

# **Assessing USAID's Assistance for Democratic Development :**

## **Is it Quantity Versus Quality?**

Edward R. McMahon  
Research Assistant Professor  
Director, Center on Democratic Performance

Department of Political Science  
Binghamton University – SUNY  
Binghamton, New York 13902-6000



This paper was prepared for the American Political Science Association annual conference, San Francisco, August 30 – September 2, 2001, and is published in the Winter 2001 edition of Evaluation (London: SAGE Publications).

## **Abstract**

The focus of this article is on efforts undertaken within the United States government, especially the U.S. Agency for International Development, to develop a coherent approach to determining the effectiveness of its democracy support programming. The main four priority areas are to support: civil society development; competitive political processes; the rule of law; and governance.

The article begins by asking the question of why this issue is important. It then provides context, and briefly assesses varying perspectives and motivations of different stakeholders. It examines and critiques current approaches being taken to “measure performance” and concludes by suggesting some potentially useful policy and research directions. These include instituting structural reforms to enhance the independence of the evaluation process, disaggregating approaches to assessing the impact of programming, focussing on priority countries, and expanding use of integrative methodologies.

## **Introduction**

A defining aspect of the post-Cold war world has been increased emphasis on the exercise of human rights, including democratic governance. According to one measurement of democracy, in 1950 only 31% of the world's population lived in countries that could be defined as democracies, while by 2000 the figure had doubled.<sup>i</sup> This move towards greater political freedoms gained momentum with the collapse of Communism in the late 1980s. Especially since that period donor countries, especially Western democracies, have provided increasing support for the development and consolidation of democratic institutions around the world.

This has been an important element of recent U.S. foreign policy, whose origins lie in the emphasis on human rights promotion and protection initiated in the Carter Administration. President Reagan subsequently championed democracy as a means of promoting the dissolution of the Soviet bloc. Presidents Bush and Clinton broadened and deepened the rationale for and resources available for democratic development by tying it closely to a globalization conceptual approach.

Within the U.S. government this emphasis on promoting the growth of democracy worldwide has been articulated by the U.S. Agency for International Development (USAID), the lead U.S. foreign assistance agency, through the following four priority areas; rule of law, support for civil society development, competitive political processes, and governance. An increasing but still modest level of resources have been devoted to this, totaling approximately \$634 million in fiscal year 1999.<sup>ii</sup>

Despite this increasing flow of resources and focus on democracy and governance (D/G) activities, it is not certain that this sector will remain a central element of the U.S.

foreign assistance portfolio. Early indications suggest that the new Bush Administration has toned down its emphasis on this subject, with democracy and governance being subsumed into a new “conflict prevention” category.

Against this backdrop of uncertainty, the issue of how the impact of USAID’s democratization support programs is assessed takes on added importance. The ability of USAID to articulate and assess “success” may well impact on the future of the sector. Donor agencies in other countries face similar challenges, and examination of the U.S. experience in this regard can prove a useful case study.

It is appropriate to focus on USAID because the U.S. has been a leader in this field in terms of resources, and because the most sustained effort has gone into developing and articulating a general approach to dealing with this question. The EU has conducted some interesting individual assessments, particularly of its PHARE and TACIS eastern European democratic support initiatives, but it has not developed any overall conceptual framework.

This paper briefly disaggregates and defines specific elements of democracy assistance. It then assesses the perspectives and motivations of various stakeholders and examines the approaches that are being taken to “measure performance.” It concludes by suggesting some useful future policy and research directions.

## **Context**

In the U.S. a number of important constituencies question the value of D/G programming, including many in Congress. Their objections tend to be based on three grounds. First, some view the issue through an East-West, Cold War prism. They reason

that policies designed to best the Soviet Union and its allies are no longer needed. In recent years this perspective has lost credence. Events over the past decade have demonstrated clearly that Communism is only one form of authoritarian rule and that, for example, the nominally Marxist dictatorships that ruled such African post-independence states as Angola, Congo Brazzaville and Benin had in reality little to do with Communism. Current regional instability is often based largely on competing ethnic or regional identities. The exact type and nature of institutions to be developed to deal with problems of democratic transitions is a common challenge. Recent events have shown, however, that creating a more peaceful world in which universal democratic values are respected is a much more complex task than simply vanquishing communism.

A second objection flows from the deeply embedded populist, neo-isolationist strain of the U.S. political tradition. Congressmen have been known to ask how can they justify the expense of this money to their unemployed. This argument also can include the suggestion that “intervening” in other countries to affect their political processes is part of U.S. post- Cold War neo-imperialism.<sup>iii</sup> Again, this argument fails to take into account a fundamental factor – increased globalization means that the US can no longer be an island. Whether it likes it or not, it is affected by events beyond its borders in just about every realm of human activity; economic, political, social, and economic.

