

**The Role of Applied Research Institutions: A South
African Case Study**

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Abstract

This paper attempts to develop a set of discrete roles that a policy research institution based in a developing country should be aiming to achieve in trying to fulfill its mandate. These roles may of course differ in importance and ranking, depending on the particular circumstances of the country. The paper develops specific arguments – in the form of 'nine commandments' - in trying to elucidate on the various activities that research institutions should be engaged in. Whilst not an exhaustive overview, the paper does attempt to provide a core set of roles and interventions that all such institutions should be engaged in to ensure that they maximize both the quality of research output and its impact on the policy community in the developing world.

Résumé

Ce papier tente de définir un ensemble de rôles qu'une institution de recherche et d'analyse des politiques basée dans un pays en développement devrait tendre à achever en s'acquittant de son mandat. Ces rôles pourront assurément différer par leur importance et leur rang, en fonction des circonstances auxquelles chacun des pays est confronté. La réflexion développe des arguments adaptés – sous forme de « neuf commandements » – en essayant d'éclaircir l'éventail d'activités dans lesquelles les institutions de recherche devraient s'engager. Sans prétendre à l'exhaustivité, le papier se propose de cerner un ensemble central de rôles et d'interventions que toutes les institutions investies d'une telle mission devraient poursuivre afin d'optimiser aussi bien la qualité de l'apport de la recherche que son impact sur les décideurs chargés de la formulation des politiques dans les régions en développement.

Introduction

This paper attempts to develop a set of discrete roles that a policy research institution based in a developing country should be aiming to achieve in trying to fulfill its mandate. These roles may of course differ in importance and ranking, depending on the particular circumstances of the country. Perhaps more importantly, the document does not profess to yield an exclusive representation of the most important, or only, set of activities that such institutions should be pursuing. Instead, what follows is a description of the various functions that in the author's view, should feature quite prominently in any scorecard of an effective policy institution. Overlaying this, is a strongly autobiographical emphasis – with many of the suggestions drawn from the experience of the Development Policy Research Unit (DPRU), based in Cape Town, South Africa.

Background to the DPRU

The Development Policy Research Unit (DPRU) was formed in 1990 and from its inception had strong linkages with the anti-*apartheid* mass democratic movement. The central objective of the DPRU in its initial phases was to provide economic policy research to a movement which ostensibly was a future democratic government in waiting. Thus, from the beginning of its existence, the DPRU cultivated a strong relationship with policymakers through its core activity, namely the production of academically credible policy research. This role became even more vital after 1994 under the democratic dispensation¹. Essentially the relationships and networks with the policy making community and the research community continued to be forged and strengthened throughout the past ten years of the post-*apartheid* phase. While the key mission and objectives of the DPRU were elaborated during the pre-1994 phase, the research orientation and focus has shifted and kept abreast with the most pressing policy concerns of the post-1994 period.

Given the above environment, the Mission of the DPRU is to:

- undertake high quality policy-relevant research;
- maintain and develop effective networks with government, civil society and the research community in Southern Africa;
- engage in training and teaching activities; and
- participate directly in the process of formulating, implementing and evaluating policy.

In carrying out its mission, the DPRU has always sought to give specialist attention to the development and strengthening of its research fields. In the past, these research activities were in the fields of labour markets and poverty, regulatory reform and regional integration. The latter two have gradually become subsumed within the fields of poverty, inequality and labour markets. This is partly symptomatic of the key challenge that issues around labour markets and poverty pose for the viability of a democratic dispensation in South Africa. In addition though, it has been a deliberate strategic decision of the DPRU to pursue research excellence in a specific area of economic policy research, rather than spreading itself too thinly across a range of issues. This is more critical, given that South Africa is fairly well populated with a number of highly focused policy research institutes. As a consequence, the unit's research activities have migrated from its original research themes and generally gravitated to research activities that can broadly be demarcated into new themes. These new themes currently capture the broad research and policy fields that the contemporary work which the DPRU undertakes is now defined. The six themes, deliberately broad in scope, that capture the ongoing research of the DPRU are:

- Education and Skills Development
- Employment in the Formal and Informal Sectors
- The Economics of Labour Market Regulation
- Poverty and Access to Public Services
- Poverty and Labour Market Outcomes
- Economic Growth, Trade and Poverty

¹ For a more detailed and broader overview of the role of research in policy-making in late- and post-*apartheid* South Africa, see Borhat (2003).

