Program evaluation and inequality: on the need for social equity impact analysis

Allan Rosenbaum
Professor of Public Administration and
Director, Institute for Public Management
and Community Service
Florida International University

Eradicating poverty and ensuring sustainable development should form the raison d’etre of public administration. Half the world, nearly 3 billion people, lives on less than US$ 2 a day while the richest 20 percent of the global population receive more than 80 percent of the global income.


Introduction

Program evaluation and policy analysis, as both sub-fields of social science and as concerns of government, have become increasingly important activities during the course of the past four decades. This has especially been the case in the United States of America; it has recently become the case in world’s more highly economically developed nations; and, is now becoming a growing concern in other parts of the world – particularly those where international donors are active.

Despite the considerable attention paid to program evaluation and policy analysis, as academic enterprises, they nevertheless remain, when applied in a governmental context, highly political activities. Such issues as defining the criteria for evaluation; what measures to use in the conduct of evaluation; the timeframe within which an evaluation is to be carried out and the types of research techniques to be utilized all have very real political dimensions and can be effectively manipulated both by shrewd evaluators and by political and governmental officials. Nevertheless, or perhaps because of these realities, program evaluation, especially within the United States, is increasingly utilized and relied upon by public administrators and public officials to make one or another points regarding the policy or political goals which they are hoping to achieve. It is for this reason that in areas like the initiation of new expenditures, the effect of education and social welfare policy and methods of environmental management (to name a few areas), an increasing amount of public resources are devoted to such activities.

Despite these developments, the issue of for what purposes programs and policies are evaluated still remains a highly politically sensitive matter. The even more basic issue of what programs and policies are to be evaluated is equally politically sensitive. Moreover, the issue of what programs and/or policies are not evaluated and why evaluations are not carried out is often at least as, and sometimes even more, politically and analytically interesting than the issues of what is being done and why it is being done. A case in point is found in the fact that during the same period that program evaluation has emerged as a significant factor in the policy making process of many countries, it has not been applied in such a way as to focus on a very disturbing trend has emerged and which could serve to undermine much of the recent political and social progress that has been made in many parts of the world. That is the growing degree of income and resource inequality that has begun to occur in many countries during

---

the past two decades.

For the most part, the issue of inequality is not one that has been very central to governmental evaluative activity. To some degrees, this may be because, as will be suggested later in this paper, a very important factor contributing to the growth in income and resource inequality has been and is, in many instances, what government has chosen not to do as well as what it chooses to do. Consequently, since program evaluation generally tends to focus on how well what has been done has worked, this has tended to lessen the likelihood of systematic program evaluation being addressed to some of the key issues surrounding the emergence of greater inequality in resource distribution among people both in the United States and outside.

This is a situation which can and must be changed. As shall be suggested at the conclusion of this paper, the focusing upon issues relevant to matters of inequality in society, and the impact that particular governmental actions have on such matters, is something that governments need to give much more attention upon. The current situation is analogous to that of the environment three decades ago. As concerns about the environment developed in the United States, the nation’s national, state and local governments began to undertake environmental impact analyses. Such efforts served to call attention to and influence environmental policy and, to a considerable degree, have helped to lessen the Country’s environmental problems. As the analysis that will follow suggests, the time has come to begin to think about the carrying out of similar types of assessment and evaluation in the area of social equity. Moreover, as we will also note below, there are reasonable precedents for the adoption of such efforts.

Inequality: A Growing Problem in the US and Elsewhere

The last two decades of the twentieth century represent an extraordinary time in terms of both the development of the United States of America and much of the rest of the world as well. During this time the United States emerged as the world’s one super power. In part, it achieved this status through its military capability, but equally important was its economic strength. Beginning in the mid-1980s a significant restructuring of the American economy occurred. As people moved from declining economic sectors, such as heavy industry, into new economic sectors, such as information technology and knowledge development, the American economy began to grow dramatically.