These first two objections have provided common rallying ground for some in the left wing of the Democratic Party and some conservative Republicans. How much this touches on the fault lines of American political values and traditions is demonstrated by the fact that each year during budget debates a hugely disproportionate amount of time is taken up in the House and/or the Senate debating the approximately \$30 million line item

for funding to the National Endowment for Democracy, which also supports democratic development overseas. Support for this sector may be broad in Congress, but it is not deep and could be easily swayed.<sup>iv</sup>

For several years after the fall of the Berlin Wall, democratic development implementing organizations operated with growing resources and little oversight. The euphoria of the era, the fundamental changes that were occurring with stunning rapidity, and the nascent nature of the democracy assistance field engendered an experimental, risk-taking, and generally free-form approach. With the passage of time, however, funders and other observers have begun to pose a number of questions about the efficacy of this work.

A third argument, based on skepticism, is therefore, the most justifiable one and the most difficult to address. It posits the following questions: Is international assistance effective? What return do we get for it? How do we know how well we're doing? Can assistance have a distorting effect? When does it not help? On what basis can we answer these questions?

These questions are clearly not relevant solely to the U.S. context. They apply to any donor country active in the field. The central issue facing donor country development agencies regarding support for democracy and governance activities is how to prioritize more effectively their activities to maximize impact, especially given limited resources. Are these agencies doing the right things in the right places at the right times? On what basis are decisions made regarding costs and benefits of choices in the D/G sector? To address these issues conclusively will require a much more advanced understanding of the field than currently exists, especially as the impact of D/G

programming is less quantitative in nature than that of other sectors such as health, population and nutrition, and economic development.

Certainly in the U.S. if some consensus on how to respond to these questions is not developed, it may well be that within the life of the Bush Administration this area of activity will have lost significant congressional support, and be on its way to becoming a minor, subsidiary element of development. It would be imitating other short-lived assistance “fads” such as the capital-intensive approach of the ‘60s and ‘70s.

In this context, supporters of democracy assistance it come under heightened pressure to explain and justify the modest amount of funding it receives. It becomes increasingly important to articulate and analyze what the results have been. But how much progress has USAID, the agency with the lead on supporting democratic development made in developing approaches that capture the impact of the approximately \$300 million in taxpayer money that has been invested annually over the past decade?

### **Defining Democracy Assistance**

The concept of assistance for democratic development has become increasingly accepted over the years by the international community. Key actors, in addition to USAID, have included major bilateral donor organizations, such as DFID in the U.K; the German political party foundations, or Stiftung; the European Union; Nordic donors; and the United Nations Development Program. Even the World Bank, which for a long time interpreted its articles of association to bar it from being engaged in “political” activities, has come a long way towards toward accepting the inter-related nature of political and

economic reform. No longer does it, for example, have to use obscuring economics terminology such as “rent-seeking” when discussing anti-corruption activities. To cite just one example, a recent World Bank-sponsored report notes that democratically elected governments were successful in implementing adjustment programs in 52% of the cases studied, and failed in only 29% of the cases.<sup>v</sup>

Donor agencies may differ somewhat in their definition of democracy assistance, and some may direct their resources towards one or two sub-categories. The model developed by USAID (as expressed in the Agency’s objectives found at its website at <http://www.usaid.gov/democracy/dgso.html>) covers many of the areas addressed by donors. It is divided into 4 main sub-categories. These areas of focus include rule of law, civil society, elections and political processes, and governance.

**Rule of Law.** The rule of law area addresses both constitutional and actual guarantees of basic human rights and basic principles of equal treatment of all people before the law. “In many states with weak or nascent democratic traditions, existing laws are not equitable or equitably applied; judicial independence is compromised; individual and minority rights are not truly guaranteed; and institutions have not yet developed the capacity to administer existing laws.”<sup>vi</sup> USAID's efforts to strengthen legal systems focus on under three inter-connected priority areas: supporting legal reform, improving the administration of justice, and increasing citizens' access to justice.

**Civil Society.** Civil society has been defined as the “associational realm between state and family populated by organizations which are separate from the state, enjoy autonomy

in relation to the state and are formed voluntarily by members of society to protect or extend their interests or values.”<sup>vii</sup> A wide variety of groups, including women's rights organizations, business and labor federations, media groups, coalitions of professional associations, civic education groups, bar associations, environmental activist groups, and human rights monitoring organizations receive assistance from USAID in this domain. The role of civil society in promoting greater political pluralism has been largely championed in democracy-related literature as a central element in the recent, “Third Wave” expansion of democracy around the world. There have been an increasing number of critiques of civil society’s impact, questioning, for example, the extent of partisanship, commitment, funding, and quality of organizations that make up civil society.<sup>viii</sup>

**Electoral Process.** There are a whole series of challenges that complicate the ability of nascent democracies to implement legitimate electoral processes. These can include inefficient or poorly organized election administration, insufficient education on the part of citizens about different stages of the political process, including elections; and a lack of effectively structured political parties. USAID programs to address these problems include election planning and implementation, political party development, voter education, and support for domestic and international monitoring groups. USAID’s aim has been to transfer knowledge and assist in developing a sustained indigenous capability to address them.