The Development Policy Research Unit however continues to adhere to a well entrenched operational mandate which have essentially functioned as its goals and objectives, namely to:

- foster high quality, policy relevant research within the DPRU;
- train a new generation of research economists within the DPRU; and
- disseminating knowledge (research and its implications for policy) to decision makers in government, the private sector and civil society.

The DPRU presently has a staff complement of eight. The research complement consists of five members: four researchers working under the director who undertakes and supervises research production. The operations division has a staff complement of three: the office manager, the secretary and the publications manager. The management team consists of the director and the office manager. The relatively small size of the DPRU has been justified on the basis of an implicit motto that elevates the virtues of the institution being 'lean and mean'. This internal motto has contributed towards the issues of financial reproduction and economic sustainability being consciously embedded in the outlook and philosophy of the organisation.

The DPRU's *Modus Operandi*

The DPRU, in pursuing its mandate of producing academically credible policy research, has as its client base numerous national and provincial government departments². These range from the National Treasury (typically the Ministry of Finance in a developing country) and the Presidency to line ministries such as the Department of Labour, Department of Social Development and the Department of Trade and Industry. Given the track record of the institute, these departments often approach the DPRU directly in search of policy research to be undertaken. However, in trying to ensure financial viability, the DPRU also - on a highly selective basis - competes for public tenders put out by the national and provincial departments.

Apart from delivering research products to our client base, the DPRU also actively pursues a programme of capacity-building to public sector officials and members of the NGO network, union movement and civil society in general. These have two basic forms: Firstly to try and translate ongoing policy-relevant, but technical research into more digestible material to a non-academic audience. Hence, the DPRU for example runs an extension course on *Labour Economics and Labour Market Policy* three times a year to an audience composed of unionists, labour lawyers and public sector officials. The second strand of capacity building is to try to, more formally, build the toolkit of technocrats within the bureaucracy. In this vein, we offer a training course on *The Analysis and Measurement of Poverty and Inequality* which has as a key component, the training of participants on a relevant statistical software package. This course is 'harder' in that specific skills are taught with the aim of sharpening the analytical tools at the disposal of the policy maker.

While the first *modus operandi* of the DPRU is essentially knowledge production and the second capacity-building, the third of these is arguably the most important: it is the all-important task of dissemination and distillation of knowledge. This takes place through a variety of avenues including regular workshops, an annual conference, a working paper series and a policy brief series. These are all governed by a regularly update website. It is this particular function of the DPRU that allows for a multiple number of entry points for potential consumers of the unit's research output.

The Role of Applied Policy Research Institution: The Nine Commandments

Given the unit's rich history and its location within one of the premier universities in the country, it has accumulated a significant quantum of embedded knowledge and expertise in the area of pursuing effective policy research. These can be captured (for want of a better labeling!) as the 9 commandments that applied policy research institutes should adhere to, when trying to fulfill their mandates. While these truncated lessons are applied directly to South Africa, it is

² South Africa has nine provinces, each with their own provincial line ministries. In theory, the national departments set out the broad frameworks for specific interventions, while the provincial departments' brief is to implement the policies within this broad nationally crafted remit.

hoped that there is a sufficient degree of generality to make these ideas resonate with similar institutes in the developing world.

1. Inform Policy and Policy-Makers

One of the approaches to research, which distinguishes applied research institutions from consultancy firms, is that the former organizations undertake research principally to inform the policy process. This is distinct from undertaking research to influence the policy process. Hence, upon a policy issue being raised by a specific government agency, the task of the research grouping would then be to *inter alia*, sharpen the analytical parameters of the issue; provide an exhaustive and value-added baseline information; close any obvious information gaps and question conventional wisdom on the issue. Using rigorous tools of economics, the research institution should be guided by attempting to provide a product that delivers information which complements and improves the quality and orientation of the decision-making process for the public sector institution.

For example, the DPRU has been engaged with the Department of Labour (DoL) in a study on the incidence of atypical employment (See Lundall, Majeke & Poswell, 2004). The DoL is currently interested in seeing how it can legislate this new development in the South African labour market. However, the information base from which the department was working from, was very poor – and hence the clear focus of the study was to improve on this information, with a view to sharpening the direction, and eventually the impact, of the intended policy interventions. The study illustrated in the first, through the use of local surveys, that there are numerous forms of atypical forms of employment ranging from part-time and shift work to outsourcing, casual work and flexi-time workers. Clearly this nuanced definitional distinction around the particular policy issue – in this case atypical employment – had not even entered into the decision-making process of the relevant government department. However, what the research managed to do was in the first instance, suggest a direction for the policy intervention – namely ensure that the department would be focusing on what it viewed to be the most important subset of atypical forms of employment. Secondly, it improved on the quality of the policy-making process, in that the DoL would have a much more nuanced assessment and appreciation of the incidence and typology of atypical employment, and indeed the particular factors that influence firms to engage in these forms of employment.

