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# Guest editor's preface. Symposium on non-state provision of basic services

Batley, Richard

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# SYMPOSIUM ON NON-STATE PROVISION OF BASIC SERVICES

Richard Batley

Professor of Development Administration, International Development Department,
School of Public Policy, University of Birmingham, Birmingham B29 7LW, UK
R.A.Batley@Bham.ac.uk

The question of 'non-state provision' has become part of conventional development discourse. It marks an extension from recognition of the formal private sector as an alternative (or partner) to government-run services to recognition of a much wider array of formal and informal providers. In the sphere of infrastructural services (such as water and energy), which were early into the debate about privatisation and contracting out, this is perhaps the consequence of the widespread failure of many formal contracts with big private contractors – failure in the sense that contracts have collapsed, often poor people have not been served by them, and foreign firms are less willing to risk their capital in this way (Global Water Intelligence, 2004). Social services – health and education – came later into the debate about alternatives to public systems of provision, and in these sectors it was always clear that, if there were alternatives, they did not come mainly in the shape of large private firms. Much more apparent in these sectors (but also increasingly recognised in water and sanitation) was a myriad of small-scale for-profit enterprises and individuals, and non-profit NGOs, community and faith-based organisations.

Recognition of the multiplicity of non-state providers (NSPs) is one thing; understanding whether and how to engage with them is another. Are some forms of non-state provision (NSP) better able to reach the poor? Can donors, governments or other public organisations support those that are and convert those that are not? Or should governments avoid interfering and get on with the development of state provision?

The case for engaging with alternative providers is made in, for example, the Commission for Africa Report (2005), the World Bank's World Development Report 2004, and the Asian Development Bank's water for all strategy. However, differences of view (positive, pragmatic or cautious) about the complementarity between state and non-state provision are contained even within these high-level policy statements. Non-state provision (NSP) may be seen as preferable to public sector provision inasmuch at it offers choice and has stronger incentives to serve users than does the public sector - although it may also have incentives to offer bad services to uninformed consumers (World Bank 2003). It may be seen in a more pragmatic light as a fact of life: like them or not, NSPs are an important provider of basic services and essential to the 'scaling-up' necessary for the achievement of the Millennium Development Goals (MDGs), particularly in poor and fragile states (International Monetary Fund and World Bank 2003). Lastly, non-state provision is seen by some as having a transitional existence whose longer-term destiny is eventual integration into state systems (Commission for Africa 2005). As our own 'donor mapping' has shown, these differences are also apparent at the level of individual donors and recipient governments (Wakefield 2004). In some governments, views extend to outright hostility to NSP, though, given the power of the new convention, few would openly argue that non-state providers should be disregarded.

The five articles in this Symposium arise from research commissioned by the UK Government's Department for International Development (DFID)[1]. The purpose of the research was to identify whether, how and under what conditions governments can work positively with NSPs to support and improve non-state provision of basic services. Six countries were selected for study: Nigeria, Malawi, South Africa, India, Pakistan and Bangladesh. The service sectors were selected because they are fundamental to the MDGs – primary education and health care, basic water and sanitation. In each country and in each sector, the focus of the research was on identifying and analysing types of engagement between government and non-state providers, and how these affect service delivery. The research was structured to investigate four categories of engagement:

- o Policy dialogue by governments with NSPs in deciding and reviewing policy, legislation, standards, roles, coordination and forms of collaboration
- o Regulation of NSPs; oversight and monitoring of standards; supporting client information and ability to hold providers to account
- o Facilitation of non-state providers by giving access to finance, and providing information, capacity-building and advice
- o Commissioning service delivery by NSPs through contracts, licences, partnership, joint venture and co-production.

We defined non-state providers as including all those that exist outside the public sector whether they operate on for-profit or non-profit principles, and including individual practitioners, firms, citizen-based organisations, NGOs or faith-based organisations. The table illustrates the sorts of service that these may provide.

