

Analysis of institutional constraints to service delivery in Pakistan

Poverty Analysis Clinic

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What constitutes institutional analysis ?

- Going from outcomes and trends – to the processes that generate the outcomes
 - Institutions that facilitate these outcomes
 - For example, in understanding education outcomes
 - Role of different providers: government/private/NGO
 - Modalities of service provision: flow of resources to providers, contractual arrangements, monitoring and enforcement of quality standards, validation through feedback from users
 - Broader issues of setting quality standards, curriculum, regulating private providers
 - Institutional analysis must be embedded in the context of political economy factors prevailing in the country
 - How to pick the institutional factors to be analyzed: focus on those that have direct bearing on outcomes related to poverty
 - For Pakistan, persistent “social gap” necessitates an analysis of institutional factors that impinge on social outcomes, like those in education and health

Data for conducting institutional analysis

- Data on such issues not typically part of a multipurpose household survey like LSMS
- Various ways of addressing this lacuna
 - Acknowledge the importance of institutions, but actually do little analysis
 - Case study approach: using administrative reports and secondary sources
 - Survey based approach: collect data eliciting responses from different perspectives
 - E.g. for service delivery, elicit responses from households, communities and service providers
- Data are often not “quantitative”, requiring a nuanced approach to interpret

What was done for Pakistan Poverty Assessment

- Use existing LSMS survey to analyze data relating education and health outcomes and identify gaps that can be explained by institutional factors
- Field a new survey (PRHS) that collects institutional data from different perspectives
 - Facility module: information elicited from teachers, PTAs, headmasters, primary health facility staff (e.g. teacher presence, student attendance, outpatient visits, availability of supplies)
 - Community questionnaire: information about elections, political institutions, infrastructure and demographics for >150 villages
 - Examples of political economy variables: voting behavior, promises made by election candidates, frequency of village meetings
 - Household questionnaire: to elicit information on enrollments, costs, access
- Complement with in-depth qualitative study of 6 sites that constitute a subset of the PRHS sample

Combining qual-quant approaches

- Institutional analysis, based on quantitative and qualitative data, served as a benchmark for the devolution exercise that had just been initiated
- Household, community and facility level data could be triangulated to probe into factors that impinge on social outcomes
- Community and facility data could be used to create political economy variables to test certain hypotheses about provision and quality of service delivery in health and education
- Qualitative survey served the useful purpose of examining processes, particularly as they relate to social groupings and political economy factors

Starting point in analyzing education: PIHS

What Factors Determine School Enrollments?

- **Results from a probit regression of school participation of children of age 6-14 indicate a combination of demand and supply factors**
 - Household's economic status is important; marginal effect of being in a higher consumption quintile on school participation is larger for urban areas; among rural households, it is larger for female children
 - So is parents' education: having a mother who has attended school makes it 23% more likely that a child will also do so
 - Proximity to school is a factor *in rural areas*: the presence of a girls' primary school within a 1 km radius increases the probability of a girl attending school
 - Placement of schools may however be endogenous to school participation – an issue that demands caution in interpreting these results

The need to go beyond PIHS data

- Distance to physical school facilities is only part of the “supply-side” story to explain poor outcomes in education
 - Firstly, the mere existence of a school does not imply that it offers quality education, or even that it meets the minimum standards of a functional school
 - E.g. out of 125 schools in rural areas visited by a survey team for a previous study (Gazdar, 2000), only 47 could be classified as “fully functional”
 - Secondly, physical presence of a school does not necessarily imply equal access to all members of a community; social hierarchies may significantly influence access of disadvantaged groups
- To explore issues of school quality and functionality, and how these relate to enrollments and attendance, PRHS contained a facility module fielded to all schools offering primary education in ~130 rural communities from 18 districts
- Qualitative survey of 6 sites provided insights into the types and patterns of exclusion, due to social hierarchies and divisions within communities

Results from the PRHS sample of 206 rural public schools offering primary education

