Soft Standards and Long Causal chains: Challenges and Opportunities in Evaluating TAI in Extractives sector

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Outline of the paper

• Why TAI?
• A generic theory of change for TAI
• Challenges in evaluating TAI
• What can we learn from TAI in other sectors
• How 3ie TATW studies handle the challenges
• Key takeaways
Natural Resources: a Boon or Bane?

Resource curse

Some counter examples

Sachs & Warner, 1995
Transparency Narrative

Better information disclosure (transparency) restricts government discretionary spending and checks leakages (accountability), which in turn will lead to better government spending / service delivery and development outcomes.
TAI: A generic theory of change

Information on revenue, exp, and socio-environmental externalities → Public scrutiny and debate → Accountability → Effective government spending and service delivery

Assumptions

Information is targeted, timely, accessible and clear

Demand for information

General level of education

Forum for deliberation

Electoral politics and vertical accountability

Judiciary, law enforcement and auditing agencies, and horizontal accountability

Intermediaries and diagonal accountability

Government capacity

Ability of intermediaries in accessing, interpreting and disseminating information

Media

CSOs

Participation benefit vs. cost

Collective action problem

Source: Adopted from Epremian et.al (2016)
Challenges in Evaluating TAI in Extractives

• Difficulties in attribution: long causal chain
• Lack of a valid control group and counterfactual
  o Universal (nation/sector-wide) policies
  o Soft policies (voluntary initiatives)
• Complexity of interventions and the context
  o Typically influenced by many contextual factors (outside conditions)
  o Typically small ‘n’ interventions
• Measurement and data collection issues
• Mismatch of expertise
What can we learn from TAI in other sectors

Lessons from evaluation of TAI in service delivery (health, education, WASH and public service) (Gaventa and McGee, 2013; Leavy, 2014 and Fox, 2015)

- Not many rigorous impact evaluations
- Only a few studies are based on clear theory of change and assumptions
- Information alone is not adequate; citizens must be able to process, analyse and use the information.
- Strong role played by active media and CSOs (intermediaries) who can ‘translate’ and communicate information.
Possibilities for TAI in Extractives

Break the larger question into minor evaluable questions along the value chain

Explore community engagement interventions that lead to bottom up demand for transparency and accountability rather than top-down approach to improving transparency

Use technology to overcome data collection and measurement issues
TAI: A generic theory of change

**Assumptions**

- Information on revenue, exp, and socio-environmental externalities
- Public scrutiny and debate
- Accountability
- Effective government spending and service delivery

**General level of education**
- Forum for deliberation

**Electoral politics and vertical accountability**
- Judiciary, law enforcement and auditing agencies, and horizontal accountability
- Intermediaries and diagonal accountability

**Demand for information**
- Information is targeted, timely, accessible and clear
- Ability of intermediaries in accessing, interpreting and disseminating information
- Media, CSOs
- Participation benefit vs. cost

**Collective action problem**
- Government capacity

Source: Adopted from Epremian et.al (2016)
Economic and institutional development of resource-dependent countries

Source: Haglund, 2011
Key takeaways

Long causal chain makes analysing TAI impact on governance or SDGs very ambitious

• **Clearly articulate the theory of change** with all the potential assumptions and contextual factors

• Ask questions like **how best to disseminate information:**
  o What is the effective dissemination format to reach the intended audience (use of technology; platform for debate, etc.)?
  o Is the information understood and useable?
  o Does it changes people’s attitude toward TAI (i.e. demanding accountability)

• **Evaluate intermediate outcomes:**
  o Improvement in raising public awareness and
  o Impact on empowerment and citizen engagement with government

• Acknowledge the fact that “transparency alone” is not enough and **contextual factors** (education levels, effective judiciary and audit system, pre-existing accountability and anti-corruption systems) are critical for realising good governance and achieving SDG.
Thank you