POLICY IMPLEMENTATION:

WHAT USAID HAS LEARNED

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CONTENTS

In his book, *Aiding Democracy Abroad: The Learning Curve*, Tom Carothers has ably described critical challenges democracy promoters are facing. Among the challenges to democracy promoters is how to achieve changes in political and institutional processes—a critical issue for effective policy implementation:

> The challenge [in promoting democracy beyond formalistic attempts at "institutional modeling"] is to coax along processes of institutional change that take account of the underlying interests and power relations in which institutions are embedded. More broadly, democratic change must be understood not as the reproduction of institutional endpoints but as the achievement of a set of political processes including the active representation of interests, the balancing of major political forces, the acceptance of democratic rules of the game, and the expansion of political participation.

USAID recognizes these same challenges and has developed promising approaches to respond to them. This document, which is based largely on lessons gained from USAID's Implementing Policy Change project (IPC) summarizes what USAID has learned in assisting policy implementation.

Democracy promotion and improved governance require attention to significant process questions. How do citizens exercise influence upon and oversight of the state? How do public leaders and agencies operate responsibly and responsively to carry out their mandates? How are social relations managed among different classes of society to assure inclusion, fairness, and equity? The answers that a particular country's governance system provides will go a long way in configuring the context for policy implementation. Conversely, how policy implementation is managed can contribute to shaping how a country operationalizes democratic governance.

USAID's approach to policy reform draws much from the Agency's earlier experience improving project and program management. For instance, results-based planning, management by objective, beneficiary participation, and action-training (linking learning with doing) are as relevant to policy change as they are to project and program management.

There are, however, some important features that distinguish policy change activities from projects and programs. These features combine to make policy implementation complex and difficult, challenging even the most experienced host-country public managers. What are these distinguishing features?

- Policy implementation is not a linear, coherent process. With policy implementation, change is often multi-directional, fragmented, frequently interrupted, and unpredictable. How to sequence actions, what to pay attention to, and who to include can be hard to determine and can vary over the life of the policy change process.

- No single agency can manage the policy implementation effort. In almost every case, policies require the concerted actions of multiple agencies and groups. Even if one of them is nominally the lead agency, in reality no individual entity is "in charge" of policy implementation. Authority and responsibility are dispersed among the actors involved, which means that traditional command-and-control management is not applicable.

- Policy implementation creates winners and losers. As opposed to projects and programs, which distribute benefits to some, but not to all, groups, policies usually involve the imposition of costs on some societal groups as well as advantaging others. This means that policy reforms often become highly politicized. Most often, the losers are those who benefit from the current state of affairs in the country and who are in a powerful position to defend the status quo and resist change.

- The resources required to implement policies may not be readily available. Projects and programs have dedicated budgets, but policies—particularly at the start of the reform—often lack the resources needed for implementation. Making progress means lobbying for new funding, identifying existing sources of implementation support, and negotiating for resource reallocation. All of these efforts are subject to the vagaries of national budgeting processes and shifting political winds.

The following paper discusses USAID's efforts to promote the use of an approach which incorporates treatment of democratic governance concerns as integral to the way to improve policy implementation. The paper identifies a series of tasks, which include achieving *legitimation* of the policy being implemented (Is the policy change accepted as worthwhile and is there a "policy champion?"); *constituency-building* (What steps are needed to identify and mobilize those that support a given policy and deflect the criticism of those that oppose it?); and *resource accumulation* (What are the financial and human resources required to help implement the desired policy change?). From there, other tasks include working through organizational designs and structures of implementing agents, mobilizing actions, and establishing and using monitoring systems. The paper goes on to discuss different strategic management approaches, which can be applied to accomplish each of the tasks described above, and provides a sample of policy implementation tools and their application. Governance issues—including the questions of how, where, and by whom policy is made—are discussed with special emphasis on the emergence of public-private partnerships working on policy reform. The paper concludes by outlining the potential for adopting this approach to front-burner issues now faced by the developing world: implementing policy reforms in post-conflict environments, assisting countries as they adapt to rapid changes due to increased globalization, and deepening our understanding of the link between governance issues and successful policy reform efforts.