Outside of the US, major developments were occurring as well. Perhaps the most notable of these was the extraordinary transition occurring in many parts of the world in terms of the building of democratic institutions. From Latin America, where twenty years ago the majority of governments hardly encouraged democratic participation; to Eastern and Central Europe and Central Asia, then parts of the Soviet system; to China, then just emerging from an era of great internal upheaval; today’s world is a very different place. The collapse of the Soviet empire, the fall of the military governments of Latin America and the improving economic situation of many Asian countries helped to usher in an era of greatly increased democratization and some economic progress. United Nations and World Bank data suggests that while in 1990 only 76 of the world’s countries could be characterized as democracies, today, just a decade later, that number has grown to approximately 130 of the world’s 191 countries².

Nevertheless, over the course of the past few years equally significant developments have begun to occur which suggests growing discontent, both in the United States and outside, with the changes that

took place during the final two decades of the twentieth century. Whether it is the emergence of anti-globalization protest within the United States or the rise of populism in Latin America or the emergence of violent terrorism, there are many signs which suggest that significant popular discontent exists emerging both within the United States and in many other parts of the world as well.

Undoubtedly a variety of factors have contributed to this emerging discontent. However, a key element in this regard is undoubtedly the growing inequality in resource distribution that can be found both within the United States and in many parts of the world. Table 1, presents data on the distribution of income within the United States over the course of a 90 year period and as such provides some useful long term insights into the general issue of fairness of resource distribution within US society. A quick review of this table reveals some important trends in terms of equity and fairness in American society. Most notably, it suggests that the rich are getting richer and the rest of American society is being left further behind.

Table 1

<table>
<thead>
<tr>
<th>Shares of “Total Money Income Received by Each Fifth of US Families, Ranked by Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Lowest Fifth</td>
</tr>
<tr>
<td>Second Fifth</td>
</tr>
<tr>
<td>Third Fifth</td>
</tr>
<tr>
<td>Fourth Fifth</td>
</tr>
<tr>
<td>Highest Fifth</td>
</tr>
</tbody>
</table>


Quite clearly, in the period between 1910 and the Great Depression there was a significant growth in inequality in the distribution of income resources within American society. The data also indicates that between 1959 and 1970, do in part to a strong economy and, no doubt in part to the Great Society policies of the Kennedy-Johnson era, there were some significant changes toward much greater equity
in the distribution of income within US society.\(^3\) However, as Table 1 also suggests, since 1970 that trend has been significantly reversed.

The most recent available data (1999) suggests that while the proportion of the national income received by the very poorest portion of the population has not declined further, since 1979, there has been a significant shifting of income from the working and the middle classes to the well to do. Moreover, as table 2 clearly demonstrates, the Country’s most well to do (the top 5 percent of income earning families) have very substantially expanded the portion of the annual national income which they receive. Clearly, the level of income inequality in American society has increased very significantly during the decade of the 1980’s and 1990’s.

**Table 2: Percentage of Total Household Income Received by the Wealthiest Five Percent of US Families**

<table>
<thead>
<tr>
<th>Year</th>
<th>Income Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929</td>
<td>25</td>
</tr>
<tr>
<td>1935</td>
<td>30</td>
</tr>
<tr>
<td>1944</td>
<td>20</td>
</tr>
<tr>
<td>1953</td>
<td>15</td>
</tr>
<tr>
<td>1963</td>
<td>10</td>
</tr>
<tr>
<td>1973</td>
<td>5</td>
</tr>
<tr>
<td>1983</td>
<td>10</td>
</tr>
<tr>
<td>1993</td>
<td>15</td>
</tr>
</tbody>
</table>


