Evaluation of, for, and through Partnerships[1]

Robert Klitgaard[2]

Our conference's theme is *partnerships*, a word of multiple meanings. The other day the mail brought a quarterly newsletter called *Partners*. Extraordinary, I thought. Had the organizers of this conference kindly given my name to its publisher? After looking through the newsletter, I concluded not—unless Robert Picciotto has added another responsibility to his remarkable and diversified portfolio and joined "Partners and Associates Real Estate Development, Knoxville, Tennessee."[3]

Donald George has lamented the looseness of the idea of "partnership," even in a single discipline such as economics. He reviewed a *festschrift* to James Meade, with the subtitle of "the economics of partnership."[4]

> Some authors have interpreted 'Economics of Partnership' extremely broadly and have managed to stray significantly from the concerns of Meade's opening piece. Jacques Drèze considers whether countercyclical variations in social insurance contributions could form the basis of a useful policy under capitalism. Partha Dasgupta analyses the household as a 'reproductive partnership.' (p. 1477-8)

Talk of partnerships abounds. The World Economic Forum's *Annual Meeting Report 2001* refers to "the partnership craze" among firms. The CEO of Hewlett-Packard, Carleton Fiorina, told the Forum, "Companies are functioning more like living organisms in an ecosystem of other organisms. Corporations can no longer be self-sufficient. They must be constructed around partnerships." David Komansky, CEO of Merrill Lynch, noted how rapid this change has been. "For over a hundred years, Merrill Lynch never did a thing that wasn't strictly Merrill Lynch. In the past three to five years, [we] have developed more joint ventures and partnerships than you could count."[5]

The word "partnership" has been applied to relations between rich and poor countries,

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[1] Concluding presentation at the World Bank Conference on Evaluation and Development: The Partnership Dimension, Washington, D.C., July 23-24, 2001.

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[3] They build university buildings.

[4] Donald A.R. George, "Review of *Alternatives to Capitalism: The Economics of Partnership*, ed. Anthony B. Atkinson." *The Economic Journal*, Vol. 104, Issue 427 (Nov. 1994): 1476-1478

[5] Michael R. McAdoo, "Tying the Knot: The Partnership Craze," in *Sustaining Growth and Bridging the Divides: A Framework for Our Global Future*. Annual Meeting 2001 Report. Davos, Switzerland: World Economic Forum, 2001: 40.

between donors and recipients, especially recently but also in the past.[6] For Asia, according to Holden Furber, "the age of partnerships" was the eighteenth century, when the relations were, it is alleged, "relations between equals."[7]

James Wolfensohn has been among the most eloquent enthusiasts of partnerships for development.[8] But my favorite rhetorical flight on the subject is the title of a publication by The Copenhagen Centre: *Partnership Alchemy*.[9]

What "partnership" might entail, beside alchemy, is a topic that goes beyond today's talk, but I cannot resist opening a parenthesis. Often actors and institutions are strategically interdependent. As Robert Axelrod points out in this volume, there may be analogues to prisoner's dilemmas, where proceeding without partnership leads both of us to worse outcomes than we might have if we properly took into account our strategic interaction. There may be gains from simple coordination, as when scientific researchers on the human genome cooperate to make sure that you and I both don't work on the same allele.[10] There may be gains from trade, where you're good at wheat and I'm good at iron, or complementarities, where you're good at marketing and I'm good at production and we decide to join forces. A "partnership" may not be explicit or benign. Conflict, even war, usually are not zero sum.

In all these situations, one can speak of gains to be had from our recognizing our strategic interdependence and therefore not thinking like myopic individuals. But is *partnership* the right label for what we're really trying to do, which is to work together

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[6] For a review of recent usage, see Simon Maxwell and Tim Conway, "Perspectives on Partnership," OED Working Paper Series No. 6. Washington, DC: The World Bank, 2000; and John Eriksson, *The Drive to Partnership: Aid Coordination and the World Bank*. Washington, DC: The World Bank, 2001. Three decades ago the Pearson report talked about partnership for development. This led to a stream of titles contesting aid as partnership. In 1973 Paul Albert wrote a book called *Partnership or Confrontation? Poor Lands and Rich* (New York: The Free Press, 1973). This was two years after Joan Nelson published a review article on foreign aid. Its title: "The Partial Partnership." (Joan M. Nelson, "The Partial Partnership: Trends in Multilateral Aid and Aid Coordination" *International Organization*, Vol. 25, No. 1 (Winter 1971): 79-96.)

[7] *The Age of Partnerships: Europeans in Asia before Dominion*, ed. Blair B. King and M. N. Pearson. Honolulu: University Press of Hawaii, 1979. This book is a *festschrift* for Prof. Furber.