POLICY IMPLEMENTATION TASK FRAMEWORK

The distinctive characteristics of policy implementation made it clear that would-be implementors needed a new way of thinking about how to manage the reform process. Through IPC, USAID developed a framework to help policy managers understand and navigate the complexities associated with policy implementation. The framework divides policy implementation into six roughly sequential tasks, which all need to be revisited over the life of a given reform. These components are presented with examples of how they appear in practice:

Legitimation (Task 1)
Legitimation, or getting the policy accepted as important, desirable, and worth achieving, is especially critical for policies that are part of a donor assistance package, which risks being seen as externally imposed. Legitimation means getting buy-in from the appropriate people in the country to push the reform process forward. An important outcome of this task is the emergence of a well-regarded "policy champion" (an individual or group who believes in the policy) to take on leadership for the subsequent implementation tasks. In Ukraine, for example, USAID assistance helped extend widespread concerns about the negative effects of corruption on private investment into the eventual adoption of a clear set of transparent rules and regulations for business. Meetings at the local and national levels forged a consensus on the desirability of the business community working with public officials to curb abuses. This laid the groundwork for a locally focused strategy to implement the new regulations. Similarly, in Uganda, a USAID-supported team helped to get government policy toward the private sector accepted as a legitimate issue by organizing a series of government-business consultations, the first of which was chaired by President Yoweri Museveni. The consultations were formalized as the Uganda National Forum. Today, many observers credit the forum as a catalyst leading to the pro-private sector policy environment and increased private investment that the country currently enjoys.

Constituency-building (Task 2)

Constituency-building, or gaining active support from groups that see the proposed reform as desirable or beneficial, needs to translate into commitment to act toward achieving the policy objectives. This is different from legitimation in that people may see the reform as desirable, but not necessarily be willing to commit effort or resources to making it happen. In tandem with seeking out supporters, constituency-building aims to reduce or deflect the opposition of groups who consider the proposed reform measure to be harmful or threatening. This task must often be pursued throughout reform implementation to assure ongoing support and to avoid derailment. Participation is a key element in most constituency-building, as evidenced in the broad-based consultative process that USAID created to advance the implementation of regionally integrated transportation and communication policy in the Southern African Development Community (SADC). Public and private sector actors were invited into the process through a series of large, national workshops, where the issues relevant to each sector were discussed and prioritized. Regional workshops then assembled the national input, resolved points of disagreement, and drafted policy protocols. Regional treaties incorporated these protocols, which were eventually adopted by each of the 11 SADC member countries. The result was improved standards and regulations for railway, road, ports and shipping, air transport, telecommunications, postal service, and meteorology implemented uniformly throughout the region.

Resource Accumulation (Task 3)

Resource accumulation means ensuring that present and future budgets and human resource allocations are sufficient to support policy implementation requirements. Accomplishing this task can involve a variety of activities (e.g., lobbying constituencies to contribute resources, negotiating with ministries for budget line-item funding, or designing new resource allocation systems). In Egypt, for example, the National Program for Integrated Rural Development introduced policy reforms to strengthen local government. USAID-supported technical assistance helped subnational authorities to design and manage a decentralized decision-making and

resource allocation system. This system promoted demand-driven local-level planning and project implementation in support of the government's decentralization policy, resulting in a better fit between local needs and use of resources.

Organizational Design/Structure (Task 4)
Organizational design/structure involves adjusting the objectives, procedures, systems, and structures of the agencies responsible for policy implementation. This task may include establishing new organizations, formal or informal, that link the various entities with a role in implementation. Mali's Forestry Department, with USAID analytic assistance, examined the fit between its existing structures and procedures, and the implementation requirements of a revised forestry law that mandated resource management in cooperation with local communities. The analysis led to changes in the department's operations; forestry agents moved from policing toward assisting communities to achieve a sustainable balance between tree cutting and conservation. Instead of concentrating on issuing fines for illegal tree cutting, agents worked with community resource management committees to develop tree harvesting plans and local enforcement procedures. In Zambia, USAID facilitated the creation of a Policy Analysis and Coordination Unit in the Office of the President; its purpose was to bridge the gap between policy formulation and implementation. The unit put in place new systems, procedures, and structures for making policy in a more participatory, coordinated fashion and for tracking implementation progress. In West Africa, USAID provided assistance to implement regional livestock trade policy. For the countries (Burkina Faso, Cote d'Ivoire, and Mali), an informal committee structure that assembled government officials and private sector actors for dialogue, action planning, and results monitoring was established. This structure contributed to the success achieved in reducing excessive fees charged to livestock producers, eliminating needless regulations, and increasing the volume of livestock trade.

