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The future relevance of good and best practices

Today development practitioners recognise the increasing complexity in their field of work and accept that there are no simple one-size-fits-all solutions. Nobody questions the assertion that context matters. On the other hand, there is a lot of accumulated knowledge about what has worked in the past and – even more so – what has not worked. Therefore we do not want to start from scratch when working on a new project in a region or sector. We usually apply concepts and techniques that have proven to work in different contexts. The application of these kinds

of good or best practices is efficient, which avoids having to reinvent the wheel in every new project.

The Multilateral Investment Fund (MIF) of the Inter-American Development Bank (IDB) addressed this challenge in its strategy for Regional Economic Development (RED) to identify so-called best practice principles. Over a period of nearly twenty years the MIF accumulated experience in promoting business development services, industrial clusters and Local Economic Development. For each of these fields





a study identified the underlying problems and associated solutions, some evidence of the results that were produced, the enabling conditions that made each approach possible, the driving factors that distinguished each approach from the others, and a set of best practice principles.⁶

⁶ Romis, M. (2013). Analytical framework for RED strategies in Latin America: a taxonomy of approaches and best practice principles. Washington.

These best practice principles were used as an input to develop a model-based approach which should help the MIF to cooperate with other national institutions or international development organisations to reach a larger scale of their interventions. At the same time, the MIF highlights the necessity to contextualise the application of each model-based approach to respond to the particulars of each productive system where they intervene.

In 2013, MIF commissioned a consortium of Mesopartner and SISTME to conduct a thematic study on RED and give advice for their future strategy in this area. We proposed to differentiate intervention models according to different ideal types of territories. Each type of territory is characterised by different economic challenges and institutional settings. This typology could help to define distinctive intervention strategies.

However, even when using this typology approach an international development organisation needs to be careful when applying a contextualised model-based approach. There is always a risk of focusing too much on the model and becoming blind to contradicting patterns. Therefore in all intervention processes we recommend the introduction of a phase of gaining deeper understanding of local realities. Here we pose

the following question to ourselves, our counterparts and local actors: what is really going on? This question helps us to revisit our own beliefs and value system and provides the opportunity to challenge our model-based framework.

In the thematic study for the MIF we started experimenting with narratives of RED practitioners and policy makers. About 200 stories were collected at the Global Forum of Local Economic Development in Foç de Iguaçu (Brazil) and by a supplementary online survey. The participants of this exercise qualified their stories on their own using so-called signifiers. The outcome of this exercise was presented in a workshop in Washington D.C. and helped the MIF to compare its own perspectives with complementary and alternative viewpoints. It was a new experience for the clients not to rely





on consultants, but instead to interpret the narrative material on their own, to identify patterns and to make sense of them. This technique is called “disintermediation” and helped the clients to reach a deeper understanding of the complexities in RED.

In conclusion, it is useful to draw on experiences, document lessons learned and identify best practice principles. But we need to cultivate our ability to question and challenge those experiences and become sensitive to the concrete reality we encounter in a new situation.

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