Book Review: *Building State Capability: Evidence, Analysis, Action*

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Building State Capability: Evidence, Analysis, Action is both an in-depth examination into failures of developing organizational capabilities in the global south, and a platform to espouse a new technique for development practitioners. Andrews, Pritchett, and Woolcock's (2017) thorough examination into the casual factors of capability failures provides clear evidence that development practices need to be changed, and that the Problem-Driven-Iterative Approach is the solution.

The continued problem of building capability

Around the world, the capabilities of most state organizations have declined over the past 40 years (Andrews, Pritchett and Woolcock, 2017, 17-30). Despite successful economic growth in many countries, state institutional ability to provide services, collect information, communicate with citizens, and impose obligations has deteriorated. While the rise of neo-liberalism and the privatization of many areas that were previously controlled by the state (Dichter, 2003) is one crucial factor for this deterioration, the authors contend that ineffective attempts to develop organizational capability have precipitated the continued decline. The international donor communities' emphasis on policies over implementation, preferences for rigid logical frameworks, and insistence on the use of "best practice" have fundamentally removed indigenous capability and replaced it with institutions that work poorly in their targeted context.

These pressures from international donors and local powers have created an environment rife with "isomorphic mimicry"; organizations that mimic the forms of successful institutions, but lack the ability to effectively function as they are designed to (Andrews, Pritchett and Woolcock, 2017, 29-53). Transplantation of best practices for organizational structure has been the preferred method of building capability, rather than allowing locally relevant institutions to evolve in response to indigenous challenges. These mimicries are encouraged, as many international indicators focus on the form of an organization over its respective function. The focus on inputs and compliance over outcomes and change, as well as allowing for organizations to relabel societal issues as the lack of preferred solutions (i.e. reframing institutional corruption as a lack of performance monitoring, so that when performance monitoring is instituted the problem is solved), has continued to allow organizations to backslide in their capabilities.

Andrews, Pritchett and Woolcock (2017, 54-70) note that institutions also suffer from premature load bearing, losing capability as they are asked to do "too much of too little too soon too often". Organizations are expected to complete the same functions as the "best practice" examples which they replicate, without developing a motivated internal culture. Transplanting organizational formations is an easier task than transplanting organizational culture, which must grow organically (Huxham, 2003). If actors within an organization do not align their actions with organizational mission, even accounting mechanisms aimed at improving outcomes will be as effective as "putting a Band-Aid on a corpse" (Banerjee, Duflo, & Glennerster, 2008).

Attempts to shift and improve capabilities have been overly rigid, usually employing solution and leader-driven change strategies (SLDCs) that privilege input from leaders

and experts over those on the ground. These strategies tend to generalize the structures of organizations, leaving little room for nuance or adaption to local contexts. While this strategy might work for simple organizations that are solely focused simple technical issues, they fit poorly in the environment of development, a sphere categorized by complexity and thick information (Snowden and Boone, 2007).

A path forward: Problem Driven Iterative Approach

In response to these negative effects of the strategies used to build capability, the authors advocate for their newly developed Problem Driven Iterative Approach (PDIA), an adaptive, experimental, and experiential method to tackling capacity building. Correcting for the weaknesses of current capability building approaches, the PDIA aims at providing a process for building capability that is driven by local problems identified by local actors.

Two major factors underlie the PDIA; an emphasis on programs being guided by "good problems" and being solved through several iterations of experimental action. "Good problems" are issues that matter to key agents, are motivating for those involved, and can be broken down into casual elements (Andrews, Pritchett and Woolcock, 2017, 168). In contrast to most approaches, these problems can't be framed as a lack of a solution. Building commitment from local actors is a major factor in the failures of most efforts to build organizational capability. By focusing on issues that already have support for key actors, programs do not face the difficulty of building motivational drive from the ground up. These good problems also strike at the heart of the problem, rather it's symptoms.

Iterative action is the second major aspect of the Problem Driven Iterative Approach. The authors argue that most efforts to increase capability have suffered from issues of transplantation and mimicry, too often have solutions been applied to contexts that are incompatible. Predicting with any degree of certainty which "best practice" methods to apply to development spheres that are shrouded in complexity and unknowns is not currently possible. Instead solutions should be developed from the ground up, trying several solutions at once and through iterative dialogue and adaption applying those most applicable to the context. Organizational culture and efficiency is grown through this approach, being nurtured rather than transplanted. Overly rigid logical frameworks should be replaced with searchframes, which allow practitioners to find solutions that apply directly to the context.

Recommendations:

Building State Capability provides a compelling analysis for the overarching endurance of low capability organization in the public sector, as well as an innovative and decisive framework for combating this low capability equilibrium. Unfortunately, the book lacks a more substantial analysis of the impacts that colonialism, neoliberalism and extractive policies from the global north have had on the deterioration of state capability. While the authors take issue with the international donor communities role in the stagnation

of capability growth, their argument falls short of shifting the onus of responsibility of changing practices on the development community.

Despite this the authors proposed approach to developing capability appears theoretically and practically strong, and can provide development actors with an effective framework for creating more effective practice. Whether the problem-driven iterative approach will have a broad reaching effect on the development field remains to be seen, nevertheless the authors provide a convincing argument that current practices will do little to pull us out of worldwide capability decline.

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