Mobilizing Actions (Task 5)
Mobilizing actions builds upon the favorable constituencies assembled for the policy (Task 2) and marshals their

commitment and resources to engage in concrete efforts to make change happen. Its focus is on identifying, activating, and pursuing action strategies. It brings together mobilized constituencies and resources and, within the organizational structures created, develops and carries out the steps necessary to translate intent into results. In Bulgaria, business associations, with USAID support, organized to work collaboratively with the government to develop a new small- and medium-enterprise law. This collaboration followed a constituency-building campaign with small and medium enterprises to identify their interests and prepare a policy dialogue agenda. In Mozambique, USAID helped to organize national and provincial workshops to facilitate the implementation of the country's decentralization policy. These workshops fostered debate and helped to build a consensus among government and civil society stakeholders on strategies, roles, responsibilities, and actions to make decentralization operational.

Monitoring Impact (Task 6)
Monitoring impact, or setting up and using systems to monitor implementation progress, is the final policy implementation task. Monitoring systems not only alert decision-makers to implementation snags, but also inform them of the intended and unintended impacts of implementation efforts. Through USAID-provided assistance, Honduras established a Policy Analysis and Implementation Unit to assist the president's Economic Cabinet to improve policy decision-making with a strong focus on tracking implementation and results achieved. As a result, cabinet ministers managed their sectoral portfolios more effectively and fine tuned investments to respond to citizens' needs. The need for policy-monitoring capacity figured prominently in the recommendations of a USAID-sponsored study for the Palestinian Authority of ways to improve policymaking. In West Africa, the livestock action plan committees monitored and noted problems in compliance with the plan's steps to reduce excessive regulation. Livestock producers credited this oversight with keeping the reforms on track and achieving the intended reductions in petty corruption and commerce-inhibiting regulation.

THE STRATEGIC MANAGEMENT DIMENSION OF POLICY IMPLEMENTATION

An important use of the policy implementation task framework is to diagnose problems and roadblocks facing a policy reform effort. For example, if policy implementors encounter difficulties in securing the resources they need for implementation (Task 3), it might be that insufficient attention was paid to legitimizing the policy and building supportive constituencies (Tasks 1 and 2). Beyond analysis, however, the task framework can help implementors with the managerial dimension of policy implementation. It can be used, for example, to map out implementation strategies to achieve long-term objectives and/ or to guide day-to-day management of the reform by pinpointing areas needing immediate attention.

Once policy implementors have located where they are in the implementation task sequence and have determined what needs to be done, strategic management can systematically help them reach their objectives. Strategic management is not a how-to guide, but rather a way of thinking about or tackling a problem. Strategic management helps policy implementors to manage by directing them to look outward to the external environment, look inward at organizations and structures, and look forward to melding strategy, structure, and resources over time. Box 1 summarizes the three-way orientation of strategic management. The outward- and forward-looking elements of strategic management are particularly essential for coping with the "nobody in charge" attribute of policy implementation.

USAID has found that improving the strategic management skills and capacities of policy implementors can facilitate the achievement of policy reform objectives and impacts. Skill building can be accomplished either through management training or process consulting or through combining these two approaches. Training, for example, was an integral part of setting up Zambia's Policy Analysis and Coordination Unit; every permanent secretary in government participated in training workshops on strategic management.

Strategic Management Capacities for Implementing Policy Change

Strategic management capacities are important to enable policy implementors to deal with the challenges of policy reform. Strategic management can be thought of in terms of a conceptual "shorthand" as capacity to look outward, look inward, and look forward.

Looking outward. The tendency of managers to concentrate on the pursuit of day-to-day bureaucratic routines to the exclusion of being proactive or attentive to performance is well recognized. Policy implementors need to build capacity to extend their focus beyond the boundaries of their individual organizations. This means becoming more aware of who and what is "out there," and figuring out how to respond appropriately. In essence, this calls for capacity in strategic planning and management. It includes the ability to identify key stakeholders; create opportunities for participation; forge partnerships among public, private, and voluntary sectors; set feasible objectives; build constituencies for change; and resolve conflicts.

Looking inward. Efficient internal structures, systems, and procedures are important for achieving results. Critical to this kind of capacity are efficient and effective ways to design and implement programs; to set up and manage organizations; to hire, train, and motivate personnel; and to allocate, monitor, and account for financial and other resources. Without achieving some minimal level of operational efficiency, it is difficult to think or act strategically.

Looking forward. The third capacity relates to bringing together strategy, structure, and resources to achieve policy goals. It includes attention to sustainability, which implies the capacity to be anticipatory and proactive, not just responsive and reactive. Dealing with what is critical today is not enough. Policy implementors must be capable of identifying and preparing for what will be critical tomorrow and the next day as well. This includes operational capacity in evaluation and monitoring; but extends beyond to those more intangible capabilities, such as leadership, agenda-setting, and visioning.

