

# en breve



WORLD BANK

46983

A regular series of notes highlighting recent lessons emerging from the operational and analytical program of the World Bank's Latin America and Caribbean Region.

## PERU

### Making Accountability Work – Lessons from RECURSO

Daniel Cotlear

Even the best accountability rules will not lead to improvements in the quality of public services if citizens do not know what they should expect from their schools and clinics.

A mother who does not know how a well-educated second grader should read, for example, has no reason to demand more from her child's teacher. A father who does not know how much his 6-month-old should grow in the coming year has no reason to demand better primary care services.

Such was the experience of Peru in the early 2000s. High levels of coverage had been reached, abstract transparency and accountability rules were put in place, but the quality of public services remained low. The lack of quality benchmarks prevented parents from demanding better nutrition and education for their children. Their expectations for their children's development remained low, and parents were not effective agents of change.

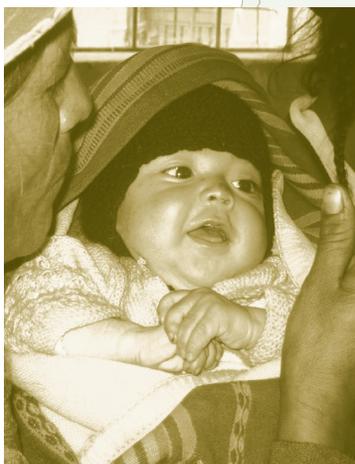
This note describes the experience of RECURSO, a successful effort to create the missing link: high expectations. The RECURSO program provided the impetus for the establishment of easy-to-understand standards by which citizens can measure the quality of basic public services. It enables parents to take advantage of accountability mechanisms and, ultimately, ensure better health and education services for their children. This note describes the genesis, implementation, and impact of RECURSO.

#### World Bank engagement in human development in Peru: a brief history

The Bank has had an active human development portfolio in Peru since 1990. Looking back, it is possible

to distinguish three phases in the evolution of this portfolio. The first focused on coverage, the second on improving rules of accountability, and the third on making the accountability rules enforceable by fostering the establishment of standards by which citizens can measure the quality of public services.

Hyperinflation and political violence in the late 1980s and early 1990s set the stage for the first phase: Bank programs sought to repair damage to physical infrastructure such as schools, clinics, hospitals, and rural sanitation services, to train new teachers and nurses and to make available key inputs such as textbooks and basic medication.



The second phase of Bank engagement in human development in Peru coincided with the global economic slowdown of 1997. In Peru, the negative effects of this slowdown were amplified by another political crisis – the exposure of evidence of corruption, political manipulation of public expenditures, and increasing heavy-handedness. This political tumult forced the president to resign in November 2000, only five months after his controversial re-election to a third term. A Transition Government carried the country to new elections. The crisis contributed to a

growing appetite among Peruvians for transparency and the Bank assisted the Government in developing a plan to strengthen transparency and accountability in public expenditure, with an emphasis on social expenditure. Once the Transition Government took office, the Bank rapidly agreed with the Transition Government on a series of Programmatic Social Reform Loans (PSRL), the first being signed with the Transition Government in 2001; another three were signed in the following four years with the administration of President Alejandro Toledo.

Much of the emphasis of these PSRL loans was on backing legislation and regulations attempting to strengthen the three sides of the accountability triangle (as described in the World Development Report 2004). The goals were (1) to strengthen *voice* through support for a public information law, implementation of an Internet site with user-friendly budget information about social programs, and design of participatory budgeting; (2) to strengthen *client power* by providing support for programs that transferred the management of primary care clinics to community groups, programs that gave parents school oversight capabilities, and the development of toll-free complaint lines; and (3) to strengthen the *compact* through the implementation of performance contracts, the development of output-linked payment systems, and the improvement of the central government's monitoring systems for the social sectors.

By the mid-2000s, it became clear that while many of these interventions successfully increased stakeholder participation in social services, amplified the government's capacity to monitor and influence providers' behavior, and raised public expenditure and salaries, the changes were not enough to generate an improvement in quality. It was apparent to analysts, government officials, media, and the public that the reforms' primary objectives were not being achieved – the quality of education and health services was not improving. In 2005, the Bank agreed with the Prime Minister to undertake analytical and advisory work (known in the Bank as AAA) to identify the source of the problems and identify options for change, with the goal of presenting these to the public during the 2006 presidential campaign.

While transparency and accountability improved, service quality remained low. Why? The third phase of Bank intervention attempted to answer this question with a cluster of programs jointly known as RECURSO – the Spanish acronym for Accountability for Social Reform (REndicion de CUentas para la Reforma SOcial).