The example above is a very specific one, but they are easily generalised: While an obvious point, the art of good policy research is to optimally inform rather than influence the policy process. Put differently policy research should complement policy decisions, and not be a reiteration or reformulation of these decisions. Once this is clear, the institute needs to ensure that in the process of undertaking the specific rigorous, credible research - it improves both the quality of the of the policy decision and perhaps even the direction or nuance of the intended interventions.

2. Distill and Disseminate Knowledge

Research institutes, particularly those based at universities, often develop a bad reputation in policy circles for constantly delivering high volume, unreadable, and barely understandable reports to government ministries – the proverbial report that is read by non-one and simply occupies shelf-space. Herein lies the second lesson for policy institutes: that the work only begins once the final report is concluded. The final report is the version that provides all the credibility and details to the activities that will follow. In sum, these activities involve distilling and disseminating – in as deliberate a manner as possible – the results emanating from the research report.

The second of these, dissemination, has a well-known set of activities which include the publication of a working paper series, regular policy briefs and a functioning website with generous dollops of downloadable material. While these elements are well-known, it is less clear whether all applied policy institutes dedicate sufficient resources to this activity. The pursuance of the research contract, without ancillary activities designed to disseminate and share this information with a wider client base (donors, other government ministries, multilateral institutions) is in effect an implicit dilution of the potential impact of one's research. A key lesson then for

policy institutes would be to dedicate specific resources on a continuous basis to ensuring that dissemination of their products occurs efficiently and effectively. Implicitly, this is about a research institute having a well-functioning and well-resourced marketing division.

What is often less appreciated however, is the need to distill information in the process of dissemination – the art of writing the 1-pager if you will. It could be legitimately argued by the policy community that any product they receive, which cannot be reduced to 3 or 4 key messages of substance is of no use to them. An example of distillation is that of a paper the DPRU was commissioned to do by the Presidency for the 10-year Cabinet Review Process (Bhorat, 2003). While a 40-page report was eventually produced the paper was reduced to half-a-page reporting on the key results that would inform the policy process. If these distilled ideas are powerful and relevant enough, they will permeate through the policy community. If they permeate through the policy community, your research is at the early stages of having a policy impact. The failure to deliver a distilled product is in effect a failure to truly realize a policy impact. It is these 'headline' results which policy makers incorporate into their decision-making. Ultimately then, any research institute that explicitly sees itself as policy-oriented needs to capture the notion that not only is it the ideas that are important in formulating policy, but crucially how effectively these ideas are transmitted to policy-makers.

3. Provision of Human Capital

Research institutes are often ideally placed to source graduate students based within academic departments that the institutes are associated with. If appropriately managed and mentored, these students can often be trained, in the long-run, into highly competent research economists. However, for a significant number of new graduates, the research environment acts as a half-way station – the time they spend completing dissertations while working on a number of internal projects³. Due to the nature of research funding and in addition, the possible career choices made by these young graduates they will often leave after a 12 to 18 month stay at an institution. Arguably their exit could be more carefully managed by the research unit, in terms of trying to place these individuals in appropriate jobs within the public sector.

While the public sector environment and its reputation as an employer may be varied - in a number of developing countries there is a shortage of well-trained, experienced technocrats. The research institutions can provide these technocrats through acting as the link between the educational institution these individuals are enrolled with and the final employer. The DPRU has placed a large number of such individuals over the years, and indeed the public sector continues to request potential applicants for specific posts from the DPRU. This is clearly a 'public good' that is being offered to government ministries, but in many senses it also builds the reputation of an institute – in that it is viewed as a competent enterprise providing a very good supply of young, well-trained technocrats. In addition, should this process continue over time, the institute widens its nodes of interaction with government officials where a significant number of its ex-employees will be generously represented in ministries. This is the case for the DPRU, where members of its staff have over the years moved into senior positions in government.

Indeed, this process needs to be carefully managed to ensure that the research institution does not lose staff members to the (often) better-paying public sector jobs, in cases where it does not want employees to leave. This requires a far more careful management of more senior and experienced staff relating to appropriate incentives, a flexible work environment and building career paths – a critical set of issues, although they remain outside the ambit of this paper. Ultimately, what does distinguish an applied policy institute from the private consulting firm is that it serves as a partner (although not an uncritical one) on research with government ministries and other policy bodies. As such then, this partnership should also extend, within reason, to providing value-added human capital to these bodies that are very often heavily skills-constrained.