**Governance.** The concept of governance applies to a basket of issues dealing with the functioning of democratic institutions. These include anti-corruption activities,

decentralization, civil-military relations, and legislative and local government functioning. USAID's programming in this sub-sector is designed to encourage and assist nascent democratic governments to integrate key principles such as transparency, accountability, and participation as they develop and improve their institutions and processes.

A specific example may be helpful in illustrating how this menu of possible programs might look in practice. The following is a partial list of democratic development programs funded by the U.S. government in recent years in a West African country that has been at the forefront of democratic change, Benin.

## TABLE 1

Partial list of democratic development programs funded by the U.S. government in recent years in Benin:

- International observation mission to Presidential elections – 1991;
- West African political party and civic organization election observer training – 1991;
- Grass roots political party training program – 1993 to 1995;
- Continuous series of exchanges;
- Pre-legislative election assessment mission – 1995;
- Support for election lessons learned assessment by Beninois NGOs– 1995;
- Pre-Presidential election assessment – 1996;
- International and Beninois observers to Presidential elections – 1996;
- Provision of commodities to Presidential elections – 1996;
- Parliamentary needs assessment - 1998;
- Civil society development programs, both to support infrastructure and to foster input into public policy dialogue – continuous.
- Parliamentary Training and Support – 2000

Source: USAID Africa Bureau

## **Evaluation Process and Stakeholder Perspectives**

What framework exists to assess the individual and cumulative effectiveness of these types of projects? In the early 1990s the Bush Administration and Congress did develop a bi-partisan framework designed to determine the effectiveness of tax-payer funded programs – the Government Performance Results Act (GPRA), which requires that performance be assessed in an “objective, quantifiable and measurable form.” This move towards quantifying government performance is not taking place only in the United States; the Blair government in the United Kingdom has also adopted this approach. In the U.S., all government agencies must adhere to this process including USAID, which has the lead responsibility for support of democratic development overseas. GPRA’s results-oriented approach has led to the development of Strategic Objectives (SOs) for each agency and field mission goal area, with lower-level Intermediate Results (IRs) being identified as the integral components which, when applied, constitute the Strategic Objectives. Results are to be assessed and reported on a yearly basis.

A key question is whether this process, as currently being applied, is the best approach. In order to answer this, it is important to review the playing field and the key stakeholders. Congress enacted the GPRA legislation, and influential Congressmen and staffers have been energetically focused on how well it is being implemented. The following, for example, are excerpts of a letter dated March 9, 1999 from Congressman Dan Burton Chair of the Committee on Government Reform and Bill Young, Chair of the Appropriations Committee in the House of Representatives to then-USAID Administrator Brian Atwood:

“The General Accounting Office and your inspector general recently provided Congress with reports on the most serious fraud, waste, mismanagement and performance problems facing your agency....These problems waste millions, if not billions, of tax dollars each year and undermine your agency’s ability to perform the basic functions that our citizens need and legitimately demand from it....

We expect you to use these tools (n.b. GPRA and associated legislation) vigorously during the next two years to address your problems; you can be assured that we will also use them vigorously to assess your agency’s performance.”<sup>ix</sup>

This is less of a challenge for other agencies such as the Social Security Administration (SSA), whose goal is to deliver social security checks and to deliver them on time. The SSA does not have, however, the responsibility to improve the social and economic status of its “customers” in GPRA-related terminology, as does USAID.

Some of the congressional rhetoric can perhaps be discounted for political purposes. In addition, this critique did not explicitly address the D/G sector of USAID’s activities. However, given the widely known difficulty of attaching quantifiable results to program activities that are, in essence, largely designed to foster behavioral and attitudinal change, this element of USAID’s portfolio is especially open to criticism.

Of course not all congressional members and staff are as critical as those cited above. This points out a complicating truism, that rarely are the stakeholders internally

united and unanimous on their positions regarding assessing the impact of democratizing assistance.

USAID project officers have been caught between two differing imperatives. On the one hand, they have the requirements of GPRA to which they must respond. On the other, many also recognize the difficult nature of assessing democratic development programming. The most in-depth attempt to come to grips with this was directed by USAID's Center for Democracy and Governance which, over a two-year period in the mid-1990s, oversaw the development of a 250-page Handbook of Democracy and Governance Indicators. The Handbook, which provides suggestive elements of how to assess programmatic impact, was designed for use by USAID mission personnel and others who have responsibility for the design, implementation, and evaluation of D/G programming.

