Making Space for Economics: Lessons from Comparative Advantage in CGIAR



Applying comparative advantage as a criteria in process and performance evaluations

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Opinion Immigration

One Nation's migration cuts add recession



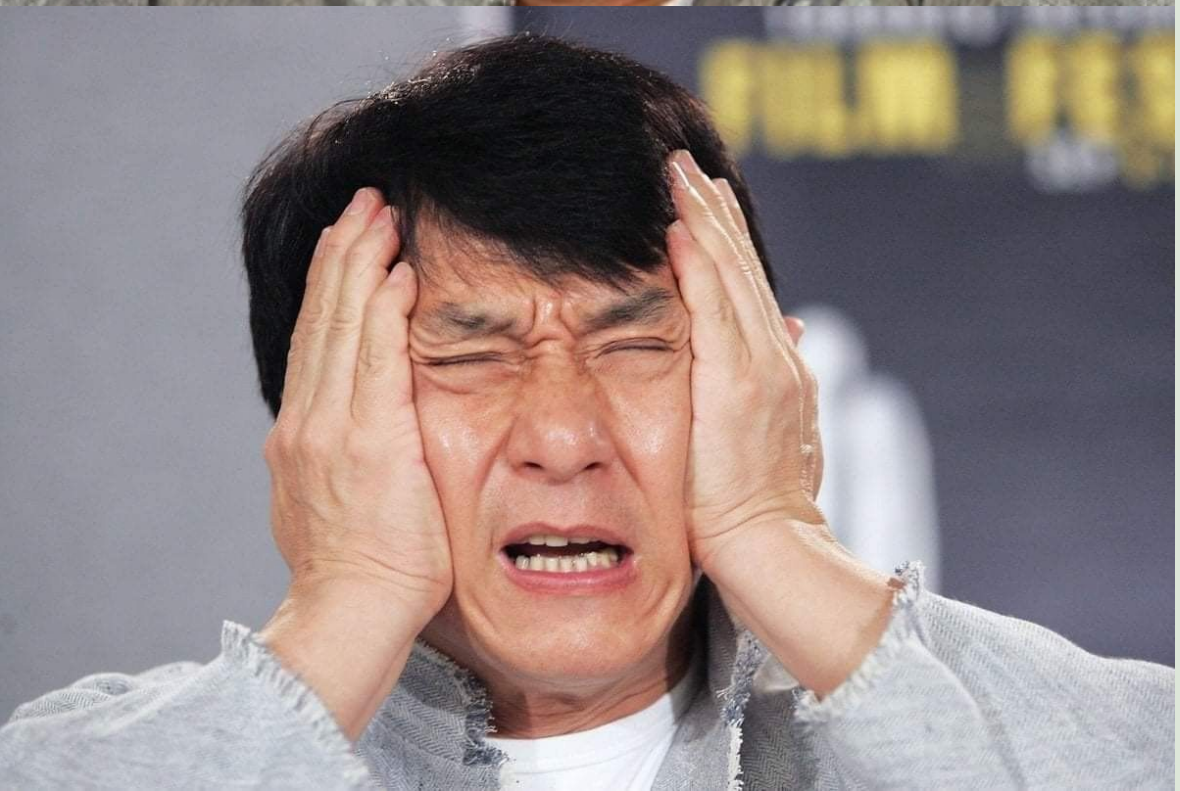


ASX slides to three-month low as oil price stokes inflation fears