- **Inadequate basic facilities:** 1/3 of the schools had an adequate building, or electricity; about 50% had access to drinking water, toilets or furniture; 16% of co-ed schools had a separate toilet for girls
- **Teacher absenteeism:** At the time of the visit, no classes were being held in 34 schools. In the remaining schools, 20% of teachers were absent – very detrimental since most schools have just one or two teachers
- **Low student attendance** in general, but found to improve with school quality
 - At the time of the visit, about 64% and 61% of enrolled boys and girls respectively were present in the classroom
 - Attendance rates were 5-20 percentage points *higher* when schools had better facilities (e.g. lower student-teacher ratio, availability of drinking water, toilets, furniture, electricity)
- Indications that **better quality of schools is associated with higher enrollments** in rural communities
 - Net primary enrollments for boys and girls are significantly higher in communities with *at least one school with adequate basic amenities*, than when the *school(s) lack those amenities*, or when *no school exists*
- These results indicate serious **institutional obstacles** that affect quality of schooling, which can be traced in part to political economy factors

Testing some hypotheses on the political economy of service delivery in Pakistan

The incentives of electoral competition in Pakistan are more aligned towards supplying targeted resources to constituents

- Even when education facilities are provided, the pattern is more consistent with a patronage model: schools are built for jobs and profit opportunities; teacher postings are more for providing jobs to supporters
- Empirical evidence from PRHS that the incentives of electoral competition lead to provision of services more in the form of construction of schools than that of quality (textbook provision, teacher attendance)
- *Whether* a school was built in a community since 1990, but *not* quality variables, is sensitive to the extent and nature of political competition
 - Whether villagers generally vote for the same candidate or party, politicians promise to build a school, and villagers meet frequently all have significant positive effect on the *construction of boys' schools*
 - Political variables are jointly insignificant in explaining *quality of schools* (teacher absenteeism, availability of blackboard, chalk, textbooks, electricity), suggesting little political incentive to improve quality on any dimension

Insights from the qualitative survey: the dynamics within communities

Critical to understand the factors governing the processes within communities.....some salient ones:

- **Notions of community may differ from administrative definitions**
 - Policy entry point is geographic notion of “community”: revenue village, electoral district, school catchment area etc.
 - “Sub-communities” based on prior affiliation are significant everywhere; provide robust bases for collective action of different types, but also marginalize and exclude the poor
- **Strong evidence of cooperation within “Communities”, and conflicts**
 - Cooperation in monitoring teachers; providing facilities- premises, works; local initiatives such as informal schools
 - Conflicts manifested in perceptions of who the school “belongs” to, appointment of teachers and headmasters, and perceptions of school performance
- **Strong, stable voting blocs, which explains in part the incentives of electoral competition described previously**
 - Candidates and their factional supporters have good prior information on individual voting intentions

Will Devolution Improve Service Delivery?

- **Will depend critically on whether devolution can improve incentives by reducing distortions in current electoral competition**
- **Reasons for optimism**
 - Elected local officials confront greater political costs in undermining provision of services to generate patronage opportunities
 - Under the structure envisaged by devolution, there are more checks operating on officials who try to provide patronage
- **A necessary pre-conditions for positive change**
 - Elections at local level be competitive – preliminary analysis of local election indicate these were generally so; however, it has also been observed that “traditional elites” have won many of the local government elected offices
- **Success will also depend on the extent to which decision-making powers and accountability are shifted to the local governments**
 - So far, limited changes have occurred - local govts cannot hire/fire most service providers, are restricted in their ability to raise taxes, and can exercise only limited discretion on the allocation of resources from higher tiers of government

Community dynamics and devolution

- **Need for stronger rules-based governance in administrative system**
 - Without clarity on roles and responsibilities of different tiers of government, communities can distort delivery of services, for example by excluding certain social groups
- **Need for stronger public commitment to “citizenship-based” entitlements**
 - Universalist and “citizenship-based” entitlements moderate the effect of parochial identities and this should be factored into policy strategy.