence their objectives.

They expressed their initial difficulty in understanding the IPC project since it did not bring the usual share of donor resources. What these individuals had then seen

in other IPC working groups, and hoped would also be true in their case, was the IPC contribution as a partner in leveraging other resources through activities that increased external confidence in the seriousness of their efforts. Finally, the concept of "strategic management of policy implementation" remained somewhat abstract, but they were clear in describing the work undertaken with the IPC team as defining goals and then lining up the steps and resources necessary to achieve them.

The aspects they stressed that day capture the main features of IPC collaboration in Guinea-Bissau. This intervention attempted to increase capacity to manage policy reforms related to trade and investment promotion. With this general objective in mind, the effort evolved to support three areas: i) judicial restructuring and capacity building, ii) reform of the rules and regulations governing commercial activity, and iii) rationalization of the role of the government in agriculture. This experience is perceived by the USAID Mission and the Guinean government to have made a significant contribution to ongoing reforms in support of increased private sector economic activity. It is also seen as having successfully fostered participation and ownership of the process, a significant departure from previous project experience and a critical element for success of the Guinean policy reform agenda. Although a great deal remains to be done in each of the policy areas, enhanced individual and institutional capacity appears in place to carry on implementation.

The points the Guineans raised in describing their IPC experience also illustrate the general technical assistance principles of the project: i) start where the client is and work as a partner in advancing clarification of the problems and possible solutions, ii) mix process-oriented and technical expertise to build productive working relationships, and iii) build ownership through participation. As in all policy change situations, unique characteristics of the Guinean context and of the individuals involved had considerable impact on the activities chosen and their outcomes. Not everything that was attempted paid off, there were frequent changes in the proposed workplan, and the general political context and floating timetable leading up to the first multi-party elections complicated plans and activities. Nevertheless, throughout the two-year IPC effort, these three principles guided all activities and in the end were perceived by participants and USAID as key factors in its success.

A. The Policy Implementation Context in Guinea-Bissau

Guinea-Bissau has fragile institutional capacity to manage policy reforms. Although this capacity, both of individuals and of organizational units, is weaker than in other parts of West Africa, the problems are generic to most developing countries. Policy reform means coming up with new formal governmental decisions concerning rule systems, resource flows and lines of authority that influence the use of public or private resources. In doing so, it confronts all the political and socio-cultural characteristics of a society. Policy implementation requires the translation of policy prescriptions into action by developing the commitment, capacity and procedures needed to initiate and sustain the operational changes implied. This is necessarily a complex, long-term process.

Initiating and sustaining reforms in the three policy areas addressed in Guinea-Bissau is representative of this complexity. Judicial reform targets a fundamental change in the rules of government and requires greatly enhanced organizational capacity and entirely new procedures for the independent judiciary to function. Reform of the rules and regulations of commercial activity redirects how central and local governmental bodies license and regulate business activities and implies major operational change to translate the policy decision into action. The rationalization of the role of government in agriculture attempts to alter the use of public and private resources and requires the commitment and capacity of a large number of players in government and civil society.

The original IPC visit in January 1992 developed a plan of action for supporting a unit within the government to identify and guide the implementation of key economic and administrative policy reforms necessary to promote increased trade and investment. It became evident, however, that the creation of this unit was not then feasible, given the attention of the government on the proposed national elections. The decision was taken to initiate activities in the area that appeared most conducive to policy change—and least controversial--within the overall objective of improving the policy and regulatory climate for private sector economic expansion. This was the reform of the judicial system to create an independent judiciary as a separate branch of the government. Successful experience in this area led to IPC activities in support of reforming the rules and regulations of commercial

activity and finally to the redefinition of the role of government in agriculture and rural development.

Several characteristics of the Guinean context bear emphasis to properly appreciate the reach and limitations of government policies and the role of IPC in support of policy reform. Reading various project documents and other analyses or recommendations of what should be done, it is easy to get the impression that government policy is directly responsible for what happens in the economy and in society. It very clearly is not. Most economic activity takes place outside of any government intervention. In discussing reform of the rules and regulations of commerce legislation, for example, the vast majority of commercial transactions take place in the informal sector. Although this characteristic is critical in defining how the state can or should influence trade and investment, it is important to note that the current restrictive or bureaucratically dense commercial legislation has relatively little direct influence on most commercial activity in the local markets. Similarly, an independent and impartial judiciary is fundamental to the ongoing democratization process and economic liberalization. It will be some time, however, until the impact of this reform reaches a sizeable portion of the country's population.