The Handbook is organized around the four democracy/governance strategic objectives (i.e. competitive political processes, rule of law, governance and civil society). For illustrative purposes, the following is one example drawn from the Handbook. One Strategic Objective is "Increased Development of a Politically Active Civil Society." An Intermediate Result which forms part of this Objective is identified as "Increased Citizen Participation in the Policy Process and Oversight of Public Institutions." The suggested indicators for this are:

- 1) the number of target civic organizations which say they can obtain needed information from key public agencies;
- 2) the number of target civic organizations which say they can document their impact on the policy/oversight process;

- 3) the number of targeted issues which are receiving public attention, and
- 4) public policies changed that are consistent with civic organization advocacy efforts. <sup>x</sup>

Note that the last example is not prefaced with a quantifier – an at least implicit acknowledgement that merely attaching a numerical value to this could be misleading. Using a somewhat subjective approach to determining to what extent indicators are quantitative or qualitative in nature, about two-thirds can be identified as quantitative. In the four sub-sectoral areas, the Rule of Law and Civil Society segments are the most quantitatively oriented. Governance and Competitive Political Processes are more evenly divided.

Another player in this process is one that is often overlooked – the Inspector General’s office (IG) within USAID. This office is quite influential, and carries significant authority. Coming from a quantitative, auditing perspective, the role of the IG has been to advocate close adherence to GPRA’s stated requirements. A recent internal IG report, for example, criticized the Agency for not developing “common indicators” that could aggregate results across countries and regions. In reality this approach is particularly problematic in the democracy governance field, given often widely differing country and institutional contexts.

A number of non-governmental non-profit or for-profit implementing organizations undertake democratic support programs with USAID funding. They include, amongst others the National Endowment for Democracy, the International Foundation for Electoral Systems, the International Republican Institute, the National Democratic Institute for International Affairs, Associates in Rural Development and the

International Development Group of the State University of New York. Given the explosion of resources and activities in this sector, these organizations have tended to be action-oriented. Their institutional cultures vary, but often the norms for success are defined more on actual program implementation than on a formal program assessment process. This is in part because what USAID requires in terms of performance assessment, or “measurement,” often varies from country to country and organization to organization. Also, evaluation mechanisms are not always firmly anchored in project design. No overall mechanisms exist within USAID in which resources are devoted to provide for systematic, comprehensive assessments of D/G projects.

The implementing organizations have a list of complaints about the GPRA process. They feel that often they are called upon by USAID to justify the effect of their programs on the country level, when they believe that they should be held to more realistic program-specific results levels. The push to report on a yearly basis does not reflect the long-term nature of the democratic development process. In Benin, for example, a USAID-funded project took Beninois leaders to observe South Africa’s national elections in 1994. Two years later, a participant explained that that the mission had subsequently been instrumental in persuading a number of government officials to opt for an independent electoral commission in Benin. Unfortunately, all too often no mechanism exists for capturing this type of information years after a project has ended.

Other complaints include increased reporting demands, which take away from program implementation focus. The information they are requested to provide, often on short notice, isn’t always relevant to their particular concerns. The process can lead to

greater micro-management by USAID. In addition, the information required is often quantitative, which doesn't capture the essence of what they are trying to accomplish.

As an illustrative example, consider an implementing organization that undertakes a parliamentary training program. The types of post-program USAID results indicators might include the number of members' bills introduced, the number of hearings held with cabinet ministers, or the number of constituent contacts undertaken. The implementing organization would argue that this is largely superficial, that the underlying aim of the training program was to foster a greater sense of compromise and communication between the government and the opposition. In that case, if even just one key government minister adopts a more open position vis-à-vis dialogue with the opposition, the program could be defined as a success. How that attitude of openness, that deepening of a democratic political culture, is displayed might not be captured by numbers. In addition, as Thomas Carothers has pointed out in a 1996 case study of democracy assistance to Romania, "the psychological, emotional and moral impact of the assistance on individuals may be as or more important than the specifically intended 'objective' efforts on the shape and functioning of target institutions."<sup>xi</sup>

Critics suggest that the implementing organizations are, in effect, seeking to avoid being held accountable and that attitudes such as those expressed above can lead to an analytical vacuum. They note that approaches to assessing democratic development that have at least some degree of credibility and acceptance and which have a quantifiable element either have been or are being developed, such as the Freedom House Annual Survey of Political Rights and Civil Liberties. In reply, the implementers reply that they

should be held accountable for their activities, but mostly through qualitative, narrative reporting. The debate continues.

