Evaluation of DFID Support to Poverty Reduction

D R A F T
Working Paper 5

Lessons from the evaluation of a bi-lateral aid programme

Andrew Shepherd

School of Public Policy
The University of Birmingham

For presentation to World Bank Conference on Evaluation and Poverty Reduction, Washington DC, June 14-15, 1999

CONTENTS

Disclaimer
The opinions expressed in this paper are those of the author and do not necessarily represent the views of the Department for International Development. The analysis draws from work carried out in synthesising the evaluation findings, which was done by the 'synthesis team' which included Kate Bird, David Booth, Alicia Herbert, David Hulme, and Tina Wallace, with help from Howard White, to all of whom thanks.

Narrative Abstract
The paper reports on an evaluation of the UK government's support to poverty reduction in south Asia and Sub-Saharan Africa during the period 1990 - 1997. The period was framed by the 1990 World Development Report and the 1997 UK White Paper *Eliminating World Poverty*.

The study included a policy review, four country studies (India, Uganda, Zambia, Mozambique) and a synthesis. The choice of countries was designed to reflect the variety of circumstances in which UK aid had tried to reduce poverty. The approach adopted was wide-ranging including macro, meso and micro levels of support and analysis of effectiveness at all these levels. The analysis was carried out in a context-specific way, rather than based on any pre-conceived notions of what would reduce poverty best. However, the cross-cutting issues of gender, participation and sustainability were highlighted as requiring comment. A spread of quantitative and qualitative methods were used. The study was conducted by a consortium of British university departments, led by the School of Public Policy at the University of Birmingham, with help from Oxfam, and from local partners for the country studies. It was a highly collaborative and iterative study, with frequent structured interactions between the evaluation team, DFID's Evaluation Department, and wider constituencies in DFID London and in the study countries or regions. This did not prevent a robust dialogue developing, but it did facilitate the positive engagement of country programmes as well as the London office with the evaluation.

There was an emphasis on identifying good practice on which DFID could build, and comparative advantage. With the help of other studies of bi- and multi-lateral programmes it was found that DFID at least had no comparative disadvantage; and exhibited a raft of good and 'improving' practice over the period, in particular the growing awareness of the need to link operations at different levels and with varied partners.

During the policy review influence was identified as a key parameter of effectiveness, in addition to impact. This was reflected in the approach to the country studies, and also led to a small study of the influence of British aid on the World Bank through the Special Programme for Africa. The evaluation was able to pin down some of the factors which enable influence to be exerted, though this is a nascent field of study with inadequately developed methods.

From the policy review stage of the evaluation onwards, a key concern of the evaluators was with the organisational capacity for poverty reduction. There was a discussion with the Evaluation Department about how significant this issue should be in the study. Many of the findings and lessons had an organisational dimension, however, and some were purely organisational, and it was felt important to draw these out in order to identify ways forward in a new policy context. As far as possible these findings and lessons have been woven into the main substantive findings and lessons, a strategy which was designed to reduce the sensitivity of such issues.

In synthesising the material from relatively diverse sources an attempt was made to preserve the specificity of lessons from the various sources, as well as to generate clusters of more generally applicable lessons which linked policy issues and organisational capacity. Examples of such clusters given here include: balancing the social and productive sectors, and a cluster around improve social service quality and access. The former linked lessons about improving the balance between social and producive sectors with opportunities to enhance the social capital of the poor and the need to reduce inter-sectoral boundaries. The latter identified some key pre-conditions for improving access to and quality of social services, and some ways forward in reducing the barriers experience by poor people in accessing social services.

Lessons for the evaluation of poverty reduction have been structured around three themes:

- poverty reduction: a complex, multi-dimensional, inter-organisational project
- the poor are unrepresented: the search for interlocutors
- the specificity of poverty: is it relevant?
- stakeholder involvement: evaluation's contribution to strategic/organisational change

1
Background

The evaluation was commissioned in September 1997, several months after a new government came to power in the UK. The Secretary of State (International Development[1]) set in motion the production of a White Paper, which was published in November 1997, and focused the aid programme on the goal of eliminating world poverty. Development of the Terms of Reference for the evaluation occurred at the same time that officials were heavily pre-occupied with drafting the White Paper. The ToR thus reflected the concerns of officials as they moved towards a new approach to aid. It was to be a forward-looking evaluation, delivering outputs into a policy debate which was to take place during the following two years. This provided an especially difficult (but also important) context for evaluation to feed into, as the audience was engaged in a rapid process of change. The findings and lessons are still tentative at this stage.

The evaluation broke new ground as it was goal (or theme) focused. It was the first formal DFID evaluation to ask as its central question whether the aid programme had made a difference to poor people – which had been the aid programme's explicit goal since 1994, and had arguably been the main justification for aid overall since the late 1980s.

ToR key points

The ToR specified three steps: (1) a policy review, which was to be simultaneous with the development of the approach and methodology for the country studies, together with the choice of countries. (2) Three country studies: Zambia, Uganda and India were chosen from a short list of major programme countries prepared by DFID. A fourth country (Mozambique) was added later. (3) A synthesis.

The ToR were keen that the study should avoid an academic exegisis on the nature of poverty and theories of poverty reduction: it was looking for engagement with the aid programme. On the other hand they were prepared for a broad ranging analysis including a focus on "upstream work" supporting economic, insitutional and social policy reform. The ToR did not exclude emergency relief, and this had been seen as a contribution to poverty reduction by aid managers. However, the interest in relief was subsequently narrowed down to a focus on recovery from complex emergency, on the grounds that humanitarian assistance warranted an evaluation in its own right. Mozambique was chosen as a case study.

A high level of stakeholder involvement was specified, including primary stakeholders and key actors in recipient governments. Key thematic concerns were identified:

- participation
- gender and
- sustainability.

The ToR also made provision for a spin-off study which would produce guidelines on impact assessment, and the use of indicators for poverty reduction.

Approach adopted

There were three possible approaches:

[1] While the Department for International Development was established in May 1997 with a brief to engage with international development issues across the board, its predecessor, the Overseas Development Administration had been largely concerned with aid delivery. This evaluation covers the period 1990 to 1997, with the White Paper as endpoint.