[8] For example: "I cannot stress enough the importance of partnerships. The task ahead is too formidable for any single institution or set of institutions to tackle. Every one of us has a role to play. Halving poverty by 2015 is possible, but only if we concert our efforts in a new way." http://www.worldbank.org/partners/

[9] The Copenhagen Centre, *Partnership Alchemy*. Copenhagen: The Copenhagen Centre, April 2000. The alchemy metaphor is designed, perhaps unsuccessfully, to refer to situations where, in the words of the Centre's website, "Participants seek to achieve more than the sum of their individual parts by creating leverage and synergy based on and between key components of the partnership—context, purpose, participants, organisation, and outcomes." http://www.copenhagencentre.org/TCCWEB/TCCWEB.NSF/K_Concepts/K222?OpenDocument

[10] [add reference to international cooperation in human genome research]

to manage conflict and cooperation to mutual advantage?[11]

This question opens vast areas of inquiry. It invites typologies, game theoretical models including the theories of teams and of clubs, analogies to vertical and horizontal integration, studies of networks, and analyses of gains from trade. And this is only through the lens of the rational actor, or Model I in the sense of Graham Allison.[12] Model I looks at each partner as a rational actor seeking its own benefits. Model II looks at the each partner's organizational repertoires, standard operating procedures, and cultures, and assesses the likely complementarities and conflicts. Model III evaluates the interactions among individual players sitting in particular positions, and how they matter for the success of the joint endeavor.[13] Each lens can yield valuable insights, as Allison has argued more generally.

To limit this domain, if only a little, let us consider a large area of potential partnership, when implicitly and explicitly a public or international issue is addressed by government, business, and civil society, together achieving more than any one could achieve on its own.[14] More and more around the world the challenge is to enable the institutions of government, of the private sector, and of civil society to work better—and to work better together. Consider these examples:

- Better **schools** will be forged through partnerships of communities and education providers, including public schools but also the private sector. Results-oriented education demands excellent evaluation, including better measures of quality, the design of incentive systems, and the design and management of public sector-citizen-private sector interactions.
- **Health care** will become fairer and more efficient by becoming more client-driven, more sensitive to competition, and more accountable for results. Again, it becomes crucial to forge and manage effective partnerships between the public, private, and non-profit sectors and the consumers of health care.
- From roads to water supply, from electrification to environmental projects, **infrastructure** increasingly involves partnerships of public and private sectors in

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[11] An internal document from the World Bank defines partnership as "a collaborative relationship between entities to work toward shared objectives through a mutually agreed division of labor," including specific programs and "ongoing, often open-ended relationships." "Partnership Oversight and Selectivity: A Discussion Note," March 2000, p. 2.

[12] Graham T. Allison and Philip Zelikow, *Essence of Decision: Explaining the Cuban Missile Crisis*, 2nd Ed. Reading, MA: Longman, 1999.

[13] This I take to be the spirit of *Evaluation and the Collaborative State*, ed. Andrew Gray, Bill Jenkins, Frans Leeuw and John Mayne, Somerset, NJ: Transaction Publishers, forthcoming.

[14] For example, see Burton Weisbrod, "The Future of the Nonprofit Sector: Its Entwining with Private Enterprise and Government," *Journal of Policy Analysis and Management.* 16,4 (1997): 541-555; *Nonprofits and Government: Collaboration and Conflict*, ed. Elizabeth T. Boris and C. Eugene Steuerle. Washington: The Urban Institute Press, 1999: 31-67; and *Public-Private Policy Partnerships*, ed. Pauline Vaillancourt Rosenau. Cambridge: MIT Press, 2000.

their design, finance, and management. Communities also play a key role in deciding what is done and how, and in monitoring progress. These partnerships require evaluations of the first order, including excellent economic and engineering analyses, policy frameworks, information systems, and data analysis.

- **International security** involves increasing sophistication in the ways of the private sector and in the management of military-business relationships such as privatization and outsourcing. "Operations other than war" involve the military in new kinds of relationships with civil society, government, international organizations, and business. Moreover, defense policy requires greater understanding of what might be called the civil dimensions of security risks, including terrorism, organized crime, and the vulnerability of the information infrastructure.

Research suggests that this trend toward partnerships will continue.[15] One driver is technology, including the communications revolution, which enables partnerships within and across borders.[16] Other drivers are more difficult to measure, and they may be dependent rather than independent variables—for example, changing perceptions about the role of the state.[17]

If partnerships between government, business, and civil society are the wave of the future, what do this mean for policy research and evaluation? It means three things. We will be doing more evaluations of partnerships. We will be doing more evaluations for partnerships. And we will be engaging in more partnerships to do our evaluations.

Evaluations of Partnerships

Let us begin by distinguishing three levels of evaluation questions regarding partnerships.