It is also important to recognize that almost everything that took place over the two years in carrying out these policy changes was the direct result of Guinean efforts and initiatives. Since this paper is input to the IPC research process, most attention is dedicated to description and analysis of what the IPC team did rather than to all the events that took place in the policy implementation arena. This emphasis should not obscure the fact that while IPC can justifiably take credit for providing insight and support at critical times to keep the process moving, it remained very much a Guinean effort and responsibility for its outcome rests with them. The support of the IPC external team members and the relatively meager financial resources provided by the project were designed to have a catalytic role to help Guineans decide on the best course of action and implement their decisions. Events did not always move at the pace or in the precise direction that the external partners envisioned, but the approach unquestionably contributed to genuine ownership of the policy change process.

Finally, another critical contextual feature is the strong impact of external project funding in setting policy and constraining implementation. Virtually all public investment and a preponderant share of government

operational expenditures are financed by projects. The dual roles of donors as policy advisors and as disbursers of project funds are very evident, not always compatible, and frequently inconsistent, leading to a situation of fragmented control over public expenditures and public policy. In the case of redefining and rationalizing the role of government in agriculture, for example, implementation must influence donor projects to be meaningful.

These considerations are not meant to downplay the importance of the policy reforms underway or the progress that has been made in each area. It is important, however, to maintain an appropriate perspective on the realities of the situation and the time horizon necessary for broad implementation and operationalization of the reforms.

B. Support for Judicial Reform

1. Activities

IPC support to judicial reform in Guinea-Bissau provided the basic model for the activities that took place in all three policy areas and illustrates the basic elements of the IPC approach. The external context was generally favorable to the policy, but without awareness of the need to engage and cultivate support little would happen. It was also necessary to think through and begin action on the steps necessary for the new organizational structure to function, and to increase institutional capacity and commitment to the new system. From the beginning, the IPC team worked with a judicial reform working group to carry out these two inter-related aspects.

Unlike many policy initiatives, there was minimal outright opposition to judicial reform and general consensus that an independent judiciary was necessary for the transition to multiparty democracy and economic liberalization. While this was true in an abstract sense, there was little confidence in the capacity and performance of the existing judicial system, which suffered from low prestige and budgetary allocations. Given the system's lack of autonomy and precarious working conditions, there was little motivation for society to invest the judiciary with more respect and resources.

Perhaps partly as a reaction to this situation, many members of the judiciary had a heightened sense of their potential role in society and the professional status they merit. It was obvious to them that the

country needed a well-equipped and well-paid judicial system. In their view this should have been obvious to the policy makers and donors as well. Why this had not been the case, or what might be done to rectify the situation, had received little reflection. A major task then, was to help the working group recognize the need to tap the latent public support for having a solid judiciary, particularly with regard to the institutional underpinnings of a market economy. Building this constituency for change typifies what Brinkerhoff (1992b) describes as enhancing the management capacity to "look outward," that is, to focus beyond the boundaries of the individual agency and to plan and manage strategically.

In its most narrow terms, the policy could be stated as the creation of an independent judiciary. The necessary constitutional change to establish this principle, however, would be the first step in the long road of implementing an operational court system to meet the needs of the country's new political and economic realities. The mere separation of powers would only open the door for restructuring the courts, which would depend on complementary legislation, which in turn would only set the stage for improved performance. Improved performance would be forthcoming only if the elements of the system had adequate capacity to respond. Since improved performance was the justification for increasing resource allocation, implementation in its broader sense would progress only if capacity was improved along with the legal framework creating an independent judiciary. The need to focus on performance relates to the management capacity to "look inward" at improving internal structures, systems and procedures of the judiciary.