- Develop pre-conceptions of what a poverty reducing bi-lateral aid programme should look like and measure a country programme against it (the approach adopted by the ODI et al evaluations of European bi-lateral aid programmes, Cox and Healey, in press).
- Take donors' own stated strategy and measure performance and impact against that (the traditional project evaluation approach).
- Develop an interpretative approach with pre-conceptions which are specific to context (country/state/province) etc and time (1990-97).

The evaluation team chose the third approach because it was felt that poverty was likely to be context-specific, that approaches to poverty reduction could also be expected to vary, and because this approach would help to engage country programmes with country-specific debates and understandings. This was supported by the variation in poor people's perceptions and experiences of poverty revealed by recent PPAs. Furthermore, poverty was clearly a contested concept – definitions abounded even within DFID. No one definition was thought to be sufficiently consensual.

The purpose of the study was not to develop a representative data base of country programmes, or to compare one with another, but rather to study the aid programme in a range of poverty situations and policy contexts. The choice of countries reflected the approach. India was chosen as the biggest and most ostensibly poverty focused programme; Uganda was a good performer on economic reform and growth; Zambia was a poor performer with low growth. Mozambique was a good performer in a context of recovery from complex emergency. This was the evaluators' 'laboratory'. It was to provide concrete cases from which some statements about the aid programme could be attempted. These statements were to focus on:

- the influence exerted by the aid programme;
- the range of concepts of poverty and poverty reduction, and where the aid programme stood in relation to those concepts;
- the relationships between macro-economic management, economic growth and poverty reduction;
- a portfolio of interventions from the macro-economic to the micro-level to facilitate impact assessment, learn lessons and identify good practice.

The evaluators suggested to DFID a number of changes to the ToR. Accepted were: an additional but smaller country study of Mozambique, as an example of assistance to a country recovering from conflict; a study of the UK's role and influence over the World Bank through the Special Programme for Africa – a donor policy network centred around support for structural adjustment programmes; and a benchmarking study of another bi-lateral donor.

It was felt that poverty reduction had been approached by DFID during the 1990s as expressed in the three (2.5) prong approach enunciated by the World Bank in the 1990 World Development Report. Therefore it was appropriate to ask about the extent to which macro-economic and sector level work had or could possibly have contributed to poverty reduction, as well as focusing on direct or targeted interventions. The evaluation was innovative in that it was a policy evaluation wide wide implications.

Since the evaluation was a policy review it was felt that it was important to ensure that top management was engaged with it. This was achieved by presenting the conclusions of Step 1 to a meeting of senior management, getting their agreement to the whole approach and proposed methods. In the early stages of the study working papers were written and circulated. A steering group was established which, with somewhat changing membership, has continued throughout the evaluation study. Each country study has been reviewed through this mechanism, as well as submitted to the country programme managers for comment, which has generally been extensive. At the synthesis stage the involvement of top management again becomes critical. This is where we are now.

Methods

There was a commitment to using both quantitative and qualitative methods, although given the qualitative nature of the study as a whole the bias was to the latter. There was no uniform prescribed set of methods which had to be used in each study, rather a permissive commitment to recognising that confidently made statements needed to be supported from a variety of sources - in other words to triangulate findings as far as possible. It was recognised that attribution would be highly problematic, especially where donors operated together as in programme aid or sector wide approaches. There could only be a qualitative judgement in such cases, focusing on whether the programme was contributing to a positive poverty reduction process, and, qualitatively, what the UK's contribution was to that. There is a case here for far greater joint evaluation than has hitherto been the case.

Approaches and methods varied somewhat at the different levels of study:

<u>At country level</u>

- Examination of the extensive programme and project level documentation. This extensive documentation makes it possible for evaluators to gain access to the past beyond current institutional memory which is often little more than two to three years.
- This was supplemented with interviews, some of which were with staff who had moved on from the country in question.
- In each country there were a number of workshops, partly to carry stakeholders (including DFID) with the evaluators, and partly to elicit discussion and debate on programmes. There was a lot of secondary stakeholder work in all countries – interviews, workshops with senior civil servants and project managers, NGOs and other donors.

<u>At programme/sector level</u>

- Existing poverty assessments and participatory poverty assessments were used.
- The White/Addison methodology for evaluating programme aid.
- Some participatory work was commissioned or accompanied the evaluation in Zambia (focusing partly on the urban and peri-urban "compounds" of Lusaka where much of the aid programme was concentrated) and in India Oxfam's participatory study of health and education in Orissa, a DFID focus state)

<u>At project level</u>

- Reliance on existing outcome and impact assessment or monitoring work. However, this was very patchy – in itself a finding – well developed in the India programme, but nowhere else.
- Additional primary data collection. In practice this mainly consisted of focus group discussions, and interviews with primary stakeholders.
- File analysis, carried out prior to the other activities.
- Secondary sources, on the areas and people, and on the projects.
- Secondary and primary stakeholders' workshops.

<u>For the synthesis</u>

The synthesis team acted like an expert group. It reviewed all the available material - policy review, country studies - sector by sector and theme by theme, and generated statements together with the evidence available to support them. There was then a process of prioritising statements depending on

    - the significance of the issue

- whether the statement appeared to be generalisable, or of restricted relevance
- level of confidence with which the statement could be supported
- whether the statement could be woven into a consistent 'story line'.

A degree of (spurious) quantification was obtained by expert scoring of the performance of 14 projects intended to reduce poverty 'directly' against a variety of indicators which had been developed for the Uganda country study. There is a commentary on the 14 projects investigated in the four country studies in Box 1.

Changes along the way

The policy review (Step 1) led to several findings with implications for the study, which were taken into account in developing the approaches and methods for the country studies, and later synthesis. It suggested that centrally developed policies were weak instruments as far as guiding or determining the content of country programmes, and that they were perhaps not well founded on country programme experience. These findings were confirmed by the country studies.

Box 1 A commentary on 14 'direct' anti-poverty projects

This was a small sample projects marked by aid officials as both "direct assistance to poverty reduction" and "women in development" which were selected by each country team to reflect the character of the more significant such interventions in each country. It was not a random, or indeed a large sample. 9/14 involved NGOs, perhaps consistent with the programme's reliance on NGOs to deliver direct poverty interventions. While conclusions can only be suggestive, nevertheless, 5/14 projects had been through some kind of impact assessment process allowing a degree of confidence in the findings. Projects included rural and urban development and safety nets, health, education, water and sanitation, and micro-finance.

