



Development Evaluation in Transition: new priorities, new coalitions, new instruments

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Executive Summary

While the development cooperation world has been transformed the evaluation community has yet to adapt to the new strategic environment. A new set of private sector players as well as philanthropic foundations are searching for more innovative and nimble evaluation methods geared to a wide variety of market-oriented approaches and instruments. A proliferation of problems without passport combined with worrying environmental trends is raising the priority of global and regional public goods delivery. Far-flung development networks rather than country-based human development programmes are becoming the main units of account for development evaluation.

In parallel, the rise of emerging market economies where more than 70 per cent of the poor now live calls for a new emphasis on evaluation capacity development in middle income countries while the persistence of poverty in fragile states will accelerate a refinement of evaluation methods at the intersection of security and development. Equally, the social unrest associated with growing inequality, social exclusion and environmental stress will induce a reconsideration of existing evaluation models and a reorientation towards more participatory, environmentally friendly and democratic approaches.

Finally more effective use of information technologies; new evaluation alliances and a deliberate professionalisation strategy will be required for development evaluation to remain relevant and help meet the exploding global demand for high quality evaluation services. This paper identifies six challenges. They are interrelated. A fulsome debate on the issues highlighted below would be timely.

Challenge 1: Will the three evaluation cultures converge?

A new spirit of knowledge-sharing, mutual learning and collaboration is needed to face up to a more complex global development agenda. Can development evaluation help accelerate the convergence process among the three cultures that co-exist within the development domain (public, private and voluntary sectors) by providing platforms for debate about the diverse perspectives regarding development impact as well as by harmonising evaluation approaches; aligning assessment methods and improving the validity and rigour of data collection and analysis through collaborative processes connecting public, private and voluntary sectors? Can it help reverse the current power asymmetries at local, national and global planes whereby in Nancy MacPherson's words 'what gets evaluated is determined largely by funders and governments, not by citizens and stakeholders, the people we seek to serve'?

Challenge 2: Will evaluation rise to the challenge posed by the new market-based approaches and instruments?

A huge new market for evaluation services has emerged following the explosion of new market-based development initiatives. Yet private sector actors and international philanthropies have largely relied on management consultants and auditing firms to inform and assess their innovative activities at the cutting edge of development notwithstanding the fact that the evaluation discipline is adequately equipped with methods and tools adapted to the challenges posed by the new development instruments and processes. Is this a supply side problem (i.e. is the evaluation community poorly equipped with sufficient numbers of competent evaluators?) or a demand problem (i.e. are multinational corporations, foundations and business leaders fundamentally resistant to independent evaluation and only interested in evaluation as a bag of tricks to help them manage their operations and protect their brand?).

Challenge 3: How should evaluation adapt to a shifting development landscape?

The new concentration of global poverty in middle income countries will call for a new emphasis on evaluation capacity development and its role in diverse governance environments. The persistence of poverty in fragile states will accelerate a reconsideration of evaluation approaches at the contested intersections between conflict prevention, humanitarian initiatives and development operations. The 'beyond aid' development agenda will raise policy questions where economists dominate. Will evaluation add value to the work of policy researchers in these various knowledge domains? Will it link up more closely with allied occupations (policy research, public administration; management consulting; auditing; etc.)? Will the topical interest groups hosted by evaluation associations reach out to other professional groups and academic disciplines active in neighbouring knowledge domains?

Challenge 4: Are existing evaluation models fit for tackling the scourge of inequality and environmental stress?

Is the evaluation discipline equipped to take on the diverse, unprecedented and interconnected challenges of economic disparities, social exclusion, governance dysfunctions and environmental stress? Are evaluation models, practices and priorities adapted to the new policy environment? How should development evaluation evolve to meet the inequality and sustainability challenge? Should renewed democratic evaluation models be promoted so that evaluations:

- (i) give far more weight to the ethical dimensions of their craft;
- (ii) emphasize social equity and environmental sustainability in their evaluations;
- (iii) incorporate new metrics to capture human wellbeing as the overarching goal of public policy;
- (iv) focus on the global policy directions that underlie international inequality and environmental stress; and
- (v) adopt a progressive, affirmative, engaged evaluation processes in preference to the client-controlled and goal-based approaches that currently dominate the field.

Challenge 5: Will development evaluators put the new information technologies to work?

How beneficial will the new information and communications technologies prove to be in improving the effectiveness of development evaluation? Will social networking facilitate the spread of false and unreliable information or will it make possible far more accurate and efficient real time monitoring of development interventions? Will it make it harder to protect the confidentiality of respondents and expose them to retribution or will it instead induce greater transparency in governance and help amplify the voices of the poor and disadvantaged? Will the

costs of Big Data collection and analysis be prohibitive given the multiplicity of sustainable development goals and targets? Will Big Data lead to more false findings since spurious correlations increase with more data? Finally, will Big Data discourage reliance on subject matter specialists?

Challenge 6: Will the evaluation associations take advantage of an historic opportunity to professionalise evaluation?

Compared to other knowledge-based professions that have invaded the evaluation market (auditing, management consulting, economics, etc.) evaluation is still a fragile, embattled and fledgling knowledge occupation. Will the evaluation associations be able to bring together the scattered energies of evaluators and expand their memberships; initiate decisive actions aimed at generating a larger supply of competent evaluators through vastly expanded education and training programmes; move towards evaluation credentialing at national and international levels; defend the evaluation brand against its detractors; and promote evaluation excellence and utilisation through advocacy directed to a much wider range of clients?

Development Evaluation in Transition: new priorities, new coalitions, new instruments

Introduction

Evaluation is confronting a multifaceted revolution that has swept over the development scene since the turn of the century. Global threats to peace and prosperity, shifting wealth patterns and the rapid expansion of private giving have transformed the development system. The proliferation of global ‘problems without passport’, the rise of emerging market countries and a brand new cast of influential development actors have shattered the state aid monopoly.