³ It is of course the most virtuous of outcomes to have the graduate student work on a project that eventually can be reformulated with minimal effort into a dissertation.

4. Public Sector Capacity Building

Related to the above, an additional focus of any applied policy research unit, should be to build capacity within government. Government ministries often lack the requisite suite of skilled personnel to initiate effective policy interventions. This is not the same as arguing that ministries do not have research capabilities – as this is precisely what ministries should *not* be doing. While the comparative advantage of these departments lie in formulating, implementing and monitoring policy – the experience (at least in the case of South Africa) suggests that ministries are either over-stretched to meet these obligations or simply possess staff with inappropriate skills to fulfill this mandate. It is in the latter case, that research institutes can and should assist. This assistance should principally come in the form of training workshops and extension courses. The former is represented by a hands-on, intensive (usually computer-based) course on a particular set of policy issues. These may include for example, a course on (as noted above) analyzing and understanding poverty and inequality or a course on trade and trade agreements. These often find a very receptive audience in policy makers. Many through course evaluations for example, leave feeling that the course has provided them with a clearer analytical framework and importantly a better set of tools with which to undertake policy work. For example, many of the participants on the DPRU's *Analysis and Measurement of Poverty and Inequality* course were members of the Department of Social Development (DSD), the department responsible for disbursing state transfers such as the old age pension and the child support grant. However, many had not been exposed to the extensive literature looking at the welfare impact of these grants, and indeed not the software that would allow them to track the progress of the grants, identify the recipients, calculate the poverty alleviating impact of the grants and so on. Through such a course, a vital capacity-building exercise which transferred embedded knowledge from the research institute to the public sector was ensured.

The second form of capacity building termed extension courses for want of a better phrase, refers essentially to a set of lectures to a policy audience which essentially truncates ongoing relevant research (both local and international) in a particular area. The DPRU's *Labour Economics and Labour Market Policy* course⁴ then tries to highlight to the audience some of the unit's ongoing research into labour market issues. Hence topics covered include: the notion of 'jobless growth' for South Africa; New trends in internal migration; quality of outcomes in domestic schooling system and so on. It is way of introducing the audience to your research programme but then also critically, it is a way for policy-makers to absorb all the new local and international material within a particular theme, over a short period of time. Again, the experience of the course has shown that it remains a vital arena within which to build capacity (and arguably market your products) in the public sector.

5. The Intermediary in National Policy Debates

Academically credible research institutes occupy a key space in civil society in that although they produce research for policy bodies they do not (or at least should not) lose their credibility as an objective source of policy-relevant information. In societies with strong interest groups – and South Africa is of course no exception here – the presence of an objective, credible voice in the policy process is an invaluable one. Hence policy research units can carve out a particular role as intermediaries within policy processes. The DPRU for example, has been involved in a number of key policy debates around the labour market, which has involved the union movement, business and government taking varied positions. The unit then has a key role in trying to provide objective research to inform these debates between the social partners. Often, this research, through clarifying the issue at hand and providing rigorous supplemental evidence, can take these policy debates forward. In the best-case scenario, policy research can serve to break a logjam that may exist between the social partners.

The danger of course is that, over time, the institute's research products would in and of themselves, cement certain views on specific issues. Hence the institute may come to be known, over time, as fairly sympathetic to the views of one interest group over another – if the research in

⁴ Details for this course can be found on http://www.commerce.uct.ac.za/dpru/MESP_Course/EXTENT2004.HTM, and for the poverty and inequality course on <http://www.commerce.uct.ac.za/DPRU/TechnicalAssistanceCourse2004.htm>

the past delivered (albeit objectively) verdicts seen to be in favour of a particular interest group. While this outcome can be very difficult to avoid, an applied policy institution should be aware that its role as the purely objective interlocutor amongst interest groups may be harder to maintain over time.

An additional concern is that as the institute grows and it strengthens its presence in the market for research, donors and/or governments can begin to – with varying degrees of persuasion – utilize the institute to try and ‘front’ or legitimize their policy positions. Hence a ministry may want, for example, the institute to deliver a report on the benefits of privatization or the positive employment effects of trade liberalization - where the expressed intent may be to produce research which supports the policy position of the ministry. It is precisely in these circumstances where the institute’s role as the intermediary, or the objective voice, is threatened. It remains critical that the institute manages these types of relationships carefully, keeping in mind the very legitimate concerns that these actors (government and donors) do offer significant financial support to the institutes⁵.