This analysis suggested that projects performed consistently well in terms of targeting, access, participation, and impact, but were less consistently good in terms of coverage, poverty analysis, learning and influence. The evaluators judged that the indicators of effectiveness of greatest importance to poor people were impact, coverage and influence. There was a degree of trade off between impact and coverage. Where projects were successful in terms of impact but had low coverage, it was especially important that they should achieve some influence both within the aid programme as a whole and within the country or region in order to justify the normally high and unreplicable levels of resourcing. Influence was most often the weak link in the chain. Greater attention could have been paid to influencing strategies and to the institutional location and construction of projects such that influence was possible.

The absence of good quality poverty analysis in several projects may have resulted in activities which had a limited range of poverty reducing components. This may be especially significant in determining whether or not projects reach the poorest. Most projects treated more than one aspect, but only one out of 14 was comprehensive. It seemed to the evaluators to be a particularly successful project. This very limited evidence challenged the received wisdom that integrated development projects were not successful. Dutch aid has recently produced a balanced review of this issue (NEDA, 1999), which broadly confirmed the disappointing results of earlier reviews. However, the UK aid programme's own relatively positive experience with the evolving and partly integrated urban and rural development area development projects in India and Zambia suggests that at the very least this subject deserves further consideration.

Organisational factors were seen to be critical in the development of capacity to address poverty reduction as a goal. The key organisational features were the development of professional groups[2] and the consequent evolving inter-sectoral and inter-professional group relations, and decentralisation. This meant that the evaluation became partly a study of the

[2] These were technical advisory groups (eg health, education, enterprise development, social, economic, institutional and engineering).

capacity of the organisation to work on poverty reduction. This remained controversial with some in DFID. In both the country studies and in the synthesis report the analysis of organisational factors has been linked closely to strategic and policy issues. There is scope, beyond the evaluation, for a new research project comparing organisational cultures of aid agencies and the relationship of organisational cultures to capacity to address poverty reduction.

The policy review also raised the importance of influence as an aspect of effectiveness. DFID staff were keen to examine the extent of international influence over the World Bank through the Special Programme for Africa, in a context where the UK partnership with the World Bank had been strong, but where conditionalities were being written off as a mode of influencing. The country studies were also to include explicit study of influence. These commitments raised the weakness of ideas for explaining influence and the methods for studying it.

Finally, it became clear that the question of whether any other bi-lateral aid agency was substantially better at poverty reduction than ODA had been would be an important one. Here the evaluation was able to benefit from the work done by ODI and partners evaluating the poverty focus of 10 European. Bi-lateral agencies. The importance of the question also led to a small 'benchmark' study of SIDA, an agency with a reputation for its poverty focus.

In carrying out the country studies three issues emerged which influenced the shape of the evaluation.

- Organisational pressures for higher poverty focus meant that the country evaluation teams were strongly in demand for advice on current (ie 1998) programmes and CSPs despite 1997 White Paper cut-off date for the evaluation: in Uganda the evaluators helped with the country programme's poverty analysis and Country Strategy Paper through an additional advisory input; there was particularly strong demand from Uganda due to the heavy reliance of the previous country programme on economic reform and stabilisation as a pre-requisite for poverty reduction and the existence of contradictory evidence on whether it was working. In India there were controversies over the relevance of power sector reform, the absence of interaction with GoI poverty alleviation and safety net programmes. Even in Zambia which already had a new more poverty focused CSP there was demand for advisory inputs from the consultants, perhaps because of the high quality of the country study.

- The robust dialogue with current (1998 and 1999) country programme managers deeply involved with the new policy agenda and defending current programmes while the evaluation was retrospective meant that it was difficult to implement the 1997 cut-off point.

- The studies raised the difficulties of including effective participatory/primary stakeholder involvement in studies of this rapidity (4-5 months) and breadth. The agreed approach had been an intention to slot in with ongoing participatory work. The result was varied. The evaluation was able to take advantage of a participatory study by Oxfam (an evaluation partner) in Orissa, but results were delayed (although they could still be incorporated into final version of the country study. The evaluation commissioned a study in Zambia, which produced broadly useful results, commenting on the provision of health and micro-finance services in particular. However, it was not very effectively integrated into the country analysis with results coming in too late to use in analysis of projects/sectors.

Good practice: identifying building blocks for the future

It is easy for evaluators to pick out the negative, focus on the constraints, and identify under-achievement. It is challenging to have to explain the negative, and imagine the positive. Because evaluation has historically been a critical activity, a way of rendering account, focusing on the positive, even the partially positive is less "natural" for evaluators. In this case, dwelling on the positive was considered essential because it was recognised that poverty reduction involved a complex and sometimes conceptually contested set of issues, which could not be resolved by an evaluation; that aid agencies generally (and DFID in particular) pursued several objectives at the same time, of which poverty reduction might be one, but that activities under other objectives might have important positive consequences for poor people; and above all that establishing a goal of poverty reduction for the aid programme as a whole meant that staff were concerned about the validity of cherished ideas and approaches to work.

Given the absence of poverty reduction as a strongly operationalised overarching programme goal[3], the evaluators could have written a short and extremely critical report which would have served little purpose. It was much more useful to build confidence in the organisation's potential contribution to poverty reduction as an intrinsically difficult and often fraught project by indicating where progress had been made over the period, and where further progress could still be made. Partly this was a matter of semantics and expression; but it also meant that the evaluators were consciously looking for cases of good practice from which current programmes could learn. This was done at country programme level as well as for the overall programme. The latter is summarised in Box 2 below.

[3] Direct Assistance to Poverty Reduction was one of several objectives until 1994, when Poverty Reduction became an overarching goal at least in the rhetoric.