This training was geared toward improving the ability of these officials to plan and carry out sectoral and public service reform policies. In Madagascar, USAID selected key managers responsible for the implementation of priority environmental policies to attend a training course in strategic management for policy implementation. In South Africa, USAID provided training to the new heads of the country's post-apartheid provincial governments. USAID also arranged for a strategic management and negotiation skills workshop for professors at the Ukraine Academy for Public Administration. Faculty members who attended incorporated the material into their existing courses and planned to develop a new course on strategic management for their students.

Building skills through process consultation, which actively involves people in problem-solving and in focusing on how to work together effectively, is a more long-term endeavor than one using training alone. Process consultation requires learning-by-doing, usually facilitated by an external advisor. In Bulgaria, for example, a USAID-financed advisor coached business associations to become more effective advocates for policy reform by leading them through issue identification, constituency-building, and policy dialogue using strategic management tools. In the Philippines, USAID-supported process facilitators helped a joint team from the Department of Finance and the Customs Bureau to guide the Inter-agency Tax Credit and Duty Drawback Center from start-up to operations. The center achieved remarkable success in streamlining tax rebate procedures for Philippine export firms, which resulted in cutting operating costs to exporters, thereby enhancing their competitiveness, and in reducing corruption, which had plagued the tax rebate system in the past. In Tanzania, a tax policy reform effort combined training with process consultation. Staff of the Tanzania Revenue Authority received strategic management training that was followed up periodically by in-country visits from a tax policy expert, who helped the staff to move the reform forward by applying what they had learned. Preliminary indications are that tax collection and taxpayer compliance have increased, and fraud and corrupt practices have decreased.

POLICY IMPLEMENTATION TOOLKIT

To help policy implementors address the different elements (i.e., outward-, inward-, and forward-looking) of strategic management, USAID has underwritten the development and/or refinement of a policy implementation toolkit. This set of tools is versatile and can be applied to policies across a broad range of sectors and to the sequence of policy implementation tasks. Furthermore, the tools can help implementors to make democratic governance operational, for example, assuring that information about new policies is disseminated, seeking citizen input on reforms, and building feedback and accountability processes. A sample of these tools, with some illustrative applications, include the following:

Stakeholder Analysis
Stakeholder analysis helps managers identify individuals and groups that have an interest, or a stake, in the outcome of a policy decision. It provides a framework for assessing the strength of stakeholders' support or opposition, and for evaluating the resources stakeholders have at their disposal to act upon their position. The tool consists of a catalog of stakeholders; a classification of those stakeholders into supporters, opponents, or neutral parties; an evaluation of the resources they command to support or oppose the policy, and of their willingness to commit those resources; and a prioritization of the stakeholders in terms of which groups are the most important ones for managers to seek to influence. USAID's assistance to the Tanzania Revenue Authority featured training in stakeholder analysis and application of the tool to the elaboration of various revenue-generation alternatives; this was critical, for example, to devising strategies to increase taxpayer compliance. In El Salvador, stakeholder analysis assisted a judicial sector working group to develop a strategic management plan. In Lesotho, stakeholder analysis workshops helped the Ministry of Agriculture gain a better understanding of citizens' interests and positions

relevant to livestock grazing and agriculture policy. A stakeholder analysis in India helped USAID avoid a costly mistake. In the process of developing a women's and children's health project, the USAID Mission conducted a stakeholder analysis to determine the degree of support for, and consensus on, the project's approach to health service delivery and the allocation of implementing responsibility. The analysis uncovered significant disagreements and government unwillingness to delegate operational authority to NGOs and local communities. USAID decided that the project would not be able to achieve its objectives and cancelled it.

Political Mapping

Political mapping advances stakeholder analysis by creating a graphic representation of the political landscape for a given policy. The map permits a finer-grained assessment of the support and opposition facing policy implementation and allows implementors to track how various implementation strategies might rearrange coalitions of supporters and opponents. In Ecuador, USAID assisted a health sector reform team to conduct a mapping exercise that contributed to strategically managing the introduction of new methods of financing health service delivery. The map helped the team to reduce the opposition of health worker labor unions to the reform. In El Salvador, the agency for environmental protection (Ministerio del Ambiente y Recursos Naturales) received technical assistance in political mapping to build scenarios of likely support for and opposition to environmental policy reforms in the forestry, water, and coastal resources sectors. As a result, the agency carried out a series of citizen consultations to increase understanding and support for the new environmental policies.