Level 1: Benefits and Costs for a Specific Partner

The first-level question focuses on a particular partner. It asks, "How good is this kind and degree of partnership for this partner?"

The evaluation asks about the benefits and costs of the partnership, compared with

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[15] For a compilation of examples of partnerships for development, see Randall Purcell, *Good Practice in Global and Regional Programs: Engaging the Poor and Civil Society, Building Inclusion, Harnessing Markets, Working with the Private Sector, and Managing Donor Relationships*. Washington, D.C.: Development Grant Facility, The World Bank, forthcoming.

[16] Philip S. Antón, Richard Silberglitt, and James Schneider, *The Global Technology Revolution: Bio/Nano/Materials Trends and Their Synergies with Information Technology by 2015*. Santa Monica: RAND, 2001.

[17] Gregory F. Treverton, *Reshaping National Intelligence*. New York and Cambridge: Cambridge University Press, 2001, esp. chap. 2; Ernest R. May, "The Evolving Scope of Government," in *Why People Don't Trust Government*, ed. Joseph S. Nye Jr. *et al.* Cambridge: Harvard University Press, 1997

alternatives. Familiar evaluation problems of selection bias,[18] intervening variables, and power[19] can be expected to be severe here. I will focus on another matter: what are the relevant benefits and costs?

The benefits may be of many kinds. A recent publication of the World Bank's Business Partnership and Outreach Group lists eight possible benefits for business, among them "to enhance or rebuild brand image/corporate reputation" and "to address public accountability issues or market failures." Among the seven possible benefits for "communities/our clients" are efficiency, effectiveness, equity, and sustainability.[20]

Some supposed benefits are often not enunciated publicly, including prestige, political insulation, and cooptation. These motives have, I believe, been dominant in many recent business-NGO partnerships—and, perhaps, in "the partnership craze" at the World Bank, where partnerships can be an effort "to enhance or rebuild brand image/corporate reputation."

Costs are also important, if frequently forgotten in exhortations to partnership.[21] One begins to hear worried voices among those being asked to enter partnerships. The mundane transactions costs of interacting, coordinating, and partnering can loom large in practice. These costs have been highlighted in internal World Bank studies that interviewed managers involved in partnerships. (One is reminded of the adage "No one likes to be coordinated.")[22]

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[18] For example, if one compares partnerships with other situations where partnerships have not been formed, one may not be able to control for unobserved variables that influence both the likelihood of joining a partnership and the success of that partnership. One's estimate of the productivity of being in a partnership will be biased.

[19] Apparently the most detailed study of partnerships in a development context is the forthcoming book *Evaluation and the Collaborative State* (*op. cit.*). The study contains 25 observations, which is too small to enable sophisticate statistical analysis.

[20] Business Partnership and Outreach Group, "Partnering with Business: Questions and Answers." Briefing Note No. 2. Washington, DC: The World Bank, Nov. 2000.
http://www.worldbank.org/business/files/note2.pdf
It is of course a long way from a typology of benefits to their careful measurement in a specific case, and in international development I know of no exemplar.

[21] The alliance called InterAct, in the United Kingdom, "believes that the shift to a focus on collaborative processes is key to democratic renewal, social inclusion, sustainable development and a vibrant civil society." InterAct also recognizes the importance of evaluation. But its interesting working paper "Evaluating Participatory, Deliberative, and Co-operative Ways of Working" (Brighton, England: InterAct, June 2001) lists many potential benefits but none of the direct and indirect costs.

[22] A point once made by Robert Chambers could be made about "partnership" substituted for "co-ordination." "'Integration' and 'co-ordination' can be seen to have heavy costs as well as benefits… The word 'co-ordination' provides a handy means for avoiding responsibility for clear proposals. It is perhaps the reason that it is much favoured by visiting missions who are able to conceal their ignorance of how an administrative system works or what might be done about it by identifying 'a need for better co-ordination.' Indeed, a further research project of interest

There are also opportunity costs. For example, last year at the World Bank, an "initial survey" found that the Bank was a member of 87 global and regional partnerships. Worried about the costs of too many partnerships, the Bank's management asked how such partnerships could be evaluated. How should the Bank decide in advance which partnerships to join and how to participate? In response to this question, a "discussion note" laid out these evaluation criteria:

> [I]n order to ensure that the Bank fulfills its mission, it needs to be able to be selective in its role and only participate in initiatives with the greatest possible development impact, the best leverage of resources, and the strongest synergies with other partners. A clear direction for the Bank then is to make sure that its work at the global level contributes to poverty reduction, and builds on its core expertise—developing and helping to implement country-based programs.[23]

Other costs are important but difficult to measure. NGOs, for example, have been fearful of partnerships diluting their mission, silencing their voices, bureaucratizing their cultures.[24] Similar worries have been expressed about government institutions being undermined by outsourcing, public-private partnerships, even by regulation—consider the phenomenon of "regulatory capture," where regulatory agencies are deviated from their public purposes through their interactions with the regulatees.[25]

Level 2: Evaluating Partnerships as a Whole

A second level of evaluation focuses on the overall results of a partnership, and on the allocation of tasks within it.