The variable geometry of the new development architecture has unleashed creativity and innovation but it has also brought forth a fresh set of challenges for development evaluation:

- (i) bridging distinctive evaluation cultures within the new development architecture;
- (ii) reorienting development evaluation policy directions to reflect the evolving geography of poverty;
- (iii) reconsidering existing evaluation models to tackle social exclusion and inequality;
- (iv) identifying metrics, processes and tools that can satisfy a pent-up demand for nimble evaluation of market-based interventions and instruments;
- (v) exploiting the untapped potential of social media and Big Data; and
- (vi) improving the quality of evaluation services through advocacy and professionalisation.

Challenge 1: Will the three evaluation cultures converge?

The ideological certainties that kept the official aid establishment united (and the development evaluation network closely knit) have been swept away by the 2008 financial crisis and its aftermath. Whereas development evaluation had concentrated on the country and the government as privileged units of account the rising public discontent triggered by a proliferation of ‘problems without passport’ (climate change, health pandemics, regional conflicts, illegal networks, etc.) has led to a reorientation of development strategies towards the delivery of global public goods.

The sheer complexity of an economically interconnected and politically fragmented world requires public, private and voluntary sector players to join together in pursuit of collective development impact. But they are beholden to distinctive values and their contrasting worldviews are impeding effective collaboration. One thing is clear: the single, aid centric, public sector oriented narrative that had dominated development evaluation for over six decades is in retreat.

The concerns of private sector and civil society actors that have now entered the fray can no longer be set aside. But the gulfs in values and interests that separate the various development actors are deep. They induce tensions, distrust and disagreements about the goals and means of development cooperation and therefore about how development progress is to be tracked and how the results of development interventions are assessed.

The resulting conundrum evokes the clash identified by C.P. Snow with respect to literature and science. His words uttered in 1959 aptly describe a development arena characterised by,

“... a gulf of mutual incomprehension—sometimes (particularly among the young) hostility and dislike, but most of all lack of understanding. They have a curious distorted image of

each other. Their attitudes are so different that, even on the level of emotion, they can't find much common ground".¹

A variety of concerns and pressures affect the behaviour of development actors but there is little doubt that official aid is shaped by geopolitical considerations. We also know that the private sector is driven by market incentives and relies on market mechanisms to the full extent possible both for the mobilisation of financial resources and for their use. Finally a bewildering diversity of non-governmental organisations stands for social justice and conceives of development as a grassroots process of change driven more by individuals and communities than by governments, corporations or donor organisations.

Inevitably distinctive worldviews induce diverse conceptions of development cooperation. Whereas official aid donors tend to rely on policy 'sticks' (conditionality, regulation, loans and credits, etc.) the private sector actors steer clear of sanctions and emphasize 'carrots' (incentives, participation, grants, etc.) while the voluntary sector relies on 'sermons' (advocacy, knowledge dissemination, information campaigns, etc.).²

It stands to reason that no single approach is likely to be appropriate in a specific context or for a specific set of development objectives. An admixture of instruments is usually needed and an alliance of organisations is usually called for in order to tap synergies. This is why global development partnerships have multiplied and why they have become the new units of account for development evaluation.

Can the development evaluation discipline help bridge these differences and induce coherence in development interventions? The stage is set for such a convergence. The focus of the New OECD Strategy on Development is on evidence-based, multidisciplinary approaches geared to 'more inclusive growth in the widest array of countries' selected to add value to other international efforts and help countries help themselves by promoting good governance and measuring progress.

This approach is expected to help address a wide range of cross-cutting challenges, including green growth, gender, inequality, innovation, skills, migration, infrastructure, taxation and service provision, and fighting corruption. It fits in well with the emerging approach adopted by the 'Solutions World Bank Group' to bring global knowledge to bear of local problems.

Equally, philanthropic foundations are playing a unique role mediating principled disagreements among partners by injecting fresh energy and ambition in the development domain; identifying practical and innovative solutions to global problems; using modern business management techniques and ignoring the artificial divide between profitable activities and development interventions. Their sharp focus on results, their readiness to take risks and their creativity in mobilising additional financial resources and fashioning new development instruments have already had a far-reaching influence on the way development cooperation is conceived and managed.

Challenge 2: Will evaluation rise to the challenge posed by the new market-based approaches and instruments?

Under the impetus of private actors and foundations new ways of mobilising private resources for development have mushroomed but they have mostly escaped systematic evaluation. Yet the rich array of financial intermediation schemes, insurance products and advanced market commitments are crucially dependent on the valid measurement of social and environmental impacts alongside

¹ <http://s-f-walker.org.uk/pubsebooks/2cultures/Rede-lecture-2-cultures.pdf>

² Marie-Louise Bememlimans-Videc, Ray C. Rist and Evert Vedung, Editors, *Carrots, Sticks and Sermons: Policy Instruments and Their Evaluation*, Transactions Publishers, New Brunswick, 1998.

risks and returns. Impact funding initiatives designed to help impact driven organisations and *profit with purpose* businesses also need to be independently evaluated.

Equally evaluation has yet to help design reliable and relevant performance standards and provide valid quality assurance guarantees for prizes and challenges, corporate social responsibility claims, risk reduction products, 'diaspora' related and remittance-funded initiatives as well as a variety of public-private development partnerships especially large infrastructure schemes that cry out for rigorous assessment and independent verification of their compliance with social and environmental safeguards.

Social impact investing³ recently championed by the G8 is another innovative funding mechanism with huge growth potential. It is intended to harness social entrepreneurship and private capital in pursuit of social inclusion and environmental protection objectives. It replaces the profit bottom line by a triple bottom line that incorporates social and environmental benefits. Doing good and doing well are not viewed as incompatible by social entrepreneurs and charitable organisations dedicated to the cost effective delivery of public goods.

They are opting to do so under government contract and/or by charging for the goods that they supply to the public (e.g. Oxfam charity shops).

The forms of finance associated with this new, market-based approach to resource mobilisation vary widely – from secured and unsecured loans to bonds, equity instruments and outright grants. A wide variety of impact driven organisations and profit with purpose businesses has become to benefit from social investing. However a framework of fiduciary rules that provides reliable guarantees of verified social and environmental outcomes is critical to ensuring sustained finance by government agencies, private investors and/or the broader public. Evaluation has not risen to this challenge so far.