Policy Workshops

Policy workshops are a process tool that enables stakeholders to share information, discuss issues, build consensus, and/or develop action plans. Policy workshops are a variant of the team-planning meetings and project-launch workshops used for program start-ups. The SADC constituency-building effort for transportation and communications policy is one example

of the use of sequenced workshops to move policy issues through a process of issue identification, discussion, consensus-building, and protocol development. Another example comes from Ghana, where USAID supported a public-private workshop that focused on diversifying exports. This workshop brought together prominent members of the business community, Ghana Export Promotion Council staff, and representatives of the Ministries of Finance, Trade, and Agriculture. It created a shared understanding of the policy issues and implementation constraints to sustained growth in non-traditional exports and built agreement on what actions could be taken to improve export promotion policy.

Negotiation

Negotiation figures prominently in policy implementation and consists of a set of analytic methods for breaking issues down into negotiating points, determining acceptable outcomes, and defining bargaining strategies. These methods are integrated with interpersonal communications techniques for managing discussion, dealing with conflicts, and reaching agreements. The SADC protocol workshops, for example, employed negotiation to get the national and regional constituents to agree on the elements to be included in the protocols that the member countries later voted on and ratified. In South Africa, USAID provided support to local associations to improve their negotiation, lobbying, and advocacy skills so that they could engage in policy dialogue with government on promoting small business in general and black small businesses in particular. One of the associations, the National Federation of African Chambers of Commerce, focused on barriers to entry. It commissioned a study that the chambers of commerce subsequently used to lobby successfully for streamlined procedures to establish small businesses. In Bulgaria, a USAID technical assistance team helped local officials to develop negotiation skills in the context of decentralization policy that sought to devolve increased responsibilities to local municipalities. Implementing the policy called for ongoing negotiation between central authorities and the municipalities regarding resources, responsibilities, and procedures.

Coordination

Coordination deals with how to link the multiple actors involved in policy implementation so that the reform steps they undertake are complementary and contribute to achieving the intended policy reform outcomes. Coordination includes information-sharing, resource-sharing, and joint action. These vary in administrative intensity from low to high; meaning that information-sharing requires less management effort and organizational adjustment than joint action. Focusing on coordination can help policy implementation partners to specify which kinds of coordination will be most helpful, articulate some common ground rules for their partnership, make sure the rules do not become overly formalized and constraining, and look for win-win opportunities to work together. USAID pioneered approaches to improving the policy coordinating capacity of executive offices of African countries. It sponsored two regional African Executive Office Conferences, which provided fora for executive office staff (usually from the Office of the President of their country) to learn about best practices in other countries from the region and beyond. The success of these conferences led to the development of a formal information-sharing network of African Executive Office staff, with members from 10 countries. As part of the establishment of policy analysis and implementation units, USAID provided technical assistance to improve policy coordination in Honduras, Jamaica, and Zambia. In Zambia, for example, developing rules for content and format of policy proposals submitted for cabinet debate greatly improved coordinated decision-making by giving ministers a common information base that highlighted trade-offs and complementarities among policy options. In Jamaica, the unit helped to identify and eliminate redundant and conflicting functions in the Ministry of Finance and the Central Bank, which resulted in more efficient coordination of fiscal policy.

ORGANIZATIONAL VENUES

A fundamental challenge facing policy implementors is organizing and pursuing action in light of the "nobody in charge" attribute of reform settings. Since reforms call for complex intervention by more than a single ministry, department, or organization, the natural tendency to use the principle of hierarchy to structure multi-organization relationships does not work well. Establishing a hierarchical chain of command of superiors and subordinates usually breaks down if tried across organizational boundaries. This creates a dilemma for policy implementors: What kinds of organizational venues are available that can help different organizations and groups to work together but that do not rely solely on hierarchy and formal authority? USAID's experience around the world with analyzing and facilitating policy implementation reveals some options:

Fora
These are events, meetings, or settings designed to exchange information and opinion, promote dialogue, and identify issues requiring action. They are often broadly participatory, assembling government officials, politicians, and members of civil society to air their views on the impact of current policies or the desired shape of future policies. Fora can be town meetings, parliamentary hearings, ad hoc workshops, or seminars. They do not necessarily have to be face-to-face; electronic networks, radio or television debates, and print media exchanges also qualify. Examples of fora are the national and regional workshops in Southern Africa that progressively refined the SADC transportation and communication protocols; the Uganda National Forum, which legitimized dialogue on business policy between government and the private sector; the town meetings held in Bulgaria to develop a new small and medium enterprise policy; and, also in Bulgaria, the television call-in show to debate a variety of national policy reforms.

