



Understanding State Capacity

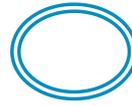
so that reform leaders can deliver development

Evidence from a survey in Bihar on the public health system

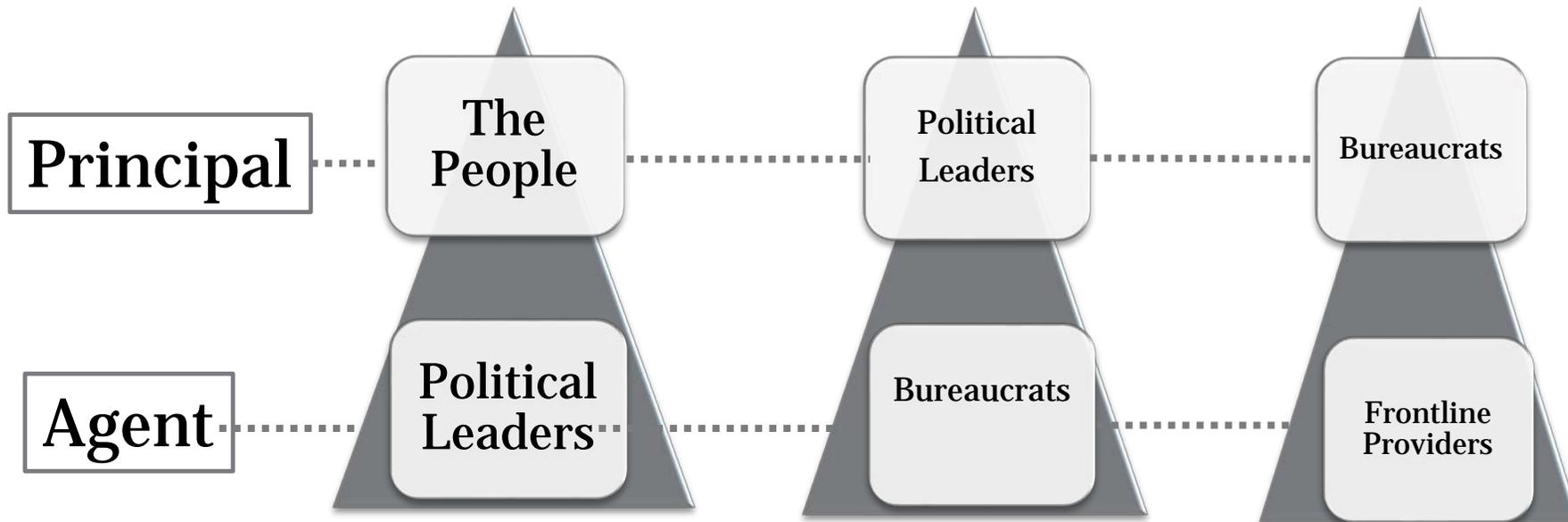
Development Research Group
The World Bank



Economic Theory of State Capacity



Series of inter-dependent “principal-agent” problems when one type of person (the “agent”) takes actions on behalf of or at the behest of another (the “principal”)



The survey in Bihar in 16 districts



GP Level

Households + SHGs
(4547)

Health Staff:
ANM/ASHA/AWW
(1428)

Politicians:
Mukhiya, Council Members, Contenders for Mukhiya
(1603)

Block Level

Bureaucrats:
MOIC, Program Managers(NHM), Program Officers(RCH), ASHA Supervisors
(165)

Health Staff:
PHC Doctors, ANMs, Nurses
(1188)

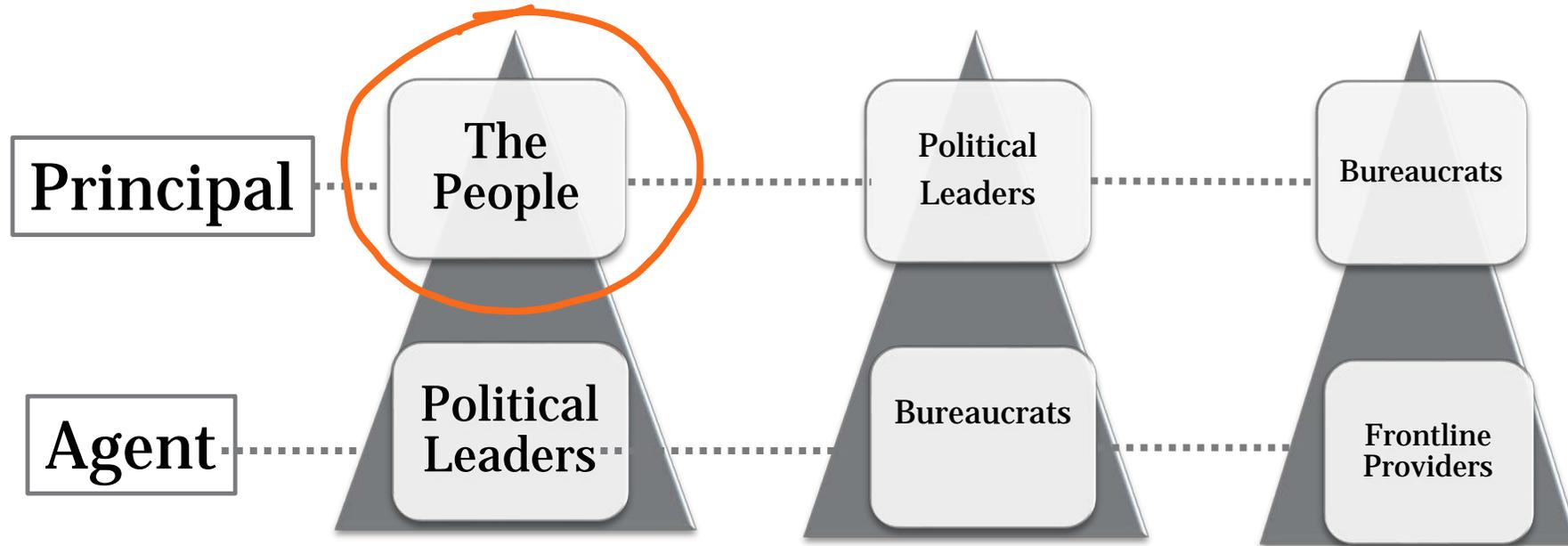
Politicians:
Chairperson/Member of Panchayat Samiti, MLAs
(146)

District Level

Bureaucrats:
CMO/ACMO, Program Manager(NHM), RCH/Immunization in Charge, ASHA Supervisor
(128)

Politicians:
Zilla Parishad - Chairperson/Member, MPs
(49)

The People and the State System



People Prioritize Public Spending on Health and Nutrition for their children

Using hypothetical vignettes to measure people's priorities over public spending

Now I am going to read out a fictional situation to you. Tell me your opinion on each of the following-

M3xQ1a. The state government leaders are deciding how to use a fixed amount of budget increase for this block. They have a limited budget so they can only afford one of the two proposals. Which of these would you prefer the government do?

1. To spend the money on schemes for creating jobs for few poor people
2. To spend it on improving the health of a lot of children in the block

M3xQ1a. मान लीजिये की राज्य सरकार द्वारा आपके क्षेत्र को दी जाने वाली धनराशि को बढ़ाया गया है. धनराशि **सिमित** होने के कारण दोनों में से एक ही काम हो सकता है. आप बताएं इनमें से किस **एक काम** के लिए यह धनराशि खर्च की जानी चाहिए—**कुछ गरीब लोगों** को नौकरी देने के लिए योजना निकाले या क्षेत्र के **बहुत से बच्चों** की स्वास्थ्य के सुधार में खर्च की जाए?

1. **कुछ गरीब लोगों** को नौकरी देने के लिए योजना निकाले
2. क्षेत्र के **बहुत से बच्चों** की स्वास्थ्य के सुधार में खर्च की जाए

M3xQ1b. what should the money be spent into-

1. To give cash transfers to few poor people
 2. To spend it on improving health of a lot of children in the block
1. **कुछ गरीब लोगों** को नकद में धनराशि दी जाए
 2. क्षेत्र के **बहुत से बच्चों** की स्वास्थ्य के सुधार में खर्च की जाए

M3xQ1c. what should the money be spent into-

1. to spend the money on schemes for creating jobs for few poor people
2. to spend it on improving roads throughout the block

M3xQ1c. और इन दोनों में से कौनसे काम के लिए धनराशि खर्च की जाये -- **कुछ गरीब लोगों** को नौकरी देने के लिए योजना निकाले या **पूरे क्षेत्र के रोड** में सुधार किया जाए

1. **कुछ गरीब लोगों** को नौकरी देने के लिए योजना निकाले
2. **पूरे क्षेत्र के रोड** में सुधार किया जाए

M3xQ1d. what should the money be spent into-

1. to give cash transfers to a few poor people
2. to spend it on improving roads throughout the block

M3xQ1d. सिमित धनराशि के कारण कौनसे एक काम पर पैसे खर्च करना चाहिए- **कुछ गरीब लोगों** को नकद में धनराशि दी जाए या **पूरे क्षेत्र की रोड** में सुधार किया जाए

1. **कुछ गरीब लोगों** को नकद में धनराशि दी जाए
2. **पूरे क्षेत्र की रोड** में सुधार किया जाए

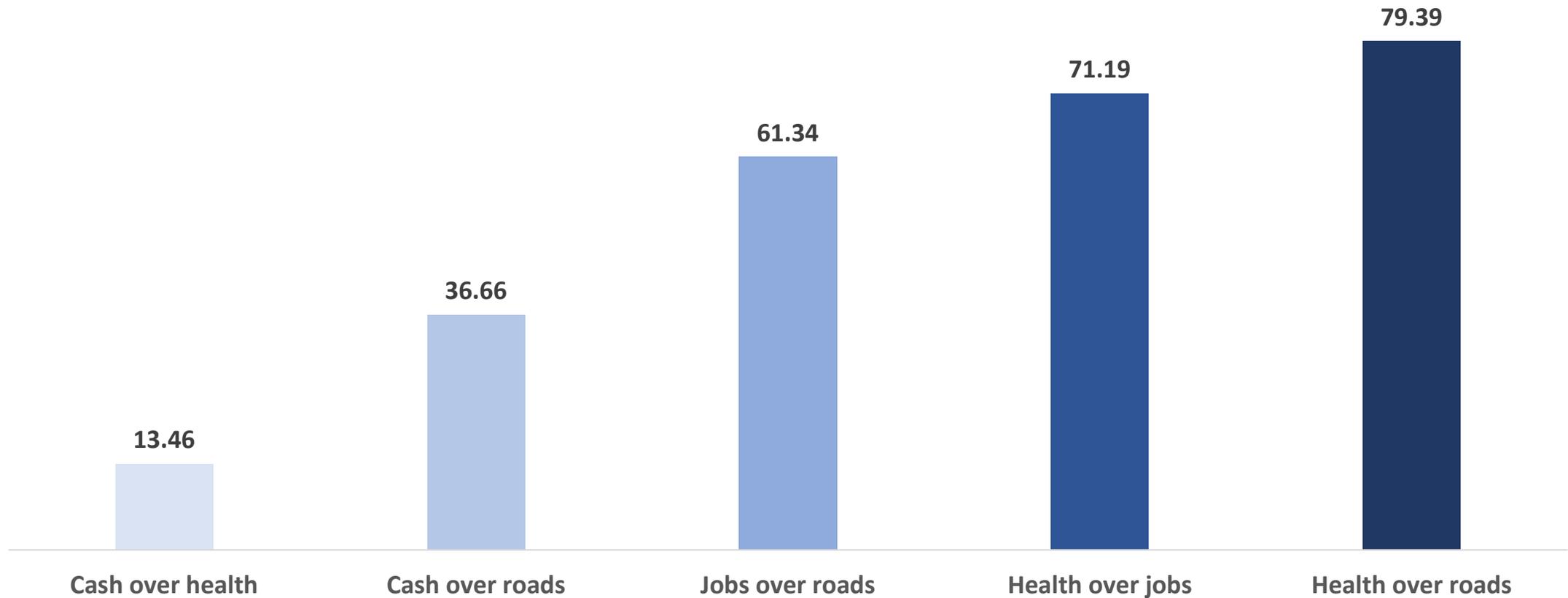
M3xQ1e. what should the money be spent into-

1. to spend it on improving health of a lot of children in the block
2. to spend it on improving roads throughout the block

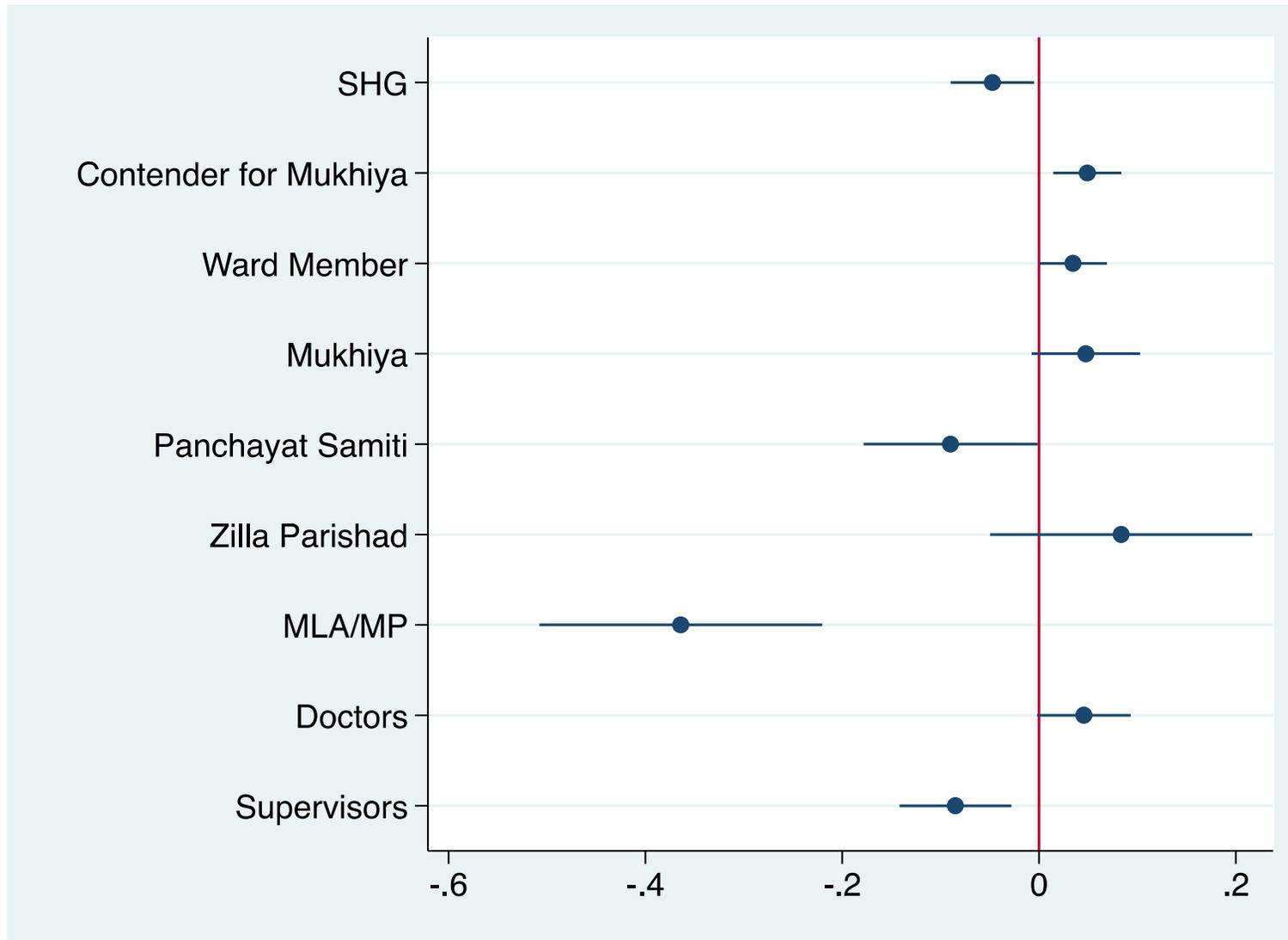
M3xQ1e. और इन दोनों में से कौनसे काम के लिए धनराशि खर्च की जाये- क्षेत्र के **बहुत से बच्चों** की स्वास्थ्य के सुधार में खर्च की जाए या **पूरे क्षेत्र की रोड** में सुधार किया जाए

1. क्षेत्र के **बहुत से बच्चों** की स्वास्थ्य के सुधार में खर्च की जाए
2. **पूरे क्षेत्र की रोड** में सुधार किया जाए

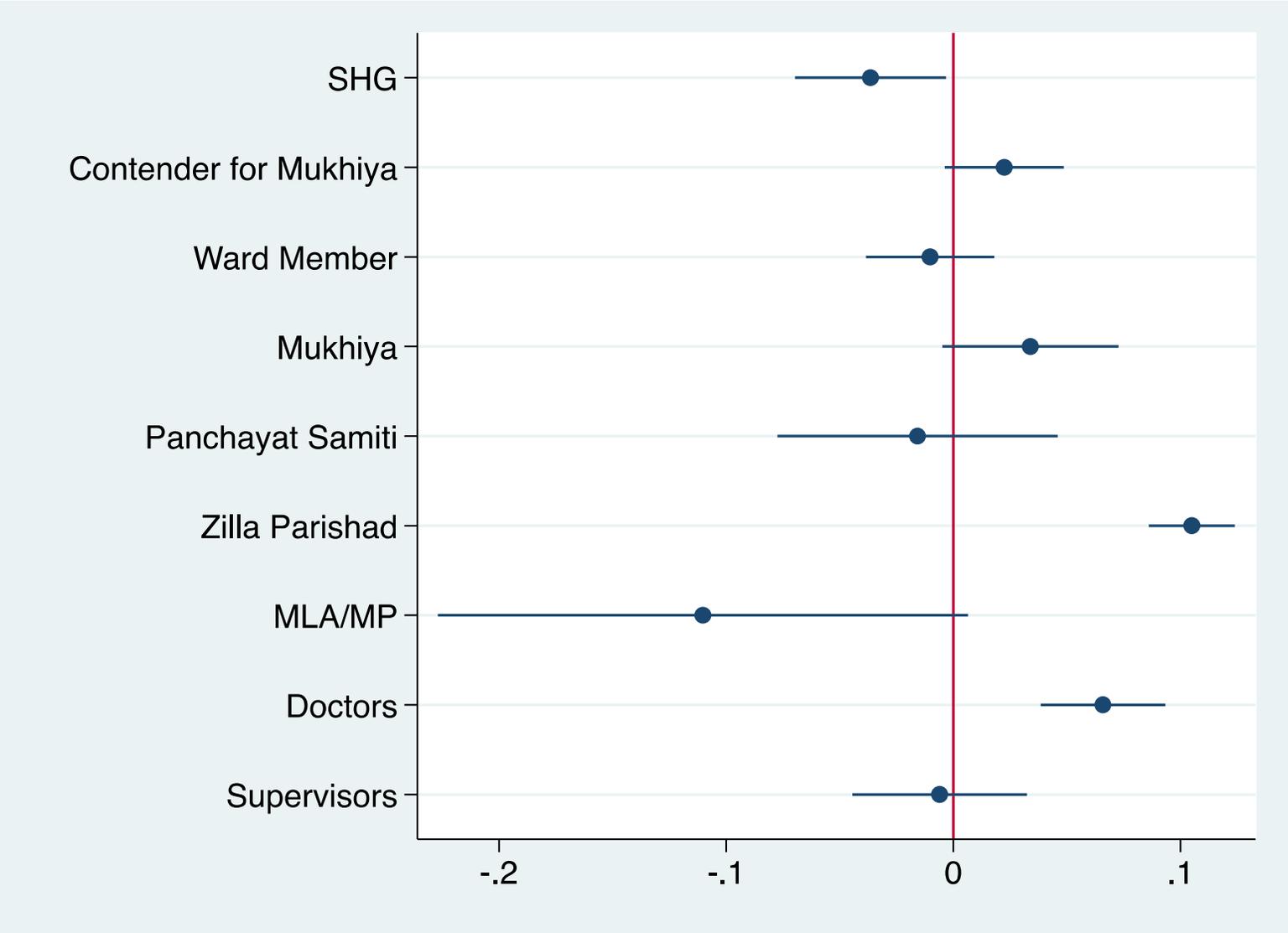
Share of household-respondents who prefer:



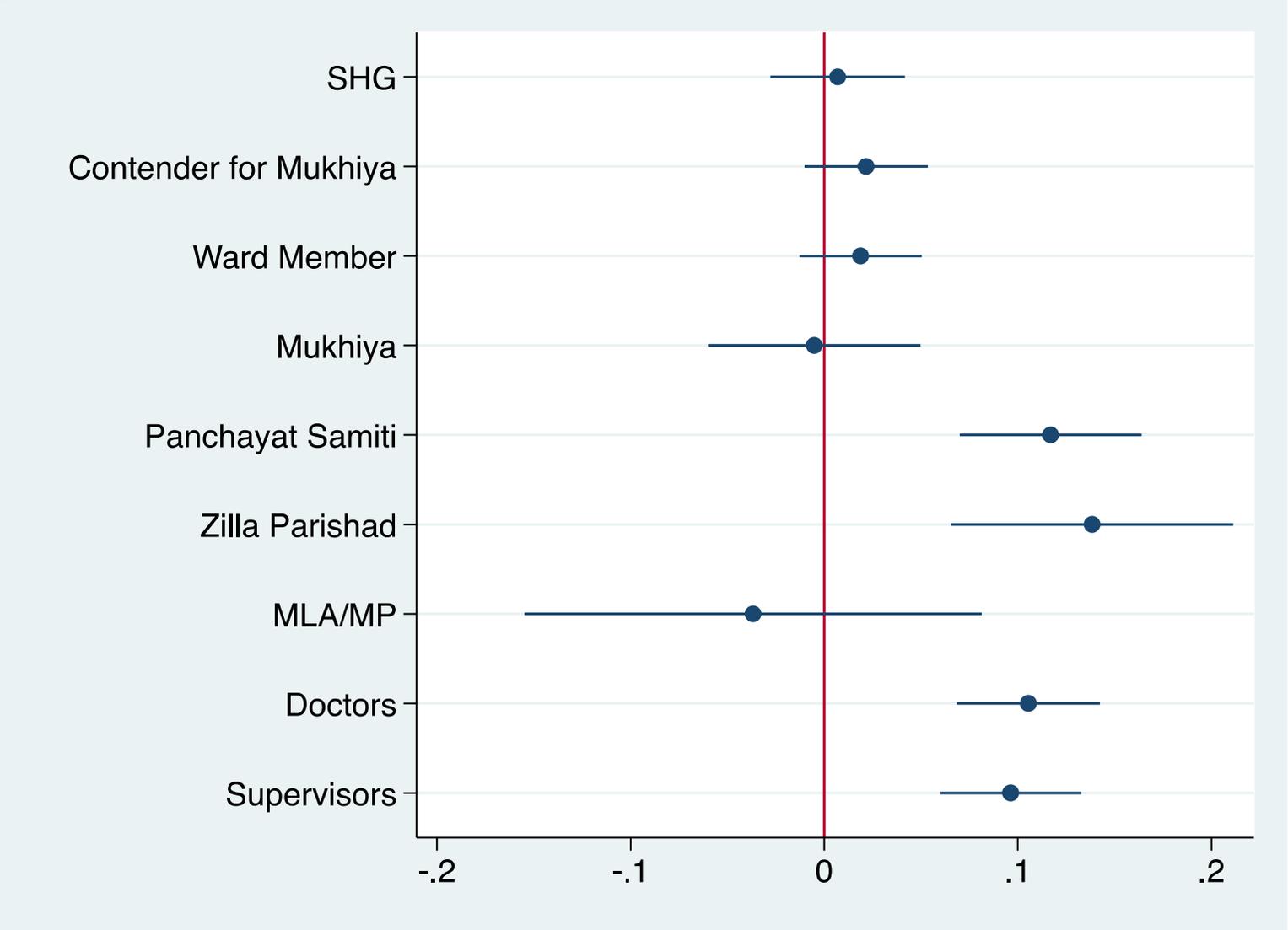
How other respondents compare to people in prioritizing health: over jobs



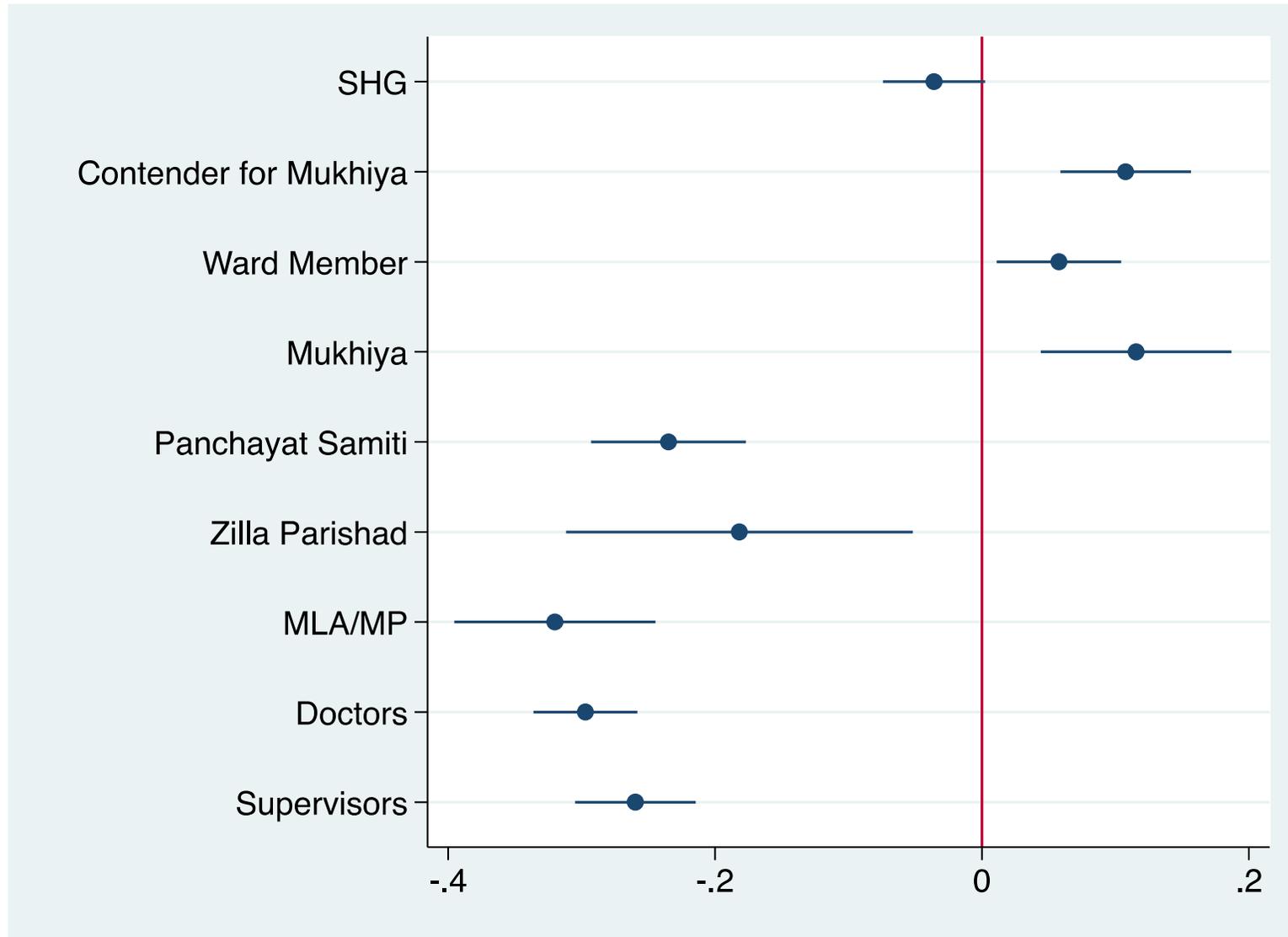
How other respondents compare to people in prioritizing health: over cash



How other respondents compare to citizens in prioritizing health: over roads



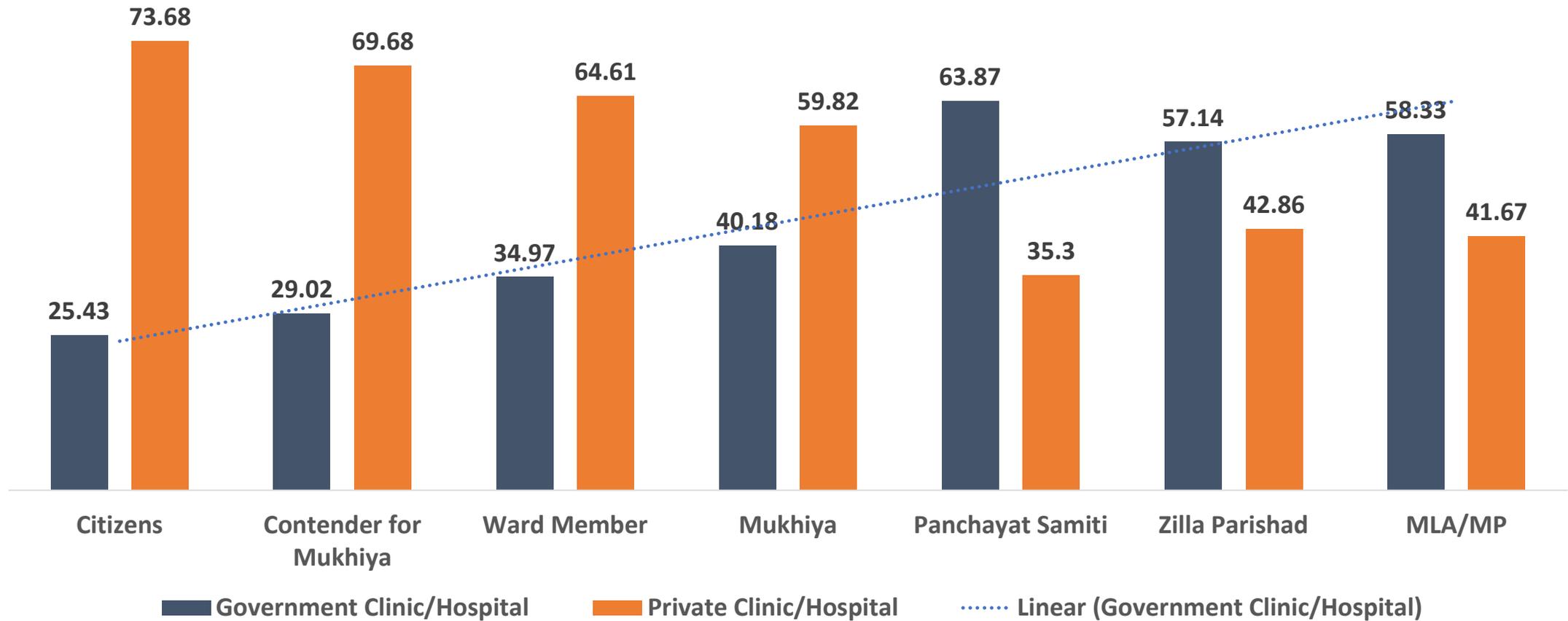
How other respondents compare to people in saying electricity should NOT be free:



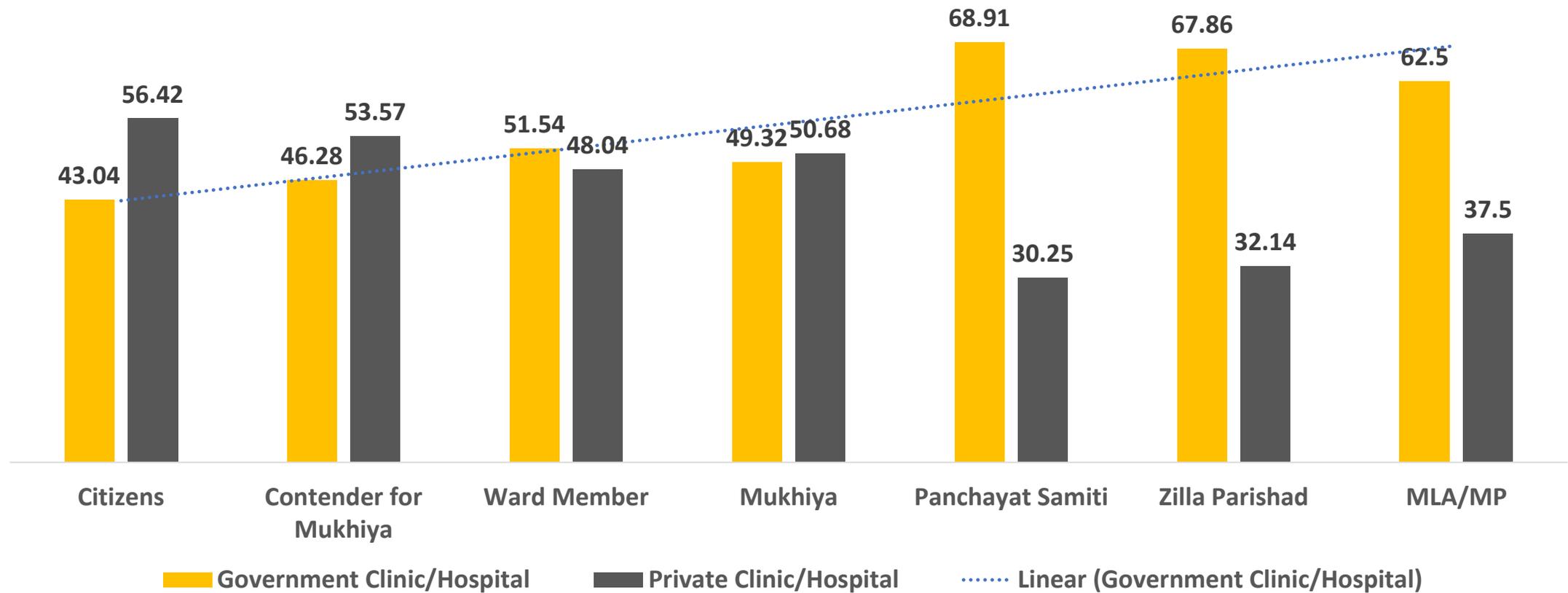
People use the public system for maternal and child health, but less so for curative care

Political power matters to access government hospitals

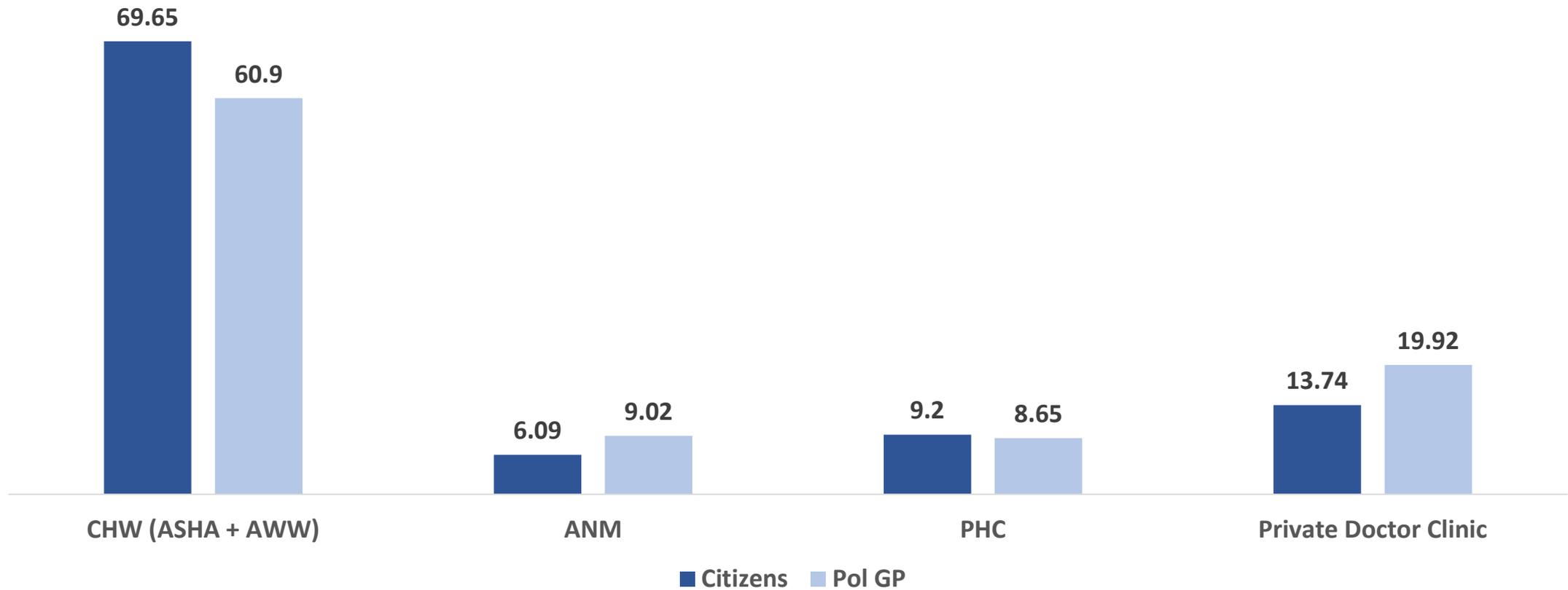
For common illnesses, use of government clinics increases with political power of respondents



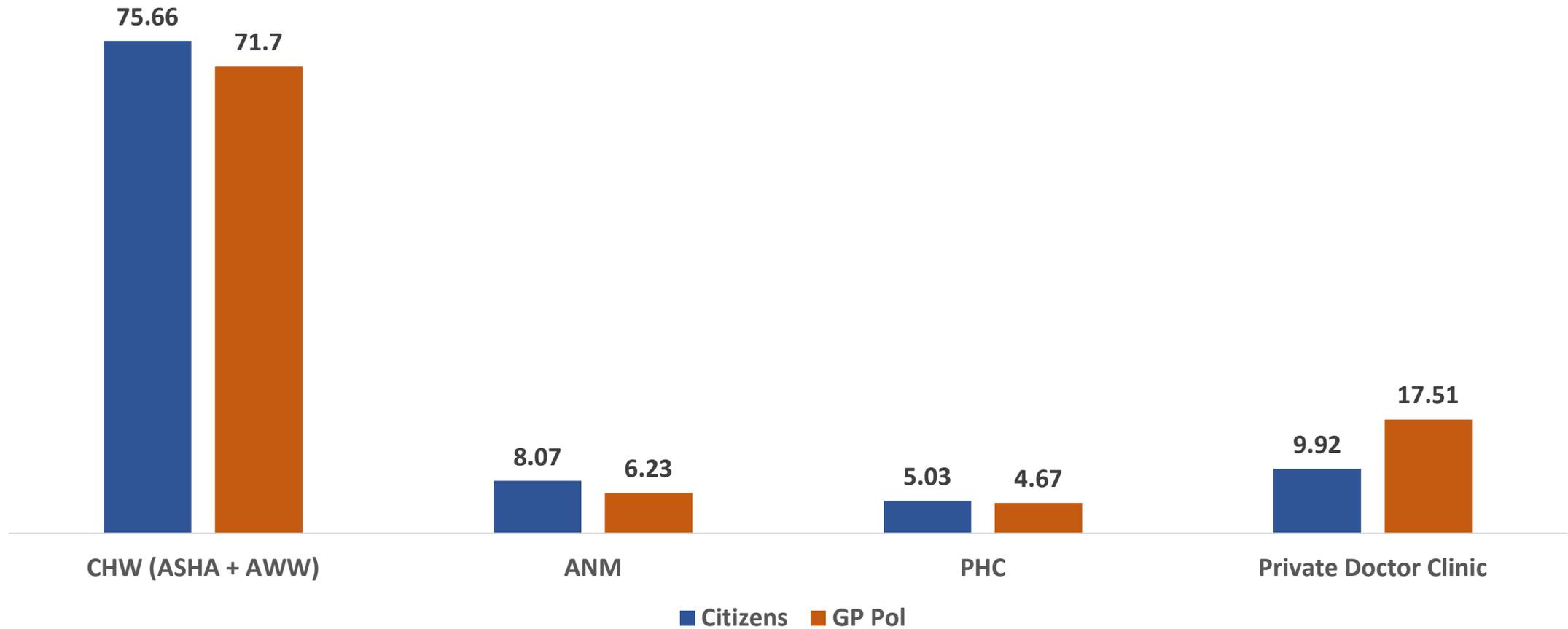
Similar results for serious illness requiring hospitalization:



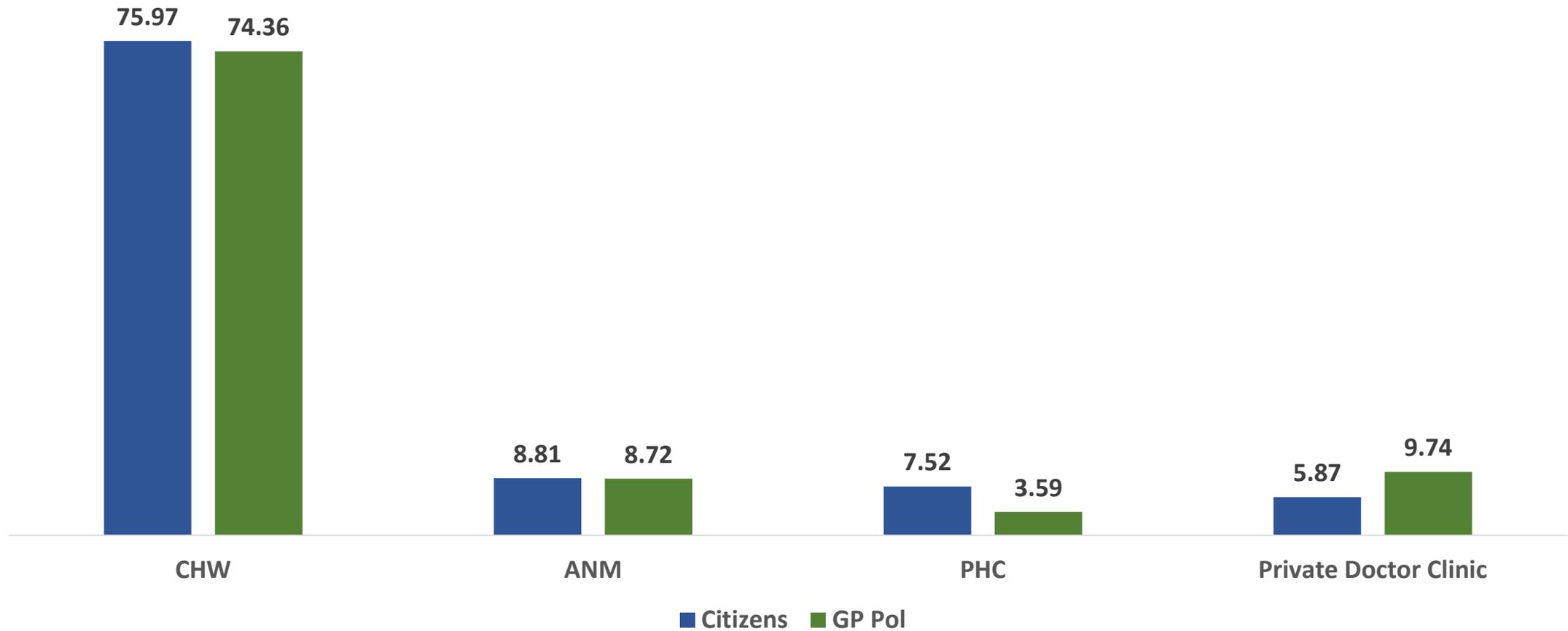
Women indicate Community Health Workers (CHWs: ASHAs and AWWs) for ante-natal care