At one level, the evaluation question is to estimate the benefits and costs accruing to the partnership as a whole, as compared with alternatives. As with evaluations at level 1, empirical estimation will be plagued by a lack of controlled experiments and therefore by the problems of correcting for selection bias, of choosing appropriate independent variables, and of getting enough sample size to enable a useful measure of confidence.

The evaluator may be asked to identify where and how public-private-nonprofit partnerships of specific kinds are likely to make sense. Can an evaluator look at intermediate or proxy variables where theory or experience suggests correlates of

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would be to test the hypothesis that the value of reports varies inversely with the frequency with which the word 'co-ordination' is used." Robert Chambers, *Managing Rural Development*. Uppsala: Scandinavian Institute of African Studies, 1974: 24-25.

[23] "Addressing Global Dimensions in Development, A Discussion Note," The World Bank, March 20, 2000: 9. The document later notes (p. 10) that "Key aspects of the Bank's comparative advantage are global reach and a broad developmental mandate, ability to mobilize and manage resources, and operational competence at the country level." Again, it is easier to list these aspects than to monitor and evaluate them across a range of potential partnerships.

[24] For example, *NGOs, States and Donors: Too Close for Comfort?,* ed. David Hulme and Michael Edwards. London: Macmillan, 1997.

[25] Jean-Jacques Laffont and Jean Tirole, "The Politics of Government Decision-Making: A Theory of Regulatory Capture." *Quarterly Journal of Economics*, 106, 4 (Nov. 1991): 1089-1127.

successful partnerships? For example, what are the analogues to gains from trade? When does it pay to make vs. buy? What are the pros and cons of horizontal integration?[26]

Recent work adds new insights. What does government do, what does business do, what do NGOs and civil society do—and of course, for foreign assistance, what do donors do? Robert Picciotto uses economic classifications of goods (such as their excludability and their jointness in consumption) to derive the distinctive advantages of government hierarchy, decentralized market, and civil society cooperation.[27] Some kinds of goods seem particularly suited to one or another of these institutions—for example, public goods by government, private goods by the market, and common pool resources by NGOs. Picciotto's framework also permits the analysis of intermediate goods, such as toll goods which should involve both state and market. And most interestingly for our problem, it suggests new ways to analyze partnerships for addressing complicated issues. For example, to enable new seeds to make a difference in Malawi, it has been suggested that some parts of the solution belong to the state (funding R&D), some to the market (distributing new seed varieties), and some to NGOs (mobilizing farmers to enable group credit).[28]

Other new work is suggestive for evaluators. Dennis Young analyzes metaphors of interaction between NGOs and the state, including substitutes, adversaries, and complements.[29] There is promise in applying contract theory to partnerships between government, business, and civil society, where a key area to evaluate is the allocation of residual rights (those that cannot be specified in the partnership "contract").[30]

On a more practical level, the Prince of Wales Business Leaders Forum provides

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[26] For a framework for evaluating horizontal integration, see Robert Klitgaard, *Adjusting to Reality: Beyond "State vs. Market" in International Development*. San Francisco: ICS Press, 1991: ch. 9.

[27] Robert Picciotto, *Putting Institutional Economics to Work: From Participation to Governance*, World Bank Discussion Paper 304. Washington, DC: The World Bank, 1995. See also E.S. Savas, *Privatization and Public-Private Partnerships*. New York and London: Chatham House Publishers, Seven Bridges Press, 2000, esp. chs. 3 and 4.

[28] Insert reference to Ruttan *et al.* paper on seeds in Malawi (?), from Chris Gerrard's conference about five years ago.

[29] Dennis R. Young, "Complementary, Supplementary, or Adversarial? A Theoretical and Historical Examination of Nonprofit-Government Relations in the United States," in *Nonprofits and Government: Collaboration and Conflict*, ed. Elizabeth T. Boris and C. Eugene Steuerle. Washington: The Urban Institute Press, 1999.

[30] Oliver Hart, Andrei Shleifer, and Robert W. Vishny, "The Proper Scope of Government: Theory and an Application to Prisons" *Quarterly Journal of Economics*, 112:4 (Nov. 1997): 1126-1161. Timothy Besley and Maitreesh Ghatak, "Public-Private Partnerships for the Provision of Public Goods: Theory and an Application to NGOs." The Development Economics Discussion Paper Series, No. 17, London School of Economics, August 1999.
http://econ.lse.ac.uk/staff/tbesley/papers/ngo.pdf

guidelines for evaluating partnerships.[31] It presents useful lists of things to evaluate for the partnership as a whole and for each of the partners: needs, inputs, process, and outputs. It cites some stylized examples, but a fully worked through evaluation of all these dimensions does not to my knowledge exist.