As pointed out above, there was considerable support for the ideal of an independent judiciary, but there had been little reason to trust important arbitration to an ill-equipped court system buffeted by political interference. The rules of the game of the Guinean economy were changing with economic liberalization and the court system needed to improve to respond to the new rules--many of which were, and are, not yet in place. Merely catching up to the status quo and to the rest of government would not do. This brings in the third key capacity for managing reform of "looking ahead" to identify and prepare for what will be important in the future.

In both the Guinean working group and the IPC team, the experience and the connections of the individuals involved played an important part in the process. The

relatively small number of trained jurists in the country and the even smaller number of well-paying positions for them created a situation in which the key players often wear more than one professional hat. The Supreme Court justice most active in the working group was also the president of the Magistrates Association (AMAGUI); the vice president of the Bar Association (OAGB) was also the director of the television service; the head of the legislative department of the Ministry of Justice was also the lawyer for several of the more visible court cases involving the private sector; the legal counsel of the Ministry of Commerce and Industry was also the legal counsel of the Agricultural Producers Association; etc. With all of these individuals, and others like them, active in the working group, it became much easier to make certain that its plans and activities were widely disseminated and that they incorporated a cross section of views.

Similarly, the IPC team was led by a former US ambassador to the country who continued to enjoy unprecedented access to top policy makers, as well as personal relationships with key individuals built up over years rather than weeks of contact. This, and the only intermittent participation of foreign judicial experts, led to a situation in which the outsiders most involved in the process had considerable political and project implementation credibility, but little or none in the technical area of the reforms--which fell naturally to the Guineans in the working group. This proved to be a productive mix, facilitating the focus on implementation rather than on the technical nuances of the reform.

Briefly, the sequence of activities was as follows. The IPC team met with a number of individuals connected with or interested in the reform to listen to their views on the problems and possible solutions. These interviews led to the creation of a Judicial Reform Working Group, set up in September 1993, made up of the key individuals interviewed and others they recommended. Participants from several ministries, the supreme court, and private sector representatives were invited to attend the first workshop where the objectives and implications of judicial reform were discussed.

IPC members presented an overview of strategic management and facilitated a discussion of how the concepts may apply to Guinean judicial reform. From this, the group agreed on the need to develop an Action Plan, and the tasks of drafting different sections were distributed among the members, to be

presented at a second workshop about a week later. Discussion of the importance of cultivating external support and getting the message across explaining why an independent judiciary is necessary found resonance and led to national television coverage of this event. At this workshop the draft Judicial Reform Action Plan (distributed two days prior to the meeting), was discussed, changes recommended, and plans made for its distribution to a wider audience for feedback.

This pattern of activities was repeated in the other IPC activities in commerce regulations and agricultural strategy, i.e., interviews with key stakeholders, initial working group meetings, the drafting of an action plan by working group members with support from the IPC team, the validation of the draft report through a workshop and the development and implementation of the activities called for in the action plan. The sequence of activities was basically the same in all three areas, allowing individuals that participated in more than one area to visualize and articulate the process to their colleagues much better than the external members could have. A brief description of IPC activities and their outcomes is included in Table 1.

A key component of the action plan called for developing a training program for presentation to donors, pri-marly USAID. Developing this plan provided a concrete exercise to help think through and articulate elements of the overall strategy. Rather than presenting a laundry list of possible training activities (as had been the standard practice) the group was forced to describe in some detail why the training was necessary, specifically how it would contribute to the overall reform effort, what the expected outcome would be, and how much it would cost. The need to market the idea of improving the judiciary as a good investment was a new concept for most participants. It was much easier to get this point across when it was connected to the need to justify training activities for USAID financing, from which the participants hoped to benefit personally. The exercise of explaining why the training was necessary and showing how it fit within the overall effort provided a model to illustrate the need to make the case for a strong judiciary to policy makers, donors, and the public.

The emphasis of the IPC team in this instance was per-haps greater on basic project management or planning concepts, rather than on strategic management per se, but the two are inextricably linked. Having the individuals articulate the justification of training activities to donors had the

beneficial effect of helping them appreciate the need to convince others of the benefits of a strengthened judiciary as well as eventually demonstrating prestige and commitment from donors that could be leveraged into increased internal political support. USAID support through IPC and other projects in training and material was critical to maintain interest of the working group members, demonstrate success of their efforts, and provide evidence to the political community of the importance of the judiciary and this policy reform. Fixing the roof of the Supreme Court building, for example, perhaps appeared curious and unrelated to implementing judicial reform, but it is likely to have been critical in maintaining momentum and demonstrating commitment.