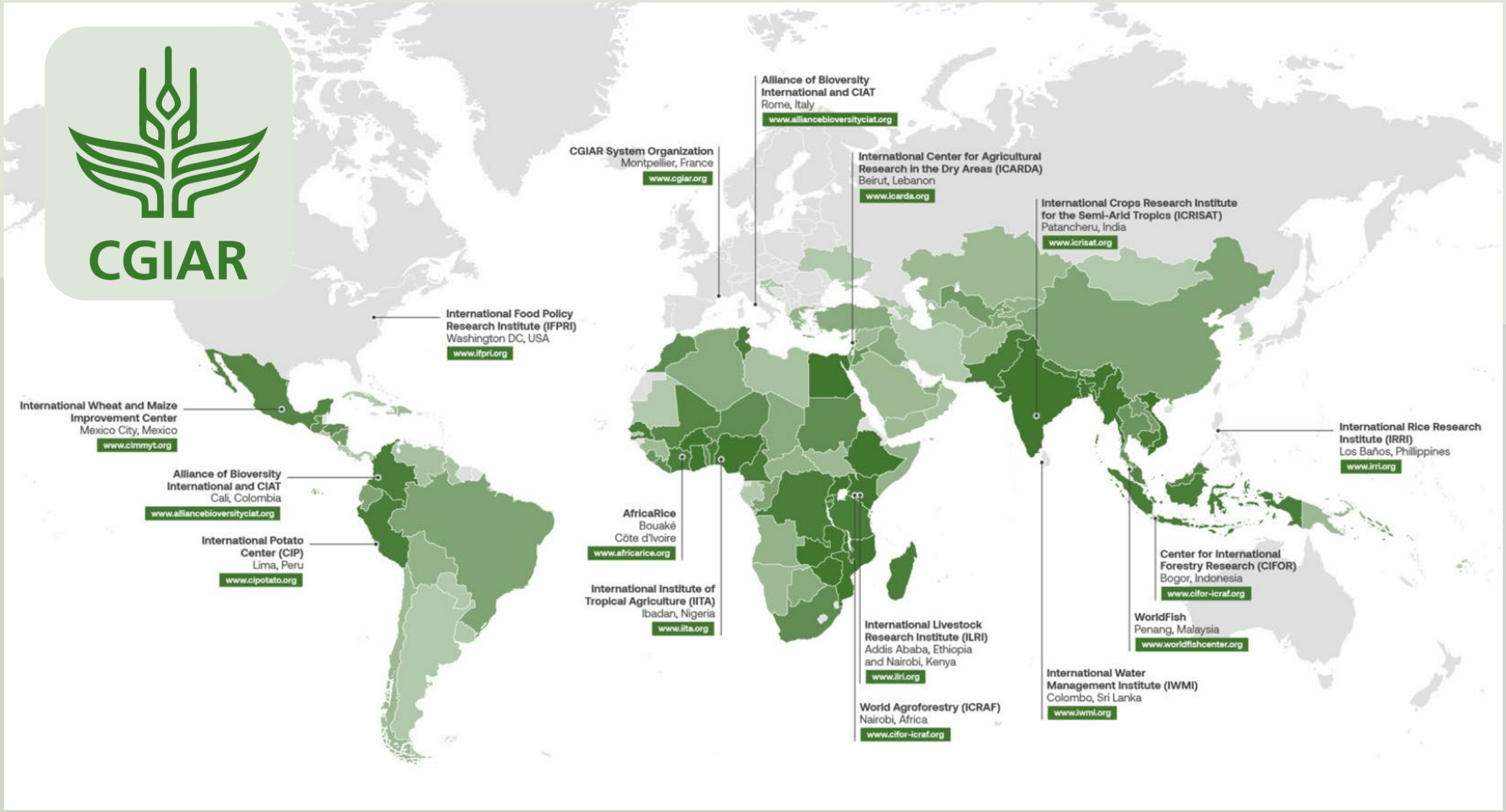


Have you ever felt like this?

AES Members

73% rated as Advanced Beginner or less in **the use economic approaches** to value for money assessments… (Gullickson et al., 2024)

- When should we use economics & economic methods?
- How to disagree agreeably with economists?
- Have influence on economics in evaluation