6. Membership of Research Networks

Research networks can operate both at the formal and informal level, each with their own challenges. Formal networks tend to be at the regional or sub-regional level and usually involve institutes doing a cross-section of policy research. Country networks are generally informal, and are built up more through individual contacts and collaboration, without any strict form or cohesion.

Regional networks have a number of difficulties that include for example that institutes may not have any commonalities in thematic expertise; be uneven in levels and quality of expertise; be organized around a spatial dimension rather than a thematic one; have altering degrees of policy relevance in their work and so on. This short laundry list of obstacles on their own, make it very difficult to run and sustain an effective network. The absence of a champion or lead institute, makes it more difficult to sustain a viable network. Research units are also often organized and run on tight timelines, regular deliverables and short-term funding. Within this environment, membership of a network which saps time, energy and human resources often at a higher opportunity cost, does become a difficult activity for research institutes. However, networks do offer a rare opportunity to engage with individuals and institutions outside of one’s own country and in that way to perhaps learn from their experiences. There may be a strong cross-pollination of ideas in areas as diverse as operational, financial and human resource management; dissemination activities; fund-raising protocols; proposal writing and so on. Perhaps the key role for an institution in a network, if it is a strong, well-functioning one, is to assist those that are weaker in the network in a manner that does not draw too heavily on its own internal time and resources. Ultimately though, networks are an important part of the research environment and institutes should try and involve themselves in these activities, without sacrificing on its internal programme of activities.

A local network usually operates far more loosely and tends to provide a higher rate of return to the relevant institution. They offer the obvious advantage of being able to, fairly costlessly, reduce asymmetries in information. Hence, a donor’s new area of research focus or a government ministry’s pending call for tenders, which an institute may not be aware of – can be garnered by an informal but constant interaction with other domestic policy units. In the case of institutes that work in different thematic areas, there exists the possibility of collaboration on projects that at the point of a funding application, improve the probability of landing a particular contract. In a slightly different vein, being part of an informal network offers the opportunity to outsource segments of a project to external qualified individuals or institutes. Here the significant advantage is that a longer-term, and far most costly human resource commitment is avoided through this form of piece work. Using only internal individuals can result in sudden cost escalations, which an institute may not be able to sustain if a constant stream of projects or funding is not guaranteed. In the current funding environment such a guarantee is almost never present. Finally, one advantage of being informally active in such a network is to quality control each other’s research. While this may happen more formally (when for example the client

⁵ For an excellent insight into some of these difficulties within a South African context, see Cassim (2004).

request a formal evaluation of a product) – as an internal member of the policy research community, units can and should ensure that the quality of work that is delivered to clients does justice to policy formulation and the policy process in general.

7. Provision of Regularised ‘Big Pictures’

While the provision of baseline information has been raised above, this notion is a reference to a specific need amongst policy-makers for ‘big picture’ data – which includes standard sets of indicators on a variety of macroeconomic, trade, labour market, financial and other indicators. In some countries, the national statistical agency may not function well enough to distribute this data, and hence the research institute is ideally placed to serve as the locus (for a national and international audience) for this type of data. It can also of course become a springboard for future, more intensive research and hence can be viewed as a sort of market-entry strategy for a new institute. In countries where the statistical agency does function relatively well, there may still be a need for more value-added indicator data. For example, in the South African context, while Statistics South Africa (SSA) does regularly publish employment and unemployment data, it may not always fully serve the needs of policy bodies. The DPRU thus is often engaged in providing data for instance, on employment distributions by sector and occupation – data that can only be garnered through manipulation of the unit records and in addition data that SSA seldom (quite understandably) publishes. These kind of standard indicators can also include more obvious measures that policy makers often look for, such as the headcount index or the Gini coefficient – which are seldom found in a statistical agency’s releases.

This broad based and extensive indicator information should also be disseminated appropriately – preferably through an institute’s web site where it is easily and freely downloadable. This information can be invaluable in attracting donors to an institute, as new personnel entering a country, wanting a quick overview, will (if it is appropriately marketed) visit the web pages of the relevant institute. In this manner the generalized ‘Economy by Numbers’ data can act as vital portal through which newcomers to a country, foreign donors and government ministries are provided with vital, yet simple information the result of which would be to implicitly raise the profile of the relevant institute.