Even so, the lists leave out some of the most important motives and outcomes. On the positive side, partnerships may build trust, enable negotiation, reduce violence, undergird a social contract, inhibit government discretion, and enable freer flows of information.[32] On the negative side, partnerships may enable corruption and cronyism, reduce diversity, and inhibit innovation.

For example, Jose Edgardo Campos and Hilton Root studied various public-private policy partnerships in East Asia, especially "deliberation councils" involving people from industry, the government, academia, and in some cases, the press, consumer groups, and labor.[33] Campos and Root extolled the benefits mentioned in the previous paragraph as the key to the East Asian economic miracle. In contrast, after the East Asian economic crisis of 1997, some critics cited these same partnerships as catalysts of crony capitalism and corruption, which rendered these countries more vulnerable. The evaluator's lesson: look for both benefits and costs of partnerships, and for many varieties thereof.

Level 3: Evaluating the Enabling Environment

A third level of evaluation question concerns the environment in which partnerships of various kinds emerge or don't emerge, function well or function badly.

Consider an analogy: industrial policy. A level 2 question is what sort of industry should a government subsidize (in other words, what kind of partnership is beneficial, given the alternatives)? The level 3 question is how can government create an environment where industries will develop optimally over time?

At RAND we are asking under what conditions will what forms of hybrid governance tend to function well. We are exploring how partnerships are affected by:

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[31] "Measures for Success: Assessing the Impact of Partnerships." London: The International Business Leaders Forum, August 2000.
http://www.pwblf.org/csr/csrwebassist.nsf/content/f1d2a3b4c5.html

[32] InterAct's "Evaluating Participatory, Deliberative, and Co-operative Ways of Working" (*op. cit.*) lists as possible benefits increases in information and understanding, trust among stakeholders, ownership, "capacity" among stakeholders, openness and transparency, "representativeness of participation," and "level of understanding about the process and the specific project—as well as "changes in values, priorities, aims and objectives" and new relationships between organizations (formal and informal). At a more practical level, it says to look for reduced vandalism, better maintenance, leverage for additional funding, and impact on the policy process. The document admits that "there remains insufficient hard evidence on these benefits for them to be widely acknowledged."

[33] *The Key to the Asian Miracle: Making Shared Growth Credible*. Washington, D.C.: Brookings, 1996.

- Better measures of quality of service and quality of life.
- Better estimates of institutional performance.[34]
- How well incentives are aligned with performance, within and across institutions.
- The cost of information flows, which in turn affects learning and feedback.

We are struggling with another broad and important category of conditions, those having to do with the social and cultural setting of the partnership. As others at this conference have noted, many contextual factors can affect the benefits and costs of partnerships, indeed their likelihood to emerge at all. How to grasp the many possible interactions between (aspects of) partnerships and (aspects of) the social and cultural setting remains a daunting challenge, in theory and in practice.[35]

I want to emphasize once more the nether side of partnership, how it may abet market power, cronyism, and corruption. What are the "disabling conditions" for hybrid governance? Pranab Bardhan has pointed out the troubling persistence of dysfunctional institutions. He criticizes a benign view (he refers especially to institutional economics), which tends to "understate the tenacity of vested interests, the enormity of the collective action problems in bringing about institutional change, and the differential capacity of different social groups in mobilization and coordination."[36]

There are two taboos in discussions of partnerships with developing countries, which evaluation must confront. First, the question of *incompetence*. One of the partners may not only have less capacity technically or managerially but actually be incompetent. Technical assistance is sometimes woeful, as are so-called international experts; this much we are allowed to say.[37] But so-called local counterparts are often so poorly paid and so badly trained that partnering with them creates special challenges and perils. This much is taboo to say.

Second, the problem of *dysfunctional institutions*. Calls for partnership, for local ownership ring hollow if the owners are systematically corrupt.

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[34] This builds upon better measures of quality, but is separable from them. An example: suppose we have a fuller set of measures of educational quality. To judge a school's performance, in the sense of value-added, we would have to adjust for changes in the quality of the intake and for other features of the environment that affect the quality of education but are not under the school's control.

[35] Robert Klitgaard, "Including Culture in Evaluation Research," *New Directions for Evaluation*, No. 67, Fall 1995; and Robert Klitgaard, "Applying Cultural Theories to Practical Problems," in *Culture Matters*, ed. Richard J. Ellis and Michael Thompson (Boulder: Westview, 1997)

[36] Pranab K. Bardhan, "Understanding Underdevelopment: Challenges for Institutional Economics from the Point of View of Poor Countries," *Journal of Institutional and Theoretical Economics* 156, 1 (March 2000): 224.