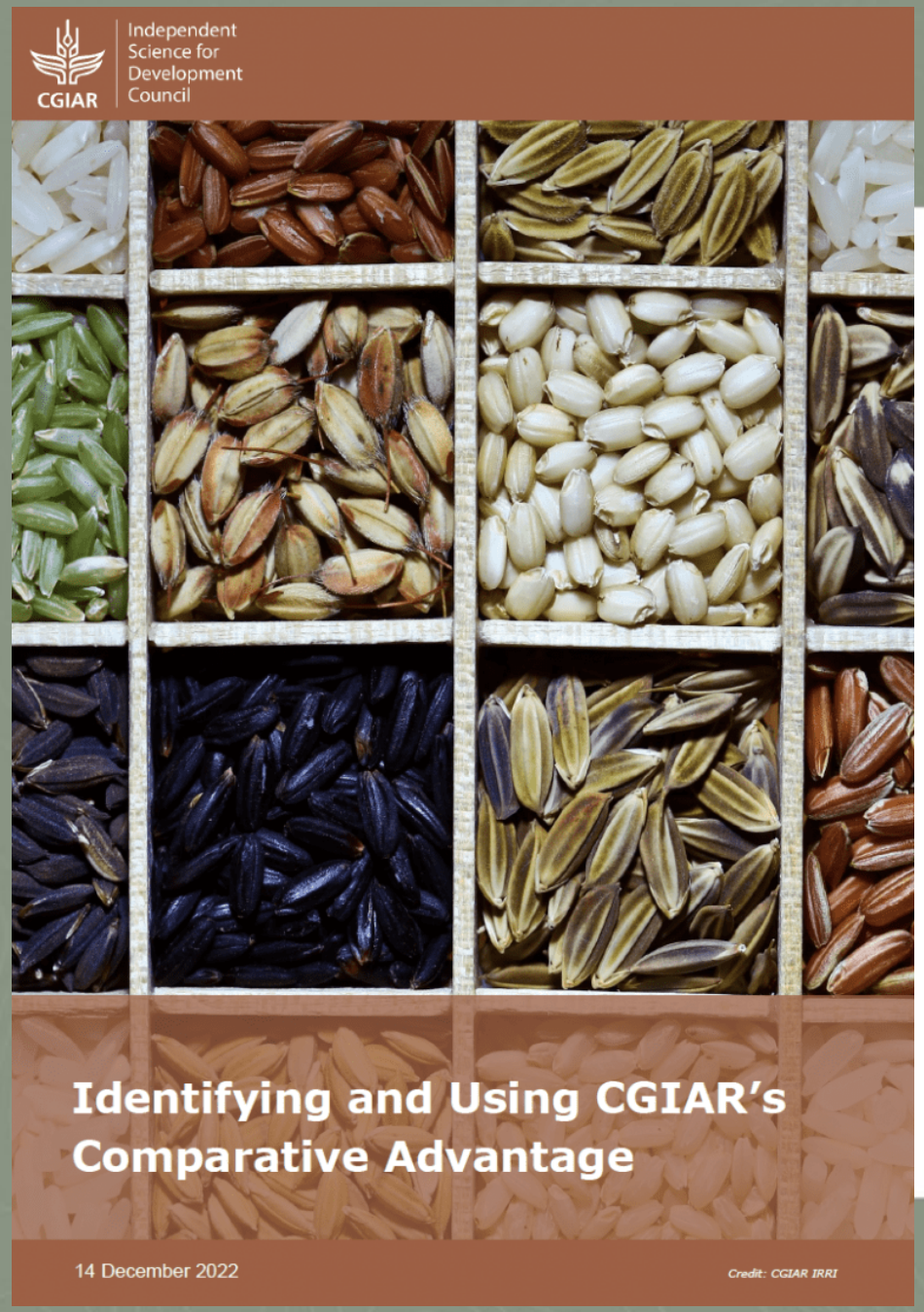

CGIAR
Alliance of Bioversity International and CIAT
Rome, Italy
www.alliancebioversityciat.org
CGIAR System Organization
Montpellier, France
www.cgiar.org
International Center for Agricultural Research in the Dry Areas (ICARDA)
Beirut, Lebanon
www.icarda.org
International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)
Patancheru, India
www.icrisat.org
International Food Policy Research Institute (IFPRI)
Washington DC, USA
www.ifpri.org
International Wheat and Maize Improvement Center
Mexico City, Mexico
www.cimmyt.org
Alliance of Bioversity International and CIAT
Cali, Colombia
www.alliancebioversityciat.org
International Potato Center (CIP)
Lima, Peru
www.cipotato.org
AfricaRice
Bouaké
Côte d'Ivoire
www.africarice.org
International Institute of Tropical Agriculture (IITA)
Ibadan, Nigeria
www.iita.org
International Livestock Research Institute (ILRI)
Addis Ababa, Ethiopia
and Nairobi, Kenya
www.ilri.org
World Agroforestry (ICRAF)
Nairobi, Africa
www.cifor-icraf.org
International Water Management Institute (IWMI)
Colombo, Sri Lanka
www.iwmi.org
International Rice Research Institute (IRRI)
Los Baños, Phillippines
www.irri.org
Center for International Forestry Research (CIFOR)
Bogor, Indonesia
www.cifor-icraf.org
WorldFish
Penang, Malaysia
www.worldfishcenter.org