Women indicate CHWs for iron and folic acid



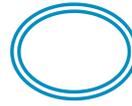
Women receive nutrition supplements from CHWs



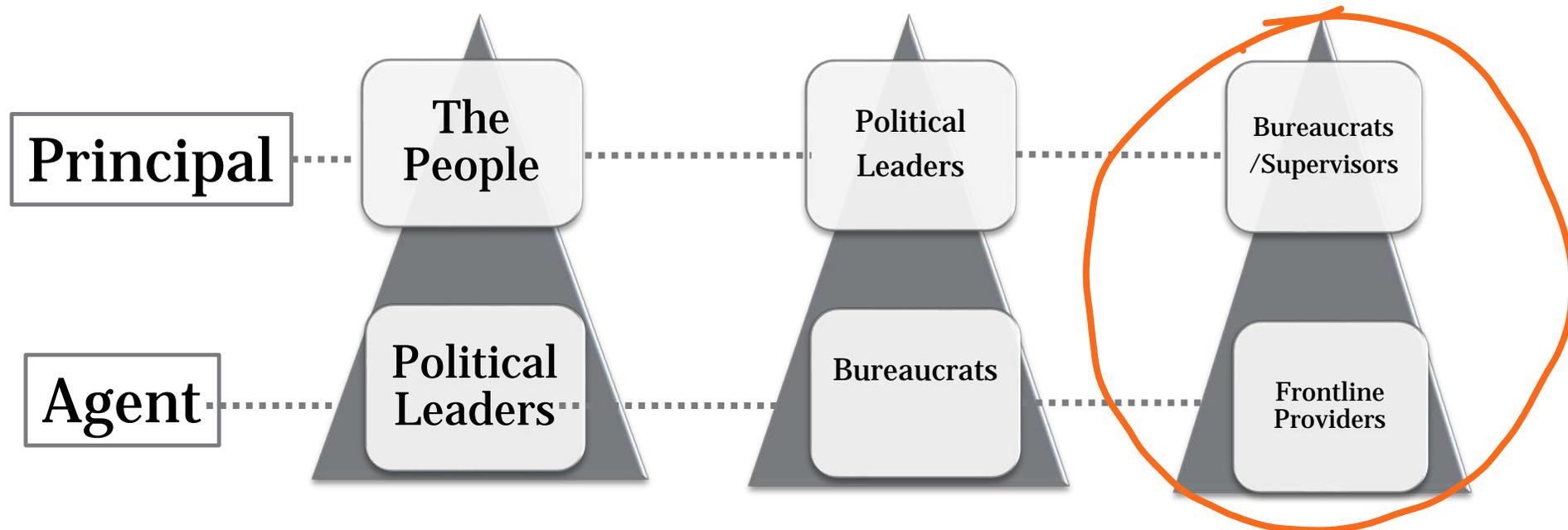
Section Conclusion: 3 take-aways

1. People prioritize child health and nutrition services in public spending
2. Political power matters in the access to curative health
3. People rely on CHWs for health and nutrition services

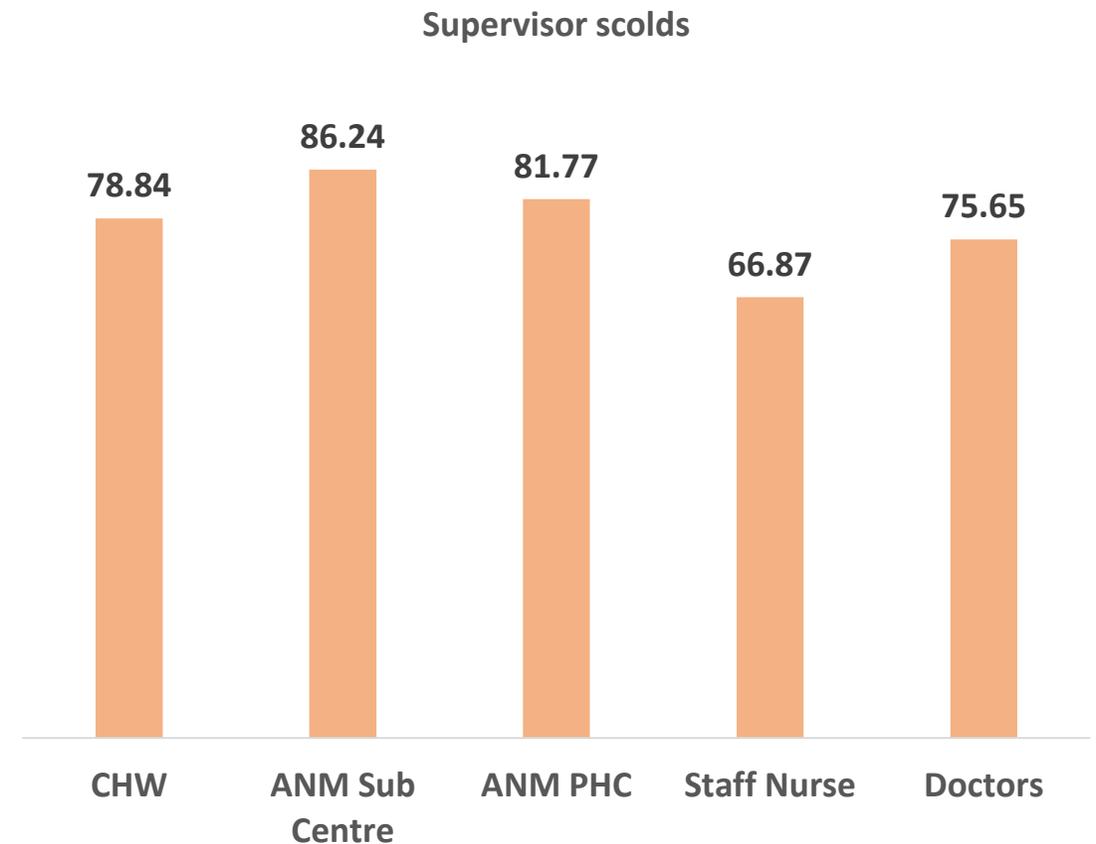
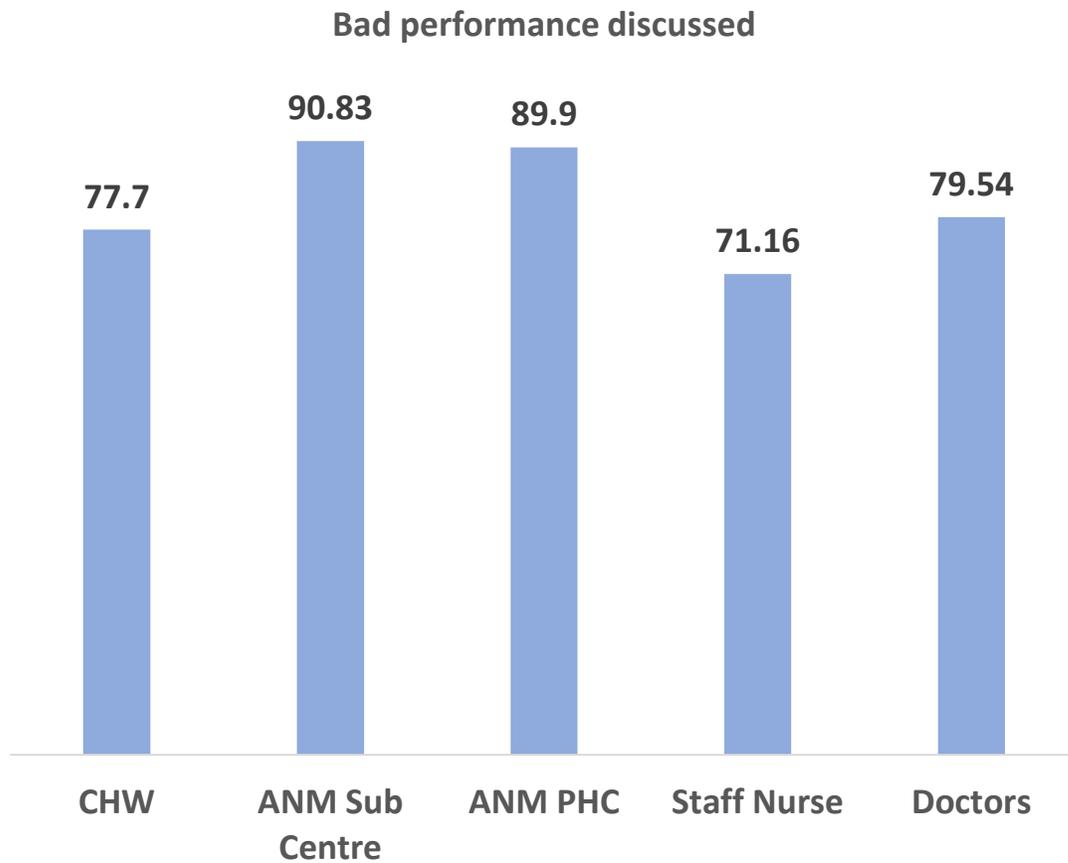
The Principal-Agent Problem within the Bureaucracy



Evidence of lack of trust between supervisors and frontline health workers

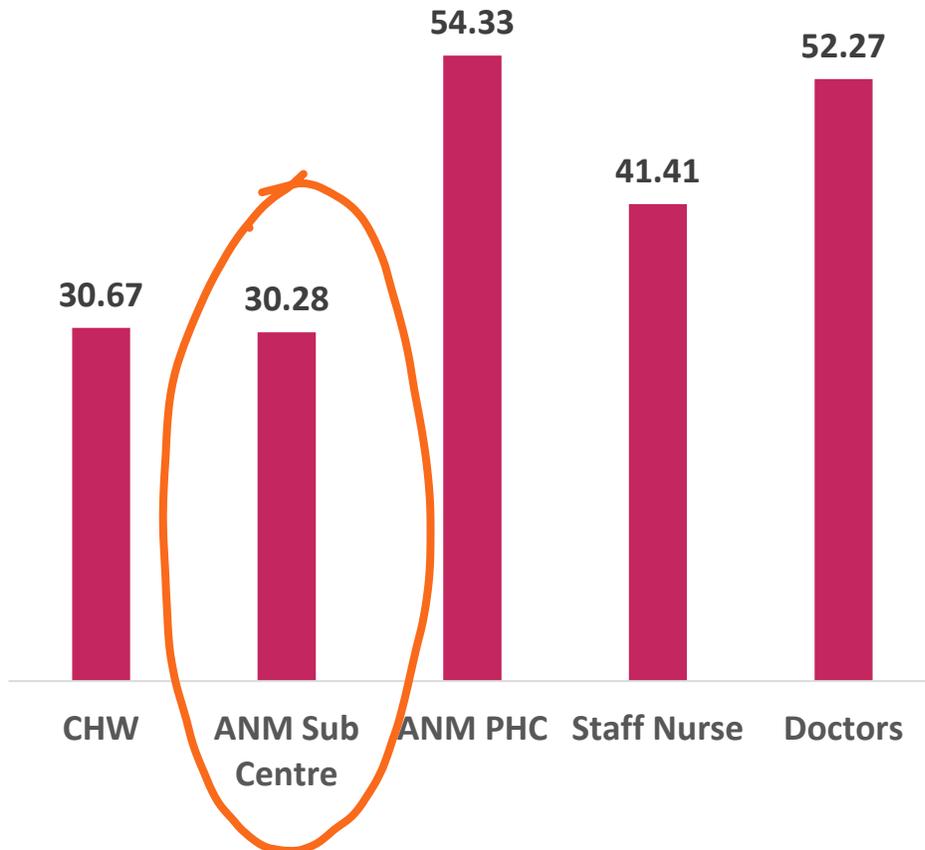


Share of health staff saying management meetings discuss bad performance and involve scoldings

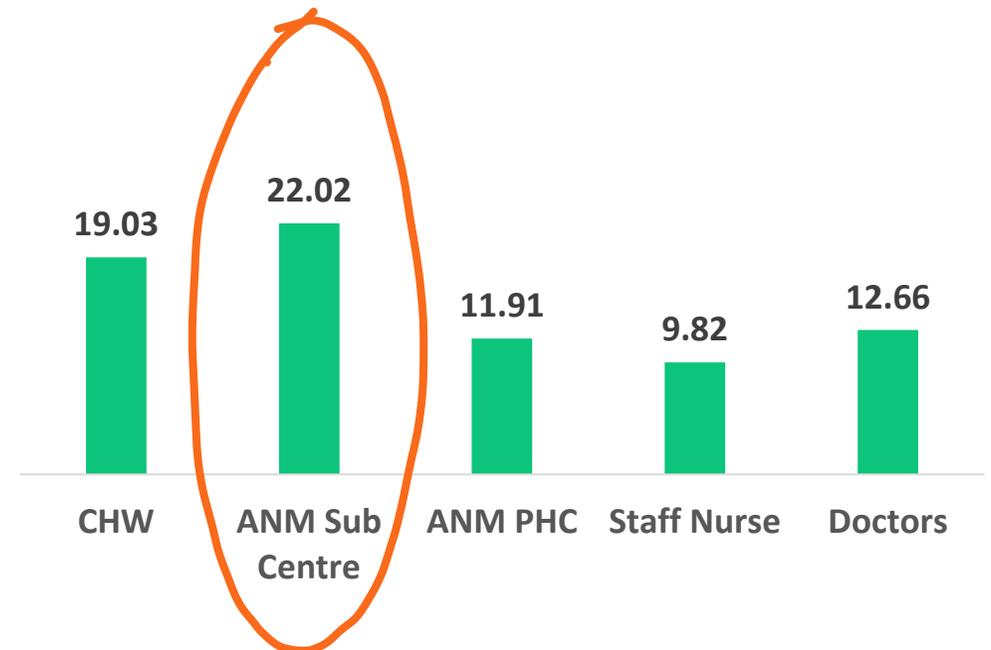


Scolding vs Recognition

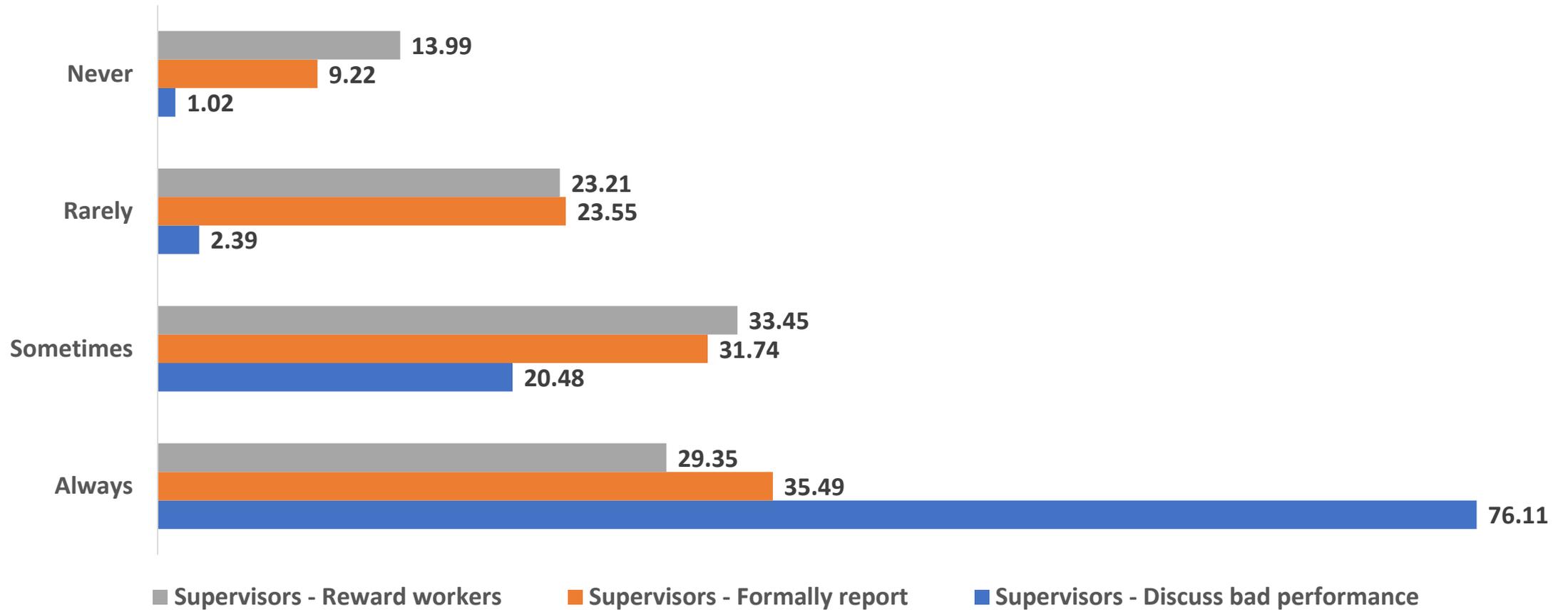
Supervisor ALWAYS scold in meetings



Supervisors ALWAYS rewards/recognize good work



Supervisor respondents provide a similar picture



Share who agree with: “Irrespective of my efforts, the system will not allow people’s health outcomes to improve.”



Share who agree with: “In my work, I have to take permission for every little thing.”



Number of months salaries not received in past year



Good reasons for lack of trust in frontline health workers?

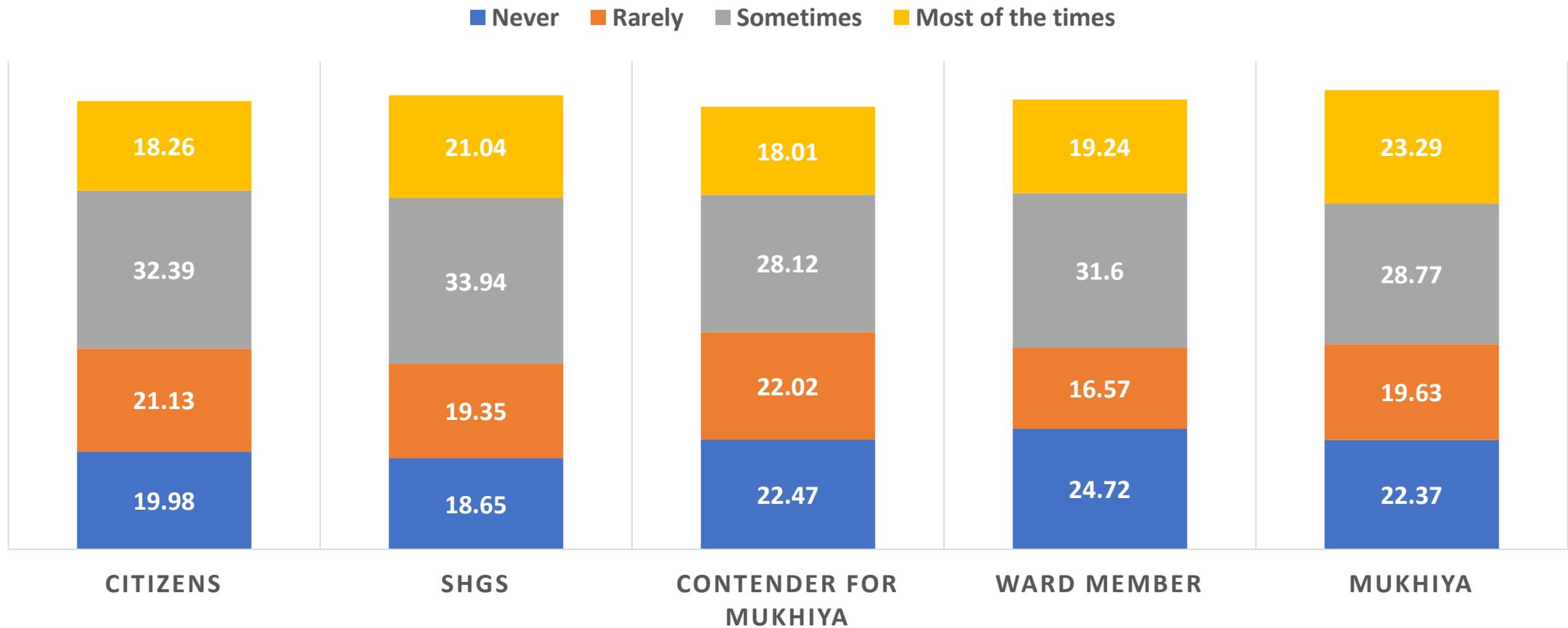
Example of Health Sub-Centre (HSC) ANMs

Good reasons for lack of trust?