### **USAID D/G Evaluation Process**

It is fair to state that overall, lessons have been learned and the state of the art has become more sophisticated and contextually appropriate. “Over the years they have acquired experience and are now progressing along a learning curve. .... This pattern is uneven, partial and often excruciatingly slow, but it is real.”<sup>xii</sup> But how much of this is the result of GPRA? Does GPRA maximize the possibilities for improvements through effective program evaluation?

GPRA calls for federal agencies to assess the extent to which they are meeting their stated goals and objectives. Based on GPRA guidelines, USAID has developed an annual process in which each mission must characterize how well it has been doing in meeting program targets, and make the case for funding through the next fiscal year. Annual performance is documented through a Results Review and Resource Request (R4) document.

The R4 process is intended to help shed light on issues of performance and to provide information on the extent to which USAID’s operating units are meeting their goals. A base of information exists which, in theory, should enable USAID to track progress over a multi-year time period. The quality of some of this information provided has continued to improve. There are, however, a number of process-related issues that complicate the Agency’s ability to effectively assess D/G activities, which by their very nature present particular challenges. These structural and methodological problems limit

the utility of the R4 process as currently constructed. In addition to the challenge of determining the extent of behavioral change, given the length of the timeline needed to gauge democratic development and the difficulty in measuring concrete progress, complying with annual GPRA requirements is extremely challenging.<sup>xiii</sup>

By combining self-assessments of performance with justification for future assistance levels, a strong incentive is created to paint the best performance picture possible. A counter argument notes that in practice, most decisions regarding individual country assistance levels are not made on the basis of previous performance, and that overall amounts allocated to regions, congressional earmarks and other non-performance considerations strongly influence the budget allocation process. The impact of bureaucratic imperatives, however, including individual staff performance assessments, is a reality. They push towards providing the most positive picture, especially when quantitative data that does not provide contextual perspective is a principle mode of presenting information.

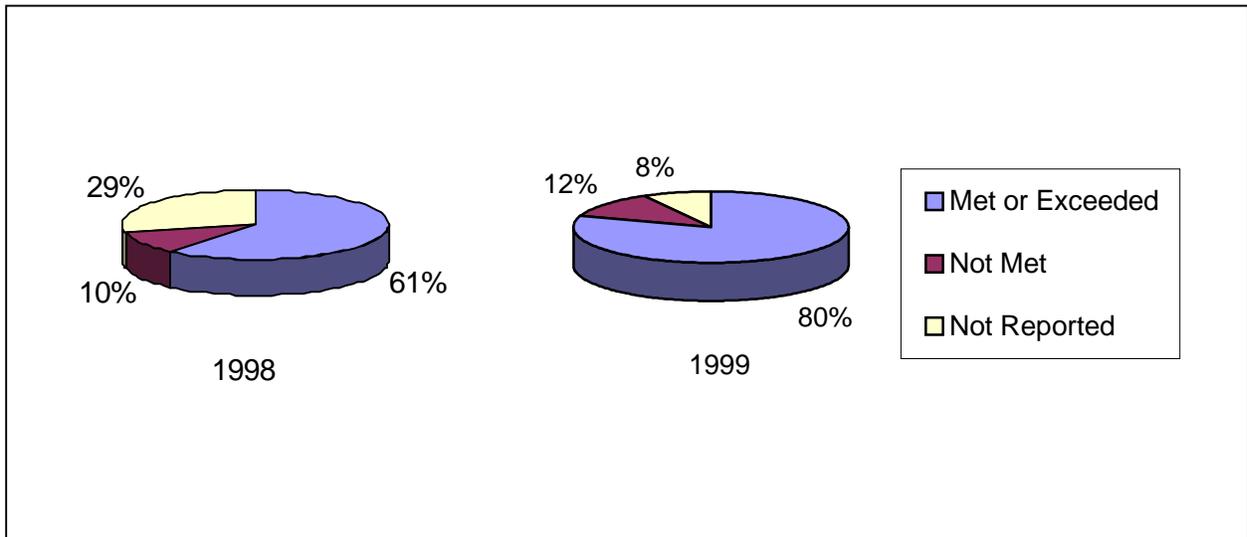
The system has evolved to where there are few operational checks and balances. USAID missions rely in part on performance information provided by the very organizations that are implementing the programming. In addition, given the client-patron relationship of implementing organizations to USAID, they are not well placed to provide objective and independent performance analyses, even if they themselves have not been undertaking the programming. Missions themselves may develop evaluation information about the programs they are funding in which they have a vested interest. Finally, missions set their own performance assessment targets, to which they are held responsible for meeting.