**Examples of Non-State Service Provision**

| Health care | Education |
|---|---|
| <ul><li>Private hospitals</li><li>Nursing and maternity homes</li><li>Community care, e.g. of HIV/AIDS patients</li><li>Patient support services</li><li>Clinics run by various professionals - midwives, doctors, nurses, paramedical workers</li><li>Family planning and reproductive health services</li><li>Illness prevention and health promotion services</li><li>Drug vendors: pharmacies and unqualified static and itinerant drug sellers</li><li>Providers of traditional medicine</li><li>Private practice by public sector professionals</li></ul> | Formal and non-formal education provided by <ul><li>Entrepreneurs</li><li>NGOs</li><li>Communities</li><li>Faith-based organisations</li></ul> Water <ul><li>Operators of public concession and management contracts</li><li>Retailers of water from domestic taps</li><li>Retailers from local sub-networks, standpipes and water kiosks</li><li>Water vendors, carters and tankers</li><li>Community and NGO facilitators</li></ul> Sanitation <ul><li>Manual and automated cleaning services</li><li>Latrine constructors and pit-diggers</li><li>Public latrine and shower operators</li><li>Builders and managers of low-cost sewerage systems</li><li>Community and NGO facilitators</li></ul> |

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[1] The views expressed are not necessarily those of DFID. A full set of working papers is available at http://www.idd.bham.ac.uk/service-providers/

The researchers and writers of the articles are drawn from four institutions: the International Development Department at the University of Birmingham, the London School of Hygiene and Tropical Medicine, the Water, Engineering and Development Centre at the University of Loughborough, and the Centre for International Education at the University of Sussex. The articles are largely based on the fieldwork undertaken with local counterparts in the six countries. They consider whether and how governments engage in dialogue with, regulate, support and contract the non-state sector, and the organisational and institutional factors that make interventions succeed or fail. The articles stand alone but are also linked to each other. Dominique Moran locates the following papers by interrogating the existing literature on the three service sectors (health, education water and sanitation) in regard to the interaction between governments and NSPs. The articles by Kevin Sansom (water and sanitation), Pauline Rose (education) and Natasha Palmer (health care) analyse the experience of government/NSP engagement, particularly but not only in the countries in which we undertook fieldwork. Richard Batley draws on these articles and the wider materials generated by the research project to identify cross-service findings and policy implications. We adopt an eclectic style, comparing findings from across the countries in all five articles and across the service sectors in the first and last articles.

The contribution of this Symposium is first that it is based on empirical research undertaken according to a common framework across several countries and service-sectors. As Moran points out, most research in this area is in single case studies that are both sector- and country-specific, limiting the possibility of comparison. Secondly, our contribution is in our focus on governments' impact on non-state service delivery for poorer sections of the population. There is a limiting factor here: we are not looking at all aspects of the state/non-state relationship but at the factors that influence the way non-state providers perform. Thirdly, however, we are not limited to looking at either non-profit or for-profit providers; we consider both. It is surprising how divided is the literature on service provision between a focus on private for-profit operators or on non-profit NGOs. As Brinkerhoff and Brinkerhoff (2002) point out, there is in fact often a very blurred distinction between the two categories: firms may be subsidised or contracted by government; NGOs may act to increase their business opportunities and raise salaries. We give special attention to the for-profit entrepreneurs that deal with the poor; often they are small-scale and informal rather than organised private companies.

This Symposium picks up some of the themes established by Brinkerhoff and Brinkerhoff in their Special Issue of this journal in 2002. Unlike us, they focused on relations between government and non-profit organisations. On the other hand, they looked more broadly at all aspects of the relationship including service delivery, advocacy and beneficiary empowerment; the second and third aspects come into our studies only as adjuncts to service provision. Broad themes shared with the earlier Special Issue are the possibility of the state acting in a facilitating mode, of non-state providers acting to fill the gaps left by failed state and market services, the blurring of the boundaries between state and non-state and between for-profit and non-profit organisations, and the rise of NGOs and business associations with an intermediary role. Similarly we examine the impact of state/non-state relations that are governed by repression and rivalry versus the possibility of complementarity and competition. And, we consider whether collaboration leads to NSPs acting as agents of the state or allows them discretion and autonomy, and how this may change the direction of their accountability.

A new research project with the same partners funded by ESRC under its Non-Governmental Action Programme[2] began in 2006 to explore the dynamics of the relationship more fully in India, Pakistan and Bangladesh. This will examine more deeply the factors that condition the goals of state and non-state actors in service provision, how organisational arrangements may affect their incentive to collaborate or compete, and how the characteristics of different service sectors may influence these issues. We would welcome contact with interested readers.

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[2] http://www.lse.ac.uk/collections/NGPA/