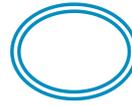
Example of Health Sub-Centre (HSC) ANMs

- Among the 254 targeted GPs, 226 HSCs were found
- of which 145 (or 64 percent) were closed
- Survey team was only able to interview 81 ANMs at the open HSCs, and located an additional 28

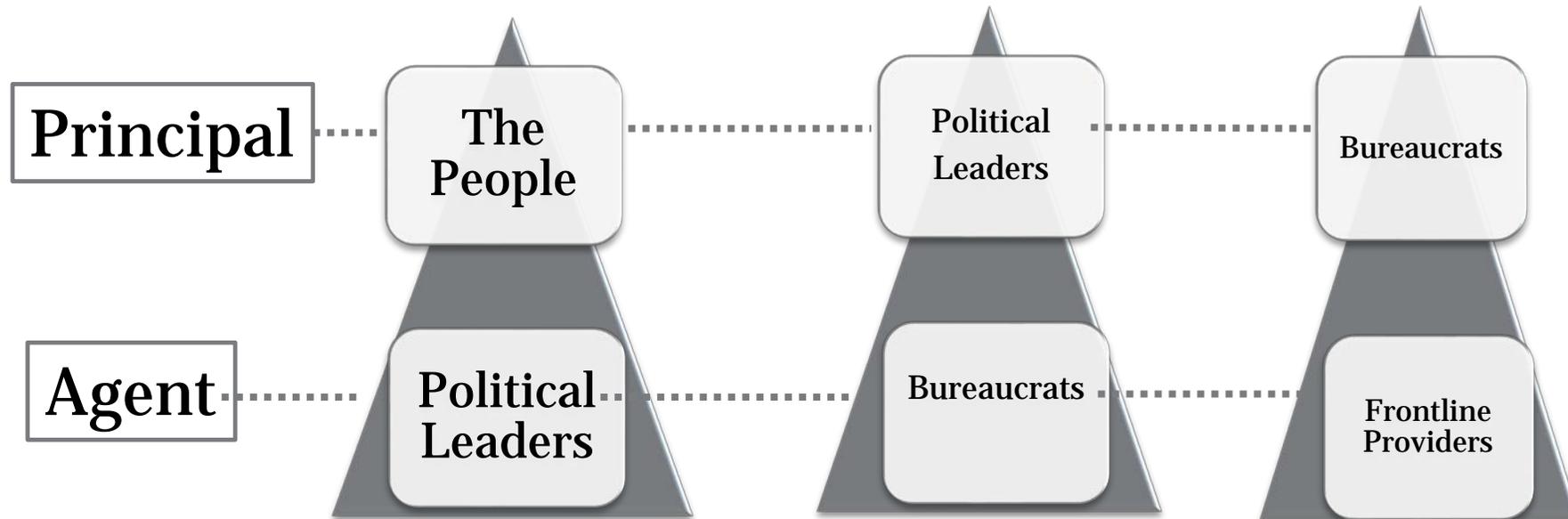
ANM usually available at HSC for provision of health services ?



How does this compare with what the logic of economic theory recommends?



1. Reduced role of high-powered incentives, and greater role for recruiting intrinsically motivated agents
2. Reduced role for top-down hierarchical monitoring and greater role for autonomy and peer-to-peer professional norms



Bihar deviates from “optimal” equilibria described in economic theory because of its feudal and colonial history:

--Acemoglu-Johnson-Robinson story of “reversal of fortune” applies to Bihar—the heritage of ancient times (Nalanda, Pataliputra, Vaishali...) versus the situation today

— work of Shaibal Gupta and PP Ghosh

— work of Abhijit Banerjee and Lakshmi Iyer

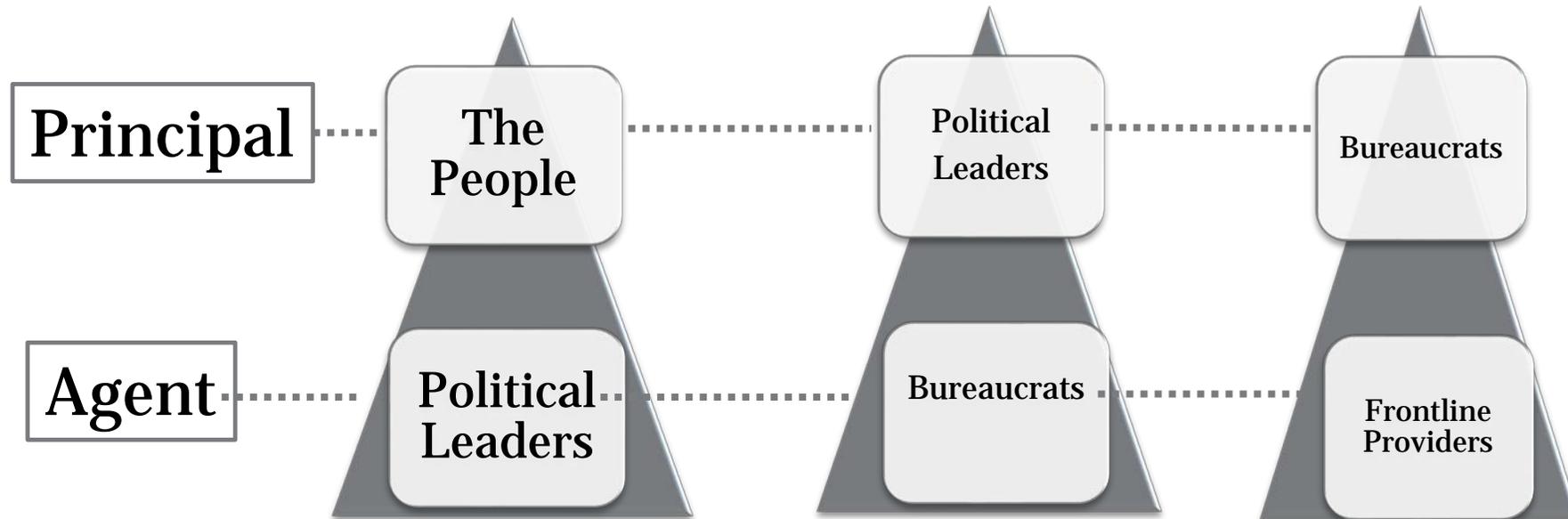
Economic theory suggests that places like Bihar can do better

- with reform leaders in high places
- with good leaders at humble levels of village politics
- with demand from the people

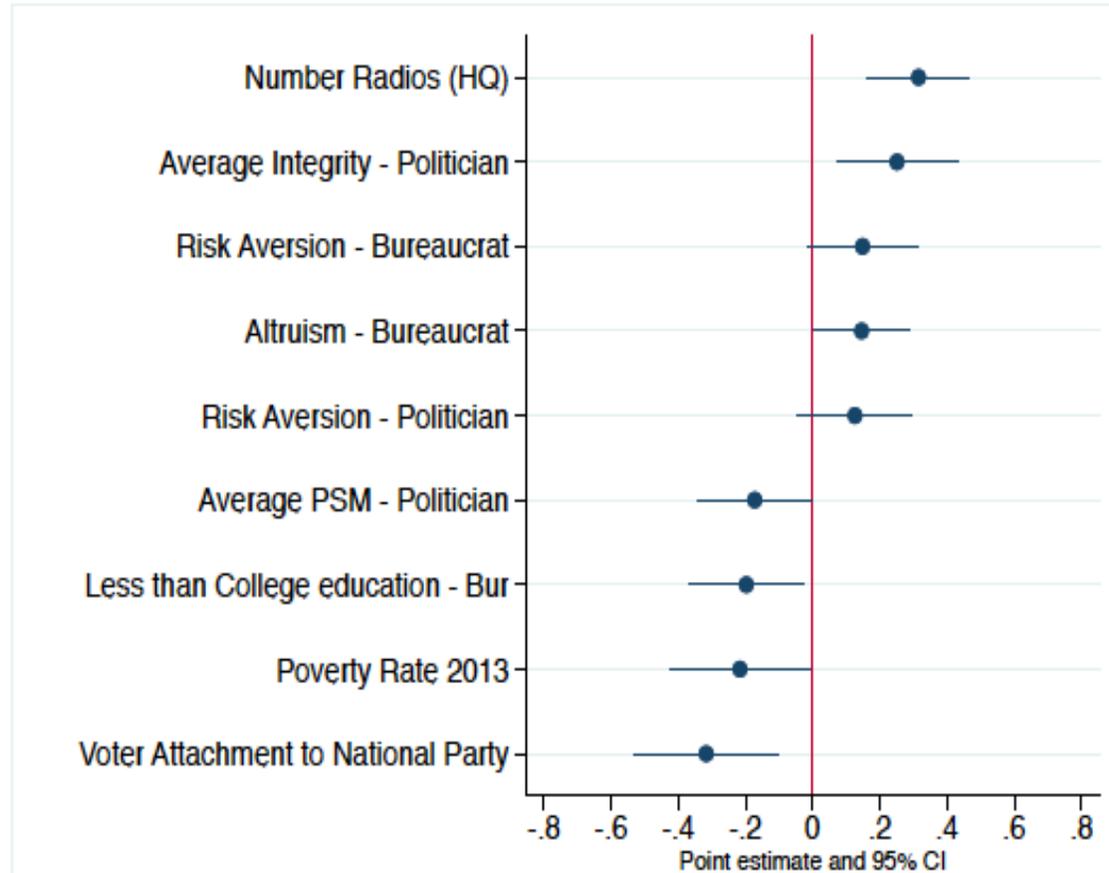
Using Economics and Game Theory for Reforms



1. Reduced role of high-powered incentives, and greater role for recruiting intrinsically motivated agents
2. Reduced role for top-down hierarchical monitoring and greater role for autonomy and peer-to-peer professional norms
3. Complementary communication campaigns to shift norms—beliefs/expectations about how others are behaving (Eg. Case of Ceara, Brazil)



EXAMPLE OF HOW VILLAGE-LEVEL POLITICS MATTERS FOR SERVICE DELIVERY



*Correlates
of Public
Health
Service
Delivery
by
Districts
in Uganda*

Measuring “Integrity” – 8 Survey Questions

Q1. It is okay to spread rumors to defend those you care about.

1. Fully agree 2. Somewhat Agree 3. Somewhat disagree 4. Fully disagree 8. DK/CS

अपने खास लोगों को बचाने के लिए झूठी बातें/अफवाह फैलाना भी ठीक हैं. इस वाक्य से आप पूरी तरह सहमत हैं, थोड़ा सहमत हैं, थोड़ा सहमत नहीं हैं या पूरी तरह सहमत नहीं हैं.

Q2. It is okay to take people’s belonging just for some time without their permission

दूसरों की चीजें उनसे बिना पूछे कुछ समय के लिए ले लेना ठीक है.

Q3. Exaggerating one’s own qualities is no big deal

अपनी झूटी बढाई/प्रशंशा करने में कोई गलत बात नहीं.

Q4. If a junior does something wrong under his/her senior’s pressure, it’s not their fault

अपने से बड़े अधिकारी के दबाव में आकर अगर कोई कर्मचारी गलत काम करे तो इसमें कुछ गलत नहीं.

Q5. If someone does something wrong under pressure from their friends, its not their fault.

दोस्तों के दबाव में आकर अगर कोई गलत काम करे तो इसमें उसकी गलती नहीं है.

Q6. Passing off someone else’s work as your own and getting praise for it is no big deal

किसी दुसरे के काम को अपना बताकर वाह-वाही लेने में कोई गलत बात नहीं.

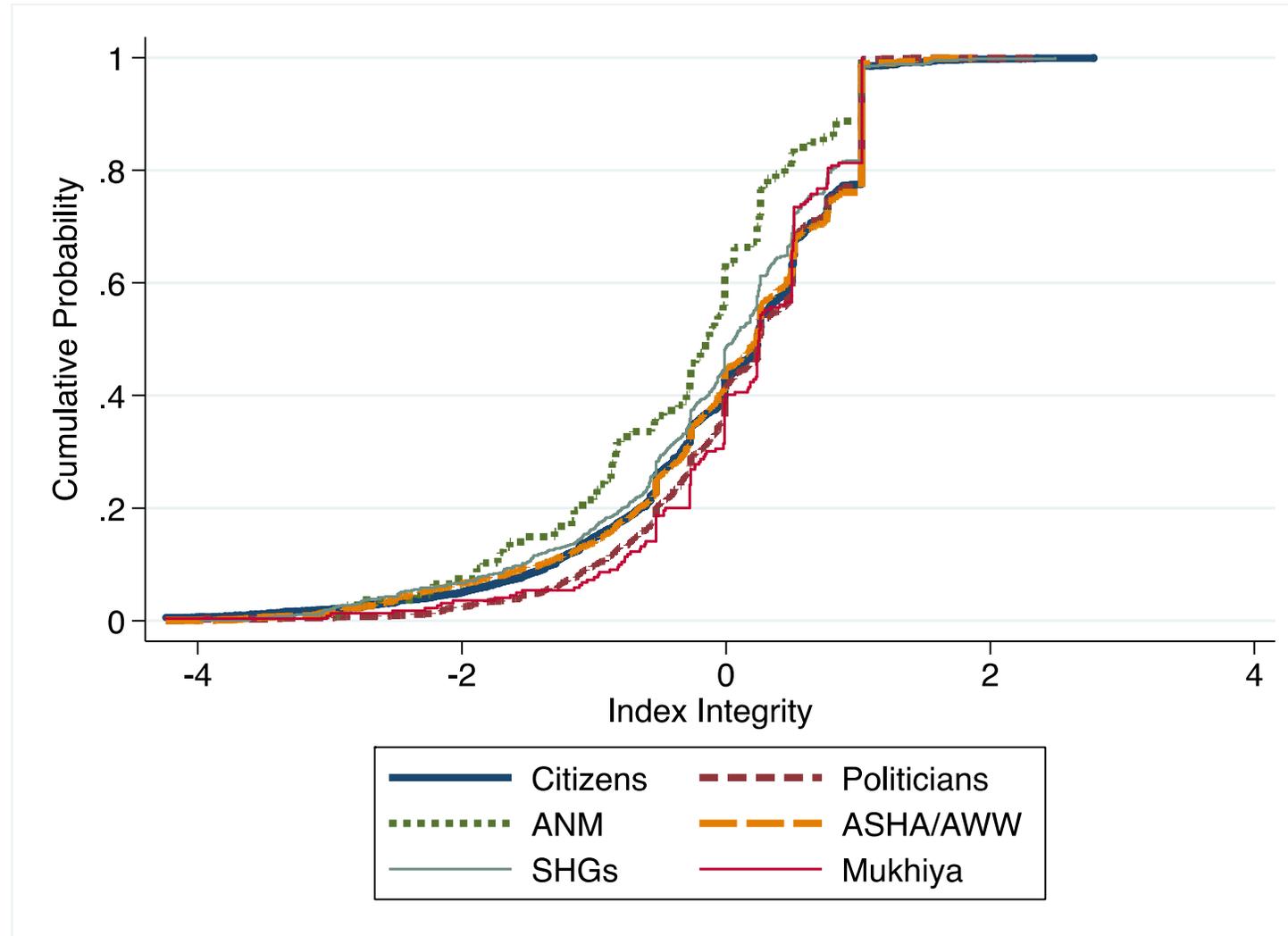
Q7. Some people have to be dealt with roughly

कुछ लोगों से सख्ती से/ दबाव के साथ पेश आना पड़ता है.

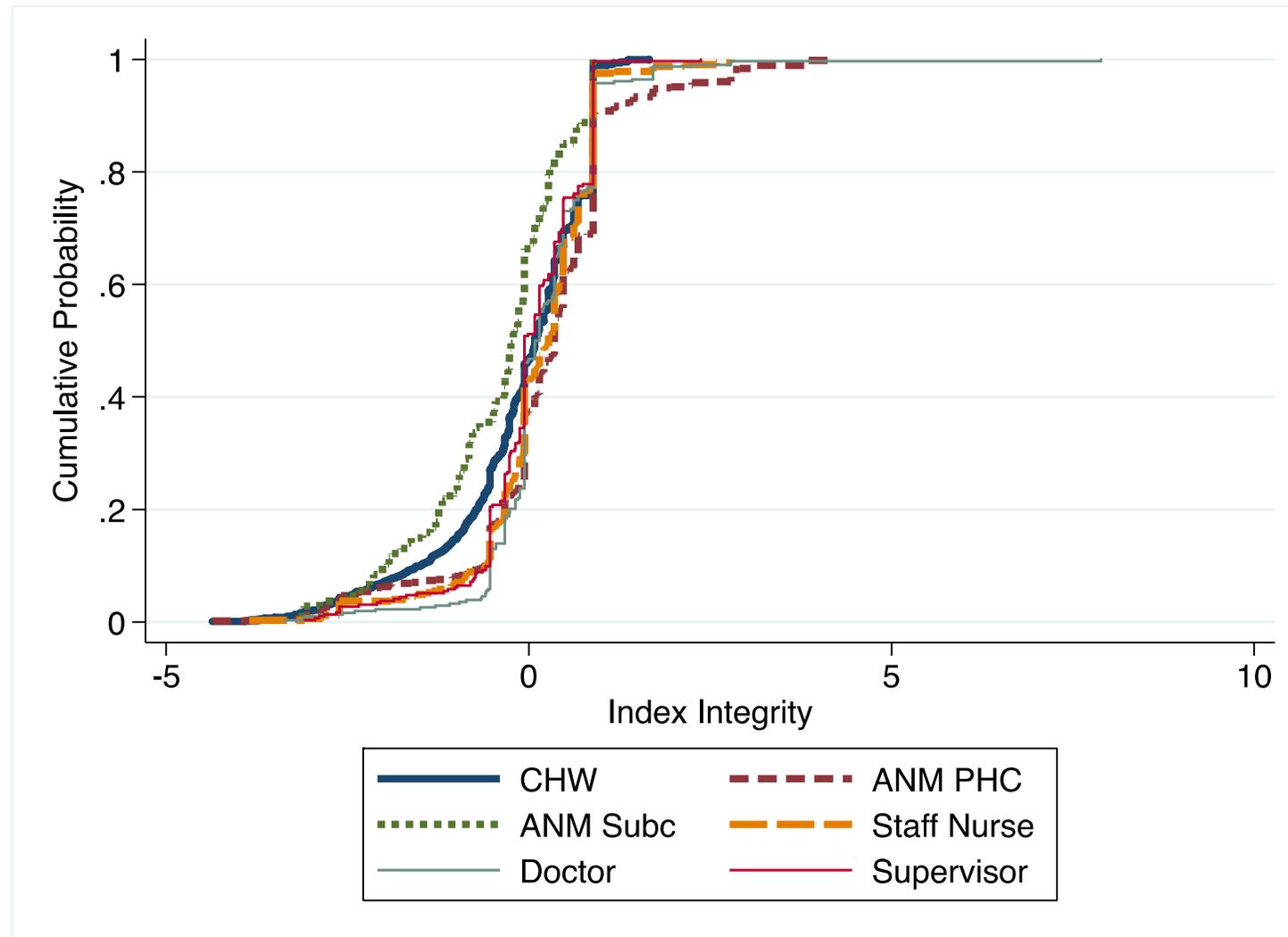
Q8. Some people only deserve rude behaviour

कुछ लोग केवल बुरे व्यवहार के लायक होते हैं.

HSC-ANMs have lower measures of “integrity” compared to other GP-level respondents



HSC-ANMs have lower measures of “integrity” compared to other health cadres



Measuring “Public Service Motivation” – 8 Survey Questions

Q1. To make a difference in society means more to me than personal achievements -

1. Fully applicable 2. Somewhat applicable 3. Not much applicable 4. Not at all applicable 8. DK/CS

समाज में सुधार लाना आपके लिए अपनी निजी सफलता से ज़्यादा ज़रूरी है. यह वाक्य आप पर कितना लागू होता है - पूरी तरह, काफी हद तक, कुछ हद तक या बिलकुल नहीं.

1.पूरी तरह 2.काफी हद तक 3.कुछ हद तक 4.बिलकुल नहीं 8. DK/CS

Q2. I am one of those individuals who are good at helping solve problems/conflict between other people

आप लोगों के बीच के झगड़े सुलझा सकते हो. यह वाक्य आप पर कितना लागू होता है -

Q3. Doing well financially is definitely more important to me than public service

अपने लिए अच्छा पैसा कमाना आपके लिए समाज सेवा से ज़्यादा ज़रूरी है.

Q4. I think there are many public causes which are worth fighting for

आपके अनुसार समाज में कई ऐसे मुद्दे हैं जिनके लिए लड़ना ज़रूरी है.