Box 2 A chronicle of good and improving practice 1990 - 1997

Programme development

- poverty focus: remarkable shift within constraints of the neo-liberal consensus
- understanding of poverty followed/led iteratively the evolving international trend towards multi-dimensionality and multi-sectorality [but limitations of permissive approach for operationalising coherent contextually based programmes]
- recognised importance of joint work with other donors in the context of the SPA:
  - ⇒ consistent necessary macro-economic support [but inadequate/late “sufficient” complementary measures]
  - ⇒ persistent attempts to influence the World Bank on poverty and pro-poor public expenditure management - despite intrinsic difficulty - using knowledge products, secondments and in-country innovative supportive expenditure
- substantial shift to basic services across the programme with potential for including the poor
- some examples of sector reform focusing on pro-poor service outcomes [need to learn the lessons of different approaches and starting points for reform from the point of view of benefiting the poor]
- some useful combinations of sector and project level interventions to ensure sector wide work focuses on the poor
- examples of good impact, targeting and participation in ‘direct’ interventions [but small scale/low coverage with few cases with influence instead]
- useful enterprise development/micro-finance portfolio development [limited by weak inter-sectoral links and commitment to Ohio School]
- success in influencing through combination of knowledge products, appropriate institutional context and operational practice (SPA, Medinipur WATSAN, Participatory Varietal Trials)
- increased awareness of importance of/analytical capacity for understanding socio-economic, cultural and institutional barriers to utilisation, demand, access [but few projects addressed barriers successfully]
- increased awareness of social sectors as safety nets (eg SPA cost recovery work) [but uneven correspondence to work on the ground and little work on safety nets more broadly]

Improving organisational practice

- decentralisation of the office - important to capture the context [organisational basis laid for strong poverty analysis and engagement with development discourse including NGOs/civil society]
- serious attempt to incorporate gender analysis, despite intrinsic difficulty [illustrates likely difficulty of enhanced poverty focus in the absence of a strong group of interlocutors for the poor within the office]
- rare operationalisation of gender - key India gender strategies should be watched for programme impact
- some space created for slow poverty/gender focused process project work
- progressive engagement with government, moving outward from macro-economic support to public sector reform and sector aid
- India programme impact assessments building up into a picture of programme impact and used to move projects on [tracking impact highly uneven]
- progressive multi-dimensional engagement with NGOs [but lacking a strategy to engage with their comparative advantages and generate a coherent role for NGOs within the programme]
- examples of timely and supportive project monitoring with contributions to programme development

2
Emerging lessons on poverty reduction

Findings, Lessons and Recommendations

Evaluations carried out for DFID are required to organise their conclusions under these three headings. Findings are significant observations which should be backed up with evidence. Lessons represent the learning which can be extracted from the observations, either treated singly or in groups. They attempt to generalise from the particular, to inform a category of interventions, within a limited sphere of operations. Recommendations are generally few and far between, and relate to specific DFID systems or procedures which, in the view of the evaluators, need to be changed, scrapped or initiated. The lessons drawn out here are still provisional and subject to further refinement.

Country studies: specificities and particularities

The lessons emerging from the country studies varied considerably from programme to programme. While evaluator bias cannot be ruled out (see below), it is likely that since the countries were chosen on the basis that they represented different approaches, histories, and performance levels (eg on critical development indicators such as economic growth, perceived success in economic reform, presence of anti-poverty programme spend), that the lessons would vary substantially. Lessons at this level were about what could be done under a particular set of circumstances to contribute to poverty reduction. The country case studies were thus qualitative building blocks for a synthesis, capable of identifying strengths and weaknesses which might or might not be replicated elsewhere, since the policy environment and aid programme history would never be exactly the same.

A general, unsurprising, conclusion from the country studies was that no country programmes were optimally designed for poverty reduction. This is not to say that individual projects had no impact or influence, but that the programmes did not add up to a substantial (or measurable) impact. Given that they were not explicitly designed to have maximum impact on poverty, but rather with poverty reduction as one among several objectives, the finding is not surprising. It does indicate, however, that if poverty reduction is really the goal, programmes and projects all need to recognise that as the starting point for operations. It is not good enough to assume that enabling and inclusive activities will actually enable or include. This needs to be demonstrated, both logically and empirically..

This general conclusion also does not negate the fact that the quality of two of the country programmes (India and Zambia) improved dramatically during the 1990s. These included improvements in the degree of focus and coherence, in the intellectual inputs devoted to project management, in the innovativeness of projects, and in the seriousness with which poverty issues were increasingly discussed. Improvements in the other programmes came much later, around the change of government - in Uganda because economic growth was very substantially relied on to deliver poverty reduction, and in Mozambique because UK foreign policy determined a run down of the programme following peace until the change of government reversed this. There was no evidence that other bi-lateral donors performed any better during this period (Cox and Healey, in press)

Table 1: Some key lessons from two of the country studies

Country	*Key lessons*
India	1. Analytical, critical engagement with the "Indian consensus" on income poverty reduction is a necessary part of a quality aid programme.[4] 2. Given the government's emphasis on income poverty reduction, donors' emphasis on human development was logical, but a sectoral mode of agency (and government) organisation should not be allowed to obscure the drivers of human development. 3. Decentralised aid management allows engagement with context, intellectual discourse, and imaginative programme development with creative partnerships. Further decentralisation would allow multi-sectoral, multi-level, multi-partner (including donor) interventions. 4. Inclusive participatory arrangements were easier to develop around productive than social sector activities. 5. Developing evidence-based analytical approaches to project and programme management (impact assessment, gender strategies) was capable of improving aid quality in the short term. 6. Influence was best generated by the combination of knowledge products and mainstream project work; "insider" status conferred by longevity of commitment, networking capacity and staffing patterns (especially employment of Indians).
Zambia	1. The degree to which an intervention addressed not only economic but also social and political dimensions of the problem was crucial to its effectiveness (impact and influence) and sustainability. 2. Efforts which had the support of powerful stakeholders were likely to be more successful; however, where vested interests were challenged, progress could be made either if interventions attempted to influence state structures and behaviour, or to build the political capital of the poor. Political-institutional analysis was critical. 3. Policy leverage through disbursement conditionality and associated pressure is an over-rated art, at least for a bi-lateral donor. 4. Thought needed to be given to how the synergies between improving livelihoods and strengthening social and political capital within the successful CARE projects might be emulated in other fields (eg health, rural infrastructure etc). 5. The stop-go nature of reform in Zambia constrained the effectiveness of cutting edge donor approaches - the use of programme aid to fund the government budget, and the SWAp to providing financial support. 6. Thought also needed to be given to extending the successful process approach to project management beyond the small number of projects actually operating within this framework.

Sources: Evaluation of DFID Support to Poverty Reduction: India and Zambia Country Studies

Evaluation Synthesis: Identifying clusters of lessons

Having carried out the policy review, country studies, and other studies mentioned above, the most difficult part of the job was to synthesise results and produce useful lessons for DFID. Clearly this would involve a substantial degree of judgement as well as sifting the evidence. It was easy to come up with a long bullet point list of findings and lessons, which could be divided into those which seemed to cut across country programmes and those which were peculiar to particular countries. However, working out which were the most important, which ones might involve changes in approach or operations which were necessary to contribute more significantly to poverty reduction was not so easy.