Nor has development evaluation explored the growing market for independent verification offered by foreign direct investment inflows into developing countries. They grew from \$200 billion in 2003 to \$700 billion in 2012. Even infrastructure investment once the preserve of the public sector is now propelled by the private sector. The number and scope of public-private partnerships geared to infrastructure investments in developing countries has soared. They involved \$74billion worth of investments in 2012 compared to only \$9billion in 1992.

From an evaluative perspective this trend puts the spotlight on whether the contractual allocation of risks and rewards between private corporations and citizens is fair and in the public interest and it implies a growing demand for effective and independent social and environmental impact assessments. Certification organisations also underpin fair trade and organic farming labelling in private supply chains of multinational corporations. They too would benefit from systematic and objective evaluation of their integrity and reliability. All of these examples illustrate the fading distinction between public and private development action and they highlight the need for evaluation scrutiny.⁴

In sum, measuring social and environmental impact alongside risk and return– an evaluative activity – is an essential ingredient of the market-based resource mobilisation instruments as well as of corporate social responsibility and ethical consumer movements. This evaluation domain lies at the intersection of public, private and voluntary initiatives. It has been a profitable market niche for consulting firms and rating agencies. But their methods have lacked transparency and rigour and their credibility has been undermined by potential conflicts of interest given their fee dependence

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/225547/G8_Social_Impact_Investment_Forum_-_Outputs_and_Agreed_Actions.pdf

⁴ Jean Michel Severino and Olivier Ray, *The End of ODA: Death and Rebirth of a Global Public Policy*, Working Paper 167, March 2009, Centre for Global Development, Washington DC

on the organisations they serve. Exploring these new frontiers will be a crucial challenge for development evaluation in the years ahead.

To meet this challenge results chains and experimental methods that evoke linear, static and predictable development processes will have to give way to methods and tools that are better adapted to operating contexts characterised by complexity, uncertainty, non-linearity and emergence. To be sure the demand for external, independent reviews of traditional development policies and programmes using well-tested methods and tools will remain strong.

On the other hand where social innovation, adaptation, experimentation and exploration of new opportunities have pride of place and/or where the operating environment is conflict ridden, uncertain and/or shaped by multiple stakeholders in pursuit of diverse goals the traditional approaches will need to be supplanted by new, complexity sensitive methods and tools.

In such situations evaluation in order to be relevant will have to be methodologically flexible, eclectic and creative. This is the domain of *developmental evaluation*.⁵ It calls for just in time evaluative inputs into decision making and rejects the arm's length role of the traditional development evaluator. Instead developmental evaluation conflates monitoring and evaluation, incorporates evaluation within management processes and responds to evolving needs. Shaped by values it draws on mixed methods and it is guided by systems thinking. It does not substitute for independent evaluation but it is highly prized by decision makers.

First this is because in an uncertain world where uncertainty prevails and change is the only constant, ethical *values* more than pre-determined outcomes drive decision making. Consequently, especially in the social innovation field, the new development evaluation agenda will be more value driven than results oriented and learning loops are short. Values clarification will not only help in identifying goals but also in determining how the goals are to be reached; who should be involved in decision making; and what are the distinctive accountabilities and reciprocal obligations of partners.

Second the new development evaluation paradigm will not recognise any single method as a gold standard. It will thrive on methodological diversity and put *mixed methods* at the service of tailor made evaluation goals. It will focus on alternative measures of success (impact, outcomes, process or cost effectiveness. It will adopt diverse evaluation designs (realist, case studies, experimental, quasi experimental, etc.). It will draw on quantitative as well as qualitative data.

Mixed methods will be embraced through use of diverse evaluation tools (observation, experiments, models, surveys, focus groups, interviews, monitoring data, benchmarking, expert panels, etc.) Randomised control trials, quasi experimental methods, natural experiments, contribution analysis, process tracing and qualitative comparative analysis will be used as appropriate to help ascertain causality. Social network analysis will draw on sociology, economics, mathematics and computer science to map, measure, assess and display relationships among individuals, groups or other entities involved in a development intervention.

Third, development evaluators will acknowledge that disruption in current practices and operating protocols is often necessary to effect positive change. This will be greatly facilitated by *systems thinking*. 'Systems thinking' revolves around questions that affect three overarching characteristics of the policy or programme being evaluated: (i) perspectives, (ii) boundaries; and (iii) inter-relationships. Probing these three dimensions would greatly help to ascertain the nature and extent of economic transformation in various developmental contexts.

⁵ Michael Quinn Patton, *Developmental Evaluation, Applying Complexity Concepts to Enhance Innovation and Use*, The Guilford Press, New York and London, 2011

Challenge 3: How should evaluation adapt to a shifting development landscape?

Annex 1 outlines the shifts in international wealth patterns that have dynamited prior aid-recipient conceptions of development cooperation and that lie behind some of the challenges described in this paper. Annex 2 describes the evolution of development priorities within the official aid establishment. Both annexes make clear that development evaluation has not yet adapted to the challenges posed by the tectonic changes that past development efforts have triggered.

There is little doubt that development cooperation has contributed to major progress towards the overarching objective of economic convergence between rich and poor countries. Whereas in 1990 over 90 per cent of poor people lived in low-income countries, now more than 70 per cent live in middle income countries that have ample resources to tackle poverty reduction within their own borders. Given that donor governments saddled with severe budgetary problems of their own are unlikely to continue providing major grant assistance to countries endowed with substantial domestic resources of their own official aid will no longer be a dominant policy instrument.

Instead all the global policies that affect the workings of globalisation will be fit for re-examination in the context of development cooperation while official development assistance is likely to be increasingly targeted towards small, resource poor, disadvantaged, often landlocked countries, caught in a poverty trap. Such countries have not been in a position to absorb innovation or hook up to the mighty engine of the global economy. They have been unable to trigger or sustain economic growth. They are classified as least developed⁶ and they figure prominently in the league tables of fragile and conflict prone states. Finding solutions to their predicament has long been and remains an urgent development challenge.