Similarly, the visit to Guinea-Bissau by a Maryland judge² in March 1993 was an excellent opportunity to provide visibility to the working group and demonstrate the importance of an independent judiciary. Media coverage was excellent, attendance at the various public sessions was high, and the topics discussed were chosen to demonstrate the importance of an independent judicial system to a market economy and economic expansion. Without question, the visit gave an enormous boost to the credibility of the group and helped get judicial strengthening on the country's political agenda.

Over the next several months a number of Guineans participated in training in Brazil, organized by IPC and the Brazilian judge who participated in the initial working group meetings and Action Plan development in Bissau. This training was complemented in Bissau by a review with IPC consultants of how the training was going to be applied and what steps were necessary for putting the new ideas into practice. This combination appeared to be particularly effective in the area of setting up small claims courts, with the idea taking shape during the first training in Brazil and then carried out in Bissau under the leadership of the working group.

Although the working group always had the lead in developing the activities called for in the Action Plan, particularly after the first Brazil training the intensity of direct IPC involvement decreased and the effort became almost exclusively Guinean-organized and implemented. Activities carried out included the acquisition and dissemination of the basic legal documents to all the judges and other key organizations, holding workshops on economic legislation in conjunction with the law school, drafting the complementary legislation regulating the judiciary,

and in selecting and providing training for the newly organized small claims court judges mentioned above. There were instances where the IPC team offered support (e.g., for discussing and building a constituency for the draft legislation regulating the judiciary) but the working group counterparts preferred to carry out the activities on their own, which they did.

Table 1. Guinea-Bissau Judicial Reform Action Plan and Results

Action Plan Agenda Item	Progress and Outcomes
Develop a supplemental training plan for donor funding.	Training plan developed during January and February 1993.
Modify the constitution to create separation of the executive from the judicial branches of government.	Constitutional modification completed in April 1993.
Draft supporting legislation to establish and regulate an independent judiciary.	Preparation of drafts for ten enabling acts by mid-1993, several were subsequently passed into law, including a provision for a new system of small claims courts.
Improve the physical infrastructure of the judicial system.	USAID/Bissau agreed to fund renovations of the Supreme Court building in 1993. Construction and repair work began in 1994. Follow-up renovations have been funded under an ongoing USAID project.
Improve the professional skills and knowledge of magistrates, other court and Ministry of Justice officials, and lawyers.	IPC training conducted for judges, MOJ officials, and law school professors through a combination of workshops, conferences, and study tours.
Establish the financial viability of the judicial system.	Council of Ministers passed a law in May 1994 establishing a separate budget category for the judicial system.
Address issues of compatibility between formal and traditional law.	The new small claims court law provides for two local, customary law advisors to hear cases along with the official magistrate.
Improve the design, application, and adjudication of laws and regulations in the executive branch.	This activity was taken on by the working group established in the Ministry of Commerce and Industry.
Provide specific training in priority areas (e.g., commercial law).	Courses on specialized topics were included in IPC's training activities, and additional training is included in USAID/Bissau's Trade and Investment Program Support (TIPS).
Increase private sector participation in judicial reform, and increase judiciary/private sector communication.	Private sector representatives participated in all conferences, and private attorneys were included in the training workshops and study tours.
Update legal codes and statutes.	Partial updating was achieved through the new enabling legislation; copies of legal codes from the Lisbon School of Law were obtained and reproduced for broad distribution to courts, the lawyers' association, and the Order of Magistrates.

2. Outcomes and Lessons

The IPC experience with judicial reform in Guinea-Bissau tends to support the hypotheses of the project.³ The successful constitutional change separating the judiciary from the executive branch gained important support from the political visibility provided in part by IPC activities. The real challenge, however, of implementing this policy depended--and continues to depend--on strategically aligning a strengthened institution with its external political and economic context in order to build a capable judicial system over time. IPC support was useful in providing insight on how to go about this. The working group members benefited from this exposure, used the attention and resources provided to increase visibility, and successfully moved the reform to a higher position on the country's political agenda. Several members of the working group later commented to the IPC team how valuable the initial work had been, even though they did not recognize it at the time, in helping them plan and justify specific actions to both improve the judiciary's institutional capacity and bolster its prestige in the eyes of the government.