Arenas

These are the places where policy decisions occur. They can include discussion and debate, but they differ from fora in that binding decisions are made. Policy arenas can include executive cabinet meetings, legislatures, parliamentary committees, regional or local governing commissions, and ministerial councils. Examples of arenas created as part of policy reforms include the policy units in Zambia and Honduras and the regional livestock trade policy committees in West Africa. Meetings of these policy committees brought together government and private sector representatives from the three countries involved, and because decisions taken were publicly affirmed by all the participants, there was very little backsliding or failure to follow through; this helped the reform measures to be implemented and to achieve their intended results.

Courts

Courts are venues where disputes, including not simply formal legal cases, over the interpretation or implementation of policies can be adjudicated. In this sense, "courts" contain both the judicial structures familiar to most and other dispute resolution mechanisms. For example, in Mali's forestry policy reform, community organizations that are allocated responsibility for resource management use traditional village councils to monitor compliance, resolve disputes, and punish offenders. This local judicial mechanism is an important element in implementing community-based forestry programs.

Agencies

These are the entities charged with taking policy implementation actions. To function effectively, they need to become more outward-focused, more open to external input, more collaborative, and less control-oriented. When existing formal organizations (likely to be hierarchies) are given responsibility for policy reform actions, the challenge is often to help them to become less hierarchical and inward-looking. For example, USAID provided strategic management assistance to The Gambia's Ministry of Finance to help the ministry become a more effective implementor of economic policy reform. Ministry staff reviewed the new demands placed on them by

the reform, revised their operating mission, assessed their strengths and weaknesses, and developed a plan for structural and procedural change. Among these changes were less recourse to organizational hierarchy to solve problems and more reliance on staff taking action in cooperation with their peers. In other cases, new organizations are established, with the challenge to assure that they are designed to fulfill their implementation roles effectively without excessive reliance on hierarchy and control. Examples here include Madagascar's and Uganda's national environmental offices created for implementation of their national environmental action plans. USAID provided analytic assistance to identify alternative coordination strategies to enable these offices to orchestrate multi-organizational action without getting bogged down in "turf battles" and conflicts. Another type of agency is a temporary one, set up with an explicitly limited lifespan. Such agencies are frequently used as bridging mechanisms to combine the actions of individual organizations and groups. The Economic Cabinet in Honduras and the Macro-group in Bolivia are examples of ad hoc, semi-formal agencies designed to take decisions and actions to implement economic policy reforms.

These various organizational venues are related to the policy implementation tasks in the following ways: Fora are the primary venue for policy legitimation and constituency-building. Arenas contribute to constituency-building, but are central to mobilizing actions and sometimes can be used for resource accumulation. Courts, broadly conceived, can play a role in monitoring impact, organizational design and structuring, and, potentially, resource accumulation. Agencies fit directly with action mobilization, organizational design and structuring, resource accumulation, and impact monitoring. To a lesser extent, agencies can serve constituency-building and legitimation functions, though they tend to do so indirectly through fora and arenas rather than directly.

A country's capacity to effectively pursue democratic policy formulation and implementation is related to the presence and vitality of each of these venues. For example, if few fora exist, it can be difficult for citizens to find ways of getting government to hear their views and incorporate their input into

policies. Unless arenas function effectively, how are policy mandates translated into operational decisions? Without access to courts and other dispute resolution mechanisms, the level of accountability for policy outcomes may be low. Weak agencies, obviously, will not be in a position to take effective policy actions. Also important are the linkages among the various types of venues. Do citizens' views raised in fora find their way into decision arenas? Have the agencies responsible for implementation been able to participate in fora? Do courts effectively settle differences in interpretation of policy decisions?

Countries that make effective use of these venues are building a firm organizational base for democratic governance. Transparency, accountability, and responsiveness become concrete when policies are developed and implemented via an integrated system of arenas, fora, courts, and agencies.

STATE/CIVIL SOCIETY PARTNERSHIPS FOR POLICY REFORM

In the multi-organizational landscape of democratic governance and policy reform implementation, USAID has observed the increasingly common pattern of public agencies working in partnership with civil society groups. In these partnerships, joint objectives are achieved through the combined efforts of both sets of partners, while their interests, roles, and responsibilities remain distinct. USAID and other donors promote policy partnerships because implementation of the current generation of policy reforms extends beyond government capacities to achieve results without citizen involvement. Examples include environment and natural resources management, where government forestry agencies and community groups work together for sustainable resource use; privatized service delivery, where private providers work with public agencies within a government funding and regulatory framework to offer efficient and high quality services; HIV/AIDS prevention, where partnerships among public health agencies, NGOs, and community groups seek to educate people and reduce levels of prevalence; anti-corruption, where, for example, local chapters of Transparency International seek to form partnerships with the business community and civil society to press for government reforms; and agricultural export promotion, which often pairs public agricultural research institutes and producers associations to improve the quality and quantity of exports.