[37] When in the 1960s Dudley Seers wrote an article called "Why Visiting Economists Fail" (*The Journal of Political Economy*, 70:4 [Aug. 1962]: 325-338), another economist responded that the real issue was "Why Failed Economists Visit."

We are active in an imperfect world, and indeed the places we are most called to action are those with the gravest problems of incompetence and dysfunctional institutions. To put it another way: some of those who advocate local ownership are simultaneously critical of examples of ownership of aid by past politicians in Indonesia, Peru, and Nigeria. Similarly, a renewed emphasis in donor circles on capacity building and on fighting corruption combines awkwardly with calls for local ownership, causing rhetorical and practical tensions in organizations such as DFID in Britain, NORAD in Norway, and the World Bank.

Evaluation may actually enable local ownership under conditions of low capacity and dubious probity. Evaluations abet accountability. Objective, independent information about performance enables credible commitments to be made, on both sides of the partnership. But any evaluation must face up to the levels of technical competence that can be expected in practice on all sides of the partnership, and must both countenance and counteract the temptations for corruption, self-congratulation, and conceptual hectoring that plague evaluations.[38] Evaluation can be part of the problem (when vitiated by incompetence or nullified by corruption), but it also can be part of the solution to both taboo topics.

To conclude: an evaluation at level 3 should focus on such aspects as the availability of good information about quality of service and about performance, the incentives within and across organizations, and (admittedly poorly theorized) the social and cultural context. It should also frankly assess the capacities of the partners and the likelihood of abuse of power and corruption. Finally, it should recognize the possibly strategic role of evaluation in difficult settings: evaluations can, in fact, be enablers of productive partnerships and antidotes to abusive ones.

Evaluating for Partnerships

Now let us switch to a second dimension of evaluating partnerships, where the client or audience for the evaluation is a partnership. In the past, the aim-points of policy research and evaluations were mostly governments, including states and localities; that was true even when the actual sponsors were private foundations, consortia of companies, or the World Bank. Now the context is changing rapidly and sometimes dramatically. Increasingly, I believe, the clients for our evaluations will be multiple, just as the partners in development activities are multiple. We will be preparing evaluations for donors, governments, businesses, NGOs, and citizens of many stripes.

This prospect opens a huge area for discussion and learning. For example, what kinds of evaluation outputs are most useful for what kinds of people and groups, indeed for what kinds of partnerships? How does the process of evaluation itself influence the

[38] By "conceptual hectoring" I mean the self-serving, sometimes nobly motivated evaluator who has an agenda he or she wishes to serve, often a conceptual agenda such as "advancing the poor" or "preserving the environment," or a favored means such as "microcredit" or indeed "public-private partnerships." The evaluation is structured around findings that a variable seems to matter, or a difference exists, and around admonitions to take a favored something into account, without quite saying how. The result: conceptual hectoring.

partnership relationship?

Space does not permit an extended discussion, but I would like to provide an example of how the evaluation process can help partnerships develop and succeed.

In 1998 the "Big Three" U.S. automobile manufacturers—General Motors, Daimler-Chrysler, and Ford—and the United Auto Workers (UAW) decided to partner in an evaluation of 43 managed care plans. RAND was selected to help with this evaluation under a steering committee that included the three automobile companies, the UAW, the State of Michigan (as an employer and a purchaser of service for Medicaid enrollees), and the Greater Detroit Area Health Council.

The evaluation task is technically challenging. "Quality" has many dimensions, including quality of care, cost, and coverage, across many kinds of services. Available data are sometimes incomplete, and the participants in the different managed care plans differ. More to the point I wish to make here, the client for the evaluation is a partnership, on where distrust is endemic.[39] For example, the UAW suspects that the companies will be tempted to misrepresent different health plans in the interest of saving money. The ultimate audience for the evaluation, the auto workers, will need the results in a form they can understand and use.

So, how should an evaluation of 43 health plans proceed? One approach might be this. Develop an empirical data base for each health plan. Then standardize the dimensions of quality, cost, and coverage to the different populations each health plan serves—for example, different age groups and different regions, which may have different profiles of health service needs. Analyze the results and present the findings in a report.

This answer is fine as far as it goes, but it neglects two aspects of evaluating for a partnership. First, the results should be intelligible to all the partners. RAND and its clients worked hard to develop different ways of enabling workers to assess the quality of the different plans. RAND developed a scorecard with one to five stars in each of four categories of quality: access and service, doctor communication and service, staying healthy, and getting better-living with illness.