[4] DFID India debated this point strenuously, arguing that there was less consensus than the study proclaimed. The evaluators remain wedded to the existence of a consensus on income poverty reduction in the late 1990s where there had been competing schools of thought in previous decades. There is little consensus over human development and social and political capital issues.

The procedure used was to cluster lessons in groups, so that each cluster would tell a story by itself, would give a set of lessons which sets of actors within (and even beyond) DFID could act on, and, critically, would link strategic or policy lessons with organisational (systems, procedures, culture) ones, to provide operationally useful results..

Balancing the social and productive sectors

The starting points for this cluster (see Diagram 1) were the observations that:

- spending on the social sectors, especially health, had grown dramatically, while expenditure on potentially pro-poor productive activities had remained on a level;
- economic growth did not automatically translate into improved economic opportunities for poor people, without complementary public and private investment;
- participatory work repeatedly identified the priorities of poor people as lying in the improvement of employment opportunities, incomes, and access to domestic water; since participatory work is a way of building social and political capital, which is important in the progress societies make towards poverty reduction, it is likely to be easier to construct participatory arrangements and build social capital around poor people's priorities rather than social sector activities - and indeed this finding is supported by a limited amount of evidence from the evaluation;
- no systematic work on safety nets was undertaken.

A number of lessons clustered logically around the need to achieve some balance and possibly co-ordination or integration between social and productive sectors. Working through the productive sectors enabled greater participation of poor people, and so was the key entry point for work to enhance social or political capital. Here the separation (and even competition) between the sectors had inhibited inter-sectoral collaboration. For example, work on renewable natural resources needed to be firmly linked to enterprise development and rural infrastructure. It could even be that a degree of organisational restructuring might facilitate these links. Aid management considerations, in particular limiting country programmes to a few sectors due a scarcity of sectoral advisers, had also inhibited the making of logical choices between sectors based on poverty analysis: the flow of decision-making needed to be reversed. This, and better inter-sectoral collaboration, would possibly be furthered by developing a greater understanding of the context. This would also enable two further improvements in effectiveness: greater influence and coverage of beneficiaries through improved (and particular more mainstreamed) institutional location of project activities. In particular influence could be maximised through strategies which combined the generation of knowledge products with the development of 'insider status' over a long period of time.

It was clear from our studies, as from many others, that even livelihoods-focused development interventions rarely support the poorest. Safety nets are essential. In order that social services act as safety nets, they would need to be specifically designed with that in mind (see below, Diagram 2). However, social services by themselves were unlikely to be enough: where possible donors could engage with public sector safety nets (eg in India) since small improvements in these were likely to have substantial benefits. Elsewhere, the possibilities for community-base safety nets, and recovery programmes run by NGOs with long term perspectives need exploration. Indications from the Zambia PUSH programme were that significant possibilities lay in this direction.

Given the need for multi-layered and multi-sectoral approaches to poverty reduction, two further observations can be made. Firstly, this would imply a much more painstaking analysis of where a donor fits into a complex policy and programme jigsaw; and, linked to this, where a donor's comparative advantage lies within this institutional matrix. It is clearly not necessary for one donor, however big, to do everything. Establishing comparative advantage with any methodological rigour is, however, difficult, and time consuming. It was difficult to do justice to this question within the context of country studies which necessarily focused on getting to grips with what were sometimes complex programmes.

Lessons from the social sector

Improving social service outcomes has been seen as probably the key intervention to accompany economic growth in the reduction of poverty during the 1990s. A number of observations led to the formulation of a second cluster of lessons (Diagram 2):

- Sector wide approaches focusing on improving quality of service, access and the service outcomes of management and accountability improvements had potential to include the poor; the dominant management systems approach in Sub-Saharan Africa had less potential than the more selective approach focused on service outcomes in India[5]
- Small but critical improvements for service outcomes have had a greater impact on poor people than more difficult system improvements which may take a long time to achieve; the question would be whether the small service outcome oriented improvements can build into system-wide betterment
- Participatory and analytical work reflected the importance of curative and emergency health services as well as preventive, and secondary as well as primary schooling , which suggests the power of balanced sector wide approaches allowing for local priority setting in contributing to poverty reduction
- There were dangers in donors swinging with the winds of fashion in favour of particular approaches (eg primary vs secondary; preventive vs curative etc); priorities were locally determined within the context of global and national debates
- The improvements in public expenditure management sought by the Special Programme for Africa were likely to underpin increased donor willingness to fund recurrent costs with longer term commitment, which in turn were necessary to rehabilitate social services in poor regions and countries. The latter objective was not being strongly achieved either through management systems improvements or small scale improvements
- Civil service reform agendas have not been well linked to social sector policy making in order to avoid undermining the potential for social sector improvements
- Civil society organisations are likely to play a key role in helping poor people overcome the barriers to using social services: donors could help NGOs occupy a more strategic role vis a vis civil society, rather than simply treating them as alternate service providers
- Reducing the barriers which poor people experience to using social services was best done in the context of priority or productive sector programmes around which poor people organise themselves more easily

It proved possible to organise these observations into two sets of inter-related lessons, as illustrated in Diagram 2 below.

---

[5] DFID staff (and others) have argued that the context is different, and that organisational development takes priority in SSA because organisations are weak. Others have argued that improving efficiency is by nature pro-poor. The argument put forward in the evaluation is that management improvements which do devise operational strategies for including the poor may simply lose that aspect of their agenda.