Three major implications for evaluation policy directions will result from the new geography of poverty, fragility and growth:

- *Evaluation capacity building strategies* will have to be revisited and become a major instrument for development cooperation between developed countries and middle-income countries.
- *State fragility* will become a major focus for development cooperation that will call for new evaluation models straddling development and the humanitarian and peace building domains.⁷
- *Policy coherence for development* will assume its rightful place in the evaluation agenda. This will require evaluation approaches suitable for addressing global and systemic policy dysfunctions beyond aid since non-aid links have become major mechanisms of resource transfer that are dwarfing the 'money' impact of aid and creating new and powerful connections between rich and poor countries as well as among poor countries.

Challenge 4: Are existing evaluation models fit for tackling the scourge of inequality and environmental stress?

The new development environment is characterised by social exclusion and inequality. The challenge of global convergence remains (average per capita income in developed countries is seven times that prevalent in the average developing country) but inequality within developing countries has also emerged as a matter of urgent concern with major implications for development evaluation. Specifically, the unprecedented 2008 financial crisis brought to light what should have been obvious before it erupted: the economic system at national and international

⁶ A country is classified as least developed if its per capita income is less than \$2.5 a day, if its human resources are limited, and if its economy and society are vulnerable to shocks. Forty-eight countries currently meet these criteria. Only three least developed countries have graduated to developing country status since the late sixties.

⁷ While this implies a concentration of aid evaluation on the least developed countries evaluations of interventions from traditional as well as new donors will remain important to the 21 middle income countries classified as fragile.

levels breeds insecurity, inefficiency as well as unjustified wealth disparities. In turn undemocratic governance and the capture of democracy by vested interests call for a reconsideration of mainstream evaluation models.

Imagining, in John Lennon's words, 'that there is no country', i.e. calculating global income inequality by capturing income distribution changes within countries as well as among countries, wipes out the improvements observed at the international level. Specifically analysis of household surveys suggests that despite the rapid catchup observed at the level of nations global income inequality measured one person at a time (rather than one nation at a time) has risen between the late 1980's and the middle of the last decade and has not changed much thereafter.⁸ Internal divergence has more than cancelled out external convergence.

The world's 1,210 billionaires have a combined fortune of \$4.5 trillion – over half of the net worth of 3 billion adults.⁹ The richest 0.5 per cent hold well over a third of the world's wealth while 68 per cent share only 4 per cent.¹⁰ 40 percent of the world's wealth is owned by the richest one per cent of the population while the poorest half own only 1 per cent. Income disparities within developing countries are even more unequal than in developed countries. The major reason lies in differences in the redistributive impact of fiscal policy between advanced and developing countries. As a group the latter are characterised by low levels of taxation, widespread tax exemptions and loopholes, poor tax compliance, low levels of public spending, reliance on regressive taxes, limited resort to targeted pension schemes and social safety nets and distorted subsidy policies.¹¹

So far, development evaluators have been notably reluctant to engage broadly and critically with the ethical issues that inequality entails. They have yet to seek inspiration from such evaluation pioneers as

- (i) Ernest House who has long promoted deliberative democratic evaluation and identified 'clientism' as a threat to the integrity of the evaluation process;¹²
- (ii) Michael Scriven who has championed judicial and consumer models of independent evaluation;¹³
- (iii) David Fetterman who has advocated empowerment evaluation approaches designed to foster self-determination and level the policy playing field;¹⁴
- (iv) Jennifer Greene who has boldly asserted that evaluation is advocacy interpreted as value commitment;¹⁵ and
- (v) Donna Mertens who has added a new social justice branch to the evaluation theory tree:¹⁶ transformative evaluation.¹⁷

Challenge 5: Will development evaluators put the new information technologies to work?

For better or for worse the world has become inextricably intertwined socially, financially and culturally across borders and there is no going back. The logic of networks is distinctive. It facilitates remote-working as well as automation. It challenges hierarchical modes of

⁸ Branko Milanovic, *Global Inequality Recalculated and Updated: The Effect of new PPP Estimates on Global Inequality and 2005 Estimates*, Journal of Economic Inequality, 10:1-18, 2012

⁹ Forbes Magazine, *The World's Billionaires*, March 9, 2011

¹⁰ Credit Suisse Research Institute, *Global Wealth Report*, Zurich, 2010

¹¹ Francesca Bastagli, David Coady and Sanjeev Gupta, *Enhancing the Redistributive Role of Fiscal Policy in Developing Countries*, Inequality in Focus, Volume 1, Number 3, Washington DC, October 2012.

¹² House, E. R. (1991). *Evaluation and social justice: Where are we?* In Milbrey McLaughlin and Dennis Phillips (Eds.), *Evaluation and education at quarter century*, National Society for the Study of Education Yearbook (pp. 233-246). Chicago: University of Chicago Press

¹³ Michael Scriven, *Evaluation Ideologies*, Evaluation Models, Evaluation in Education and Human Services Volume 49, 2002, pp 249-278

¹⁴ David Fetterman, *Empowerment evaluation*, Evaluation Practice, 15, 1-15, 1994

¹⁵ Greene, Jennifer C., *Evaluation as advocacy*, Evaluation Practice, Winter 1997, Vol. 18, Issue 1

¹⁶ Alkin, M.C. (Ed) (2012), *Evaluation Roots: A Wider Perspective of Theorists' Views and Influences, Second Edition*, Thousand Oaks, California

¹⁷ Mertens, D.M. and Wilson, A.T., (2012), *Program evaluation theory and practice: a comprehensive guide*, New York, Guilford

management. It empowers individuals and civil society groups. To be sure the new information technologies have a dark side: they are used by criminal and terrorist networks; they have strengthened the hold of a handful of private multinational firms over the global information market; finally they have facilitated invasion of privacy and mass surveillance. Hence their spreading uses in the developing world are fit objects for evaluation but they also represent indispensable tools of evaluation excellence in a networked world.