The experience also illustrates the principles of IPC technical assistance as a facilitator/partner in helping build management capacity to deal with the challenges of policy reform. In summary, several of the most important aspects of the process stand out:

- The partnership between Guinean judicial experts and IPC team members who were not specialists in the field provided a conducive setting in which the role of the outsiders was supportive of the Guineans' own policy objectives and aided in developing ownership and sustainability of the reform process.
- A critical element of the implementation strategy was to cultivate generalized but vague support for a more effective judiciary. The key objective was to build a consensus for change by explaining the reasons society should invest in an independent, efficient judicial system.
- The idea that lawyers and judges need to market and explain to policy makers and the public why they are important and deserving of increased resources was a difficult concept for many participants to accept at first, but understanding was greatly enhanced by developing a training

program for USAID and other donors, detailing what they hoped to accomplish and why.

- Although relatively small, the resources USAID provided for training and material were critical in maintaining interest and generating government commitment. IPC process work alone, without the expectation of some early tangible benefits, would likely have been less effective.
- Combining overseas training with the systematic review of how the new concepts or procedures were going to be implemented back in Guinea-Bissau appears to have worked well.
- The process followed by the IPC team provided a reference for activities that took place in the other policy areas and allowed the Guineans to learn from each other and visualize how a similar process might be developed in other areas.

C. Reforming Commercial Rules and Regulations

1. Activities

The activities undertaken in support of a more effective judiciary contributed to a more conducive environment for reforming the rules and regulations governing commercial registration and business transactions. An impartial court system is a fundamental requisite for applying the law correctly; reforming those laws to stimulate private sector expansion in the formal economy is also critical. The need for this reform had been understood for some time, but the increased public discussion of the role of the legal system in trade and investment fostered increased awareness of the need to take action.

IPC activities in support of re-examining and reforming the government's rules and regulations of commercial activities followed a similar approach to those in the judicial area, with several important modifications to expand the debate to a wider public audience. The first step was again the creation of a working group, led by individuals in the Ministry of Commerce and Industry. This group met with IPC team members in a series of small workshops and prepared an initial action plan. Following this, a study of the current rules and regulations was

undertaken by an IPC consultant, Carlos Garcia, who attempted to identify and describe the points of contact between the public and private sectors in commercial activity. The report (known as the "Garcia Report") was not designed as a product of the working group, but rather as the basis for discussion by a wider audience of government and private sector stakeholders.

After revision by the working group, this document was widely distributed and a series of workshops, or town meetings, were held in Bissau and four other cities in the interior. These were designed to discuss the findings and systematically gather the input of traders, business people, and government officials on legislation, regulations, and policies that constrain private sector economic activity and the changes required to facilitate commercial activity in the country. These participatory workshops were a success and generated a great deal of interest among private sector representatives, grateful for the opportunity to express their views and discuss the need for change. The original idea was to use these regional meetings as preparation for a larger, but still relatively modest workshop in Bissau. Given the enthusiastic response of the participants, however, it was decided to hold a National Conference on Commercial Legislation under the joint sponsorship of the Ministry of Commerce and Industry and the Chamber of Commerce, Industry, and Agriculture.

This event was held in February 1994, organized by the working group, and partially financed by IPC. Over 200 people attended the opening and closing sessions and 90 participated in all sessions over the three days, combining both plenary and smaller thematic work groups. The conference marked the first time an event like this had taken place, where the government and private sector had the opportunity for free and frank dialogue, and it received considerable media attention. In addition, it was unique to see high level government officials acknowledging that changes needed to be made in national policy and ministerial regulations, and listening to what the private sector had to say. Specific proposals for legislative and regulatory change were identified and responsibilities assigned for moving the reforms forward, again through the coordination of the working group. The proceedings were written up and distributed widely immediately after the conference.