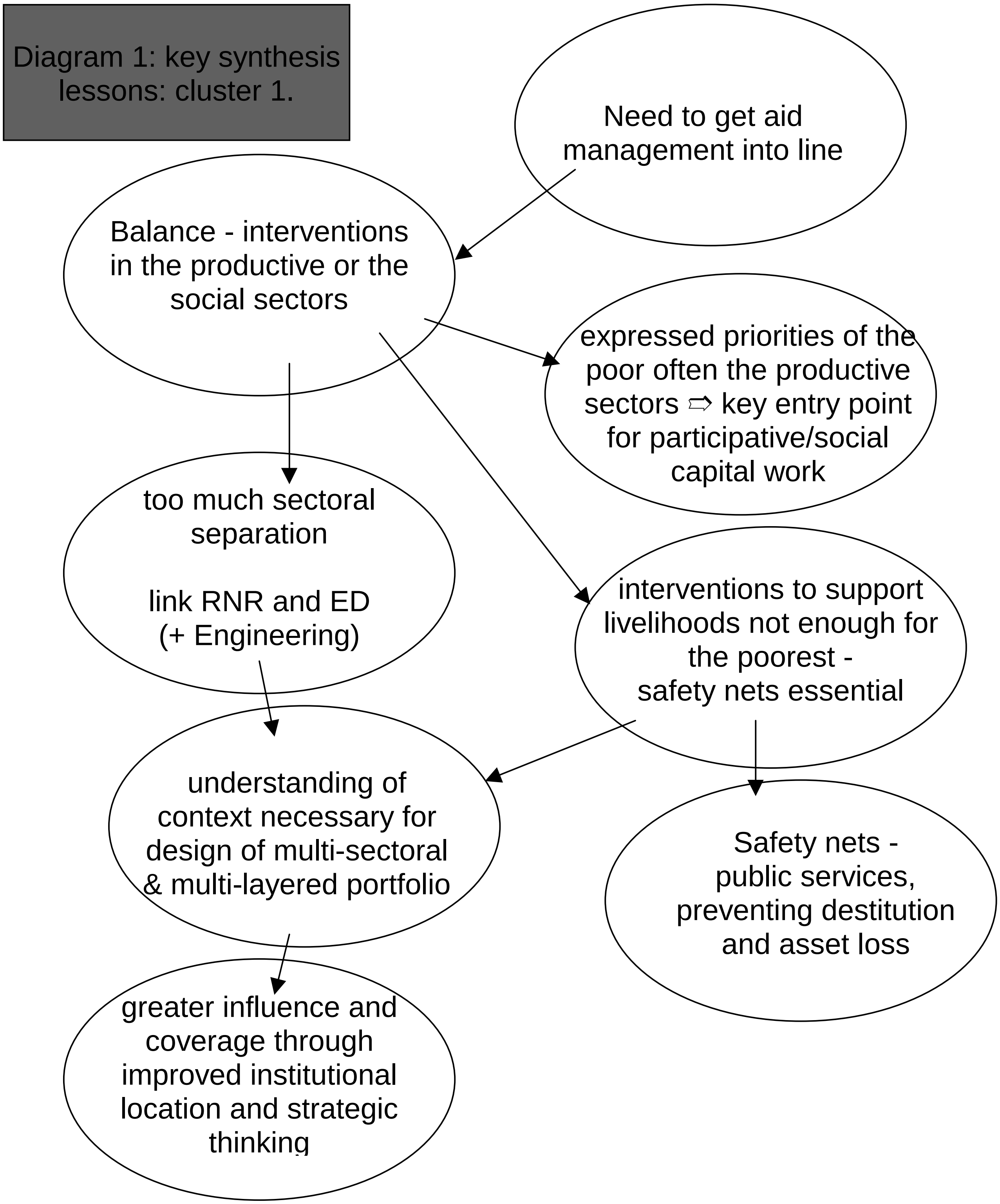
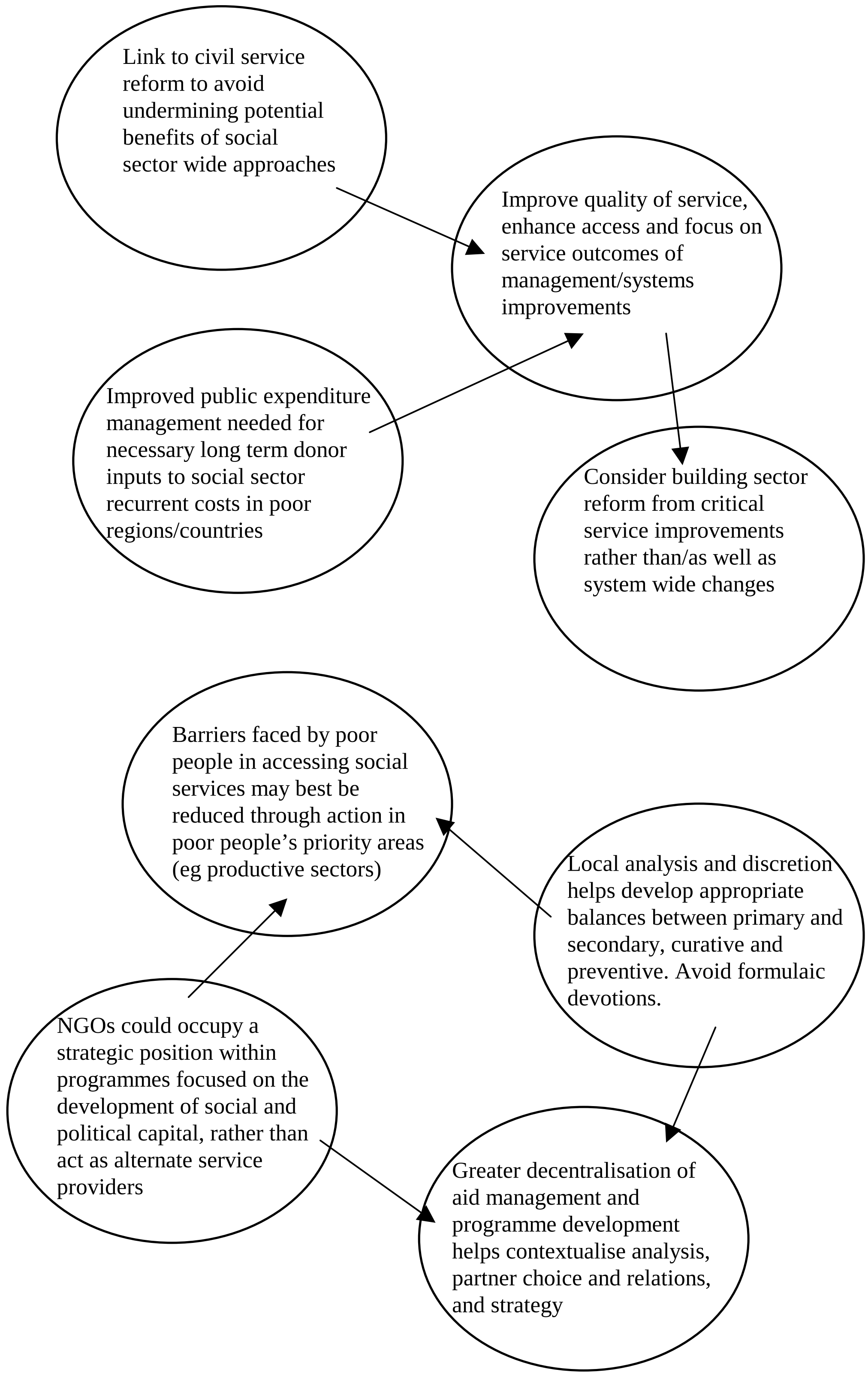


Diagram 1: key synthesis lessons: cluster 1.