The challenge

How do we spend $1 billion dollars to maximise our impact?

- Constant **budget pressure** and uncertainty
- Damand **for accountability from donors**:
  - Decision making is scattershot
  - Opportunistic rather than strategic
  - Searching for funding
  - Perception that CGIAR has strayed from its intended goal: *doing good science*





CGIAR Independent Advisory and Evaluation Service

The solution
Comparative Advantage

- Clear, easy-to-interpret analysis
- Improve **strategic** decision-making
- Improve **coordination** and **cohesion** internally and with partners
- "Do more with less" - **efficiency**

The Task

Develop guidelines for process and performance evaluations to measure alignment with comparative advantage.

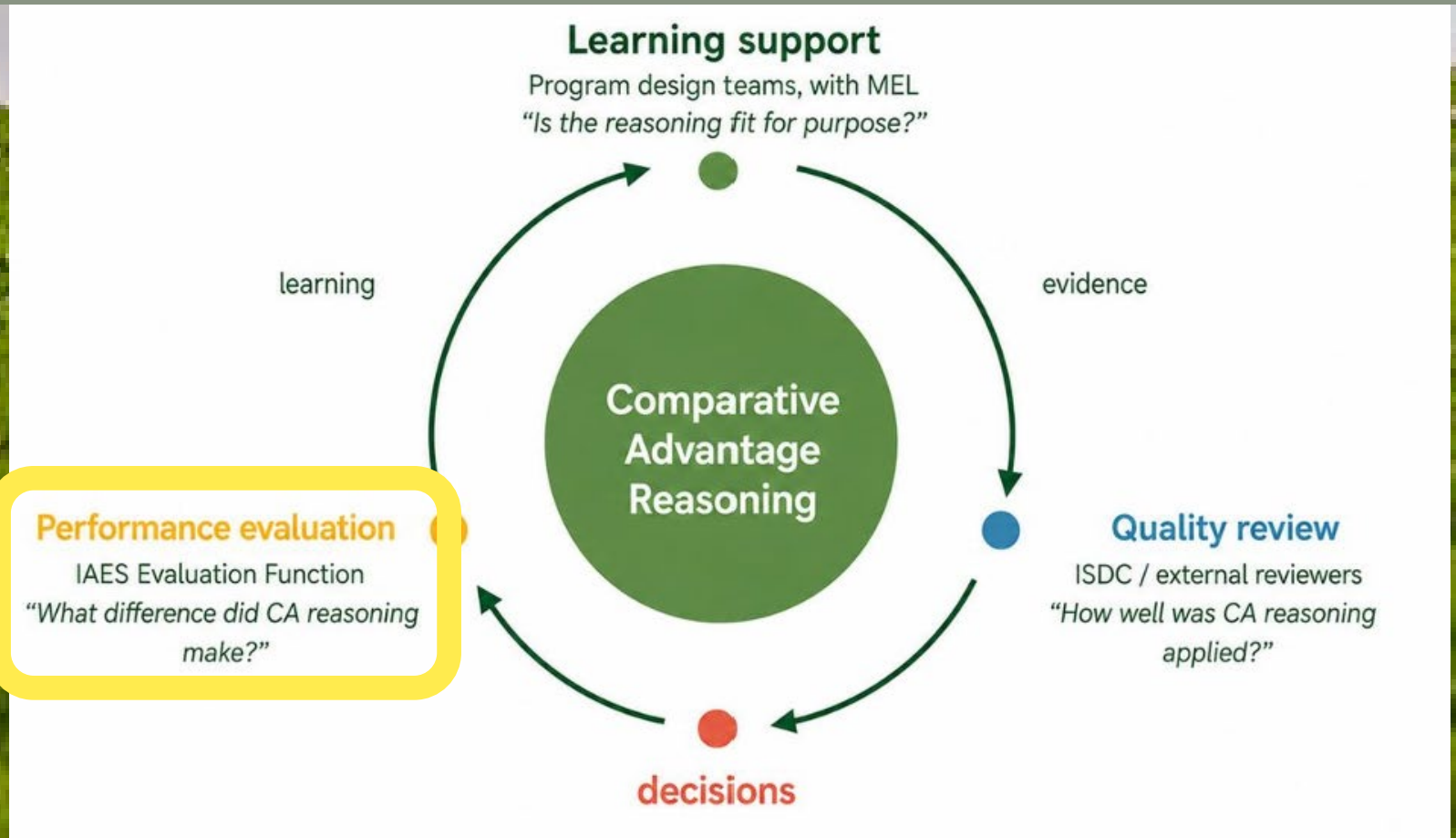
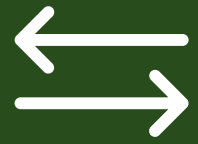