### Explaining the persistence of low quality

Peru has experienced huge increases in the coverage of education, health care and some social assistance programs. Comparisons to countries with similar income levels in LAC and elsewhere indicate that Peru has higher coverage in primary, secondary, and tertiary education. This is also the case for several primary health care programs, such as the administration of immunizations, and several social assistance programs. In contrast to these achievements in coverage, however, service quality is very low. Measures of education quality, such as PISA

ratings, or of health outcomes, such as the nutritional impact of nutrition programs, all suggest poor average quality of service. Quality is also highly unequal and highly unpredictable, with the poor receiving particularly bad and uneven services.

A special challenge for policy makers is the stickiness of this low-quality equilibrium, which results from a mediocrity pact that binds the hands of frontline providers (teachers, nurses, doctors), their local-level supervisors, middle managers (regional or municipal authorities), and Ministerial authorities. The knot is tied in a way that penalizes any party that attempts quality improvements. The low-quality equilibrium results from a combination of complex rules based on legislation, norms and agreements with unions, practices and – crucially – in low expectations of performance. The implication of the stickiness is that it is impossible to achieve change through incremental improvements. A shock is needed to free the system from low-quality equilibrium; only once the mediocrity pact is broken will incremental measures have an effect.

The analysis found that while users and community leaders contributed to the expansion of coverage of services, they were not active in improving the quality of these services. Parents built schools, hired teachers and lobbied for improvements to school infrastructure. Community leaders built clinics and actively equipped and staffed the clinics. Local leaders became known for their efforts to establish schools and clinics. Why weren't these stakeholders also pressing for improved quality? The analysis found that while it is easy to see and measure coverage – every parent knows if there is a school in town – it is difficult to see or measure quality. The low quality of services is further protected by a *veil of low expectations*. RECURSO proposed to lift that veil by providing benchmarks by which poor people could measure the quality of the public services they receive.

Rules of accountability will not lead to improvements in quality as long as quality remains immeasurable. To make accountability work, there is a need for standards – accountability metrics. In the long run, detailed standards are needed; in the short run, the team looked for simple standards that could also be used to quickly change culture. The next section describes that experience.

### RECURSO: defining quality, creating high expectations

While coverage is concrete and therefore easy to see and measure, the quality of education or health services is an abstract concept. Users find it hard to measure

quality, so political pronouncements about “poor quality” generate minimal enthusiasm among parents and voters. Only specialists participate in discussions about quality, and they tend to make the discussions increasingly complex, complicating the participation of users and community leaders.

The low quality trap is largely created by users’ low expectations. Parents don’t know what to expect from schools and nutrition programs. Since there are no benchmarks by which to measure their children’s achievements, parents believe their children are doing well as long as they get passing grades and show some improvement. If they knew that their children take five years to learn to read at a standard that should be achieved after one or two years, they might demand change – but they have no way of knowing.

Similarly, the studies found that the extremely high prevalence and persistence of chronic malnutrition (25 percent of under-5 children nationwide, 80 percent in poor areas) is also due to low expectations. Parents, nurses, teachers and society at large expect children of the poor to be small, quiet, unhappy, with little appetite for fun, adventure or learning and with fragile health, so no real effort is made to make changes.

The findings of the RECURSO AAA were published in three books<sup>1</sup>. A key recommendation was that stakeholders be provided with standards or other instruments that allow them to understand and demand quality. In order to illustrate how this could be done, RECURSO produced a number of instruments for the general public and, more specifically, directed to the parents of poor children. These included three videos, a radio theater series, and numerous brochures and posters, many of which have been produced in Spanish, Quechua and Aymara. The videos in particular had a strong impact on public opinion.

The education video demonstrates poor education quality by showing children who cannot read or struggle to read. These dramatic scenes are followed by images of high-quality education – poor rural children of the same age who can read fluently, sometimes in Quechua and Spanish<sup>2</sup>. The video then defines a standard – “children finishing the second grade should be able to read 60 words per minute” – and the video gives clear, simple instructions

as to how to measure this with any watch. The video<sup>3</sup> challenges parents to find out how well their children are reading and tells them that they have the right to demand a good education.

The nutrition video compares two neighboring villages in a poor rural area in Peru. One village benefited from a health clinic with a good nutrition support program; this program reduced chronic malnutrition from 80 percent to 20 percent in four years. The other has a conventional health clinic that operates in a village where malnutrition remains at 80 percent. The video compares the sizes and attitudes of children in the two villages. The video<sup>4</sup> then defines a standard: children should grow 24 centimeters in their first year and 12 centimeters in their second. The video asks parents if they know how well their children are growing.