2. Outcomes and Lessons

It is important to note that although the original study (the Garcia Report) was identified as an IPC, rather than a working group product, the subsequent transition to Guinean ownership of the process turned out to be quite successful. It was important to have a starting point for discussion that synthesized a variety of issues and views, and that was not identified with any Guinean group or ministry position. After the initial study, the IPC team was able to move quickly to a much less prominent role as facilitators of the workshops, and the Ministry of Commerce, Chamber of Commerce, and the working group were able to take the lead. The four town meetings and the national conference using a participatory workshop format were critical in making this transition. Although the original document was largely superseded by the deliberations at the workshops, it served an important purpose in getting the process going. There was also a willingness by both the Guineans and the outsiders to make this transition and to stimulate Guinean participation and ownership in coming up with policy recommendations, rather than sticking to the specific agenda of the original report.

In summary, the main aspects of this IPC activity include the following:

- The main thrust of the activity was to identify policy and regulatory change to remove constraints to private sector economic expansion. The process was designed to elicit broad participation throughout the country in both the public and private sectors, and to create a constituency for this reform. These ideas were developed by a working group with IPC support and orientation.
- An IPC consultant prepared a study synthesizing the problems. The working group then used the document as the basis for discussion and modification by a wide spectrum of interested Guineans, rather than as a script of outside policy prescriptions.
- The series of regional participatory workshops and the national conference on this topic were highly successful in generating awareness of the problems and in developing proposals for policy and regulatory change. Although not all of the proposals will be enacted, there is clearly a

mandate for change that will be difficult to ignore and the private sector is more mobilized to exert pressure than it was prior to these activities.

- Most of work needed to enact the changes and to reorient and reorganize the government to carry them out remains to be done. This will require an entirely new set of activities within the objective of building capacity to manage policy reforms. The progress made by the Guineans with the support of IPC has initiated the process and provided lessons in how to build consensus and political support for the changes proposed.

D. Redefining the Role of Government in Agriculture and Rural Development

1. Activities

The third component of IPC work in Guinea-Bissau began in January 1994, stemming from the request to USAID by the Ministry of Agriculture and Rural Development (MDRA) for help in defining an agricultural strategy. IPC support focused on rationalizing the role of the Ministry of Agriculture in support of economic growth and rural development, getting government out of those areas better served by the private sector and strengthening the remaining core functions of the public sector.

Since 1983 the country had been moving away from a situation of pervasive controls to one of decentralized market-driven economic growth. In agriculture (as well as other sectors) the government had attempted to do too much through the public sector, had assigned tasks to the Ministry for which it was ill-suited, and retained activities that conditions no longer warranted. At the same time, other actions in support of agricultural growth that only the public sector can provide were not being adequately addressed.

There is significant potential to expand agricultural production, productivity, and rural incomes; there is a lot that needs to be done to create conditions for this growth; and there is a definite role for the Ministry to play in formulating appropriate policies and creating an enabling environment. Roles, responsibilities, and resources all have to be redirected, however, for this to happen. Achieving these changes is a daunting challenge, exacerbated by the bureaucratic baggage of the post-

independence era and the overwhelming importance of fragmented donor projects in public investment and operations.

The Ministry had produced a number of "strategy" studies with the assistance of various donors, the most recent in late 1993. These documents call for a wide range of ambitious activities that were clearly beyond the capabilities of the MDRA. The more fundamental issue that influences all policy and program implementation--and that is almost entirely absent in all the documents--is that the government has practically no independent operational capacity. Considerable incongruence exists between what the Ministry would ideally like to do and what it could, or should undertake. Because donor projects have temporarily supported a variety of unsustainable activities, often on a very large scale, coming to grips with the appropriate role of the Ministry and deciding where the country's human and financial resources should be invested to foster economic growth had not been a pressing issue. This had begun to change by 1994.

There was awareness within the Ministry that change as necessary and probably inevitable. The status quo could not continue. Operational funds were below a minimum required literally to keep the lights burning; several major donors were in the process of reducing their programs and looking for ways to place less reliance on the public sector; local NGOs were beginning to play an active role in agriculture, often through the expertise of former MRDA staff; and several Ministry departments had begun to experiment with commercial operations as a means of maintaining services.