Photo: G. Smith/CIAT

So, what is comparative advantage?

Trade Economics

Specialise
Free trade





Organisational Management

Deep not shallow
Partner well



Important: CA is determined by *relative cost* of producing your output

Comparative Advantage in **practice**

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Translating theory

- **Misinterpretation** - ‘what we’re good at’
- The result: another awkward spreadsheet



Gathering Data

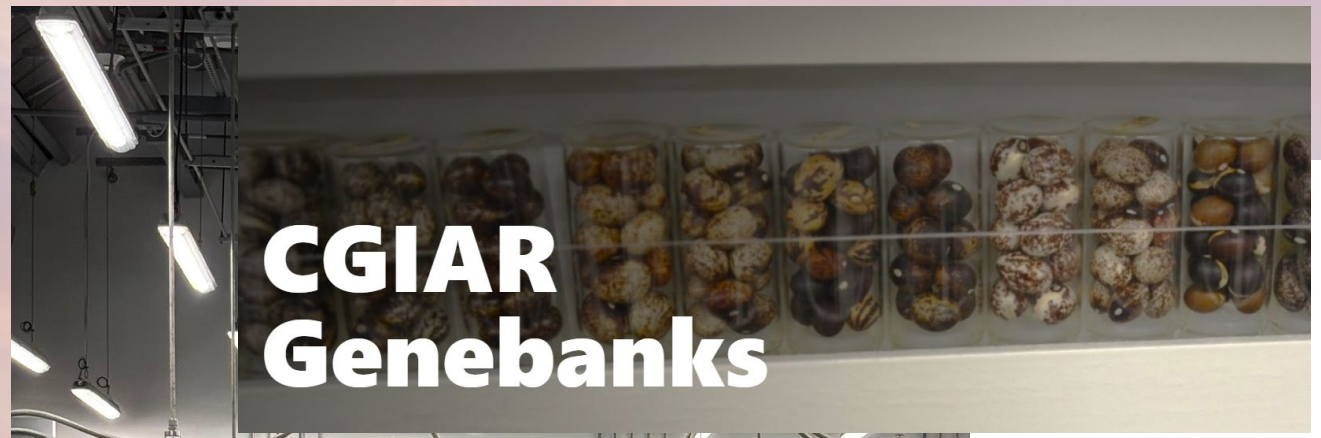
- Know your **costs of production**
- Know *everyone else’s costs*
- 93 countries, 13 research centres, 9,000 scientists
- Comparative advantage is *dynamic*
- Administrative burden