A trade-off exists between the commonly held desire that USAID headquarters in Washington not exercise “micro-management” over field missions which are strapped in terms of staffing and resources, on the one hand, and the provision of adequate information to Washington on the other. The pendulum has swung in recent years towards lightening the load on the missions, although many continue to complain, perhaps with justification, about the crush of mandated reporting. As a result, missions now generally only send in reporting on three-four indicators per Strategic Objective. This limits the ability of understaffed Washington technical offices to properly assess and evaluate the information they do receive. The problem is one of appearances, and whether the system that has been designed will be able to convince funders and others outside of USAID that the Agency is in fact taking a good, hard look at how well it is doing its job.

In 1999 USAID staff determined that only 12% of the rated Democracy and Governance Operating Unit Self Assessments did not meet their Strategic Objective goals (this issue extends beyond the D/G sector, as the overall figure for USAID was 14%). Questions of factual veracity aside, the potential for a “credibility gap” in the eyes of Congress and other outside observers is accentuated. Figures for fiscal year 1999 were similar

**TABLE 2**

USAID Operating Units Linked to Democracy and Governance Self Assessment Scores  
(FY 1998 & 1999)



Sources: USAID Internal 1998 D/G Sector Review, 1999 USAID Annual Performance Review

These data raise a number of questions.<sup>xiv</sup> What is the value of self-reporting? How can conclusions overtime be drawn from randomly reported evaluation criteria, especially when these can change from year to year? Does USAID headquarters agree with what the missions have reported? On what basis does it make these judgements? USAID's Annual 1999 Agency Performance Report implicitly acknowledged these problems, stating that "Our challenge in the next year is to measure and express our results more comprehensively and qualitatively."<sup>xv</sup>

Another problem relates to a number of methodological issues surrounding the question of attribution of effect, which complicate DG performance assessment. These include the concepts of plausible association and what is referred to as “the case of the missing middle.” Basically, the issue for both is: given assistance programming which focuses largely on the transfer of information, knowledge and expertise, how directly can one link subsequent actions and decisions by the recipients to the higher national level at which many other, exogenous factors (e.g. natural disasters, other sources of information input, political events, and economic or social issues) come into play? This is especially important given that the Agency-level indicator for democracy and governance are the national-level Freedom House rankings.

In an effort to show effect, often times USAID and its implementing partners are called upon to link their programming to larger, national level macro trends. The notion of “plausible association” is sometimes used. It states, in essence, that if the programs are achieving results and if macro-trends are also positive, then it can be assumed that there is some linkage. For example, Freedom House scores, weighted for population, in the countries where USAID has programs improved by 25% over the past 5 years – presumably a “plausible association” correlation could be made for this. The absence of harder information on these types of linkages is referred to as the “missing middle” and is an issue that needs to be more fully addressed.

## **Recommendations**

This article has examined the context and articulated some of the challenges regarding assessing the impact of USAID’s democratization assistance. What can be

done to advance the state of the art, and how can this information be useful as donor agencies in other countries address similar issues?

There is one seemingly simple proposition. The GPRA language contains what is in essence a waiver. It allows for performance goals to be expressed in an alternative form to the “objective, quantifiable and measurable” standards set by the law. The decisions on this must be made in consultation with, and approved by OMB. For several reasons, however, USAID has chosen not to energetically pursue this option.

USAID’s senior leadership pledged early in the life of the Clinton Administration that USAID would be one of the “laboratories of re-invention” called for by then-Vice President Gore. To date there has been a reluctance to challenge this by energetically exploring loopholes. A widespread belief exists that Congress, the Inspector General’s office, and the OMB, amongst others, might take the attitude that there hasn’t been a good faith effort to implement the spirit of GPRA. Recently, OMB and the GAO have indicated greater potential flexibility on this point, but this has not translated into concrete action yet on the part of USAID, at least in the democracy and governance sector.

In addition, USAID personnel have by now largely come to accept that the Strategic Objective and Intermediate Result approach is better than the old input-output based assessment method, which did not seek as specifically to measure program effectiveness. Most accept, grudgingly or otherwise, the need for a more rigorous approach. In addition, it is not clear what a replacement system would look like. There aren’t many well-formed alternatives.

A less radical and politically more realistic approach involves recognizing that there is a role to play for both quantitative and qualitative analysis. In some instances it may be appropriate to fuse the two; in others they should be permitted to coexist peacefully. This should also be combined with needed management reforms.

In an almost biological process of adapting to the exigencies of its outside environment, the system seems to be moving towards a hybrid set of methodological instruments which have a quantifiable numerical outcome, but which are made up of highly subjective, qualitative inputs. Experts who provide their judgement on the issue at hand often develop these scales and indices. These include, for example, the Freedom House Annual Survey of Political Rights and Civil Liberties index, and the Nations in Transit: Civil Society, Democracy and Markets indices developed for the Bureau for Europe and Newly Independent States at USAID. These kinds of approaches have begun to provide some useful information, and could be expanded substantively and regionally.