The video created a strong impression on the government. The Prime Minister said he repeatedly tried to raise the profile of malnutrition but the media and public opinion were uninterested because the problem was largely invisible and poorly understood. To take advantage of the video, he asked the Bank to produce TV and radio spots to be shown during regular TV hours.

[see <http://www.worldbank.org/lacnutrition>].

### Conclusion

The lessons emerging from RECURSO highlight the importance of providing parents - and all agents involved in monitoring service delivery - with simple, clear and measurable expectations about how their children should learn, grow, and be healthy. This requires that clear and simple standards are produced for education and health and that all children are measured periodically and compared with these standards. Without this, any rules of accountability will be difficult to enforce as instruments to improve results. The Recurso experience also shows that service providers are likely to resist the development of such standards and the use of periodic tests - precisely because it increases the pressures of accountability. The impact of RECURSO is described in Box 1.

1 A New Social Contract for Peru: An Agenda for Improving Education, Health care, and the Social Safety Net. The World Bank. 2006. (<http://go.worldbank.org/7755UFLMS0>) Peru.; Toward High-Quality Education in Peru : Standards, Accountability, and Capacity Building : The World Bank. 2007 (<http://go.worldbank.org/7GZHOY8AB0>); Social Safety Nets in Peru. The World Bank. September 2007 (<http://go.worldbank.org/GP9OHHD940>)

2 The large variance found in the lower tail of the distribution means that there are a few schools and clinics that are achieving good results for the poor. The videos sought these examples to lend credibility to the optimists view stating that even in the most adverse conditions, good quality of service will produce good results. This view is needed to raise expectations and produce change.

3 <http://www.youtube.com/watch?v=BxL1aqb6mY>

4 <http://www.youtube.com/watch?v=mJieb2Xgt9U>

## BOX 1 - IMPACT

### On politics and policy:

- Six months before the presidential election, the RECURSO team held a half-day workshop with each of the four frontrunners. Three months later, all parties presented their plans for government, and a summary prepared by TRANSPARENCIA found that each of the four parties included the main RECURSO recommendations in their respective plans for the social sectors;
- In his inauguration speech, President Alan Garcia announced that his government would introduce universal testing for second-grade students (a central recommendation of RECURSO and a break with the past, as the Education Ministry always opposed this); in several speeches President Garcia later advised mothers to “become aware of how many words per minute their children were able to read;”
- Universal testing of students began in 2006 and is now an annual policy; beginning in 2008, feedback will be provided to all schools and parents;
- Congress approved new legislation to provide pay incentives to teachers who approve evaluations; teachers went on strike and, for the first time ever, public opinion sided with the government and the legislation passed;
- The Ministry of Health approved a new technical norm that includes the nutrition standards as an important factor of the health communication package; and
- The national CRECER program has included the nutrition standards in the communication material that will be distributed to communities for health and nutrition-counseling activities.

### On Bank programs:

- The new Country Partnership Strategy includes an accountability cluster with various activities recommended by RECURSO;
- One new activity is a series of Results and Accountability DPLs with strong emphases on targets, testing and management of parental expectations in education, nutrition and health; and
- RECURSO evolved into a multi-year programmatic intervention that will accompany the Bank’s program for the duration of the CPS.

### Creating energy in civil society

- Several NGOs and private foundations are using the RECURSO framework;
- Youth NGOs are making agreements with mayors to attempt to improve the fluency of reading in their districts (and measure it!);
- Solaris – an international NGO managing six public schools with a system similar to Fe y Alegría – used the RECURSO video to motivate the development of a plan that measured fluency, developed targets, and proposed instruments; the NGO saw significant success in four months (a video documenting this experience is available at: [www.youtube/worldbank](http://www.youtube/worldbank));
- A private-sector foundation is considering a competition to provide prizes to rural teachers whose second-grade students read at the level of the standard;
- The education video is being used to motivate discussion in Mexico, Honduras, Bolivia, South Africa and India;
- The national CRECER program, together with the Nutrition Initiative in Peru, will be distributing approximately 4,000 copies of the nutrition video to local health centers;
- Private radio programs have developed communication campaigns based on the main messages of the nutrition video; and
- The Nutrition video has been used as a tool to improve the visibility of chronic malnutrition and to create discussion in Bolivia, Ecuador, Nicaragua, Guatemala and Mexico. Adaptation of the nutrition video to additional countries is under way.

### About the Authors

Daniel Cotlear is the Lead Economist in the Human Development Department of the Latin America and the Caribbean Region of the World Bank