These events had created a sense that a new arrangement was needed between the public and private sectors to rationalize efforts targeting agricultural development. This background was similar to the experience of the judiciary, in which there was agreement that an independent judiciary was necessary, but relatively little reflection on how to go about achieving this objective. The IPC process of using a working group to define the steps that go into creating an independent judiciary and then addressing each had gone fairly well. Changing the role of government in agriculture and rural development presented a similar opportunity.

The situation appeared to offer an opportunity to move gradually toward major policy change. Bold new measures from the Government redirecting

resources or trimming the bureaucracy were not anticipated over the short term, however. No one was prepared to look seriously at policy measures that created political losers right before national elections. On the other hand, the Ministry appeared inclined, if prompted, to adopt policy positions that ran counter to the more pluralistic and market-driven approach that was emerging, partly by default. There was a danger that for lack of more thorough analyses and public discussion, a national sectoral strategy exercise at that time may have formalized these positions.

Given this context, the IPC team proposed presenting the work as refining the existing strategy in light of the changes that had taken place since its inception, concentrating on concrete implementation strategies. This facilitated acceptance and avoided confusion by Guineans and other donors who may otherwise have seen the work as another donor-supported strategy paper or a reworking of previous or even ongoing activities. The explanation of IPC activities as support for the *implementation* of existing strategies provided a useful opening, lowered tensions, and elicited positive response.

A team was created of two IPC consultants, two Guineans from the MDRA planning unit (GAPLA), and a former Ministry staff member now working for another USAID project. This group interviewed an array of individuals in government, NGOs, and the private sector, asking for their appraisal of what should be done to facilitate implementation of government programs or society's broader objectives in their area. The team also asked if they would participate in a working group that would be formed to discuss the issues in more depth. The responses provided an interesting mosaic of the situation and the problems of the agricultural sector.

The IPC team then produced a paper synthesizing these views. It did not add any new policy prescriptions, although the document did combine the comments into a larger, more coherent picture of the overall situation. This paper was called "Paths to Implementation of the Agricultural Sector Strategy," and was distributed to about a dozen of the Guineans interviewed, who were invited to take part in a meeting of the new working group to discuss the document.

This working group met the following week in a meeting called and chaired by the head of GAPLA. From the start, the meeting was clearly theirs. The

paper was presented as a synthesis of the views each had expressed in the interviews. The IPC participants emphasized that their main interest was to verify that what they had written was in fact what the group agreed to, and to reach a consensus on how to move forward. This produced a lively discussion in which each had the chance to defend his or her own views as well as see what emerged as the need for a major redirection of the role of government in agriculture. Participants commented that it was the first time the technical leadership of the Ministry (along with several private sector representatives) had the chance to sit down and discuss issues of this nature and take a proactive stance to defining what the Ministry should do, rather than react to the demands of projectized activities.

The basic theme of the document was the creation of an enabling environment for the expansion of economic activity and investment, through appropriate policy and program measures, redefining the roles and responsibilities of the Ministry, the private sector, and civil society to carry them out. This rationalizing process would involve both strengthening new partners to take over certain government operations (e.g., firms, associations, and NGOs) and redirecting and strengthening the role of the Ministry in its basic functions. These were defined as agricultural policy management, the generation and transfer of information, and essential services (generally through the orientation of other implementing partners).

In addition to laying out guidelines to move in this direction, six specific areas were identified that appeared to offer the best opportunities for getting this process going. They were: i) strengthening the relationship between the agricultural extension coordination unit and NGOs, ii) spinning off the sale of agricultural inputs to private sector operators, iii) commercializing certain services, eventually leading to privatization, iv) implementing a national seed policy in which the private sector has the lead, v) taking measures to rationalize donor project investments, improve sustainability, and increase their contribution to national programs, and vi) assigning a leading role to the farmers' association in overcoming constraints to fruit production and export marketing.

Sub-groups were established to address each three of these and subsequent IPC visits worked with them to follow through on implementation. Several others

were also carried over into the new USAID/Bissau Trade and Investment Support Project (TIPS). An important aspect of this work was close collaboration and information sharing with other donors in order to emphasize that this was the Ministry's and not USAID's program, and to take advantage of other projects that could support the objectives of the rationalization process. With outside help from a European Union regional project, the livestock sub-group visited a similar experience in Mali and then organized a series of meetings around the country to discuss the livestock services issues. This exercise was similar to that in the commercial legislation area, and led to a national conference that prepared plans for implementation of a new national policy.