The following reforms could significantly strengthen USAID's ability to assess the impact of its democracy and governance programming:

***A. Disaggregate Approaches to Assessing D/G.*** For several years, serious questions have been raised about the suitability of the macro-level Freedom House Survey as the overall Agency DG indicator. The 1999 Annual Performance Report, for example, stated that it “may miss the nuances of democratic programming in the context of each USAID mission.”<sup>xvi</sup> In addition, serious questions can be raised concerning the extent to which USAID programming effects changes in the overall state of democracy at the national

level. Many other exogenous factors influence democratic development, including political events, climate, economics and social issues, and other donor activities.

In order to enhance USAID's credibility regarding the impact of its programming, this should be revised. The Nations in Transit methodology disaggregates the focus to a level below the gross, national level of effect. Sub-sectoral analysis should be emphasized to include the four main areas of emphasis i.e. rule of law, civil society, elections and political processes and governance. Reliance on this could provide a closer fit with program-level impact.

***B. Focus on Priority Countries.*** Consideration should be given to emphasizing results reporting from the 10-15 countries that are the largest recipients of D/G funding. This would probably be determined in gross terms, but could also be defined per capita. This would permit greater in-depth analysis of results, concentration of performance measurement resources, and provide focus on countries which the USG has decided merit particular emphasis.

In 2000 USAID did initiate a related methodological approach called "impact tracing." Three countries, Bolivia, Bulgaria, and South Africa, were selected for in-depth analyses of how their national-level democratization processes may have been impacted by USAID programming. This approach has the advantage of being longer-term in nature and is not driven by GPRA to assess results on a yearly basis. As a pilot project it may yield some useful results, but its broad scope and resultant cost make it unlikely that it will become a primary method of assessing impact of USAID's democracy and governance programming.

**C. Narrative Reporting.** USAID should encourage the use of narrative in results reporting, as long as it can be standardized and structured to be meaningful and not merely a list of accomplishments and anecdotes. Some in USAID have suggested that current semi-annual program reviews could be broadened or otherwise adapted to be more fully integrated into the overall evaluation process.

**D. Expand Use of Integrative Methodologies.** USAID should promote the use of techniques which can further integrate quantitative and qualitative analysis, such as those used in the NIT survey. More in-depth interviewing, focus groups, targeted public opinion polling combined with interpretative analysis, and the use of expert opinion expressed through indices (such as those used by Freedom House in its Annual Survey of Political Rights and Civil Liberties and Transparency International in its annual Corruption Perception Index) are some evolving methodological instruments that can combine both quantitative and qualitative analysis, and which should be used more frequently.

**E. Evaluation Structural Reforms.** In 2000 instructions regarding preparation of R4s emphasized that missions should address more specifically challenges and problems encountered in program implementation process. Also, additional resources need to be identified to assess impact over a longer time-line, and build assessment focus more systematically into project design. USAID is calling for budgets to include between 3-10% of funding for evaluations, but it is unclear yet whether this has begun to occur.

Finally, a more radical recommendation would allow for greater independence in assessing USAID's DG performance. There is not yet a comprehensive, highly effective and consistent process in place through which program level results are captured, although this does happen in some missions. Often program budgets, which have funding for evaluations at the end of the project, are exhausted by that point in time, and evaluations do not take place. There are often little or no penalties attached to the lack of evaluative follow-up. Quarterly and final reports are neither always shared widely, nor are they the object of particular focus. No system exists for capturing information on program results once the program has ended, even though programmatic impact may occur at some later point. As we have noted, the integrity of the assessment process can be called into question when there is a lack of institutional checks and balances.

Instead of mandating that operating units, which have a vested interest in presenting results in the most favorable light, have the sole responsibility to present assessments of performance, some type of centrally located structure should be given this responsibility. This could be undertaken through one of the contractual mechanisms developed by USAID's Center on Democracy and Governance, or it could conceivably mean an expanded role for USAID's Center for Development Information and Evaluation. A way would need to be identified to ensure that implementing organizations feel that they have at least some input into this process.

What would be the advantages to this? They are at least three-fold. First, it would have heightened credibility, since the evaluation mechanism could be structured to have an impartial assessment role, which would address the "outside appearances" issue. Second, it could be structured to adopt a longer-term approach to assessing D/G

performance, which is currently lacking. Third, it could promote and accelerate the development of a common methodology for assessing D/G performance.

In summary, assessing D/G performance remains a difficult and challenging proposition. Advances have been made, but methodological and procedural gaps remain. These need to be addressed if the D/G sector is to become an established and fully justifiable arrow in the development quiver. The alternative is that support for democracy programming may cease to be a priority of U.S. foreign assistance. This in turn would likely have a severe and negative effect on other donor and multilateral donor priorities, and lead to a decrease in overall support for democratization efforts. There are a number of reforms that are being made in the current context, but even more radical reforms are required to address the concerns of those who question whether funding for DG activities is worth the investment.