Second, an evaluation can not only improve the choices of auto workers, it can also help the interactions between workers, companies, and government become more trusting, less conflict-laden, more transparent, and more effective. In fact, a key aspect of RAND's evaluation was a collaborative process. Every month, RAND researchers met with the steering committee to review objectives, explain interim results, get feedback,

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[39] A lack of trust is a general phenomenon in partnerships among business, government, NGOs, and international agencies, or subsets thereof. Consider this conclusion from a recent conference in Asia: "[P]erhaps the most critical requirement for bringing about a greater number of effective corporate-NGO partnerships in Asia Pacific is to do away with the traditional 'us against them' attitude that remains between corporations and NGOs." Tadashi Yamamoto, "Corporate-NGO Partnership: Learning from Case Studies" in *Corporate-NGO Partnership in Asia Pacific*, ed. Tadashi Yamamoto and Kim Gould Ashizawa. Tokyo and New York: Japan Center for International Exchange, 1999: 37. On the distrust between donors and recipients, see Robert Klitgaard, "Poisonous Texts," *Negotiation Journal* 8:3 (July 1992): 215-219.

make changes, and assist the partners to work together on improving health.

In an interview this year, I asked the UAW representative what the most important benefit of the evaluation was. He said, “The process and the information enabled all of us to negotiate better. It gave us a common ground, and it built trust.” This sort of benefit may be more important in the long run than the better choices about health plans that the workers were able to make.

Evaluations through Partnerships

Evaluations through partnerships have a further element: utilizing the comparative advantage of each partner.

This is not the place to enter into the benefits and costs of such areas as participatory evaluation. But I will note again that I find some of the literature on this subject one-sided (emphasizing the benefits but not the costs[40]) and incomplete (the lists of both benefits and costs tend to leave out some of the most important dynamics).

Partners potentially bring to the table different strengths—legitimacy, technical capacity, local knowledge, funding, convening authority, and so forth—into the various stages of the evaluation process—setting the agenda, carrying out the study, interpreting the results, dissemination, and implementing change. In principle, the quality of the evaluation can be improved in many ways by combining forces.

But evaluation partnerships also have costs of many kinds, including the aforementioned costs of coordination and various opportunity costs. Moreover, as we have already seen, partnerships can have broader impacts on the dynamics of each partner, and on future iterations of the partnership relation. These can be good, as when they build trust and enable economies of coordination. They can be bad, as when they coopt weaker partners and subert their missions, cultures, and competences of individual partners or reduce the diversity of views.

Recent articles warn that seeking consensus through partnerships can limit diversity and creativity. For example: “Although it does not ensure a fair and inclusive dialogue, the representation and exploration of dissensus helps to protect us from the false assurance of an articulated consensus that may underrepresent, misrepresent, or exclude groups of voices within the community.”[41] Evaluation partnerships must be managed in a way that tries to value and preserve dissenting perspectives.

The message for evaluators: these partnership issues are rich areas for hard-headed

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[40] For example, the costs of evaluation partnerships are virtually unmentioned in *Knowledge Shared: Participatory Evaluation in Development Cooperation*, ed. Edward T. Jackson and Yusuf Kassam. West Hartford, CT: Kumarian Press, 1998.

[41] Pamela A. Moss and Aaron Schutz, “Educational Standards, Assessment, and the Search for Consensus,” *American Educational Research Journal.* 38, 1 (Spring 2001): 65. See also Robin Gregory, Tim McDaniels, and Daryl Fields, “Decision Aiding, Not Dispute Resolution: Creating Insights through Structured Environmental Decisions,” *Journal of Policy Analysis and Management*. 20, 3 (Summer 2001): 415-432.

research.

Concluding Remarks

What does the new age of partnerships mean for evaluation? It means a change of what we evaluate (partnerships), for whom we evaluate (partners as clients), and with whom we evaluate (with partners). In other words, we can anticipate changes in what we do, whom we do it for, what skills we need, and what products we produce. I don't pretend to be able to specify all these changes, but I have tried to suggest some of their characteristics, with an eye on thinking together about our priorities and how we might partner to pursue them.

Evaluation of Partnerships

Each partner will ask the evaluation question, "Is this partnership worth it for me?" Or a better question: "What are the costs and benefits to us and our mission from various kinds of partnerships, structured how, managed how?" Evaluators can think about answering this in two ways. One is the metaphor of the experimental trial. Another is the metaphor of theoretical analysis, where one might use economics, organization theory, and the analysis of bureaucratic politics to suggest guidance (and hypotheses for middle-level generalizations).

Those engaged in partnerships, and those who fund them or regulate them or permit them to exist, may ask a second question. "Is this partnership achieving its social objectives?" Or a better question: "What are the short-term and long-term social costs and benefits of various ways of structuring and managing various kinds of partnerships, given the task at hand and a host of contextual factors?" Again, one might imagine an empirical approach to this question based on an experiment, or on regression-style statistical analysis to control for the various intervening variables. And theory may help as well, even though we are at a nascent stage.