487
Policy change

12,700
Knowledge products

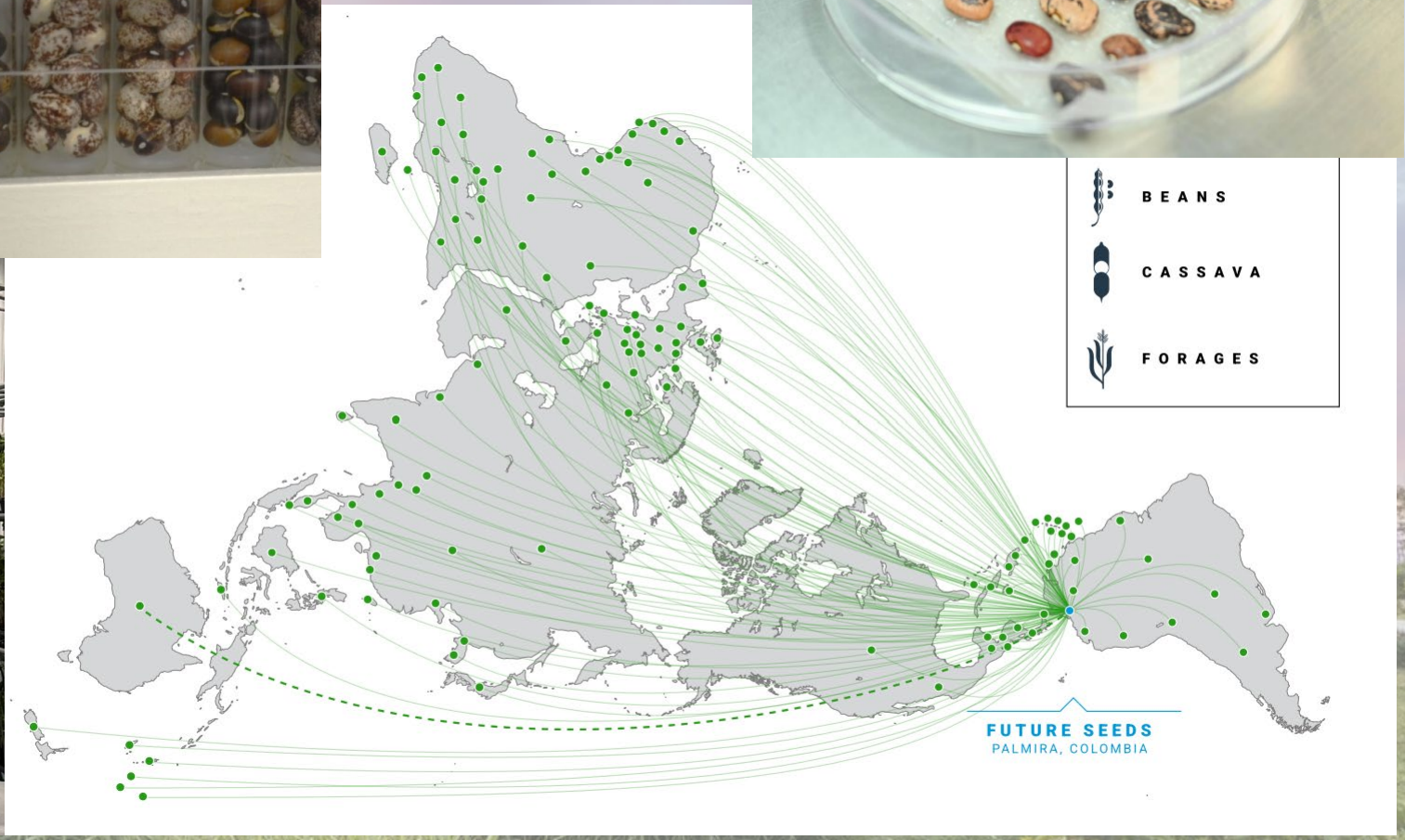
1,868
Innovation developmen

An example in practice: Genebanks









Economics is not a **neutral science**

The risk: A sentiment searching for a justification

clear comparative advantage due to effective quality management, and specialist skills and networks at the international level (Design Document)

...the claim that CGIAR holds a unique position in providing genetic resources **is questionable** (ISDC Review)

Fifteen years have been wasted as public money has been diverted from science ... [the 11 CGIAR seed banks are] **a high-profile casualty** (McIntire, 2023)

Ultimately, the information needed for accurate quantification of CA **is not available** for large-scale operations such as genebanks (Alwang, 2022)