The new information technologies have ushered in more efficient and timely methods of data collection and analysis as well as new modes of social interaction that compress distance and time. Following the main frame era and the PC era the new information order combines the social energies triggered by social media (Web 2.0) and the analytical potential of 'Big Data' (Web 3.0).

The term Web 2.0 evokes social networking. The term Web 3.0 points to the potential of advanced *search engines* that whirl and sift through the torrents of data currently flowing through the worldwide web.

By reducing transaction and communications costs Web 2.0 builds social capital, promotes community development, and catalyses neighbourhood co-operation. It can be used to contribute to community ties, social reciprocity and civic engagement. It facilitates participation in voluntary and political activity and it can be used as a powerful empowerment tool in participatory and democratic evaluation.

Big Data is similarly revolutionary for the evaluation discipline. Huge amounts of digital data are constantly being created as a result of human activities. Millions of sensors are embedded in mobile phones, ATM machines, personal computers, pads, tablets, transport vehicles and industrial machines. Individuals churn out a phenomenal and burgeoning volume of data as they move about, engage in commercial transactions or connect with others through email, Skype or social media.

There are now more mobile phones in developing countries than in developed countries. By the end of 2013 there were 6.8 billion mobile-cellular subscriptions – almost as many as there are people on the planet. An estimated 2.7 billion people are using the Internet worldwide.¹⁸ We are right in the middle of a quiet, gradual and irreversible global transformation of society within a 'plugged in' world. Technological innovations combined with cross-border private capital flows have shaken the development order.

Development evaluation will not escape the transformative effects of the new information and communications technologies. First, Web 2.0 will wire evaluators, programme managers and ultimate beneficiaries closer together through social networks. This will help mobilise social energies through information sharing and systematic use of social software at all stages of the evaluation process. Already Web 2.0 applications are vastly increasing evaluators' reliance on stakeholders to create and publish evaluation content. This is also eliciting new ways of presenting evaluation results.

Looking ahead, instead of long winded and bulky reports, clients will be presented with virtual presentations of brief texts summarising comparative perspectives, vivid images, and video content including hyperlinks that allow drilling into technical content and the back up evidence. In this vision of a brave evaluation age instead of experts carrying out interviews or surveys that require interpretation the evaluator will increasingly act as a broker. Ultimately just as for Wikipedia, some evaluations will result from voluntary contributions and participants' teamwork.

¹⁸ Penetration rates are set to reach almost 80 per cent in developed countries compared with 28 per cent in developing countries where the proportion of households with Internet access has increased from 12 per cent in 2008 to 28 per cent in 2013. http://www.itu.int/dms_pub/itu-d/opb/ind/D-IND-ICTOI-2013-SUM-PDF-E.pdf

In parallel, Big Data will increasingly inform data collection and evaluative analysis. Specifically it will help capture and assess:

- *local development impacts*: analysis of digital data exhaust secured from service providers under ethical protocols that can be used to assess the impact of interventions within local communities;
- *public opinion trends*: local radio calls and information hot lines;
- *social trends*: 'digital smoke signals' secured from social network sites;
- *contextual variables*: triangulation of programme beneficiaries' location with socio-economic regional characteristic and programme performance data; and
- *performance*: data collected at the source through digital data gathering from mobile phones without resort to costly and time consuming paper-based reporting systems.

Of course, the new information and communications technologies will bring forth costs as well as benefits. Quality data constraints may prove to be very limiting. Diffusion of falsehoods will be intensified along with diffusion of knowledge. The basic ethical tenets of the evaluation discipline (respect for confidentiality, privacy, etc.) will be tested by the unintended effects of social networking. The lure of Big Data may induce excessive confidence in faulty models and lead to more false findings grounded in spurious correlations. Mastering the new information and communications technologies will be a major challenge.

Challenge 6: Will the evaluation associations take advantage of a historic opportunity to professionalise evaluation?

Over recent decades policy researchers have vainly sought to validate 'big ideas' but their diligent search for generally-applicable policy prescriptions through cross country correlations yielded little of value: there is no single linear route to sustainable growth and poverty reduction.¹⁹ This is opening a window of opportunity for evaluation. Long spurned by the traditional academic disciplines evaluation is increasingly perceived as a legitimate scholarly endeavour.

Since evaluation connects knowledge to policy in specific contexts it has much to offer in the search for ways to overcome the most constraining obstacles to human well being in specific sectors and countries. Hence the rising demand for tailor made and high quality development evaluations. Bridging the gap between social research and evaluation would improve the quality of both. This will require a more adventurous approach to development evaluation well beyond the programme evaluation approach that has dominated it. Equally social researchers would benefit from pondering the limitations of experimental methods and from making more use of qualitative evaluation tools.

Looking ahead, given public pressures for development effectiveness, transparency and accountability, public, private and voluntary sector agencies alike will be called upon to strengthen their legitimacy and the sustainability of their development interventions; to identify and verify their results; to track their own performance; and to assess collective impacts in a valid and transparent way. Hence development evaluators will have to help a wide range of decision makers in all sectors of society learn from experience and adapt their policies and programmes to changing circumstances.

Is the evaluation community ready for the challenge? Compared to other knowledge-based occupations, evaluation is still a fragile, embattled and fledgling knowledge occupation. The wider public is poorly informed about what evaluation stands for. Evaluators are regularly confused with auditors and social researchers. High quality evaluation education and training is scarce.

¹⁹ William Easterly, Ross Levine and David Roodman, 2003, *New Data, New Doubts: Revisiting Aid, Policies and Growth*, Working Paper 26, Centre for Global Development

The discipline has yet to agree to universal guiding principles, ethical guidelines and competencies for evaluators.

Evaluators do not control access to the evaluation discipline and as a result the quality of evaluation work is highly variable. Anyone is able to posture as an evaluator. As a result evaluators are not remunerated at the level enjoyed by auditors, lawyers or doctors. In a nutshell evaluators still lack the status, prestige and autonomy of a profession and their numbers are still low compared to other knowledge occupations. The largest association (the American Evaluation Association) has 7,700 members. Next, ReLAC in Latin America boasts 3,800 members and Brazil's evaluation network claims 3,500 members followed by the Canadian Evaluation Society with about 2,000 members and Australasia with about 1,000 members.