If one turns to another highly related measure of resource equity, the distribution of wealth in American society, one can find an even sharper rise in inequalities during the past half century. In 1953, 1.6 percent of the nation’s population possessed 27.6 of its wealth. A 1960 study by the Federal Reserve Board found that the top 1 percent of the nation’s population at that point possessed 33 percent of its wealth.\(^4\) The best current data seems to suggest that during the 60’s the concentration of wealth declined somewhat, but since that time, it, like income inequality, has risen significantly. As Lester Thurow recently has pointed out, “The share of total net worth of the top one-half of 1 percent of the population rose from 26 to 31 percent in just six years, between 1983 and 1989. By the early 1990’s, the share of wealth (more than 40 percent) held by the top 1 percent of the population was essentially double what it had been in the 1970’s and back to where it was in the late 1920’s, before the introduction of progressive taxation.\(^5\)

The issue of income inequality in the United States is made even more evident when the US is placed

---

\(^3\) For example, the only time in the post World War II era in which the legally required US minimum wage was at a level high enough to come close to ensure that they would not be significantly below the government defined poverty rate was in 1968 at the conclusion of Kennedy/Johnson era.


in a comparative perspective with other Western democracies. Table 3 presents 1979 data with regard to the distribution of actual income across six countries in terms of population quintiles. While the United States is not the worst of the six countries in terms of level of inequality generated by its economic system, its income distribution is certainly among the most inequitable.

### Table 3

**Percentage Distribution of Income Among Quintiles of Persons by Country**

<table>
<thead>
<tr>
<th>Quintile</th>
<th>Canada</th>
<th>U.S.</th>
<th>U.K.</th>
<th>West Germany</th>
<th>Sweden</th>
<th>Norway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest quintile</td>
<td>5.4</td>
<td>4.2</td>
<td>4.0</td>
<td>2.3</td>
<td>6.5</td>
<td>4.4</td>
</tr>
<tr>
<td>Second quintile</td>
<td>14.9</td>
<td>12.8</td>
<td>15.0</td>
<td>13.8</td>
<td>18.5</td>
<td>17.0</td>
</tr>
<tr>
<td>Third quintile</td>
<td>19.2</td>
<td>19.2</td>
<td>19.9</td>
<td>17.1</td>
<td>18.8</td>
<td>19.6</td>
</tr>
<tr>
<td>Fourth quintile</td>
<td>24.5</td>
<td>25.0</td>
<td>24.9</td>
<td>22.0</td>
<td>23.0</td>
<td>24.2</td>
</tr>
<tr>
<td>Top quintile</td>
<td>36.0</td>
<td>38.8</td>
<td>36.3</td>
<td>44.7</td>
<td>33.2</td>
<td>34.9</td>
</tr>
</tbody>
</table>


Even more striking however, is the distribution of income that one observes after taking account of both the impact of the various countries tax systems and their social welfare programs. This data, presented in Table 4, illustrates in a quite dramatic way the degree to which the United States makes significantly less effort through its public policies and programs to redress issues of inequality among its citizens than any of the other five countries. Moreover, it seems very likely that more up to date data, were it available, would present an even sharper picture of growing inequality.

### Table 4

**Percentage Distribution of Net Income Among Quintiles of Persons by Country**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Canada</th>
<th>U.S.</th>
<th>U.K.</th>
<th>West Germany</th>
<th>Sweden</th>
<th>Norway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest quintile</td>
<td>10.8</td>
<td>9.0</td>
<td>12.4</td>
<td>13.1</td>
<td>16.4</td>
<td>14.7</td>
</tr>
<tr>
<td>Second quintile</td>
<td>16.4</td>
<td>15.9</td>
<td>15.9</td>
<td>15.3</td>
<td>21.2</td>
<td>18.6</td>
</tr>
<tr>
<td>Third quintile</td>
<td>18.8</td>
<td>19.5</td>
<td>18.6</td>
<td>16.0</td>
<td>18.3</td>
<td>18.6</td>
</tr>
<tr>
<td>Fourth quintile</td>
<td>22.6</td>
<td>23.6</td>
<td>22.4</td>
<td>19.3</td>
<td>19.9</td>
<td>21.0</td>
</tr>
<tr>
<td>Top quintile</td>
<td>31.4</td>
<td>32.0</td>
<td>30.6</td>
<td>36.2</td>
<td>24.2</td>
<td>27.2</td>
</tr>
</tbody>
</table>