Diagram 2: key synthesis lessons: cluster 2.



Enabling poverty reduction through macro level interventions
A very substantial proportion of British aid to poor countries was in the form of programme aid or macro-economic support in support of structural adjustment programmes. A further and consequent strong focus was on 'good government', generally comprising civil service reform (including retrenchment), and reforms of the judiciary, revenue collection and police functions of central government.

The major finding of the country studies was that, while macro-economic and governmental stabilisation were likely to be necessary for sustained poverty reduction,

- these interventions needed to be accompanied by a number of complementary measures if they were to be sufficient to reduce poverty widely; such measures (undoubtedly difficult to work out) had never been explicitly specified and were not lobbied for; and,
- on occasion they could act contrary to the interests of poor people, for example in retrenching front line social sector staff (teachers and health workers) or in requiring cost recovery for basic services while not improving revenue collection in general or finding ways of exempting the poor.

A further finding was that even where the analysis was available to address such issues (India) there were inhibitions in making use of it: these were perhaps due to the leadership of reform programmes by the IFIs, juggernauts which were difficult to influence for bi-laterals even collectively, or the controversial nature of raising uncomfortable questions and issues with the IFIs. The Special Programme for Africa created a valuable forum in which such dialogue was possible, and some influence was achieved. However, influencing the Bank through the SPA required an influencing strategy which included: funding pilot activities in Bank country programmes; funding and managing studies and secondments, and providing trust funds to enable Bank staff to carry out activities for which loan funds were not appropriate.

UK programme aid brought little influence over policy beyond adding the UK's voice to that of the IFIs, whose impact varied from country to country (eg Zambia compared to Uganda) and was always constrained by the interests of the political elite. Influence beyond the confines of macro-economic management was very limited. It could possibly have been got in other ways.

Good government focused on getting the essentials right - the size of the public sector and law and order. While this sequence had an undeniable logic opportunities to consider differential outcomes from such basic institutional reconstruction were rarely taken. Good government rarely extended to support for decentralisation despite the fact that this was strongly on the agenda in Uganda and India. Decentralisation is no panacea for poverty reduction, owing to the capture of local governments by local elites. However, it may provide a forum which can be used constructively by local elites to build alliances with poor people, and also by interlocutors for poor people. The accountability problems attached to supporting development through decentralised government without engaging in a revitalised project approach to development overwhelmed programme managers.

Similarly, civil society's role in achieving good government was barely spelled out, and with it its potential for contributing to poverty reduction. NGOs were treated as alternate service providers rather than interlocutors, intermediaries with interlocutors, and otherwise as channels to engage the excluded and poor.

In the particular case of post-conflict reconstruction as an enabling form of aid (Mozambique, Uganda) a similar point can be made: economic growth was clearly the key to recovery;

however, macro-economic stabilisation by itself could not deliver the kind of economic growth which was capable of widely reducing poverty. For this, a more complex model of recovery was needed than was available in the international literature or aid consensus, which subsumed recovery under a model of conflict prevention through co-operative integration. It was also assumed that poor resettling rural households would construct their own welfare from their exiguous interactions with the unreconstructed market place. An attempt to graft new forms of social organisation onto the chaos of resettlement was one of the few admissions that recovery was a complex poorly understood process, but one which required more than the donor community was apparently able or willing to offer.

3
Lessons for evaluation design

A first observation is that the evaluation of programmes intended to reduce poverty is an intrinsically difficult exercise, more difficult by far than classic project or even policy evaluation. This is because poverty reduction is complex, involves many actors and economic and societal processes which are not easy to control or even influence with certainty; and because the agencies involved do not generally include representatives of poor people, and only doubtfully interlocutors for the poor. At the current time evaluation is almost inevitably dealing with poverty reduction as an implicit goal, since a small promortion of aid was provided with an explicitly operationalised poverty reduction goal.

Poverty reduction has also rarely been the sole goal of an aid programme. In a multi-goal context it is likely that programme design will not be optimal for poverty reduction since this has to be balanced with pressures to achieve other stated and unstated objectives. Any evaluation probably needs to distinguish effectiveness in general and capacity to contribute to poverty reduction in particular. While the two are related, they are not the same. It is important that evaluators pay attention to the other goals pursued by aid agencies.

Poverty reduction: a complex, multi-dimensional, inter-organisational 'project'
Lesson 1: the synthesis of information and conclusions from varied activities (macro-meso-micro; different sectors; different partners) is a subjective activity. Although it can be done systematically, the commissioner (also the object of evaluation) must have a great deal of confidence in the evaluators. A close collaborative relationship is required throughout. It is unlikely that a high degree of independence can be retained under these circumstances. However, in order to be useful, a degree of independence is necessary, and has been achieved so far in this evaluation.

Lesson 2: while many lessons emerged from the studies carried out, these would comprise an informative but dull list unless they are woven into a rich seam where agency staff can recognise themselves, perhaps in a new perspective. It is not enough to bring out the complexity, but this complexity needs to be explained and interpreted. The 'clusters of lessons' represent a first attempt to do this. Diagramming the logical relationships between lessons may also help to identify the root or most fundamental lessons without which the agency cannot hope to make a more substantial contribution to poverty reduction.

Lesson 3: the problem of attribution suggests that partnership (or joint) evaluations need to be given far greater operational weight than hitherto. These could be joint donor, and/or joint donor-government evaluations. There is now some experience with such evaluations which needs to be collated. Joint evaluation would also help to reduce the confusion of loyalties involved in simultaneously commissioning and being the object of evaluation. DFID has had a degree of positive experience in joint evaluation.

Lesson 4: in the necessarily complex field of poverty reduction, influence becomes a key component of effectiveness for a medium sized donor. The study of influence is not well developed. Policy network analysis provides a useful framework.