In Europe DeGeval is the largest association with over 700 members. This is also the membership level achieved by the International Development Evaluation Association (IDEAS). The European Evaluation Association has only recently exceeded the 500 members mark. Excluding these groupings that include loose networks such as BMEN in Brazil the average membership of evaluation associations is less than 150. Most evaluation societies live from hand to mouth and struggle for survival. In terms of overall numbers they have been expanding but from a very low base. Globally all evaluation associations and networks surveyed by Evalpartners include 32,000 members and this includes double counting of members who belong to more than one association.

This is less than a fifth of the membership of a single association of internal auditors (the Institute of Internal Auditors which has 175,000 members). It compares to 1.2 million accountants and auditors employed in the United States alone. The five big international accounting firms employ more than 100,000 professionals – each. By comparison, the largest consulting firms specialised in evaluation are akin to small artisanal concerns. So, evaluation is still a very small tribe. But the demand for high-quality evaluation is growing rapidly everywhere. Looking to the future, evaluation associations will have their work cut out for them. The opportunity is there. It is time to seize it.

Annex 1: Shifting wealth patterns and development cooperation

In the west innovation fuelled productivity growth for more than a century. But since the 2008 financial meltdown the industrial democracies have experienced dismal growth, high unemployment, stagnant wages and social dissatisfaction. By contrast, the rise of the emerging market economies especially in East Asia has demonstrated the extraordinary impact of innovation diffusion and sound development policy.

Investments in human capital, export-oriented policies and foreign direct investment have been major driving forces behind the rapid economic growth of middle income countries. A 'great convergence' is taking place as developing countries adopt the technology, know-how and policies that gave a head start to the western industrial democracies.

Thirteen developing countries have managed to grow for twenty-five years or more at an average annual rate of seven per cent or more using export led strategies. At this rate incomes double every decade. This would not have occurred without the spread of innovation that the growing interconnectedness of nations has facilitated.

This remarkable achievement has been characterised by adoption of processes and techniques imported from the now laggard industrialised countries combined with a proactive state role in the economy and a capacity to adapt government policies to a changed global environment. The application of new knowledge, the adoption of sound economic management policies and the reform of institutions explain the rapid growth. Diverse policy combinations adapted to the national context have resulted in improved livelihoods and large scale poverty reduction.

After rising in the 1990's, the number of low income countries has been sharply reduced from 63 to just 35 since the turn of the century. Among the top ten countries with the largest poverty rolls only four are low income countries (Bangladesh, DRC, Tanzania and Ethiopia). By contrast the list of countries that have graduated to middle income status includes large economies: China, India, Indonesia, Pakistan and Nigeria. They account for 60 per cent of the world poor.

In sum the prevailing north-south model of international relations that lumps together emerging middle income economies with low income and vulnerable least developed countries has become anachronistic. The binary distinction is no longer valid. China's GDP already exceeds Japan's and Brazil's will overtake France and the United Kingdom by the middle of this decade. Accordingly development cooperation is likely to increasingly target the delivery of global and regional public goods that benefit rich and poor countries alike and this will call for new ways of evaluating development cooperation interventions.

According to the OECD, the share of the global economy held by developing economies is projected to rise from 40 per cent at the turn of the century to 57 per cent by the year 2030 in terms of purchasing power parity. In 1990, 43 per cent of the world population lived on less than \$1.25 a day. By 2010, five years ahead of the Millennium Development Goals schedule, the share had been halved. As a result we are now midway through a century of high and accelerating growth in the developing world. It translates into gradual economic convergence with the advanced countries.²⁰

The new concentration of the poor in relatively few middle income countries has transformed the development cooperation challenge. While aid to low income countries and tailor made assistance

²⁰ Pedro Olinto and Jaime Saavedra, *An Overview of Global Inequality Trends*, World Bank, *Inequality in Focus*, Volume 1, Number 1, Washington DC, April 2012

to conflict prone, fragile states (where 23 per cent of the world's poor live) remains critical the simplistic rationale of resource transfer from North to South to achieve global poverty reduction has been shattered.

While reliable data about the new aid flows are hard to come by there is no doubt that they are significant and that the fragmentation of the aid architecture is irreversible. Estimates of government aid supplied by non traditional government donors range widely depending on definitions and sources – from \$11 billion to \$42 billion, i.e. between 8 and 31 per cent of official development assistance furnished by OECD countries.²¹

If the higher range estimates are accepted China, Brazil, and Saudi Arabia are larger donors than half of the traditional donors. Specifically, the upper estimate for China (\$25 billion) implies that it is the second largest donor after the United States. This highlights the need for more transparency and public accountability to avoid a race to the bottom in the bustling aid market. Private flows are even more impressive and their development impact is even harder to pin down. According to the Hudson Institute²² over and above private remittances of \$211 billion annual private financial flows into developing countries amounted to \$410 billion and philanthropic aid to \$59 billion – as compared to official aid from traditional OECD sources of \$134 billion in 2011.

As national borders became more porous and the private and voluntary sectors became more influential, traditional aid processes have evolved. In particular official donors are joining multi-sector coalitions dedicated to vertical global policy initiatives using platforms frequently hosted by multilateral institutions. As a result of these ad-hoc arrangements the share of non-core funding of multilateral institutions has grown rapidly. In 2010 it reached \$16.7 billion compared to \$37.6 billion spent on multilateral agencies' 'core' functions.

In parallel the new development context 'horizontal partnerships' have supplanted the top down practices all too often associated with traditional aid instruments. Connecting developing countries with one another through South-South cooperation has become a distinctive feature of the new aid environment. Increasingly traditional donors support or actively participate in South-South exchanges. Such initiatives entrust the execution of western donor aid projects to southern contributors.²³ They are geared to mutual learning, knowledge-sharing and identification of good development practice.

Whereas in 1990 over 90 per cent of poor people lived in low income countries now more than 70 per cent live in middle income countries that have ample resources to tackle poverty reduction within their own borders. Given that donor governments saddled with severe budgetary problems of their own are unlikely to continue providing major grant assistance to countries endowed with substantial domestic resources official aid will no longer be the dominant development cooperation policy instrument for the global war on poverty.