A key factor in explaining why government programs in the US have, compared to the other countries, significantly less consequence for alleviating inequality of income distribution is to be found in an examination of the Country’s tax system. First, despite all of the rhetoric of American politics to the contrary, the United States is an extraordinarily low-taxing country. Among the principle industrialized countries of the world, the US ranks, along with Japan and Australia, at the bottom of the list of percentage of gross domestic product that is devoted to government taxation at all levels. The figures for 1999 for the United States, Japan and Australia are 29%, 27% and 30% as opposed to 36% in Great Britain, 39% in Canada, 39% in Germany, 45% in France and Belgium and 52% for Sweden.⁶

There is yet another very important aspect of tax policy in the United States that contributes in a very significant way to the growing of levels of inequality in the country and that is the hundreds of provisions written into the US individual and corporate income tax code dealing with individual deductions. Table 5 presents a comparison of what has come to be known as “tax expenditures” with the direct expenditures of the US national government. Direct expenditures obviously are those items for which funds are appropriated in the Federal Budget. Tax expenditures, by contrast, reflect the amount of taxes not collected by the Federal Government as a result of specific deductions that individuals or corporations are allowed to make from their income taxes as a result of spending their income on certain types of activities.

### Table 5
**The Hidden and Visible Welfare States, 1995 (billions of dollars) US Federal Budget**

<table>
<thead>
<tr>
<th>Budget Function</th>
<th>Tax Expenditures – Tax revenue lost through tax exemptions</th>
<th>Direct Expenditures – Budget Outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME SECURITY</td>
<td>$160.2</td>
<td>$481.3</td>
</tr>
<tr>
<td>HEALTH</td>
<td>66.3</td>
<td>272.4</td>
</tr>
<tr>
<td>HOUSING</td>
<td>93.9</td>
<td>24.1</td>
</tr>
<tr>
<td>SOCIAL SERVICES</td>
<td>17.7</td>
<td>15.5</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>5.6</td>
<td>32.1</td>
</tr>
<tr>
<td>VETERANS</td>
<td>1.9</td>
<td>38.4</td>
</tr>
<tr>
<td>EMPLOYMENT AND TRAINING</td>
<td>0.7</td>
<td>32.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>346.3</strong></td>
<td><strong>896.0</strong></td>
</tr>
</tbody>
</table>


Among the more notable of such tax deductions, or tax expenditures, reflected in the data in Table 5 are those for participation in private pension funds (income security), employer health insurance systems (health), mortgage interest and local property tax payments (housing), and charitable contributions (social services). As table 5 indicates these benefits equal close to 40% of what the government spends on direct expenditures. What is especially significant in this regard is that the great bulk of this revenue foregone benefits the most wealthy sectors of American society. For example, close to 90% of the 93 billion dollars of taxes foregone in the area of housing go to individuals with income above 50,000 dollars a year. In contrast, the entirety of government expenditures on housing services (which

primarily benefits the poor) is only 24 billion dollars. The same phenomenon is true when one looks at various other areas of taxes foregone.  

In looking at table 5 one should also keep in mind that large portions of the expenditures shown there are not directed at the lowest income populations of the US. Most notable in this regard is the fact that almost 300 billion dollars of the 480 billion for income security is for the Social Security program and 157 billion of the 272 billion for health is for the Medicare program. Both of these programs benefit principally the middle and upper classes. Thus, if one deducts those two very major items, one finds that the amount spent by the government on programs that benefit the lower income parts of American society barely exceeds the amount of revenues foregone by the national government through tax expenditures.

The United States is not alone in terms of having to deal with issues of inequality in the distribution of the society’s resources. Over the course of the past two decades, Latin America has faced even more severe problems in this regard. Inequality of resource distribution has grown steadily throughout the past two decades within Latin America with the result being that it is now that region of the world that has the greatest amount of income inequality. Table 6 compares Latin America with other regions of the world in terms of the degree of inequality of income that flows to the wealthiest 5% of the population and the amount of income received by the poorest 30% of the population. As the table indicates, at both ends of the spectrum, Latin America stands out.