In each technical area, IPC support emphasized strategic planning for implementation, identifying with the Guineans the key elements necessary for moving forward and devising strategies for achieving them. In the case of the privatization of irrigation and plant protection services, for example, a key element is financing startup activities. In the case of veterinary services another critical element is the development of a professional association to lobby for the changes and regulate the profession to maintain quality control.

2. Outcomes and Lessons

At the conclusion of IPC activities in the country, the action plans outlined were underway and were following the original ideas put forward by the working group. The working group members were aware of the need to increase the level of political support for the reforms, until then promoted by the technical leadership of the Ministry. Their plans emphasized the need to generate support and demonstrate the political and economic viability of the changes.

In summary, the main points of the IPC work with the Ministry of Agriculture include:

- An indirect approach to redefining the role of the public sector was chosen to combine what was desirable with what was feasible. Producing a new agricultural strategy, or a policy calling for major cutbacks in the role of the MDRA would not have been productive. Rather, the rationalization process was initiated through a series of concrete actions that took advantage of

existing forces for change, that hopefully will lead to the desired policy outcome.

- Ownership and enthusiasm were successfully built through a working group, originally set up to discuss the views of a spectrum of interested individuals. The outside IPC technical assistance played an important role in synthesizing the larger issues confronting the Ministry that were not as apparent to the individual technical areas. As in the case of commercial legislation, this participatory approach facilitated ownership of the process by the Guineans.
- The approach modeled by the development of the working paper was picked up on quickly by the Guineans, as were the strategic management concepts used in developing the action plans for each technical area identified.
- It was critical to work with other donors and to strengthen the Guineans' leverage in dealing with new or existing projects to make them consistent with the overall rationalization policy goal.
- As in other areas of IPC activity, it was important to provide some support to the Guineans in implementing activities called for in their action plans. Concrete action and benefits early on was necessary to demonstrate commitment and the feasibility of making changes. Although what IPC had to offer was valued by the Guineans, additional outside support was necessary to get implementation off the ground and maintain momentum.

3. Conclusion

Guinea-Bissau is a small society. At the start of the judicial reform activities, *all* of the country's lawyers and certainly all of the judges would have fit in a relatively small conference room, for example. The personal connections and scale of the government bureaucracy make policy reform seem more "manageable." Implementation, however, still requires management capacity to build constituencies for change, improve organizational performance, and provide a long-term vision for preparing for the future. Ownership of the policy reform process is a prerequisite for applying this capacity and progressing in the desired direction.

The IPC intervention in Guinea-Bissau benefitted from the society's scale and opportunities for personal connections, facilitating teamwork and interaction with stakeholders. The experience, however, of building ownership and enhancing local capacity to set objectives and line up the steps and resources necessary to achieve them illustrates the themes of the entire project. These include promoting ownership and participation through the use of technical assistance conceived as a partner/facilitator, remaining flexible to take advantage of opportunities for change, and paying specific attention to the external environment and the need to keep the context in which the organizations operate firmly in view. That these same themes were echoed by the Guineans in their impromptu appraisal of their IPC experience, mentioned at the start of this essay, provides a measure of its accomplishment.

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ENDNOTES

- ¹ The case study on IPC activities in support of regional integration of livestock trade in West Africa put it this way: "A principal challenge to the IPC technical assistance team...has been the perception held by governments...that the activity is about livestock, rather than about the process by which policy decisions are made and implemented. [It] is, in fact, an initiative to promote processes of improved governance 'disguised in sheep's clothing'" (Kulibaba, 1995).
- ² Peter Messitte, Judge of the U.S. District Court for the District of Maryland, has continued contact with Guinea-Bissau. He returned in May 1995 to provide additional assistance and consultation on streamlining of judicial procedures, for example, the notary system, and refinement of the small claims courts established by the working group.
- ³ IPC's design incorporates testing two basic propositions. First, that strategic management approaches to policy implementation can be effectively transferred to developing country managers and agencies. Second, that adoption of a strategic management approach improves the effectiveness of policy implementation. See Brinkerhoff (1992a).

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