Q5. I am willing to use every bit of my energy to make society better

समाज को और अच्छा बनाने के लिए आप अपनी पूरी ताकत लगाने के लिए तैयार हो.

Q6 I am not afraid to defend the rights of others, even if I am threatened

धमकी मिलने पर भी आप दूसरों के अधिकारों के लिए लड़ने से नहीं डरते.

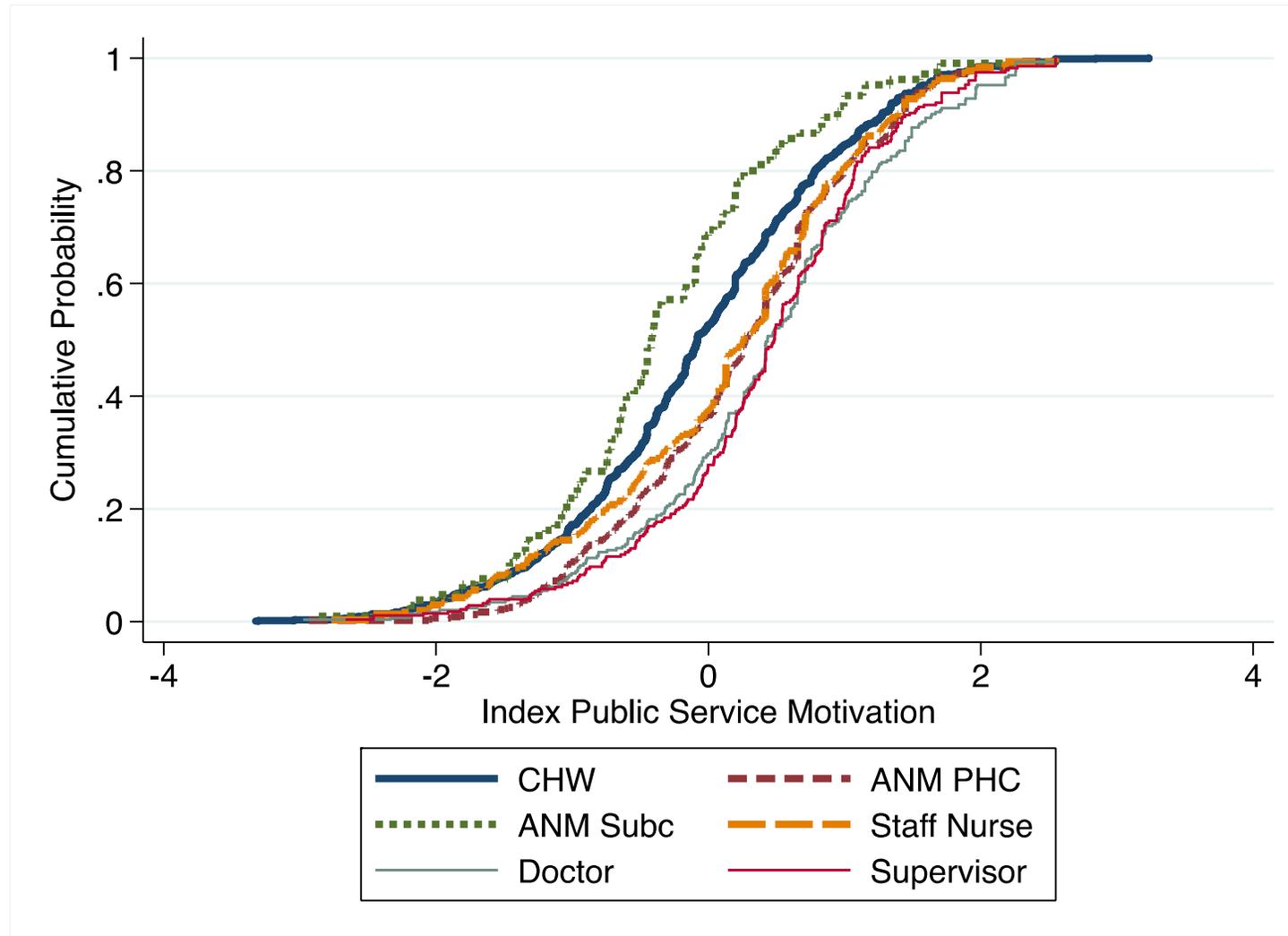
Q7 For me, politics is a dirty word

आप मानते हैं कि राजनीति एक गन्दा शब्द है।

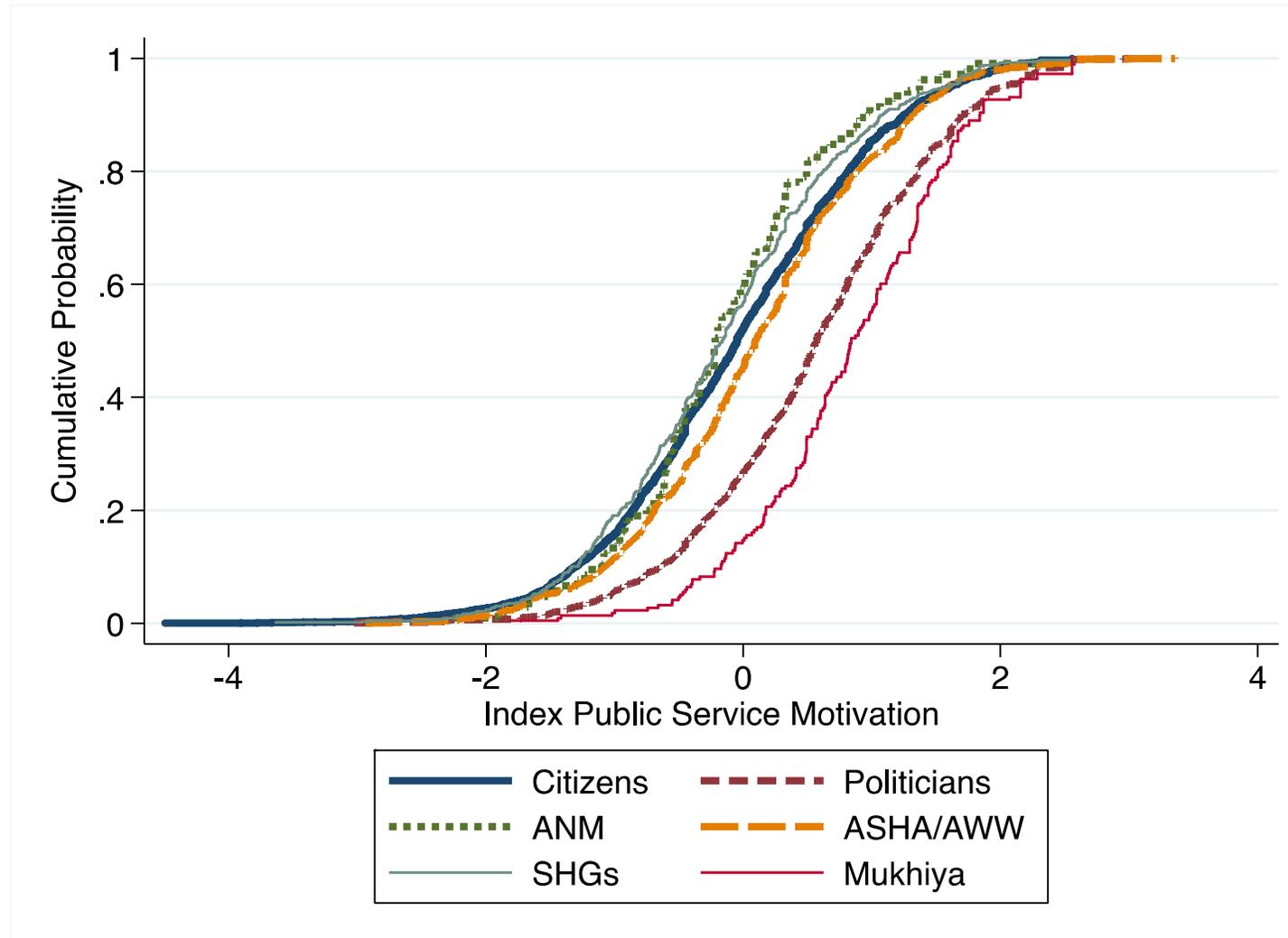
Q8 I do not think that government can do much to make society fair

आपके अनुसार सरकार समाज के भेद भाव कम करने के लिए ज़्यादा कुछ नहीं कर सकती.

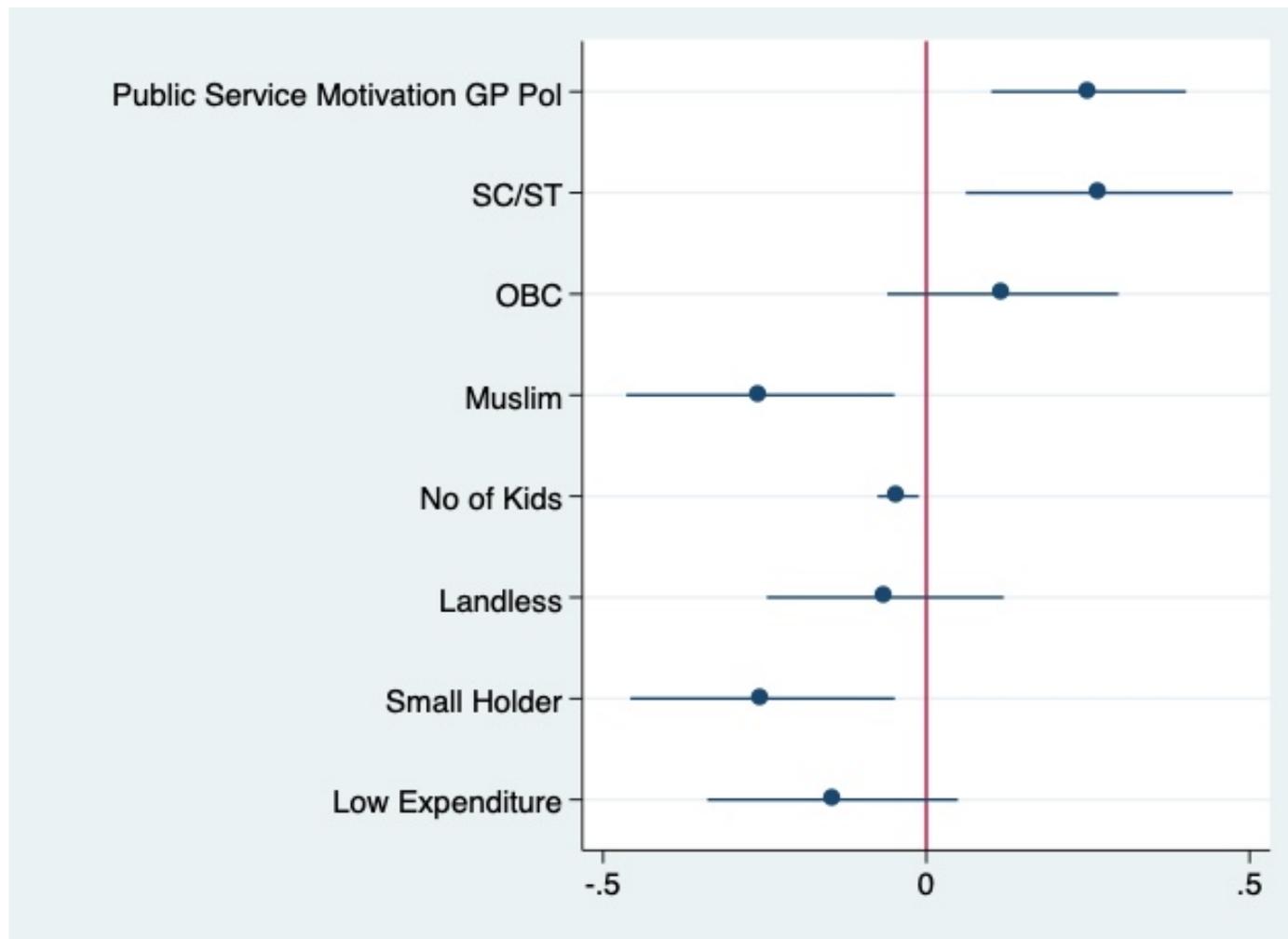
HSC-ANMs have lower measures of “public service motivation” compared to other health cadres



GP Politicians have higher measures of “public service motivation” compared to other GP-level respondents

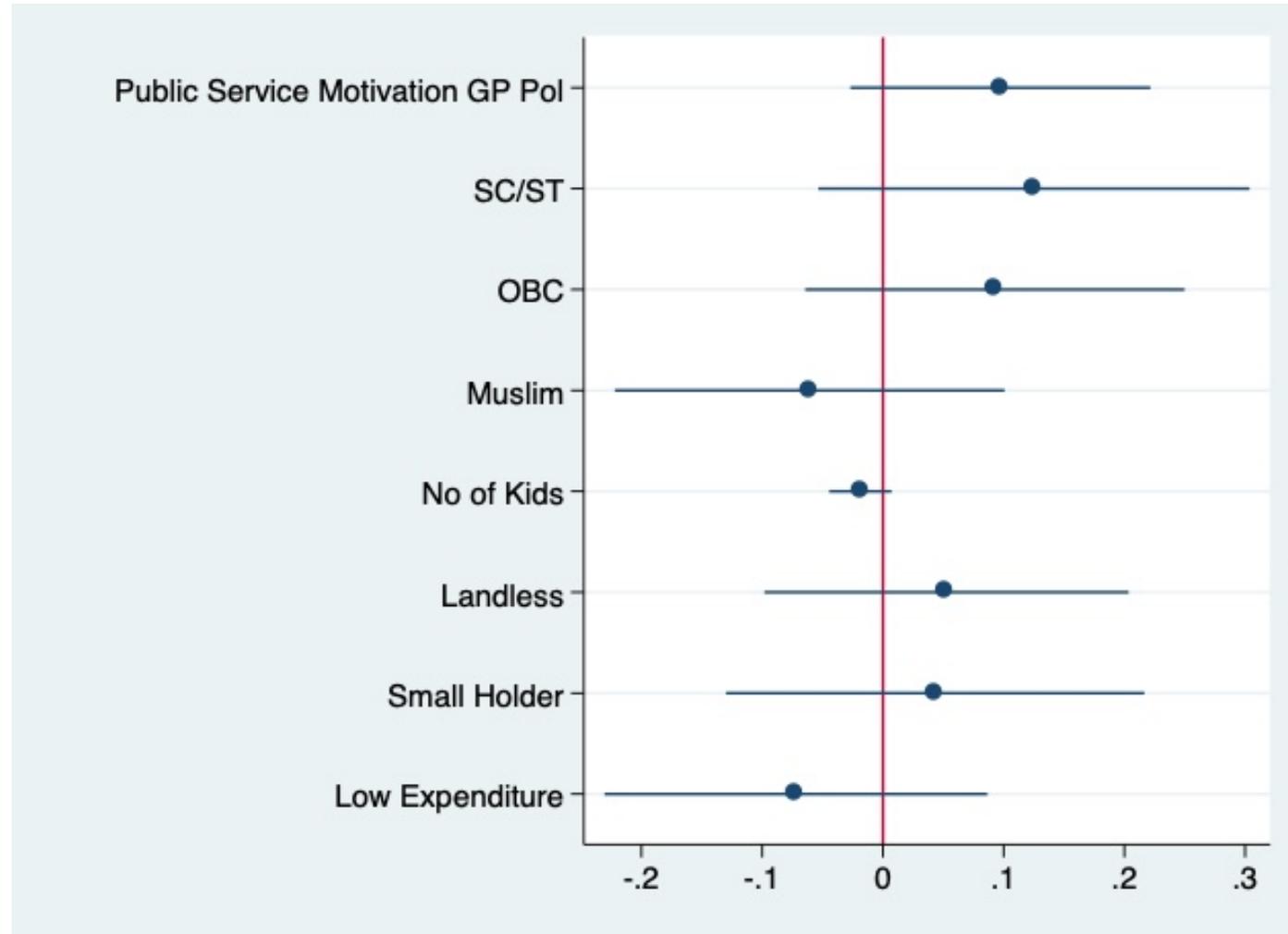


Correlates of women reporting receipt of Iron and Folic Acid



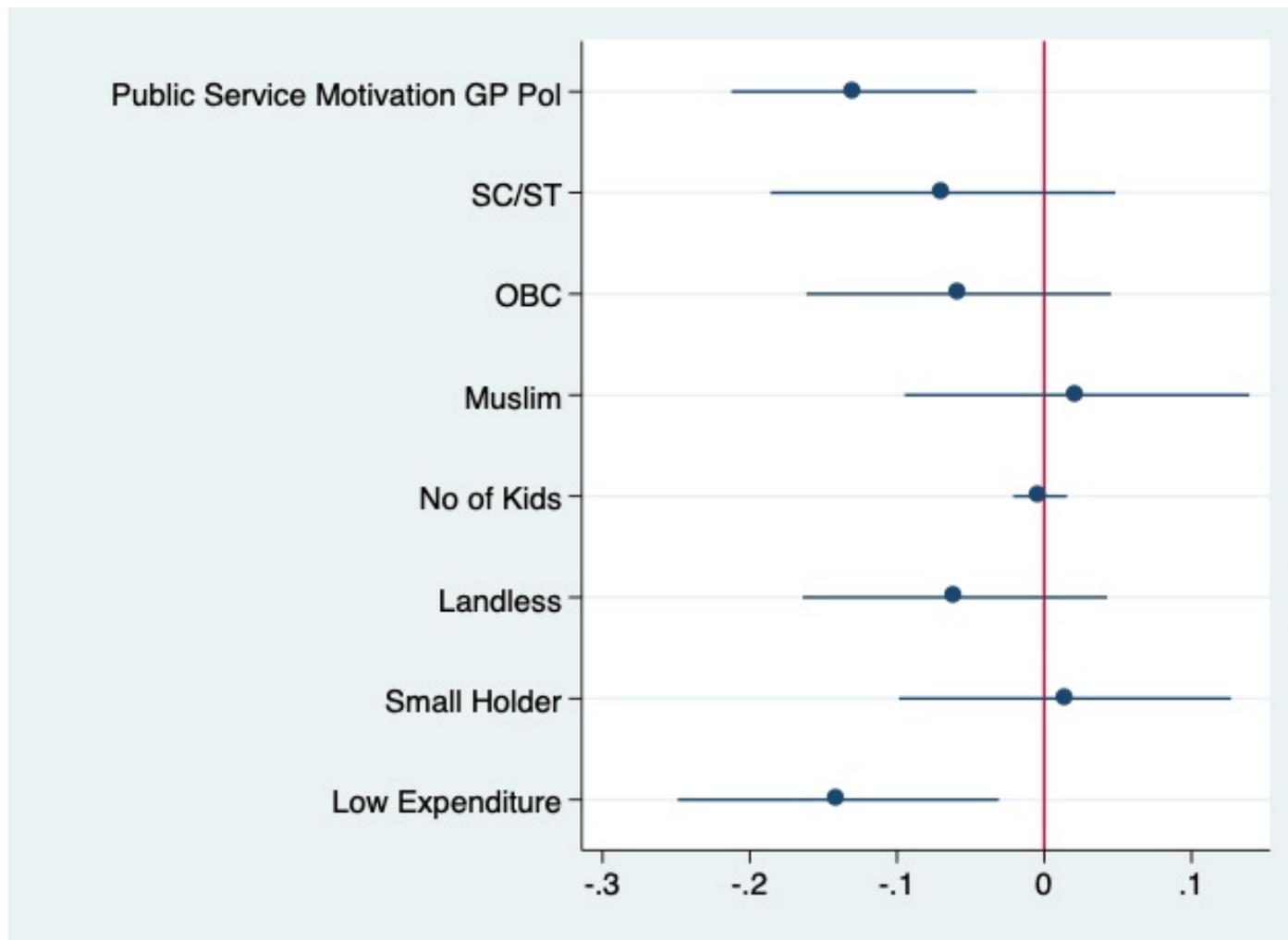
Positive correlation with public service motivation among GP politicians