<table>
<thead>
<tr>
<th>Region of World</th>
<th>Wealthiest 5%</th>
<th>Poorest 30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>25%</td>
<td>8%</td>
</tr>
<tr>
<td>Africa</td>
<td>24%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Central Asia</td>
<td>19%</td>
<td>12.5%</td>
</tr>
<tr>
<td>East Asia</td>
<td>16%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Developed Countries</td>
<td>13%</td>
<td>13%</td>
</tr>
</tbody>
</table>


This growing resource inequality has had significant consequences in terms of the decline in well being of the hemisphere’s population. During the course of the two decades from 1983 to 2000, the number of poor people in the hemisphere has increased from 75 million to 150 million people. This growth in poverty, while not solely a product of the growth in inequality within the hemisphere, is certainly related to it. As Birdsall and Londoño have found, if the degree of inequality existing in Latin America had been kept constant to the very significant level that had existed in 1980, today, instead of having 150 million Latin Americans who fall below the poverty line, there would only be 120 million. Moreover, as the IDB has noted, reduction of the hemispheres inequality levels to those of other regions of the world at comparable levels of development would reduce poverty in the hemisphere by

---

8 Ibid, p.28.
9 This paragraph and the one that follows relies heavily upon material initially prepared by my friend, Bernardo Kliksberg.
half or even more.\textsuperscript{11}

**Program Evaluation in the United States: A Brief Overview**

Program evaluation emerged very rapidly as a systematic field of analysis in the United States during the 1960’s. However, as an area of concern, within the USA it actually dates back to the 1920’s and the passage by the US Congress of the Budgeting and Accounting Act of 1921. This legislation established both the US Bureau of the Budget and the US General Accounting Office. The former agency (now the Office of Management and Budget) was responsible for the preparation of an annual budget to be submitted by the President of the United States to the US Congress. The latter agency, the General Accounting Office, which reports to the Congress, focused principally upon financial auditing. Nevertheless, it was given, at the time of its origin, the authority to “make recommendations looking to greater economy or efficiency in public expenditures”. Beginning in the 1960’s, under the leadership of Elmer Staats, the General Accounting Office significantly broadened its activities, moving well beyond simple financial auditing and began to undertake systematic program evaluations. Consequently, today, it produces about 1000 program evaluation studies per year focusing upon everything from the condition of America’s public schools to the likely consequences for the United States of the use of electric automobiles.\textsuperscript{12}

With the growth of concern in the US about evaluating the consequences of public programs, certain more specialized types of program evaluative activities have been developed. One of the most notable of these, perhaps because it has been a source of very considerable controversy within the United States over the past two decades, has been the development of what are called “environmental impact statements” which are mandated under the National Environmental Policy Act. This legislation requires that any activity funded through the use of federal money that is likely to have a significant impact upon the environment must be preceded by the carrying out of an environmental impact study to review what might be the consequences of that action. In practice, it is not unknown for such studies to run to hundreds of pages in length and require more than a year to be carried out.

Another highly popular variant on more general forms of program evaluation – and one which has developed at the state level in the United States - involves the preparation of “fiscal notes”. Most state legislatures now require that before any proposed legislation is acted upon by the legislative body, it must have attached to it a fiscal note which estimates the cost or savings and the revenue gain or revenue loss to the state treasury as a result of the enactment of the piece of legislation. Some states have gone beyond simply requiring fiscal notes for legislation and also require that any administrative action taken by an executive agency that will have fiscal consequences must also have a fiscal note prepared which lays out the implications of taking that action.

Other states have moved even further in this regard and have developed more specialized types of impact statements for certain kinds of legislation. The State of Texas is particularly notable in that it requires several types of specific impact statements. Among these are the following:

1) **Criminal Justice Impact Statements**: which require that any legislation that changes criminal law in such a way as to impact upon either adults or juveniles with a result of

possibly increasing the time that individuals would serve in detention must provide an estimate of how this will impact on prison capacity within the state.