It follows that aid is likely to be increasingly targeted towards small, resource poor, disadvantaged, often landlocked countries, caught in a poverty trap. Such countries have not been in a position to absorb innovation or hook up to the mighty engine of the global economy. They have been unable to trigger or sustain economic growth. They are classified as least developed²⁴ and they figure prominently in the league tables of fragile and conflict prone states. Finding solutions to their predicament has been and remains an urgent development challenge. Development evaluation should play its part in meeting it.

²¹ http://www.cgdev.org/sites/default/files/1425691_file_Walz_Ramachandran_Brave_New_World_FINAL.pdf

²² http://www.hudson.org/content/researchattachments/attachment/1229/2013_indexof_global_philanthropyand_remittances.pdf

²³ ECOSOC, *Trends in South-South and Triangular Development Cooperation*, Background Study for the Development Cooperation Forum, 2008.

²⁴ A country is classified as least developed if its per capita income is less than \$2.5 a day, if its human resources are limited, and if its economy and society are vulnerable to shocks. Forty-eight countries currently meet these criteria. Only three least developed countries have graduated to developing country status since the late sixties.

Annex 2: From Millennium Development Goals to Sustainable Development Goals

Following the Millennium Declaration agreed in New York in 2000 the Millennium Development Goals (MDGs) were solemnly endorsed by all 189 United Nations member states at the Financing for Development Conference in Monterrey (Mexico) in 2002. Reflecting universal human aspirations the MDGs put to rest fruitless debates about the meaning and purpose of development cooperation. The MDGs (Box 1) had captured a global consensus regarding development priorities. They were shaped by a new compassionate, cosmopolitan rationale for development cooperation that displaced the dominant geo-political considerations that drove aid flows during the Cold War. They matched the adoption of improved development management by developing countries with the promise of fairer policies and increased aid by developed countries.

Box 1: The Millennium Development Goals (MDGs)

1. Eradicate extreme poverty and hunger
 - halve the proportion of people with incomes of less than \$1 a day between 1990 and 2015
 - halve the proportion of people who suffer from hunger between 1990 and 2015
2. Achieve universal primary education
 - ensure that boys and girls everywhere complete primary schooling by 2015
3. Promote gender equality and empower women
 - eliminate gender disparity at all levels of education by 2015
4. Reduce child mortality
 - reduce by two thirds the under-five mortality rate between 1990 and 2015
5. Improve maternal health
 - reduce by three quarters the maternal mortality ratio
6. Combat HIV/AIDS, malaria and other diseases
 - halt and reverse the spread of HIV/AIDS, malaria and other major diseases by 2015
7. Ensure environmental sustainability
 - integrate sustainable development into country policies and programmes and reverse the loss of environmental resources
 - halve the proportion of people without sustainable access to safe drinking water and basic sanitation by 2015
 - achieve a significant improvement in the lives of at least 100 million slum dwellers by 2020
8. Develop a global partnership for development
 - increase aid levels and improve aid quality
 - develop an open rule based, predictable, non discriminatory trading and financial system
 - deal comprehensively with developing countries' debt
 - implement strategies for youth employment
 - make available the benefits of new technologies

The new poverty reduction compact represented the culmination of decades of efforts by the world body. For the first time measurable development objectives were specified and distinct responsibilities and reciprocal obligations were acknowledged by rich and poor countries alike. For international development practitioners this implied a new development agenda; a reform of aid practices and a firm emphasis on performance management, measurement and evaluation systems. Developing countries agreed to take charge of their poverty reduction programmes, improve their governance and reform their policies. In turn, rich countries accepted to contribute to poverty reduction by increasing the quantity and quality of their aid and levelling the playing field of the global system through debt reduction, trade liberalisation and improved access to finance and to knowledge.

Unfinished business

Developmental states have become the engine of the global economy and in the aggregate, development has dramatically improved the lot of humanity. Remarkable gains in social indicators have accompanied the rapid rise in average incomes in the large emerging market economies. For the world as a whole life expectancy at birth increased from less than 47 years in 1950–55 to 70 years in 2012.²⁵ For the foreseeable future the development idea will continue to dominate public policy throughout the world. The share of people without access to clean water has been halved. The world is close to achieving parity in primary school education between girls and boys. Under-five deaths fell from 12 million in 1990 to 6.9 million in 2011.²⁶ Malaria mortality rates have decreased by 25 percent since 2000. The 1990 death rate from tuberculosis is expected to be halved by 2015. But these achievements have been unequally distributed across goals, regions and countries and the ongoing economic crisis has slowed down progress.

Progress in reducing hunger has been disappointing: 805 million people are still malnourished.²⁷ Reflecting inequities in access to health services decreases in maternal mortality are off-track.²⁸ The stretch 2010 target of universal access to HIV treatment was missed. Unemployment and underemployment rates remain high and the slum population continues to grow. More than 70 million fewer people than estimated in 2008 when the crisis began are projected to escape extreme poverty by 2020.²⁹

Out of 5 billion people in developing countries there remain 2.5 billion people living on less than US\$2 a day and 1.3 billion living in abject poverty (less than US\$1.25 a day). Without a resumption of robust growth combined with a substantial reduction in income disparities not only across countries but also within countries it will not be possible to make poverty history. The easy gains have already been tapped and the new labour saving technologies are making employment targets (especially in countries where the youth bulge is pronounced) harder and harder to reach.

Development evaluation in transition

Development evaluation will be called upon to meet a huge increase in demand for quality evaluation designed to illuminate the multiple and interconnected pathways to sustainable development. By laying stress on the achievement of specific goals the MDGs sharpened the results orientation of development cooperation programmes. In parallel they shifted the evaluation focus from individual operations to systemic actions at the country level. They made developing countries' involvement in evaluation a core necessity rather than an 'add on'. New human development metrics inspired by the MDGs gradually displaced national income growth measures.