8. Access Points for International Researchers

Research institutes are of course ideally placed to be constantly engaging with international researchers working in their particular field of interest as well as those with a specialist knowledge of the country. The former may not have a specific knowledge of the relevant country, but would either have a broad developing country experience, or have made significant contributions to the body of knowledge within economics. The latter are those individuals who have carved a career from being renowned experts on a particular country or region.

Accessing and engaging with these researchers is a key role for applied policy research institutes. This can take two principal forms: one to attempt to fund projects which would draw these individuals formally as collaborators into the given project. And secondly, to provide the platform for these foreign experts to engage with local government ministries and other senior members of civil society. In the case of the former, the institute needs to ensure that it is getting an external individual that does add value to the project, and is not simply a substitute for a researcher that could be locally hired. Hence, they should bring with them particular skills that are hard to find locally. For example, the DPRU is working on a project on schooling, wherein a number of external individuals will be engaged. They bring with them a very high level of experience, knowledge and specific expertise that we would find very difficult to source through a locally based researcher. There are cases however when an international researcher may not necessarily be offering a unique set of skills or perspective, and it is this type of collaboration that a research institute needs to avoid. An additional component of this collaboration would be to ensure that some form hard skills transfer does take place. While this is always formally present in contractual agreements, it is often the case that such transfer rarely takes place. Formalise sessions where a particular technique is taught is one way to operationalise such transfer and

ultimately the publication of jointly authored material is a good measure of the success of the collaboration in transferring knowledge.

The second use of international researchers is to provide the space for them to engage with local policy-makers. This can take two forms: firstly to arrange for training workshops to policy-makers, noted above, where some of the key presenters are these international researchers. They bring with them a fresh perspective, in that the audience would not have often heard their ideas, and this often makes for a very useful interaction. The danger here is to ensure that the external individuals are appropriately informed of the nature of the audience, to ensure that the training being delivered is well-matched to the audience. The second form of engagement with policy makers is to arrange through the institute a series of high-level dialogue sessions with foreign experts. This can be constructed around the external individual's particular expertise. For example then, an institute could invite an internationally renowned macroeconomist and have them dialogue with Treasury and Central Bank officials. This obviously builds the profile of the institute, but more importantly, can facilitate a potentially fruitful engagement between a highly skilled foreigner and local policy makers.

9. New Methodologies and Approaches

One of the advantages to being based at a university is that the research institute is implicitly exposed to new techniques and advances within the economics literature – although this need not be confined to university-based units. This is operationalised in three key ways: firstly by access to relevant and recent international and local journal articles, secondly through engaging with colleagues employed within academic departments and finally by staff members of the institute lecturing on graduate courses. While the first two are self-explanatory, the latter is a reference to the fact that a requirement to teach a particular graduate course, engages the individual with the academic material in a way that a research project is simply unable to. This builds technical capacity for researchers at all levels. For example, teaching a course on survey econometrics will build the capacity of the researcher, and introduce him or her to new methodologies in a far more efficient and effective manner than any given research project is able to.

The second-round effect though of accessing these new methodologies, is where the return to the unit and the policy process is seen. For example, the use of relatively new techniques (at least to the South African research community) in panel data estimation played a key role in informing policy-makers on income and job mobility in post-*apartheid* South Africa. Another example for South Africa revolves around new techniques being derived to understand intra-household behaviour and activities. These new approaches will be instrumental in understanding the impact of government's social grants system, particularly the child support grant. Recent econometric advances, for example, the mixed logit models that are in use in advanced countries, will no doubt add more nuance to developing country research, but also necessarily will sharpen the implications for policy interventions and policy research. The art of adopting new methodologies however, lies in ensuring that these new techniques are adopted as long as two advantages are realized: firstly that they add new or more nuanced policy information to the analysis and secondly while the policy contribution may be marginal, it delivers significantly more robust analysis. Where the gains from new techniques are not substantial in either of these two ways, then its adoption, in light of the substantial associated sunken time costs needs to be approached with circumspection.

Conclusion

There can be no doubt that any attempt, as with the one above, to derive a listing of the key components of an effective policy research unit – will omit a number of possible roles and functions. As stated at the outset, this overview should not be seen in any way as exhaustive and indeed the emphasis on each of the prescribed roles may differ by country, region, thematic focus of the unit and indeed the capacity and financial well-being of the institution. Ultimately though, for a medium-sized institute based in a developing country, and undertaking economic policy research – it is highly likely that the above 9 commandments in some form would feature as part of the ongoing strategy of an institution aiming to deliver quality policy research in an efficient and effective manner.

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