Economics is not a **neutral science**

The risk: A sentiment searching for a justification

‘We do science’ – resisting pressures to integrate cross-cutting areas in science programs

Overlook systems transformation – siloing of many parts working together

Non-linear pathways to impact from research (Leeuwis, 2018)





Flattening Multiple Values





1 **Explore Disciplinary Tensions**

2 **Reconcile CA with MEL Frameworks**

3 **Integrate into Existing Methods**

Disciplinary **Tensions**: Economics & Evaluation

1 **Evidence Base** What makes evidence valid?	2 **Values and Legitimacy** Whose voice do we listen to? How do we hear them?
3 **Role and Decision Logic** Who should do what? What is CGIAR's place?	4 **Sustainability and Time Horizon** What timeline are we considering? Adaptation or accountability?

Lessons Learned

Economics brings **comparability** but **necessary simplifying assumptions** – mustn't let those them **become gulfs from reality**

- Assumes we can let other countries/organisations do the parts of the work we don’t have a comparative advantage, but in international development, there may be no one filling the gap
- Evaluation can help bridge the economics to evidence gap **but you can’t outsource judgement**

Economic ideas migrating into policy and management framing (efficiency as a default good) can act like a seductive "solution" for decision-makers facing budget pressure

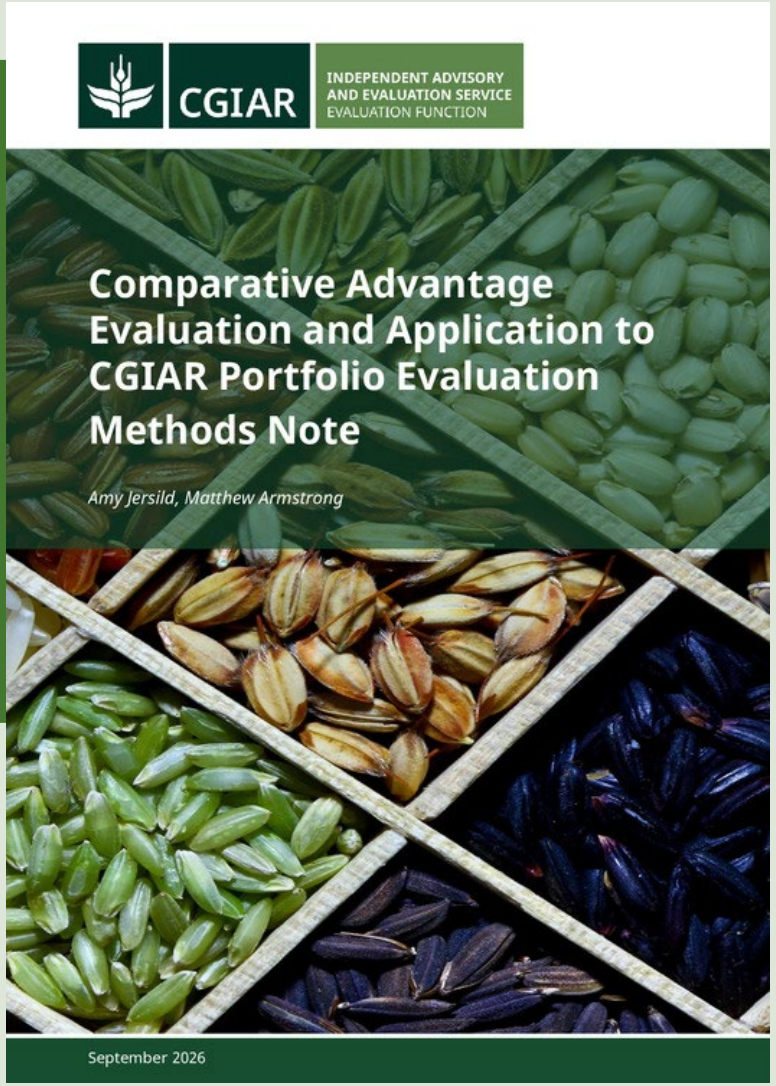
- Consider other values
- Pluralism in Economics

Share with me!

- What's your experience applying economics?
- Where has it popped up in your organisations?
- How did it help or hinder?



Check out the methods note



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