## REFERENCES

Blair, Harry (2000) 'USAID and Democratic Decentralization: Taking the Measure of an Assistance Program' in P. Burnell (ed.) Democracy Assistance: International Cooperation for Development, London: Frank Cass.

Carothers, Thomas (1999) Assessing Democracy Assistance, Washington, D.C.: Carnegie Endowment for International Peace.

Clough, Michael (1999) 'Reflections on Civil Society' The Nation, 268(7).

Golub, Stephen (1993) 'Assessing and Enhancing the Impact of Democratic Development Projects: A Practitioner's Perspective', Studies in Comparative International Development 28(1).

Freedom House (2000) Freedom in the World: Annual Survey of Political Rights and Civil Liberties, New York: Freedom House.

Freedom House (2000) Nations in Transit: 1999-2000, New York: Freedom House.

Ottaway, Marina and Theresa Chung (1999) 'Debating Democracy Assistance : Toward a New Paradigm', Journal of Democracy 10(4).

Rieff, David (1999) 'The False Dawn of Civil Society' The Nation, 268(7).

Robinson, William (1996) Promoting Polyarchy: Globalization, US Intervention, and Hegemony, Cambridge: Cambridge University Press.

Piciotto, Robert and Eduardo Wiesner (1998) Evaluation and Development: The Institutional Dimension, New Brunswick, New Jersey: Transaction Publishers, 1998

US Agency for International Development (2000) 1999 Annual Performance Report, Center for Development Information and Evaluation, USAID.

----- (1998) Handbook of Democracy and Governance Indicators, Washington, D.C., Center for Democracy and Governance, USAID.

White, Gordon (1994) 'Civil Society, Democratization and Development (I): Clearing the Analytic Ground,' Democratization 1(3).

World Bank (1998) Assessing USAID: What Works, What Doesn't, World Bank Policy Research Report, New York, Oxford University Press.

World Bank (2000) 'Toward More Operationally Relevant Indicators of Governance', PREMnotes, Poverty Reduction and Economic Management Network, #49.

Wiarda, Howard J (1997) Cracks in the Consensus: Debating the Democracy Agenda in U.S. Foreign Policy, The Washington Papers 172.

## ENDNOTE

- 
- <sup>i</sup> Adrian Karatnycky, “Freedom: A Century of Progress”, The Annual Survey of Political Rights and Civil Liberties, Freedom House, New York, 2000, p. 8
- <sup>ii</sup> US Agency for International Development, 1999 Annual Performance Report, p. 32
- <sup>iii</sup> See W. Robinson, Promoting Polyarchy: Globalization, US Intervention, and Hegemony (Cambridge:Cambridge University Press, 1996)
- <sup>iv</sup> Thomas L. Friedman, “A Manifesto for the Fast World”, Sunday New York Times, March 28, 1999. Friedman lays out a grid containing four approaches the post Cold War world; integrationists (globalists) vs. separationists (isolationists) and social safety netters vs let-them-eat-cakers.
- <sup>v</sup> Assessing USAID: What Works, What Doesn't, World Bank Policy Research Report, Oxford University Press, New York, 1998 p. 52
- <sup>vi</sup> See USAID webpage at <http://www.usaid.gov/democracy/rol.html>.
- <sup>vii</sup> Gordon White, “Civil Society, democratization and Development (I):Clearing the Analytic Ground,” Democratization, vol. 1 no.3 (Autumn 1994), p. 379
- <sup>viii</sup> See Michael Clough, “Reflections on Civil Society” and David Rieff, “The False Dawn of Civil Society,” The Nation, vol. 268, #7, 1999
- <sup>ix</sup> Letter from Congressmen Dan Burton and Bill Young to USAID Administrator J. Brian Atwood, March 9, 1999
- <sup>x</sup> Handbook of Democracy and Governance Indicators, Center for Democracy and Governance, USAID, 1998, p. 131
- <sup>xi</sup> Thomas Carothers, Assessing Democracy Assistance, (Carnegie Endowment for International Peace, Washington, D.C., 1996) p. 127
- <sup>xii</sup> Carothers, op. cit. p. 332
- <sup>xiii</sup> Harry Blair, “USAID and Democratic Decentralization: Taking the Measure of an Assistance Program”, Democracy Assistance: International Co-operation for Development , op. cit. p. 257
- <sup>xiv</sup> The decrease in “Not Reported” scores, and increase in “Met or Exceeded” scores between the 2 years reflects the higher number of baseline assessment indicators on which to base scores that are being used.
- <sup>xv</sup> USAID 1999 Annual Performance Report, p. 50

---

<sup>xvi</sup> *ibid.* p.49