Correlates of women reporting receipt of supplementary food



Positive correlation with public service motivation among GP politicians

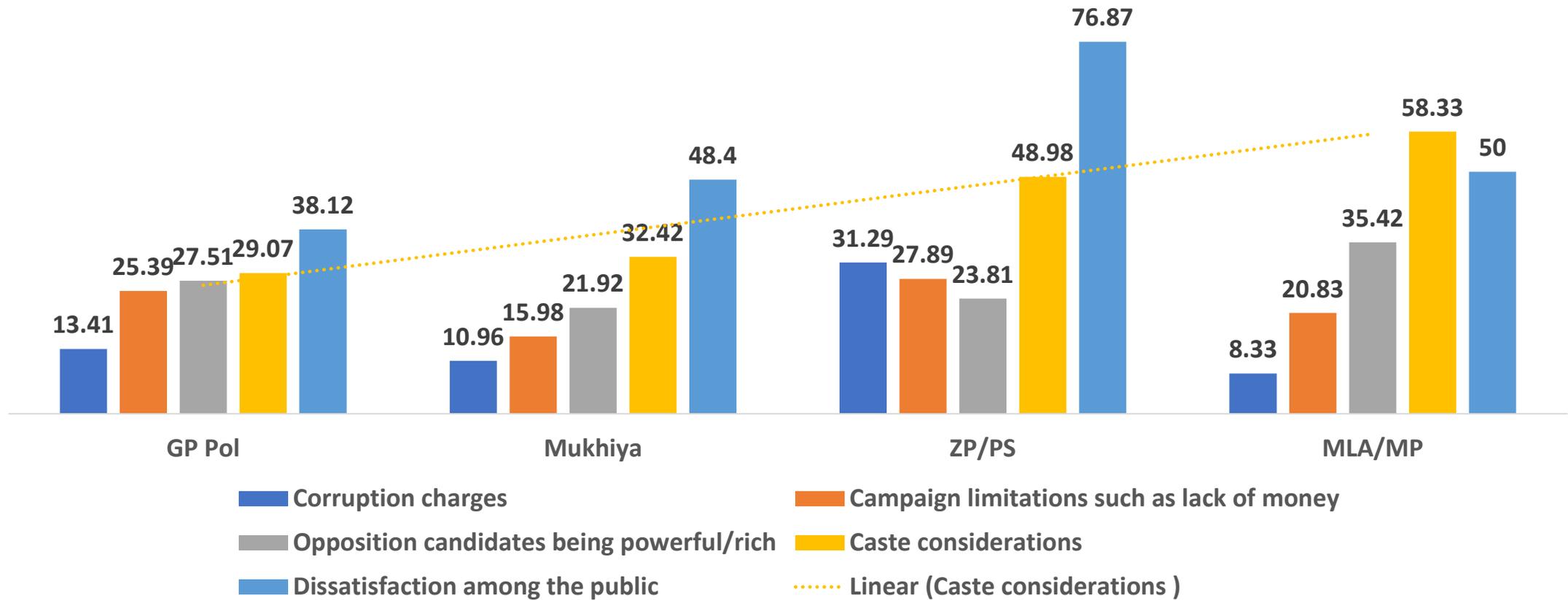
Correlates of women reporting NEVER receiving post-natal care



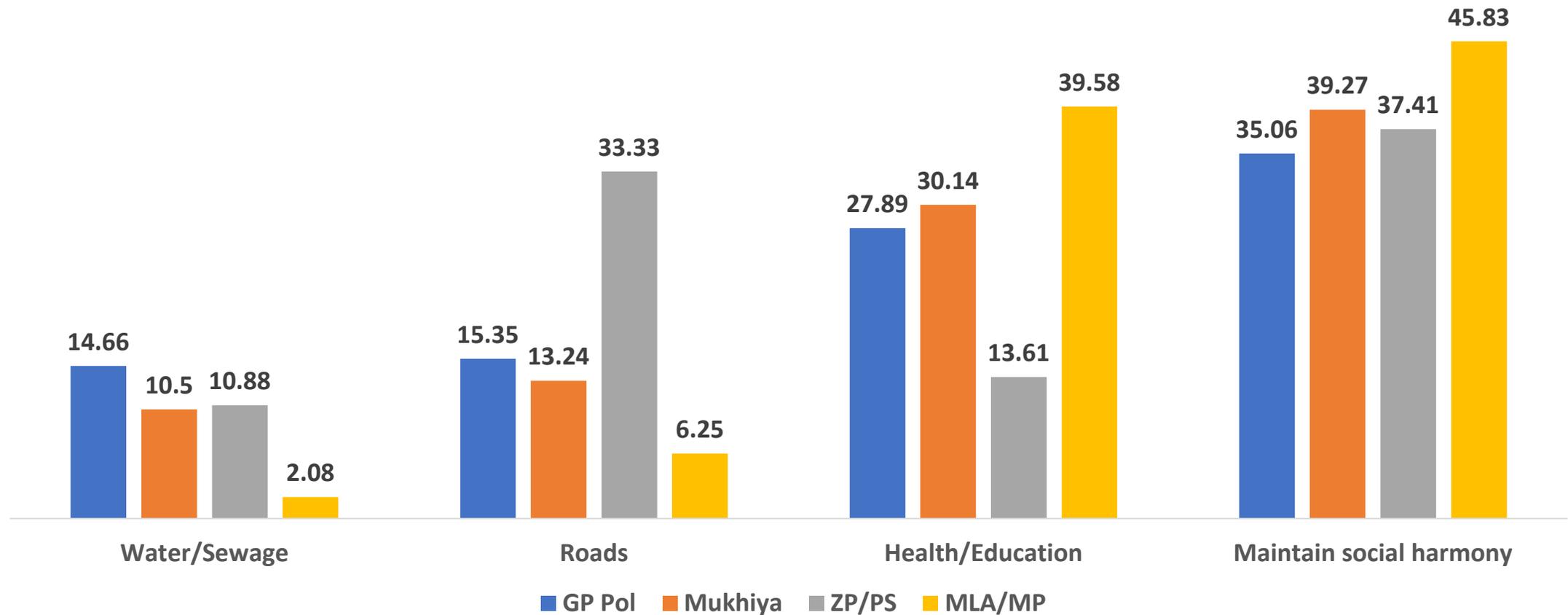
Negative correlation with public service motivation among GP politicians

Responses across politicians suggests that caste may matter less than service delivery in GP politics compared to higher-level politics

Issues which could jeopardize election for politicians



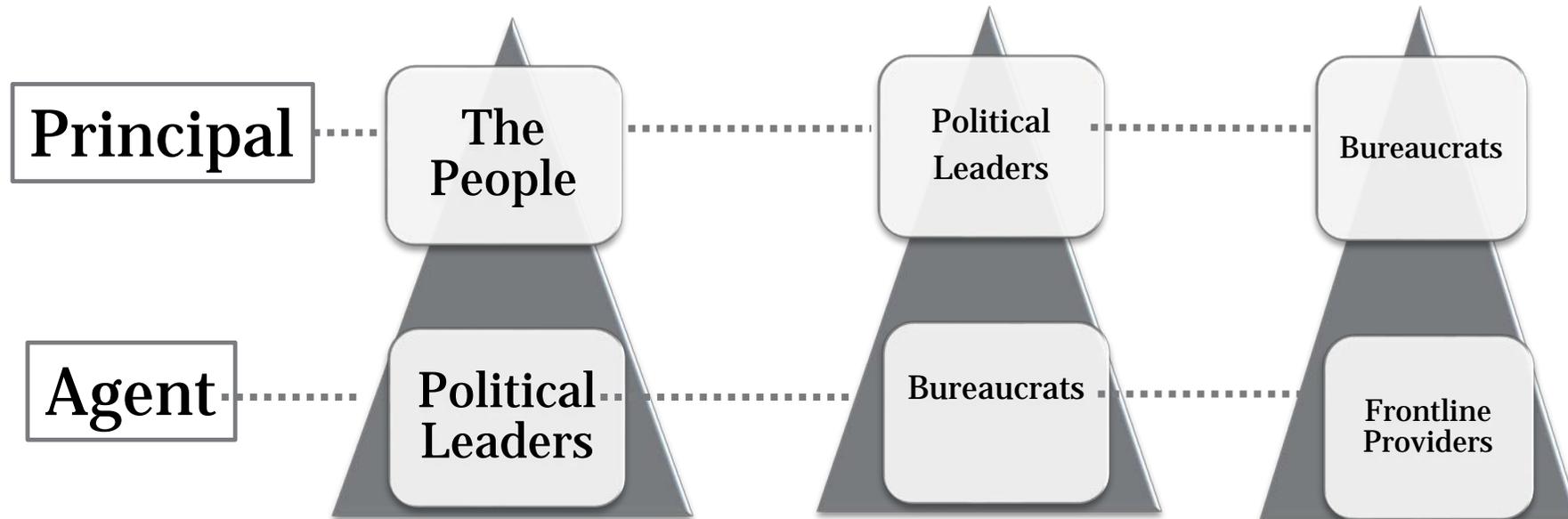
Which of the following areas of service delivery are most likely to improve your chances of getting elected/re-elected?



Using Economics and Game Theory for Reforms



1. Reduced role of high-powered incentives, and greater role for recruiting intrinsically motivated agents
2. Reduced role for top-down hierarchical monitoring and greater role for autonomy and peer-to-peer professional norms
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Policy Ideas for Reform Leaders to Deliver Results

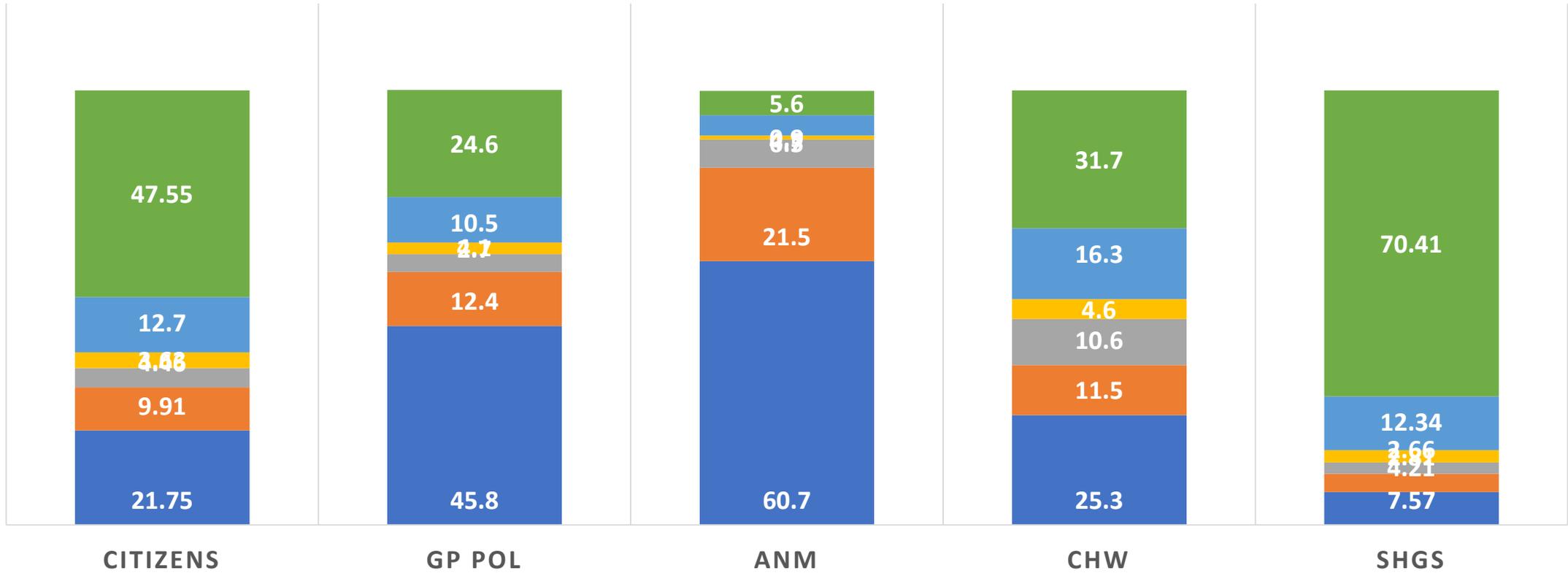


1. Communication interventions in management meetings: encouraging and inspirational messages about the value of the work the cadres are doing
2. Using mass media to build consensus across socio-economic classes about the value of public spending on child health and nutrition services (opportunity of newspaper circulation in Bihar)
3. Energizing GP-level political contestation around public health (Village-level TV shows)
4. If 1-2-3 are done, then regular living wages to CHWs may be a viable option, and enable expansion of services for the human capital needed for growth and well-being

Media Consumption measured in our survey

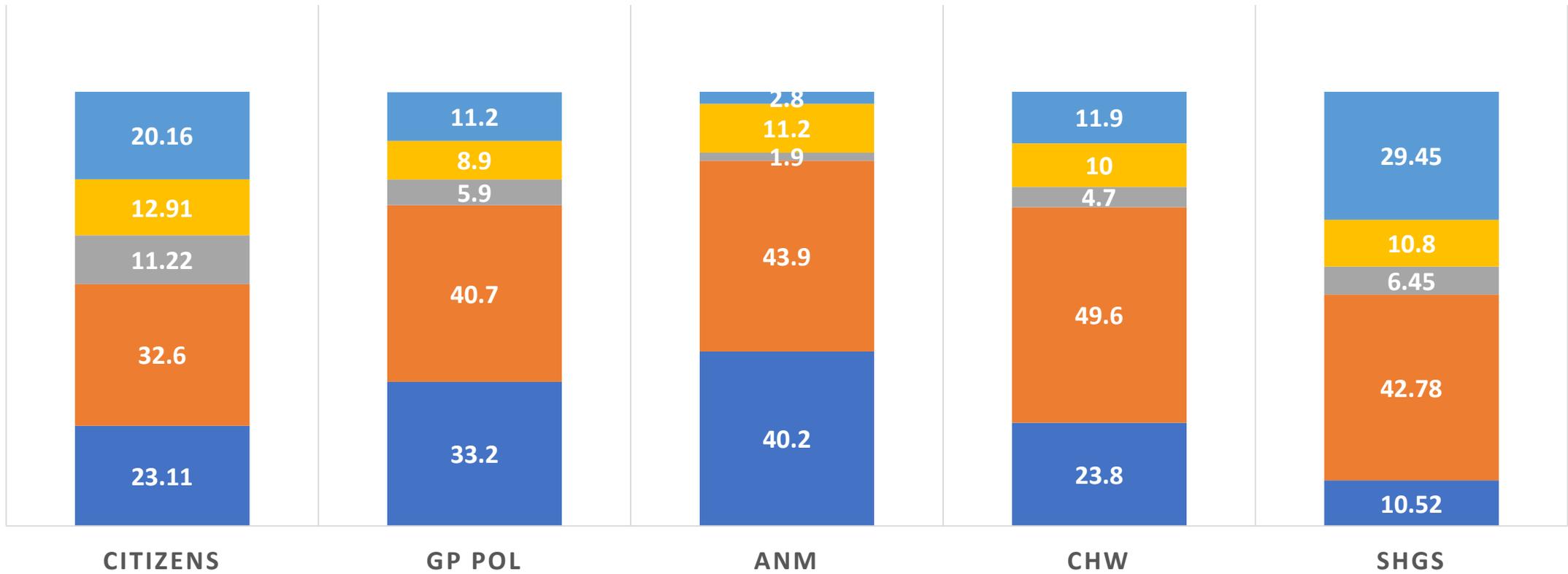
Read newspaper:

■ Daily ■ 2-3 times a week ■ Once a week ■ 2-3 times a month ■ Rarely ■ Never



News Source

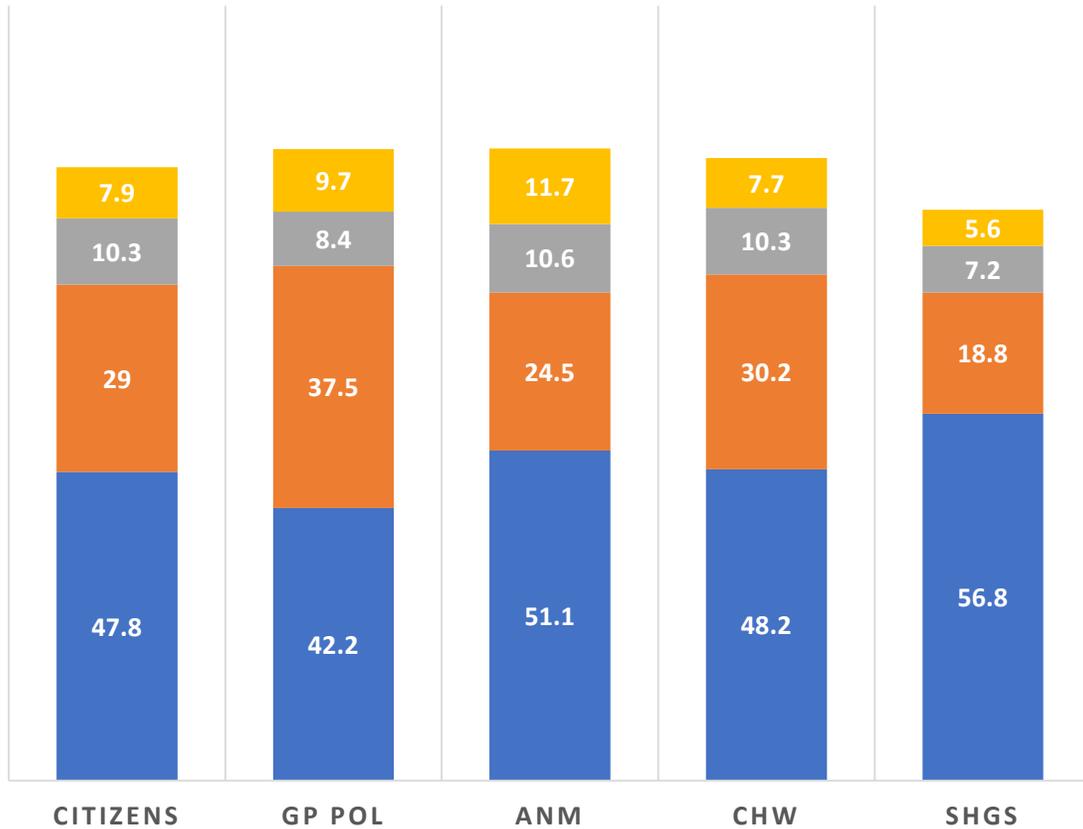
■ Newspaper ■ TV news ■ Radio News ■ Social Media/Internet ■ Other



Favorite news source

Favorite newspaper

■ Dainik Jagran Bihar
 ■ Hindustan
 ■ Prabhat Khabar
 ■ Dainik Bhaskar Bihar

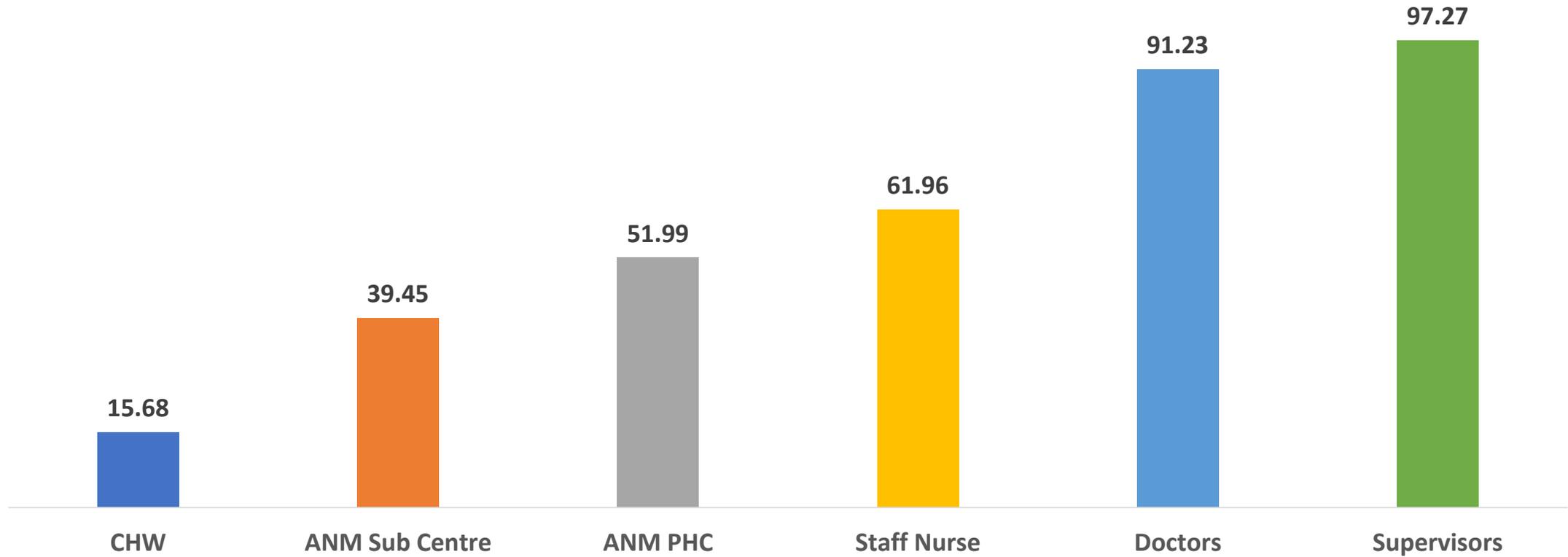


Favorite TV channel

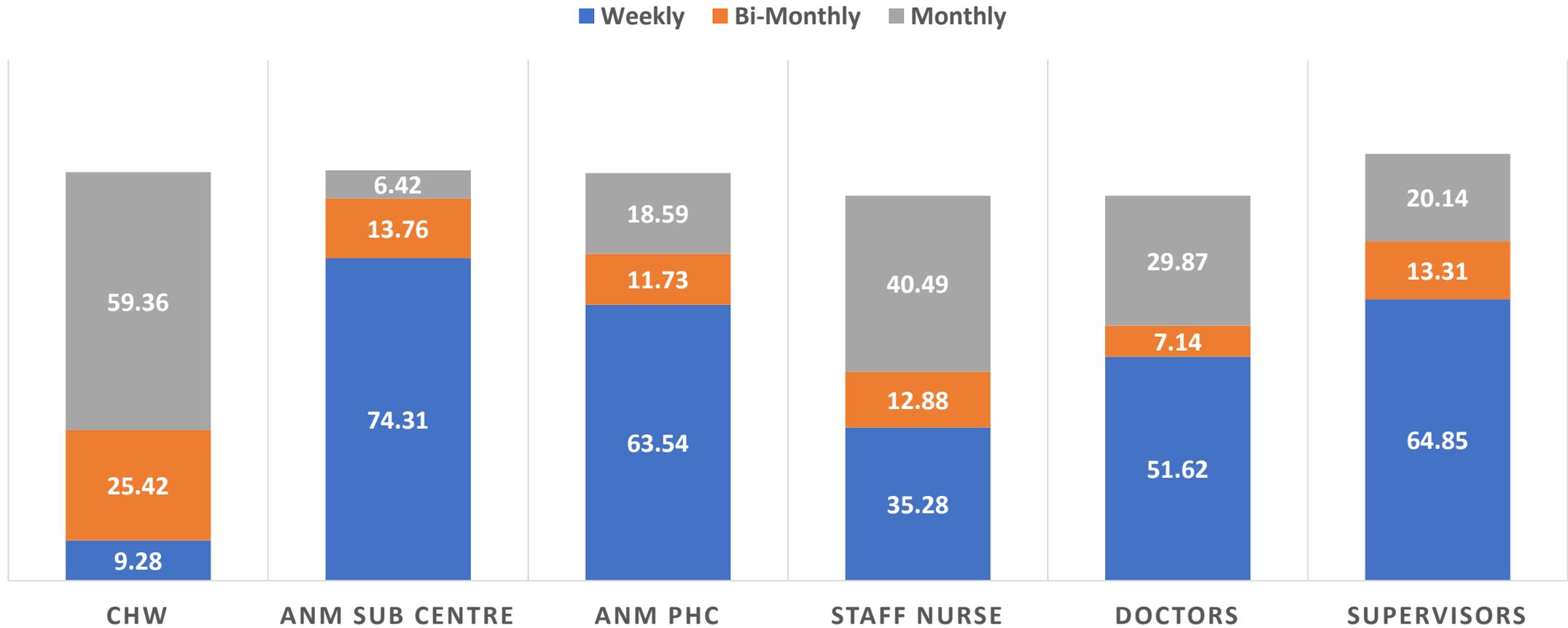
■ Aaj Tak
 ■ ABP News
 ■ Dilli Aaj Tak
 ■ DD News
 ■ ETV Bihar - Bhojpuri
 ■ India News
 ■ India TV