2) **Equalized education funding impact statements**: any legislation that proposes changing the way the state provides financial aid to local school districts under that state’s basic foundation formula aid program must provide an analysis of the implications of the proposed change for the individual school districts in the state.

3) **Actuarial impact statements**: any legislation that proposes changes in public pension funds must have an impact statement indicating what are the potential consequences for state expenditures of the proposed changes in the pension system.

4) **Water development policy impact statements**: legislation which proposes the establishment of local water districts (which is an important issue in Texas) must provide an assessment of how that district will develop its water supplies and what the consequences of this will be for neighboring jurisdictions.

5) **Higher education impact statements**: any legislation which proposes to either create or change the mission or governance of existing institutions of higher education must include an assessment of the implications of the proposed changes in terms of the state’s existing higher education institutions.

**On the Need for Social Equity Impact Analysis**

While there is no question that certain public policies have been intentionally developed and implemented for the purposes of advancing the well being of the well to do, it is equally clear that the great increase in income and resource inequality that have occurred during in the past few decades have not been totally the result of intended public policy. In some cases, developments that are somewhat beyond the control of national policy makers, such as the globalization of capital markets and the like, have contributed significantly to the growing concentration of income and resources. On the other hand, as we have noted above, some policies, while not identified as such, clearly have the consequence of increasing extant levels of resource inequality. Consequently, if the issue of the growth of inequality in contemporary society is to be addressed, it will be necessary to deal with it explicitly and directly.

Towards this end, it is necessary that governments, as well as those parts of the academic community concerned with issues of program evaluation and policy analysis, begin to turn their attention directly to issues of inequality and social equity. One way to do this would be for governments to begin to mandate the carrying out of social equity impact analysis. Just as a government can require an assessment of the probable or possible consequences of a program or a policy on the environment, there is no reason why it cannot require an assessment of a program or policy’s impact on issues of income and resource inequality.

As is the case with environmental impact analysis, there is no magic formula or precise methodology for carrying out such an assessment. The various research methods and techniques that program evaluators, economists, sociologists and political scientists now make use of are all relevant. What is crucial is that as part of the policy making process, governments systematically take the time, and allocate the resources necessary, to enable analysis to be done which would assess the impact of particular policies with regard to issues of resource inequality and social equity.

The reality is that what is most important in carrying out such an analysis is not the particular techniques or methodologies used, but rather simply the fact that it is being done and that real concern is given to these matters. Certainly the techniques and methods necessary to carrying out an analysis of
the impact of a policy or a program in terms of its impact upon matters of social equity and inequality is no more complicated than examining environmental impact. However, for much too long, issues of inequality and resource distribution have not been a central element of the typical governmental agenda. Nevertheless, if many of the societal gains that have occurred during the past half century are not to be undermined, then more direct attention must be paid to such matters as inequality of income and resource distribution.

**A Caveat on the Unpredictability of Policy Causation and Outcome**

This is not to say that the conduct of social equity impact analyses will be always either an easy task or a totally successful one. Assessing program outcomes or policy impacts is often a highly complex and sometimes a quite ambiguous undertaking. Often it is very difficult to anticipate what the consequences of particular policies and programs will be. In other cases, it can be equally difficult to predict what will produce or explain what accounts for a positive outcome. Certainly, this has been, in at least some instances, the case in the designing of tax policy within the United States. While some tax exemptions are designed to benefit a particular class or group, there are also instances in which other individuals or groups benefit from a policy in ways that had not been predicted. Likewise, this is the case in what many regard as the single most successful area of public policy activity to be found in the United States - higher education policy.

In most major areas of public policy in the United States, considerable controversy exists regarding the effectiveness of government actions. In the case of higher education, not only are US citizens very happy with the services available to them, but by most objective indicators - whether they be amounts of dollars supporting research or the number of Nobel Prize recipients - higher education in the United States is a true success story. However, this is not the result of extraordinarily well conceived public policy. The reality is that the development of higher education in the United States was spurred by three events that had little or nothing to do with the purposeful development of public policy for higher education.