Success in each of these policy areas depends upon effective engagement of civil society and often the private sector with the public sector. The quality of this engagement is affected by how democratic the country's governance system is: the more democratic governance (e.g., access to information, venues for debate and opinion-sharing, public sector transparency and responsiveness, and accountability mechanisms), the better the policy partnership. Two examples

illustrate this, demonstrating the linkage between economic growth and democratic governance:

West African Enterprise Network (WAEN)
Beginning in 1993, USAID supported the creation of a network of independent business associations in West Africa. From an original base of eight small, national associations, the WAEN, now a formally registered regional NGO headquartered in Ghana, comprises active national networks in 12 countries with over 300 businesspeople as members. Its mission is to improve the business climate in member countries and to promote cross-border trade and investment. Initially, the WAEN pursued cautious policy dialogue with governments that were at first suspicious of organized citizen efforts to lobby them. Over time, network members were able to demonstrate convincingly their sincerity in fostering economic growth, and the governments became more open and responsive. A partnership gradually emerged, and the WAEN participated in the reform of legal and regulatory regimes, including revised investment codes, foreign exchange acts, and business tax policies in its member countries. The WAEN has also created new financial instruments and has fostered a number of joint ventures as a result of its efforts. The regional federation of national associations model proved so successful that the business communities in both Eastern and Southern Africa requested and received USAID and World Bank assistance to organize enterprise networks in their own regions.

Bulgaria Small- and Medium-enterprise Policy Reform
USAID's assistance program to Bulgaria focuses on nurturing private sector development. It began with firm-level assistance, helping a selected set of individual firms to build their capacity and to gain access to the financial resources necessary for expansion. USAID quickly found that legal and policy constraints had to be confronted in order to create an enabling environment for privately owned business and competitive markets. USAID provided assistance to business associations in building coalitions, lobbying, and policy dialogue. The associations worked in collaboration with local, policy think tanks. Eventually, assistance expanded beyond the private

sector to target public officials' and parliamentarians' capacity to listen, provide information, and incorporate citizen input into legislation and policy. Among the results achieved was a highly participatory policy consultation and legislative drafting process that led to the development and passage of a new small- and medium-enterprise law. Bulgarian government officials and civil society participants commented that it was the most democratically formulated law in the country's history, and this was the first time they had worked in open and egalitarian partnership with each other. Further, they noted that working in partnership resulted in better quality legislation, because the provisions included in the law better reflect what is needed to support the small- and medium-enterprise sector. For instance, the law reduces the number of inspections small and medium enterprises are subject to. This change decreases operating costs and limits corruption. Previously, government inspectors conducted numerous arbitrary inspections, and used the threat of assessing violations to solicit bribes.

APPLYING THE LESSONS LEARNED

USAID's investment in analysis, tool development, field-testing, and technical assistance in policy implementation and strategic management has yielded a valuable set of analytic and management techniques, a toolkit to help reformers apply the techniques, and an experience base that shows what works and what does not. Today, some of these techniques and tools are both well recognized and widely used (e.g., stakeholder analysis). Others, however, are less commonly understood or applied (e.g., the different modes of coordination). Looking to the future, it is evident that there is room both to expand and deepen their application. As countries proceed with democratic and economic transition, greater need and opportunities are emerging for assisting governments to implement policies with effective participation from multiple stakeholders in ways that assure transparency, accountability, and responsiveness.

Many policy implementors in the world's developing and transitional countries have not had the opportunity to learn about or use policy implementation techniques and tools. Broader policy impacts are possible if more implementors in more countries and more development sectors are familiar with the six policy implementation tasks and manage those tasks strategically.

Deepening the application of the techniques, tools, and lessons has two facets. First, it means that policy managers with a basic understanding of the devices gain a more nuanced, sophisticated, and versatile grasp of their uses. For example, identifying and ranking who stakeholders are is one thing, but knowing how to manage diverse stakeholder involvement under shifting circumstances with highly limited resources is quite another. Second, more members of a particular reform implementation effort should acquire these techniques and skills; this is part of the process of institutionalization. Sustained progress toward reform targets, the achievement of intended impacts, and improvements in democratic governance are less likely if only a small circle of partner country managers and leaders builds their capacity in

policy implementation and strategic management. Such capacity is critical at all levels of government, for example, where policy reforms are decentralized and require the participation of public officials and citizens at regional and local levels, as well as at the center.