Lesson 5: there needs to be far more evaluation (and impact assessment) in programme management. It is no longer enough for agencies to commission large scale semi-independent *post-hoc* studies. Country programme evaluation should be a routine part of any agency's strategic thinking and planning cycle. This is also a way of engaging with local poverty reduction discourse, including engaging with interlocutors for the poor, and even over time with poor people themselves. There are far too many strategic decisions taken about the direction of country programmes which are not informed by any such evaluative study.

The poor are unrepresented: the search for interlocutors
Lesson 6: interlocutors for the poor do not ‘grow on trees’, nor are they free of their own interests. It is important that evaluators interact with a variety of potential interlocutors, as well as make use of whatever participatory assessment processes already exist. Evaluation becomes a way of engaging with the local discourse which may have a significant impact on an aid programme.

Lesson 7: if interlocutors have not been involved with a programme over a period of time, it is difficult to inject an adequate process of representing the views of poor people into an evaluation study. Evaluations should rely on existing authentic participatory processes and civil society organisations to generate such information. Ideally this would be built into country programming cycles as a regular feature, possibly on a joint basis.

Lesson 8: organisational factors did seem to the evaluators to have been very influential in permitting or inhibiting effectiveness in poverty reduction. However, evaluation is not normally perceived to be about organisation or organisational change. Many of the most important messages to emerge from the evaluation were to do with systems, procedures and even organisational culture. Without addressing these it was felt that the constraints would persist. The art of presenting such findings was carefully to link organisational to strategic or policy issues. This work is still ongoing.

Lesson 9: any organisation is likely to be very sensitive about singling out particular groups within it. However, some groups may see themselves as interlocutors; and as more poverty-focused than others. Even without clearly demarcated groups, the contested nature of poverty reduction means that evaluation occurs within a conflictual context. Evaluation in such circumstances is clearly difficult. It is important to adopt an ‘inclusive’ evaluation strategy, demonstrating that good practice exists in a variety of forms, not solely attached to any single group, sector or programme.

The specificity of poverty: is it relevant?
The evaluation approach made much of the specificity of poverty and approaches to poverty reduction. This was largely confirmed by the following examples among others:

- the difficulty of understanding of the situation of displaced people returning home, which led to a number of questionable assumptions guiding recovery programmes - while it may be possible to generalise about the range of situations which may apply, there will be many specificities to do with the politics of inter-group relations, and the degree of institutional and market destruction, which will influence the speed of possible rehabilitation.
- the substantial debate about the nature of poverty and what it takes to reduce it particularly evident in India where there was an “Indian consensus” on income poverty reduction, and at times elsewhere eg Mozambique around the notion of “structural” poverty, with which donors had variable engagement.
- the findings of poverty assessments, and especially participatory poverty assessments, for example, from Zambia that widows’ access to land and other assets was a critical proximate cause of poverty, or that the social relationships on which the poor depend may have been eroded by the processes which have helped to make the economic environment more favourable to poverty reduction.

The growing view that the distribution of social capital affects economic growth is another illustration of the importance of context. Explorations of the social capital-poverty reduction relationship are very much at an initial stage, however. The evaluation has also argued that politics itself is a largely neglected factor in explaining the constraints on and possibilities of poverty reduction. Programmes need to address the vested interests around development activities: assumptions that the poor will participate if they are given the opportunity, that democratic structures mean they will be represented, that removing subsidies will improve their access, that markets will open up opportunities for the poor as well as others, that they will be able to compete for resources in the basic education and health services, that they will gain access to and use basic physical or socio-economic infrastructure: all of these may be easily undermined by the operations of vested interests, which may be linked politically to elite interests. It is frequently possible to develop strategies which ensure that it is not only the non-poor who benefit, but these do need to be thought out.

Stakeholder involvement: evaluation's contribution to strategic/organisational change
Evaluation has a dismal record in contributing to change. As far as the UK aid programme is concerned, studies have shown that old-style project evaluations had little impact at a country programme, policy or strategic level and usually came too late to affect the course of a project. (Flint and Austin, 1993 and Flint, 1997). Newer-style topical 'synthesis' evaluations have spoken to particular professional groups or sectors, exposed their work in a holistic (ie non-project) way to senior management, and have probably been more influential. For example, a synthesis evaluation of water and sanitation projects (White, 1997) concluded strongly that the health benefits of projects were not being adequately realised because the inter-sectoral linkages were not being made. This has led to the establishment of a stronger relationship between engineers and health advisers over such projects.

It is too early to assess the impact of the current evaluation, which is in any case still not complete. However, it can be said that it has played a role in resourcing the country programmes studied, raising key issues, forcing the debate, and contributing expertise. Its findings have been continuously fed in at a variety of levels - on-project, in-country and in London. In general they have been received with a high degree of interest, though with some understandable defensiveness on the part of country programmes.

Lesson 10. the more general or abstract the finding or lesson, the less unacceptable it has proved. Specific findings and lessons were challenged to a much higher degree, although there has been a convergence of view over time, as the kinds of arguments put forward by the evaluators have gradually come to be more accepted. In putting across these arguments, the evaluation has contributed to the process of organisational change currently underway.

Lesson 11: the audience for this evaluation has been in a state of flux - in transition from one policy environment to another. Programme managers have naturally been fully engaged with current programmes and modifications to those programmes, and have sometimes been impatient with a retrospective study. The demands on the study to be up-to-date (and beyond the ToR) have therefore been heavy. The findings and lessons of the study have been fed into this moving context and have frequently confirmed changes already in process, rather than contributing new ideas and information. An illustration would be the way in which the approach to developing Country Strategy Papers has improved, with more analytical and consultative documents resulting.

References

Cox, A. and Healey, J. *Promises to the poor* (in press)
Flint, M. and Austin, C. (1993) *Learning Lessons: A Review of ODA Evaluation Impact* London: ODA Evaluation Department
Flint, M. (1997) *Report on a survey of Evaluation users* DAC Expert Group on Aid Evaluation: Review of Processes for Evaluation of Development Assistance
NEDA (1999) *Integrated Area Development: Experiences with Netherlands Aid in Africa* The Hague: Ministry of Foreign Affairs, Focus on Development 10
White, J. (1997) *Rural Water and Sanitation: a Synthesis Evaluation* London: DFID