There is a third question of importance. "What policies and contexts enable partnerships?" Or a better question: "Under what conditions do what kinds of partnerships tend to emerge for what kinds of issues, with what kinds of social consequences in the short-run and the long?" These are very difficult questions in the best of circumstances.

In all of these areas, I find blind spots. Advocates of partnerships tend to downplay costs. The list of benefits tends to be incomplete, leaving out some of the most important ones. The dynamics of partnerships, both positive and negative, are underemphasized.

Evaluations for Partnerships

Two new issues arise. First, different partners have different needs for information. Second, the way evaluations are done can lead the partnerships to new benefits. Evaluations are strategic, especially in situations where trust is low, competence is limited, and corruption is present.

Evaluation through Partnerships

As more actors are involved in designing and implementing programs and projects, more actors will also be involved in evaluating them. How should evaluations be optimally designed, given the attributes of the different partners? And how should they be carried out, again in order to improve the partnership itself? How can joint evaluations avoid the risks of premature consensus and a loss of diversity?

Moving Forward

How should we then begin to address these formidable challenges? There is what might be called the purist's dream. Here one imagines specifying and identifying the appropriate model of all the factors that affect the various benefits and costs of partnership, including endogeneity and dynamics (including path dependence). One imagines pulling together valid and reliable data on all the benefits and costs and intervening variables, including subjective and value-laden judgments and perceptions. One then dreams of having enough cases to be able to estimate the model—to say what partnerships work (in what senses) when, and therefore to provide scientific guidance to the designers of and participants in partnerships.

Dream on. It hasn't happened, and probably never will. Is this admittedly sweet dream—useful in reminding us of many aspects that are short-circuited in mechanical, incomplete evaluations—our only alternative?

When I was a graduate student, I worked one summer in Peru's Institute of National Planning. The Peruvian government wanted to evaluate the foreign aid it received, as part of an effort to get ownership over the aid, to be able to say, "This kind of project works well, this kind doesn't—and here's what we'd like you donors to do." There were over 200 aid projects, ranging from rural roads to immunization to environmental protection to the development of the fishing industry. The dream I suppose was a social benefit-cost analysis of each project, then taking those results and adding variables about sector, donor, project design, participation, and who knows what, to get a model of when what kinds of aid projects work (in what senses) in and for Peru.

There were three people in our office and few funds. We had almost no data on social benefits, and only a few on costs. Indeed, we couldn't even get the Peruvian policymakers to agree on what the metrics for "social benefits" might be. (I looked, and there was no Peruvian social welfare function to be found.) After a couple of weeks, I realized the dream was more like a nightmare.

And so I wrote to one of my professors, the great statistician Frederick Mosteller. I described the task and its impossibility, and I implicitly laid that impossibility on the dream model of evaluation I thought I had been learning from him.

Professor Mosteller wrote back. In effect, he said: "People can never agree on what benefits and costs are. But they can and do agree on outrageous successes and outrageous failures. Find these among your projects. Study them. Compare them. Share your results, and learn some more."

We followed his advice. It worked, in several senses. The Peruvians and the donors used the results to stimulate their own knowledge and thereby to generate tentative conclusions on some of the ingredients of successful and unsuccessful aid projects. The donors were impressed and cut the Peruvians more slack in deciding what projects would be funded and how the projects to be structured. My Peruvian boss got promoted, and then was plucked away by the United Nations Development Programme, which asked him to replicate this evaluation system for foreign aid in two Central American countries.[42]

Can we also be inspired by Professor Mosteller's advice?[43] Might we together study examples of outrageous success (and of outrageous failure, but let's begin with whatever successes we can identify) in the separable aspects of evaluations of partnerships, for partnerships, and through partnerships?

Can we locate excellent evaluations *of* partnerships, in the three senses mentioned above (from the perspective of a single partner, of the entire partnership, and of the enabling environment for partnerships)? Can we identify superb cases of evaluations *for* partnerships, where the way the evaluation was done and presented helped each partner and helped the partnership as a whole? And can we find examples of evaluations done *through* partnerships, where for example government agencies, business firms, NGOs, citizens, donors, and researchers seem to have utilized their differing resources to create joint learning?

As we find these examples, how might we then share them with each other and with those partners and see what kinds of creative insights they generate? Might such an undertaking be an early priority for IDEAS?

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[42] Robert Klitgaard, "On Assessing a Gift Horse," *International Development Review*, No. 4 (1975).

[43] For a development example of the same kind of logic, see Samuel Paul's fascinating *Managing Development Programs: The Lessons of Success* (Boulder, CO: Westview, 1982).