Country assistance strategies rather than individual projects became the privileged unit of account for aid evaluation. The centre of gravity of the evaluation enterprise began to move south given developing countries' ownership of the poverty reduction goals. Finally, the recognition that rich countries have an obligation to improve the global enabling environment for development opened up a vast area for evaluation scrutiny well beyond aid. Implementation of these policy directions is still work in progress but there is little doubt that the MDGs profoundly influenced evaluation priorities and processes.

By the late 1990's the development evaluation sub-discipline had acquired its own identity through a distinctive body of scholarship and good practices. The MDGs accelerated the process. Specifically

²⁵ http://www.who.int/gho/mortality_burden_disease/life_tables/situation_trends_text/en/

²⁶ http://www.childmortality.org/files_v17/download/Levels%20and%20Trends%20in%20Child%20Mortality%20Report%202012.pdf

²⁷ <http://www.fao.org/publications/sofi/2014/en/>

²⁸ Under MDG5, maternal mortality should have dropped by three quarters between 1990 and 2015 but since 1990 maternal deaths worldwide only dropped by 45 per cent (<http://www.who.int/mediacentre/factsheets/fs348/en/>)

²⁹ World Bank, *Global Monitoring Report*, Washington DC, 2010

development evaluation was enriched by innovative approaches to human development reviews; countrywide and sector-wide evaluations; as well as equity-oriented and gender sensitive evaluation models. Evaluation capacity development initiatives multiplied and, spearheaded by the new International Development Evaluation Association inaugurated in Beijing in 2002, evaluation associations multiplied throughout the developing world.

Along with more transparent and participatory assessments of country wide poverty reduction programmes the rising preoccupation with donor accountability led to the promulgation of common aid effectiveness principles enshrined in the Paris Declaration (2005). Joint evaluations of donor compliance with them were carried out while the increased public demand for achieving aid results spawned a cottage industry of sophisticated experimental evaluations carried out in all corners of the world. Finally, diverse league tables were generated by think tanks to gauge the commitment to development of donor countries and the effectiveness of aid delivery systems.

These development evaluation policy reforms while far reaching did not keep up with the multifaceted revolution that has swept over the development enterprise over the past decade. Looking ahead evaluation must undergo major changes to be fully responsive to 21st Century needs and priorities and to take account of a more comprehensive development agenda; dramatic shifts in country wealth patterns; the rapid rise of private giving; the growing role of new donors and philanthropic foundations in international development; the advent of market-based aid instruments and the information revolution.

Towards post 2015 development priorities

The deliberate focus of the post-2015 agenda on *sustainability* reflects mounting public concerns about climate change and resource scarcity. Current energy and natural resource intensive policies are not sustainable. Four to five planets would be needed to accommodate all countries at current western standards of living.³⁰ Food demand is expected to increase by 50 per cent by 2030 in a context where the easy productivity gains of the Green Revolution have been tapped and land degradation and desertification have accelerated. Demand for water will grow by 30 per cent between now and 2025 while groundwater depletion and contamination rise and available freshwater resources shrink. Climate change will aggravate these scarcities.

Poverty eradication is the most visible goal that emerged out of the 2012 Rio+20 Conference on Sustainable Development. But this headline grabbing goal has generated controversy and it has not secured the same degree of expert support as the first Millennium Development Goal.³¹ While the poverty elimination goal (defined by a miserly \$1.25 per capita income threshold) will be adopted it will not have a special status. Instead, the world is likely to coalesce around a broad based, balanced, far sighted development strategy. The post-2015 Sustainable Development Goals (SDGs) will be far more ambitious and comprehensive than the MDGs (Box 2, below).

The SDGs will embrace a triple bottom line approach to human wellbeing;³² economic, social and environmental. How to rebalance priorities to meet all three simultaneously will be a major challenge. To meet it the SDGs will give more policy space to developing countries and put more emphasis on developed countries' responsibilities towards reforming the global economic and financial system to facilitate broad based development. Finally, they will combine human development objectives at country level with more ambitious goals regarding the delivery of global public goods.

³⁰ <http://worldcentric.org/conscious-living/expanding-eco-footprint>

³¹ Robert Picciotto, *Eradicating Poverty: Old Wine in a New Bottle?* Dialogue, King's College London 8th May 2014

³² Jeffrey D. Sachs, *From Millennium Development Goals to Sustainable Development Goals*, Viewpoint, Lancet 2012, 2206-11

Box 2: Open Working Group Proposal for Sustainable Development Goals

- GOAL 1: End poverty in all its forms everywhere
- GOAL 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- GOAL 3: Ensure healthy lives and promote wellbeing for all at all ages
- GOAL 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- GOAL 5: Achieve gender equality and empower all women and girls
- GOAL 6: Ensure availability and sustainable management of water and sanitation for all
- GOAL 7: Ensure access to affordable, reliable, sustainable and modern energy for all
- GOAL 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- GOAL 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
- GOAL 10: Reduce inequality within and among countries
- GOAL 11: Make cities and human settlements inclusive, safe, resilient and sustainable
- GOAL 12: Ensure sustainable consumption and production patterns
- GOAL 13: Take urgent action to combat climate change and its impacts
- GOAL 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- GOAL 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss
- GOAL 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build elective, accountable, inclusive institutions at all levels
- GOAL 17: Strengthen the means of implementation and revitalise the global partnership for sustainable development

Source: United Nations Sustainable Development Knowledge Platform, 2014

It is the combination of all 17 SDGs and the associated 169 targets³³ that are significant as well as the process that led to them. Unlike the MDGs that were originally conceived by a working committee of experts drawn from international organisations³⁴ the SDG gestation process involved all United Nations member states from the very start with broad participation from external stakeholders such as civil society organisations, the private sector and businesses, academia and scientists. The United Nations has played a facilitating role.

³³ This compares to 8 goals, 18 targets and 48 indicators for the MDGs.

³⁴ <http://www.dialoguedynamics.com/content/learning-forum/seminars/the-millennium-development-goals/the-millennium-development-goals/the-millennium-development-goals-69/article/the-millennium-development-goals>

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