These techniques and tools also have application to international assistance agencies. Donors are revising the way they provide development assistance, as more effective and sustainable intervention strategies are identified. The increasing use of partnership principles in defining the relationship between donors and recipient countries, from program design, through implementation, to monitoring and evaluation, is one important example. Increased transparency in donor decision-making is being emphasized in concert with more transparency in recipient country government-citizen interactions. Many donors emphasize the importance of participation by civil society and the business community in decisions regarding international assistance. USAID's policy implementation toolkit and related approaches developed by others, for example, the World Bank's comprehensive development framework, are integral to new donor-country assistance partnerships.

EMERGING CHALLENGES FOR POLICY IMPLEMENTATION

As USAID continues to work with its development partners around the world, it recognizes a number of emerging challenges related to policy implementation. Some of these derive from application of the implementation techniques and tools to new development tasks. Others stem from changes in the operating environment of host-country policy implementors that suggest the need for additional refinement of the policy analysis and management toolkit. They include the following:

Transitioning from complex emergencies

Countries seeking a way forward after natural disasters or debilitating regional or civil wars confront pressing political, humanitarian, and development challenges. USAID has played an important role in disaster response and humanitarian assistance, and has noted that managing transitions shares some of the features, albeit in more dramatic and acute forms, of implementing policy reforms: for example, planning with incomplete information, working in unstable political environments, getting diverse organizations to work together, and dealing with winners and losers. Many of the tools developed for the implementation of policy could be applied to helping countries deal with the aftermath of complex emergencies and speed the transition from relief to development.

Anticipating and managing conflict

While some degree of conflict almost always accompanies the implementation of policy change, implementation is greatly hindered by excessive or disruptive conflict. It is vital to understand up front where in the course of policy implementation to expect conflict, how to recognize it, and what actions can be taken to manage it. Just as project management principles have contributed to policy implementation, conflict management approaches that have been developed for resolving policy disputes could be adapted

to other conflict-laden settings within communities and among organizations.

Dealing with globalization
Developing and transitional countries face a complex transnational network of forces collectively referred to as globalization. These include the dominance of international capital, free markets, trade and export emphases, and the telecommunications revolution. Country officials find themselves subject not simply to the pressures and expectations of their citizens, but beholden in various ways to an expanded set of international stakeholders. Coping with transnational conventions and entities, such as the World Trade Organization, the North American Free Trade Agreement, or the Climate Change Convention, closely resembles the multi-organizational, multi-constituency setting of policy implementation. This could be another potentially fruitful area of application of the policy implementation lessons.

Institutionalizing democratic governance
USAID's experience with democratization has led to a deeper understanding of the transition process. Countries follow different trajectories, backsliding and reverses can occur, and the process is much longer term than originally anticipated. It is clear that there is more to be learned about designing and managing policy change within newly democratizing settings. Areas for focus include (a) broadening the participation of organizations in the policy process beyond the executive branch, to include the legislative and judicial branches of government; (b) more effectively including previously marginalized groups in policy debates, formulation, and implementation; and/or (c) addressing the ongoing problem of corruption.

ADDITIONAL INFORMATION

IPC has an extensive publications list, much of which is presented at its website: http://ipc.msi-inc.com/ipc.html

Specific written sources that may prove useful in further exploring the field of policy implementation include the following:

Brinkerhoff, Derick W. 1996. "Enhancing Capacity for Strategic Management of Policy Implementation in Developing Countries." Washington, DC: U. S. Agency for International Development, Center for Democracy and Governance. Implementing Policy Change Project, Monograph No. 1. This paper elaborates on the application of strategic management techniques and tools for policy implementation.

Brinkerhoff, Derick W. 1999. "Exploring State-Civil Society Collaboration: Policy Partnerships in Developing Countries." *Nonprofit and Voluntary Sector Quarterly*. Vol. 28, No. 4, Supplement, pp. 59-87. This article discusses features of successful partnerships, presents several examples, and offers some suggestions for what governments can do to promote partnerships.

Bryson, John M. and Barbara C. Crosby. 1992. *Leadership for the Common Good: Tackling Public Problems in a Shared-Power World*. San Francisco: Jossey-Bass Publishers. This book provides an extended discussion of managing in "nobody in charge" situations in the United States, and elaborates on fora, arenas, and courts as venues for making progress on reform implementation.

Crosby, Benjamin. 1996. "Organizational Dimensions to the Implementation of Policy Change." Washington, DC: U. S. Agency for International Development, Center for Democracy and Governance. Implementing Policy Change Project, Monograph No. 2. This paper offers more details on the policy implementation tasks framework and the organizational dimensions of managing policy reforms.

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