Use WhatsApp



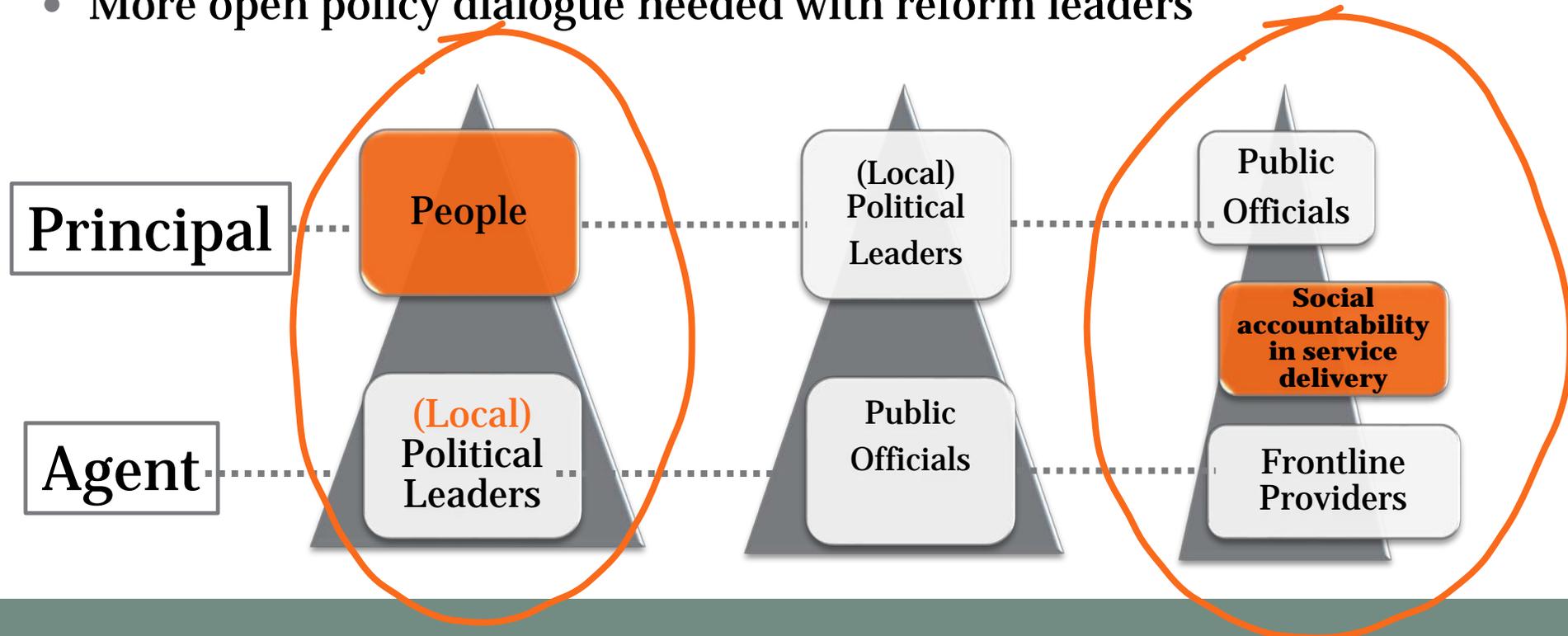
Meeting Frequency



External partners may need to design their interventions more carefully



- Taking politics into account is more difficult than may appear
- Large knowledge gaps in what works and how: rich countries don't have the answers
- More open policy dialogue needed with reform leaders

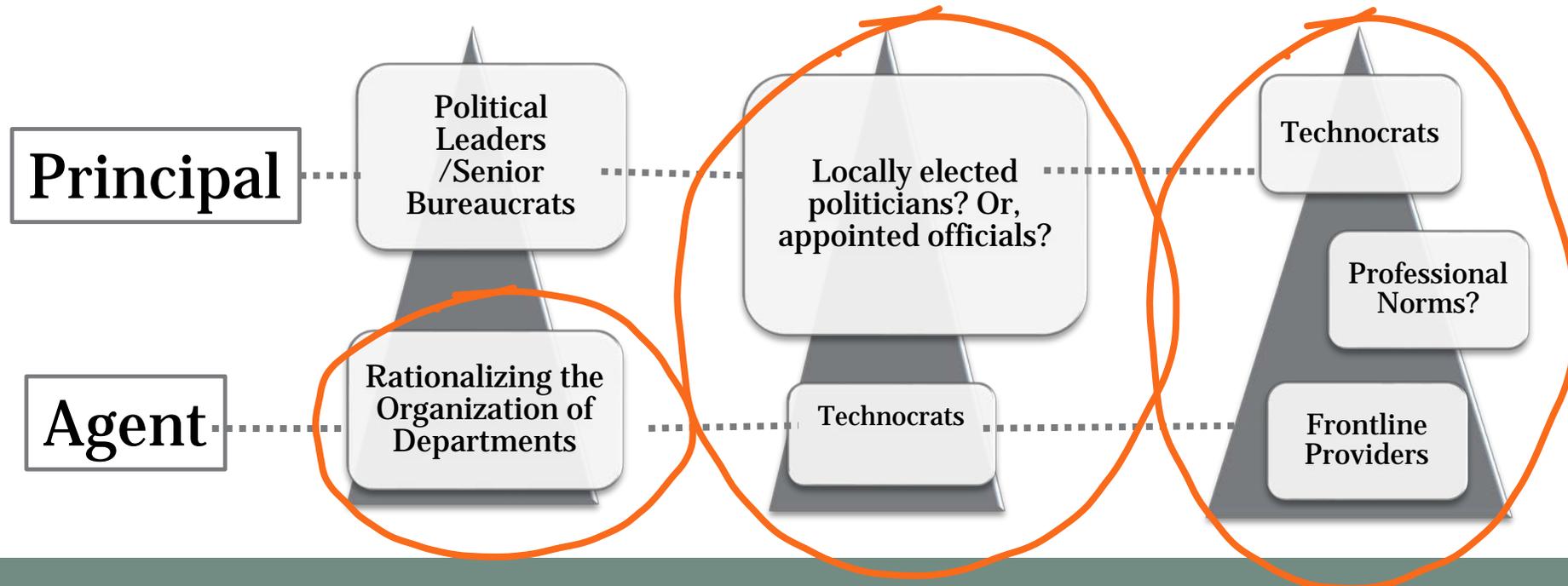


New approach to technical assistance, everywhere



Help reform leaders design government agencies, institutions, and data products, taking politics into account:

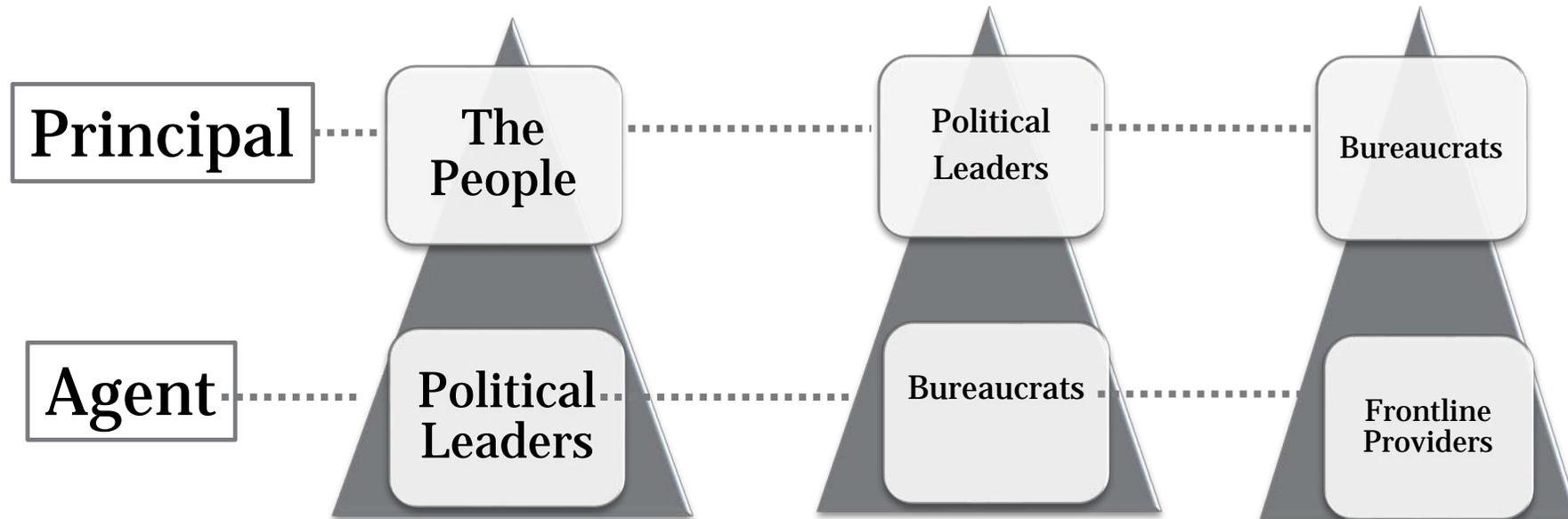
- What tasks should be assigned to whom?
- Exploring low-powered incentives + innovations in recruitment & shifting norms



Using Economics and Game Theory for Reforms



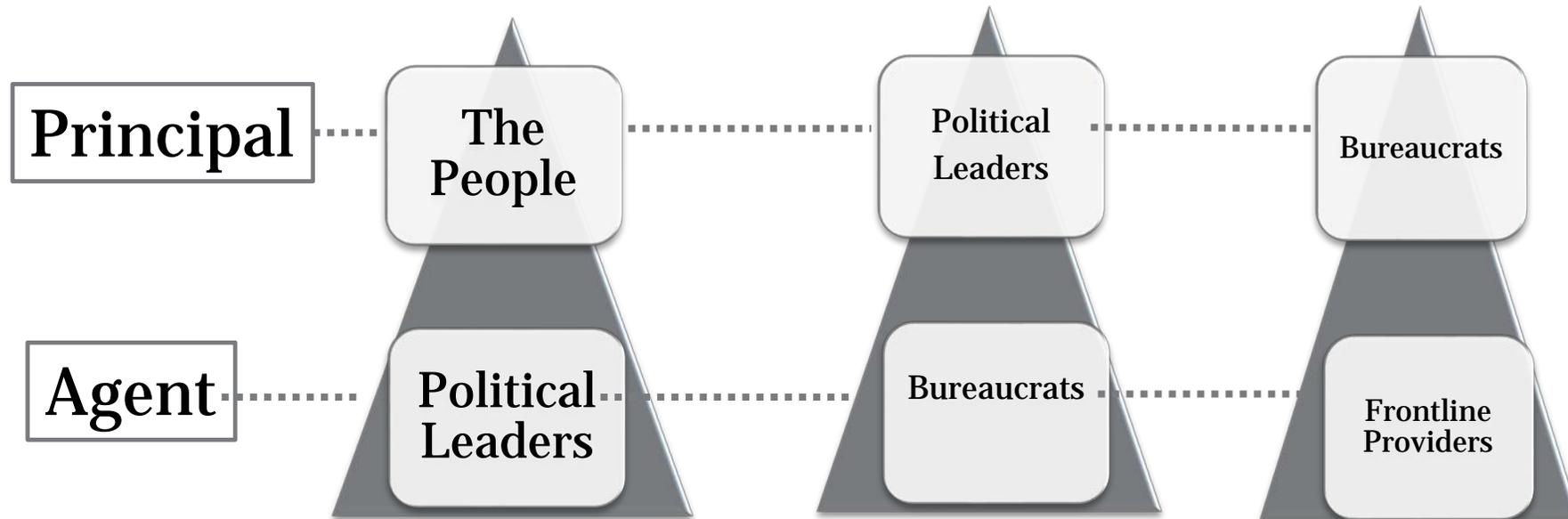
1. Reduced role of high-powered incentives, and greater role for recruiting intrinsically motivated agents
2. Reduced role for top-down hierarchical monitoring and greater role for autonomy and peer-to-peer professional norms
3. Complementary communication campaigns to shift norms—beliefs/expectations about how others are behaving (Eg. Case of Ceara, Brazil)



Using Economics and Game Theory for Reforms



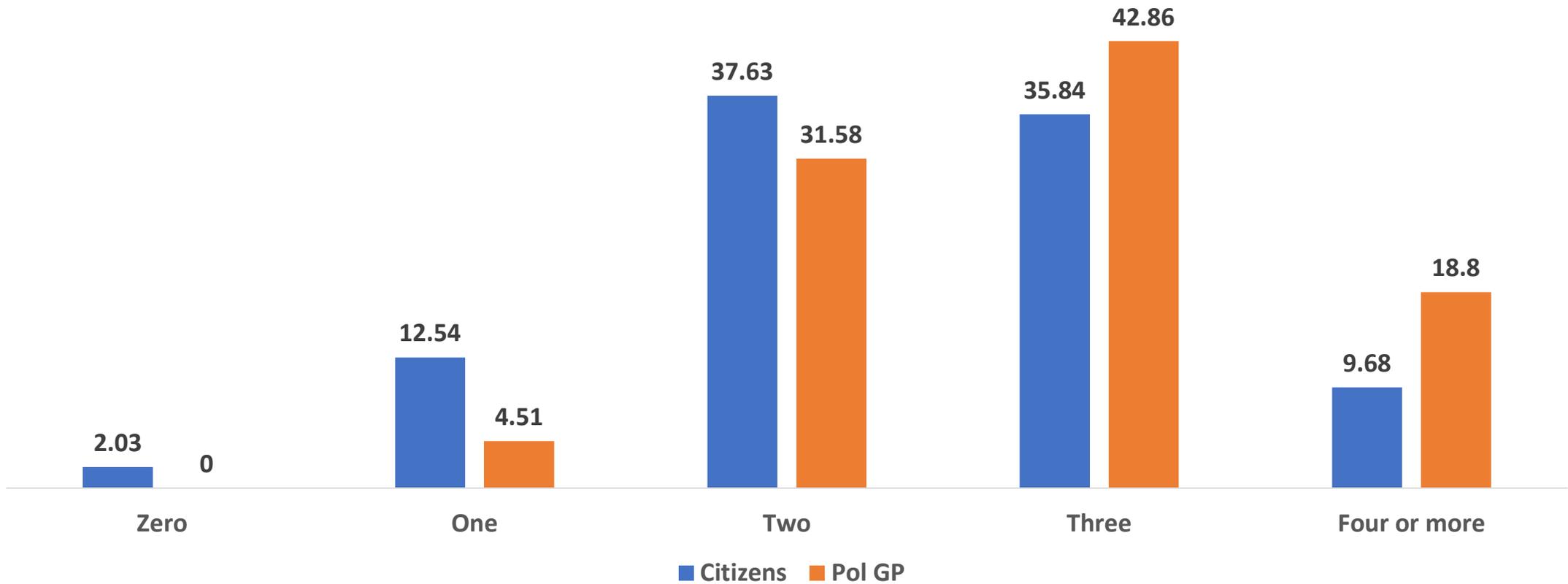
4. Need for credibly independent, homegrown research organizations that build their reputation on the basis of technical rigor and international peer review



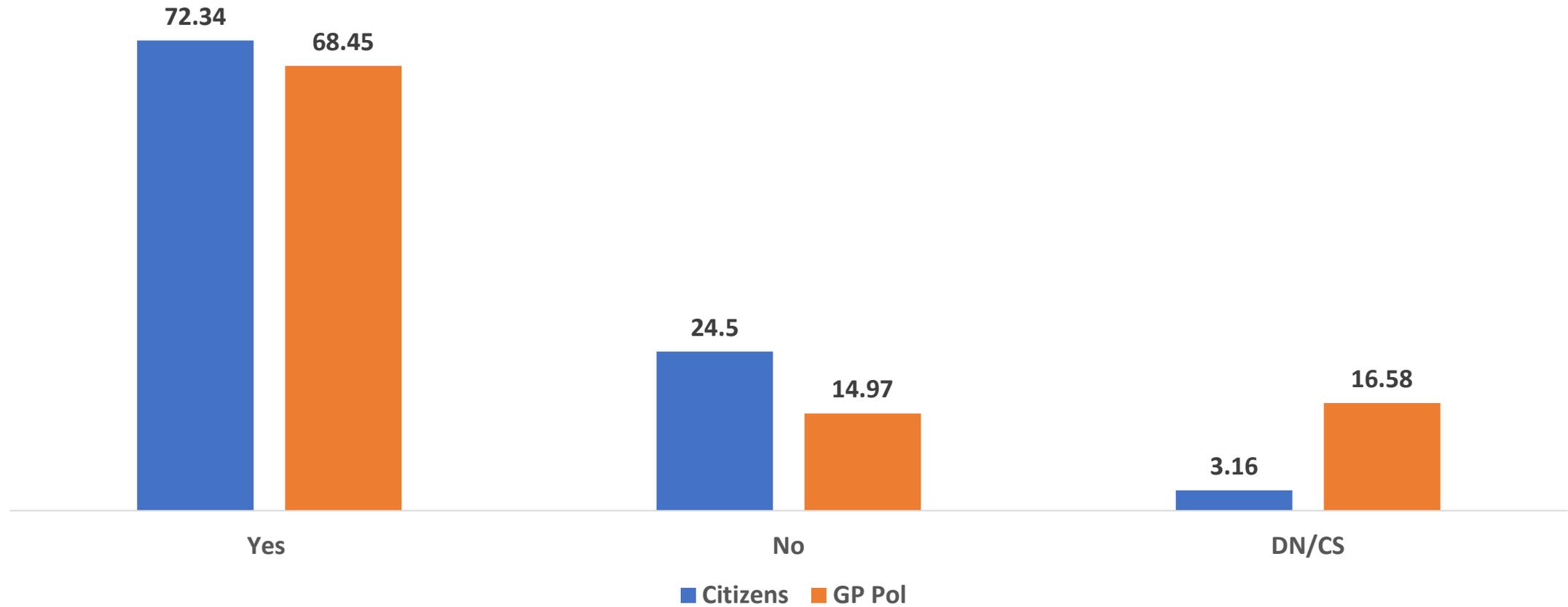
Extra slides

Scope for CHWs to deliver more
and better services

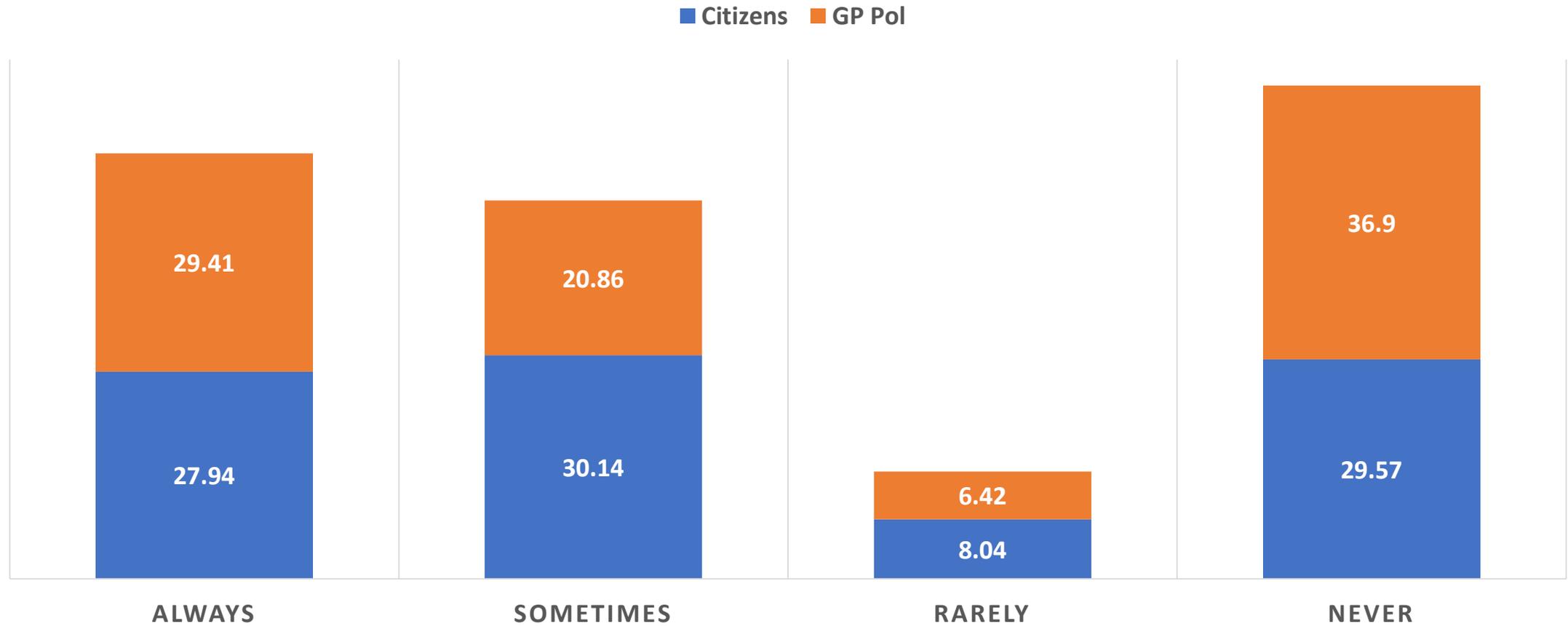
Number of ante-natal care checkups received:



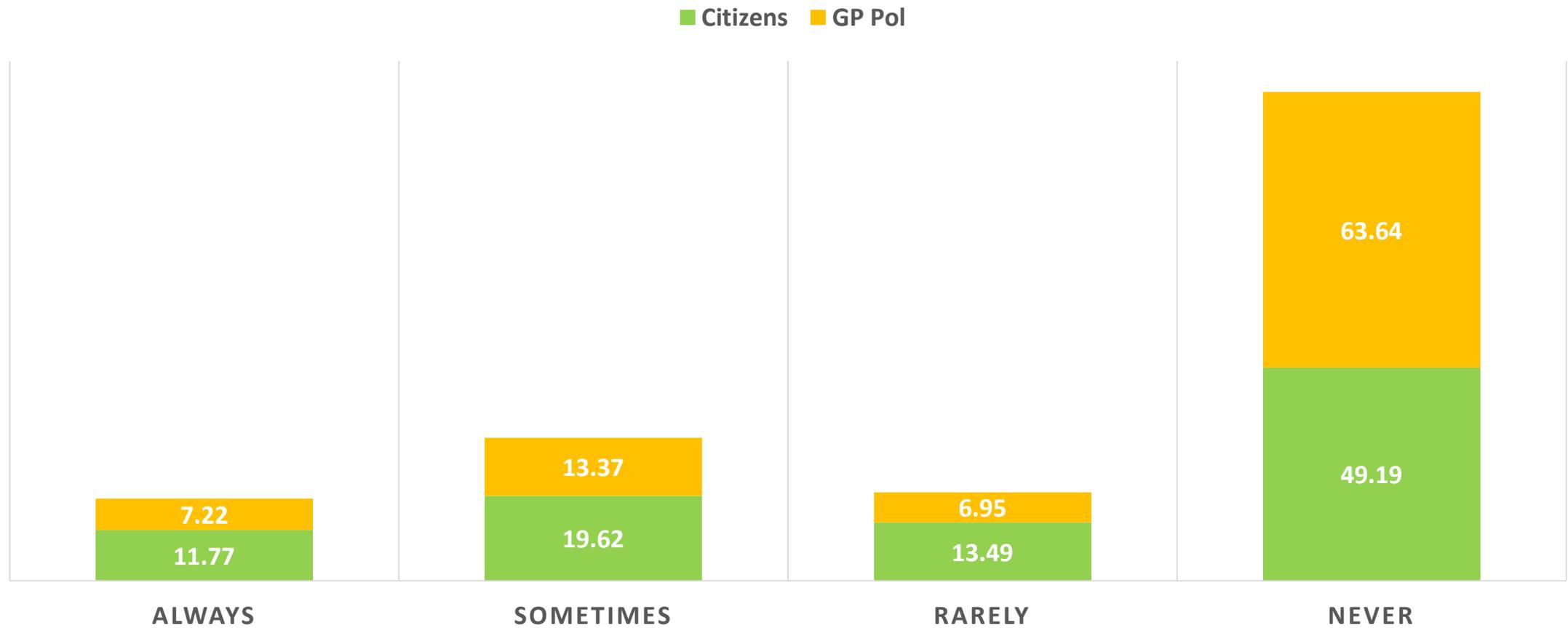
Received iron folic acid (IFA):



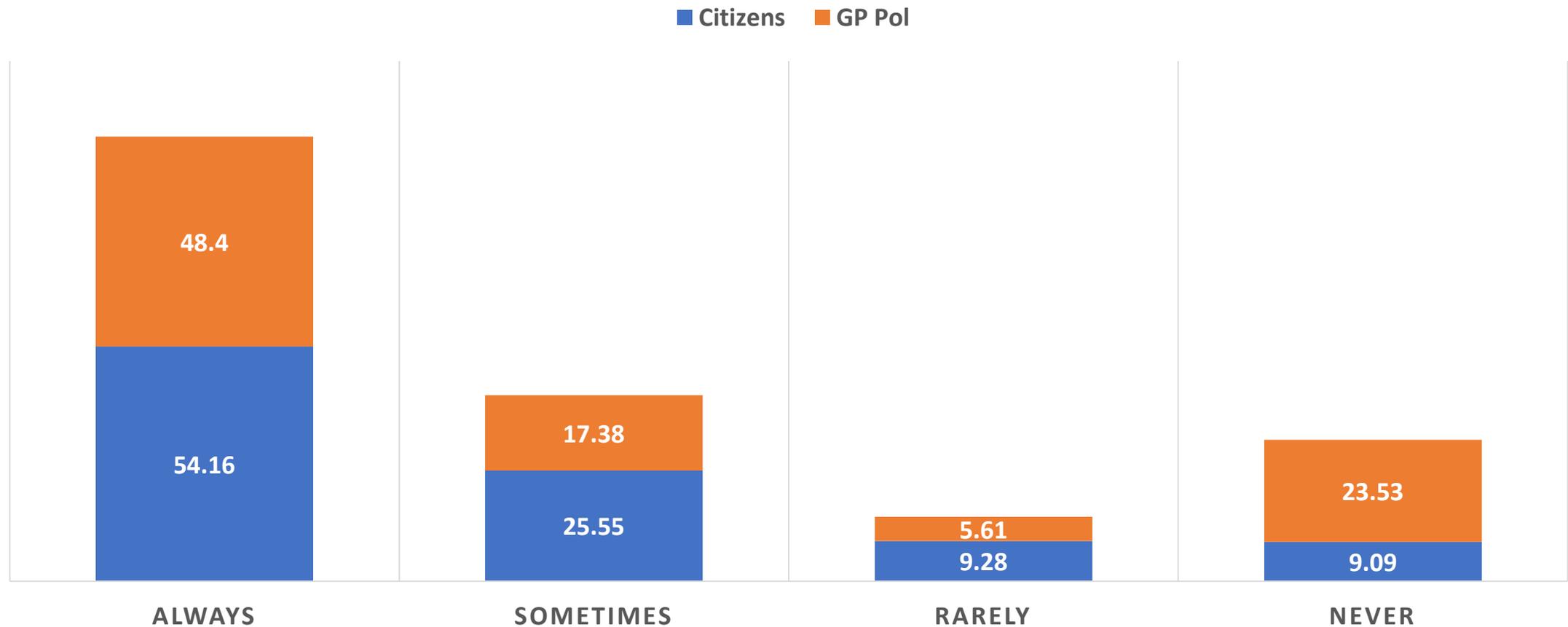
If a child has diarrhea, how do you usually treat it?- Self treatment with ORS



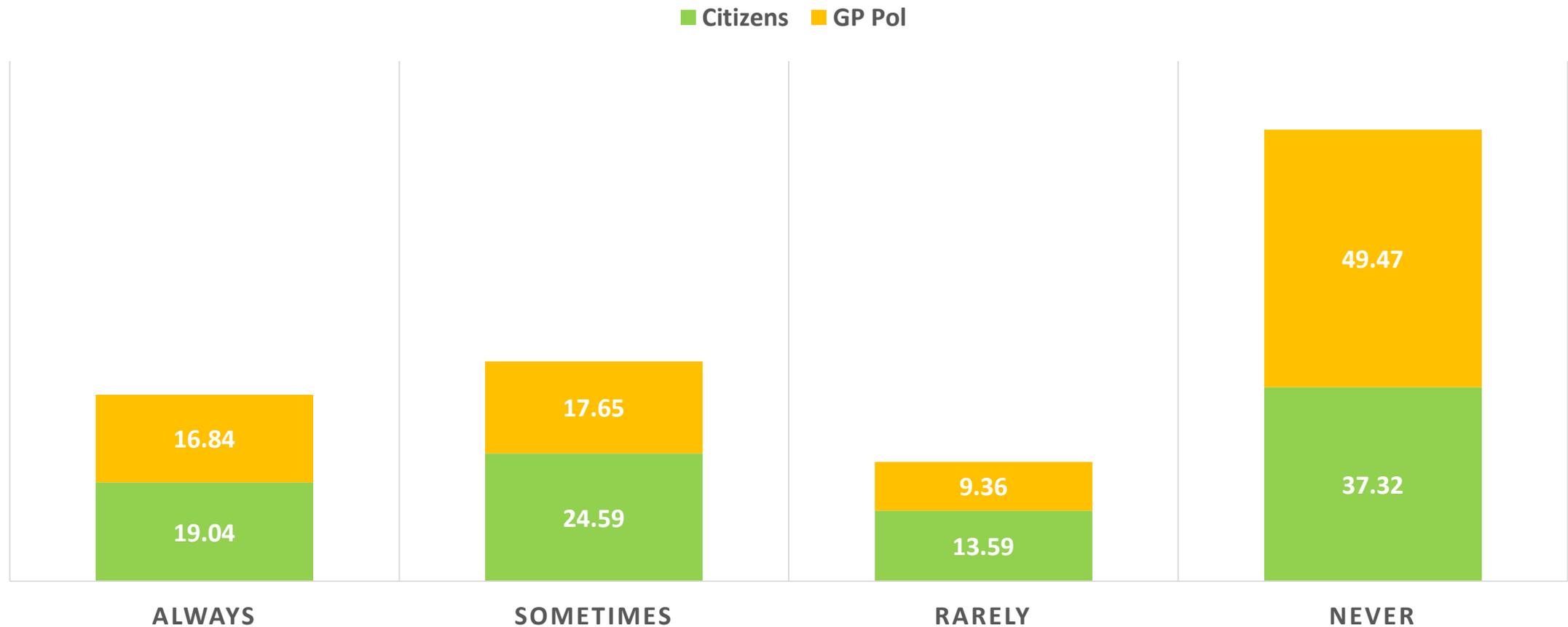
If a child has diarrhea, how do you usually treat it?- Self treatment with medicine



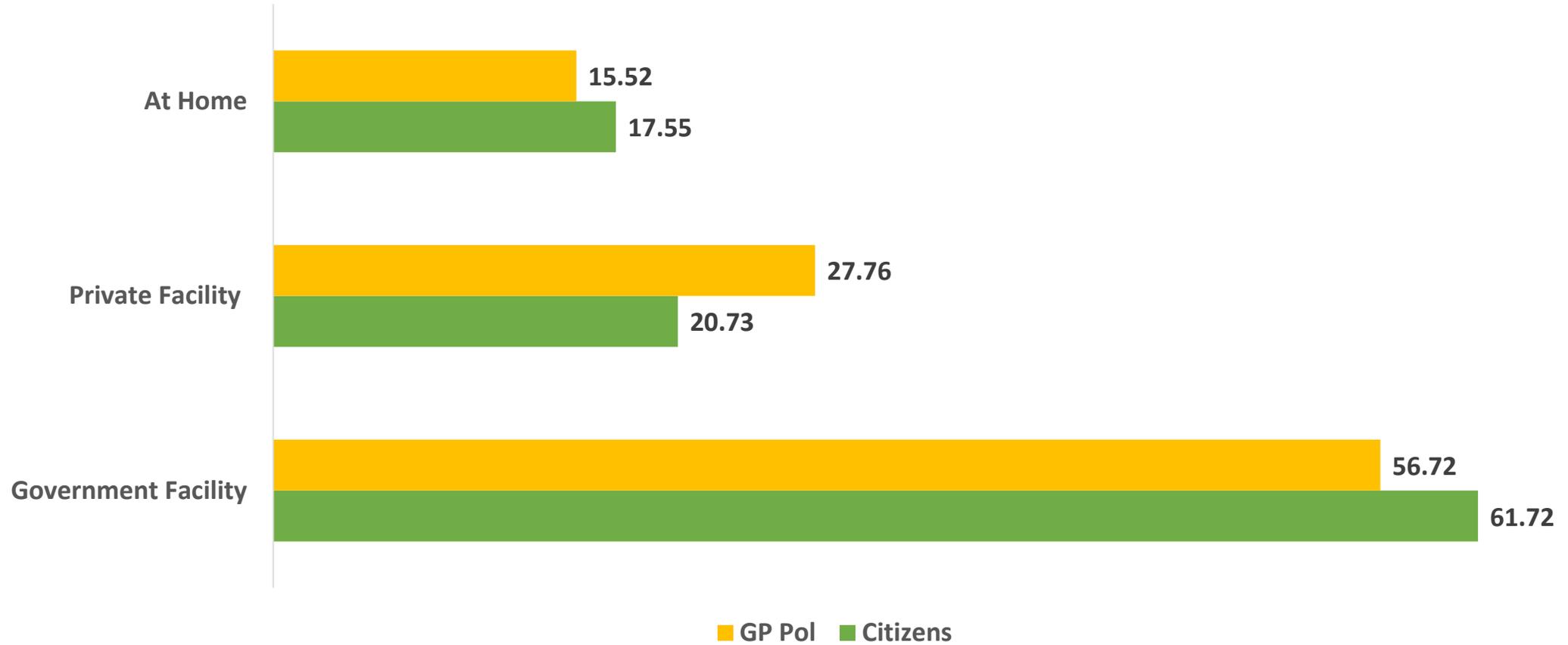
If a child has diarrhea, how do you usually treat it?- Visit private doctor



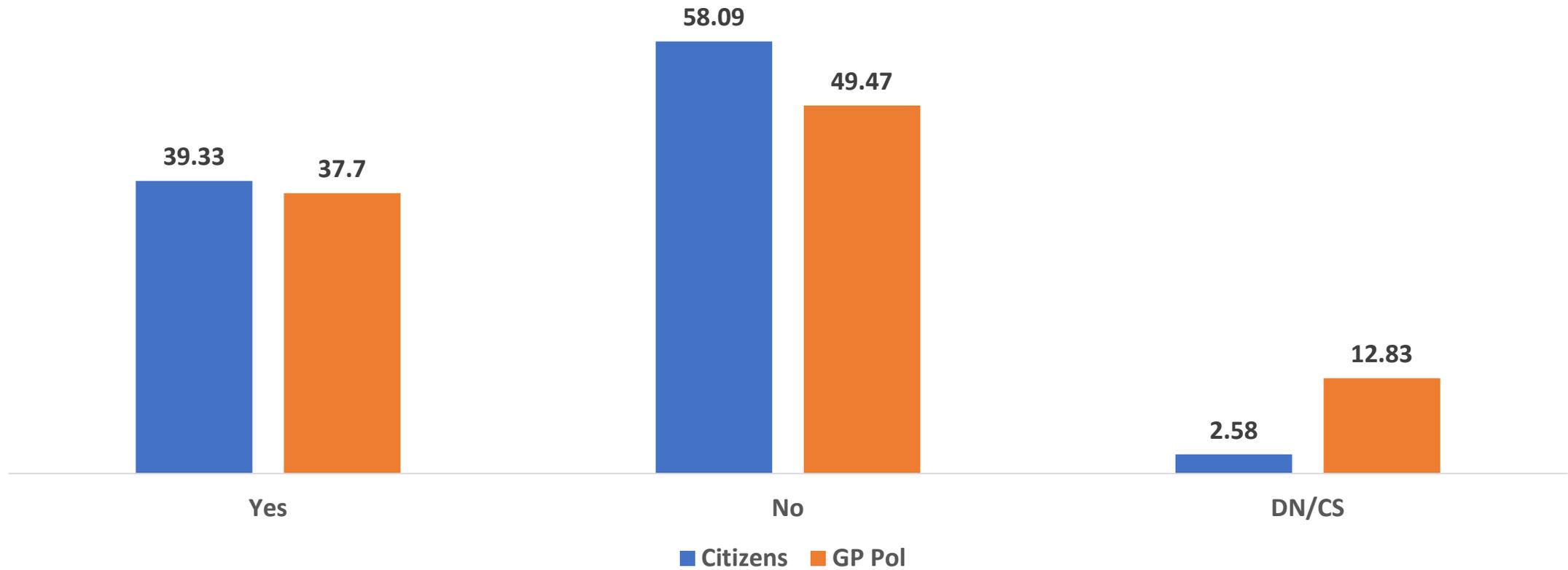
If a child has diarrhea, how do you usually treat it?- Visit ASHA/AWW



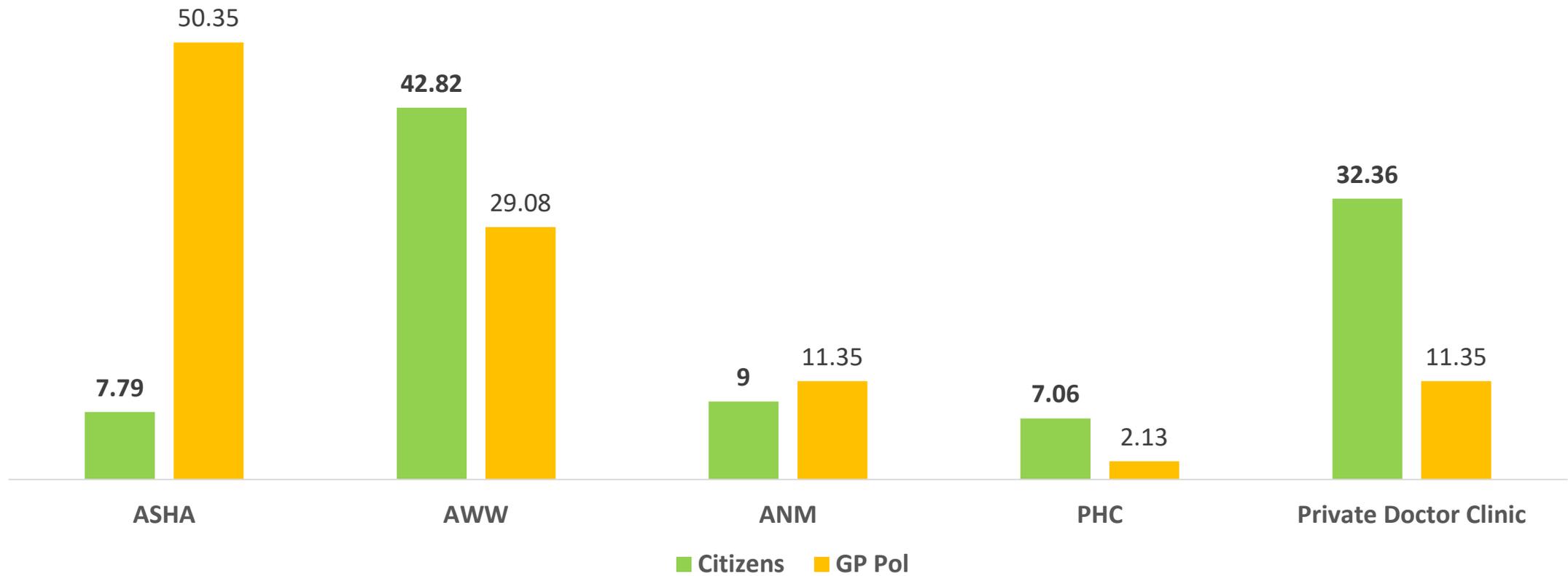
Child Delivered:



Received growth advice:



Growth advice received from:



Do you need to make informal payments to public health facility staff for availing services?