The first was the Great Depression; the second was the conclusion of World War II; and the third was the Cold War that followed. The transformation of US higher education from a narrow, highly elite system resulted from state governments expanding public universities during the depression to allow students for whom there were not jobs in the private sector to obtain additional education. The second, and most important, step in the transformation of the US system of higher education occurred at the conclusion of World War II as a result of national legislation designed principally to lessen the impact of discharged veterans flooding the US labor market by providing college scholarship funds. Finally, the Cold War produced the massive inflow of governmental funding into universities – both public and private – that greatly expanding their research capacity and strengthened them institutionally.

Interestingly, the problem of understanding causality as regards programs that can have a significant social equity consequence may be a less complicated and difficult problem in the case of Latin America. For example, one major policy success story of the past two decades – both in Latin America and elsewhere - is the gains made by poor people around the world in terms of the quality and amount of primary and secondary education that they receive. As World Bank data indicate, primary school enrollments have shown very significant increases in most of the developing world. During the course of the past two decades, adult literacy has risen in developing nations from 46 to 70 percent. At the same time, some progress is also being made on gender disparities with the ratio of females to males in
secondary schools increasing from 7 to 10 in 1980 to 8 to 10 in 1993.\textsuperscript{13}

This is especially important since, in transitional and developing nations, education, more than any other single factor, determines an individual’s level of economic success. This was one of the most important findings of the recent comprehensive study of income inequality in Latin America carried out by the Inter-American Development Bank (IDB). In the 1998-1999 Economic and Social Report, IDB researchers present the results of examining this issue in 14 countries. In every case they found a consistent relationship between level of education and level of income.\textsuperscript{14} Particularly important in this regard was the critical role of education for women. Increased educational achievement by women produced higher participation by them in the labor force, with higher economic returns for that participation and, consequently, fewer children.\textsuperscript{15}

In the US policy analysis and program evaluation literature, there is very great controversy over what are the most important factors in producing improved educational attainment. Over the past few decades, much US research has suggested that, for example, the level of expenditure, traditionally thought to be the most important factor, might be much less important than other factors such as parental involvement in the schools, effective academic leadership or decentralized decision making. In contrast, the Inter-American Development Bank studies suggest that the issue is a much simpler one for developing and transitional countries. The key factor in improving educational attainment is how long a student stays in school which has, of course, cost implications. The longer students are able to stay in school for whatever reasons, the more successful economically they will ultimately be and, most significantly, a student’s ability to stay longer in school is a direct result of whether their mother works and is thus able to contribute to the family’s income.\textsuperscript{16}

Conclusion

While many people frequently characterize governments as very slow moving and sometimes even suggest that governments almost never change, the reality is that change occurs regularly in government. The field of program evaluation is one example of this. Four decades ago one rarely heard reference to the term program evaluation. Now, at least at the national government level in the United States and in many state and local governments there, one can find agencies or units of agencies devoted to the carrying out program evaluation activities. Furthermore, the subjects on which program evaluation activities occur are wide ranging - covering most areas of government activity.

However, while it is common place for governments to assess the impact of programs in many different areas and many different ways, it is relatively rare for them to address issues of social equity. This is so in spite of the fairly substantial growth in inequality of income and resource distribution which has taken place in the U.S., Latin America and many other parts of the world. If the significant political and governments changes that have occurred in many parts of the world are to be sustained, this situation must change and governments must begin to take account of this issues.

It is for this reason that it is proposed that governments begin to assess the impact of particular policies on issues of social equity. While the carrying out of such assessments may well be a complicated task, it is by no means an impossible one. The techniques and methodologies used in many types of program

\textsuperscript{13} Rosenbaum and Svensson, OP. Cit. p. 40.
\textsuperscript{14} Inter American Development Bank, OP. Cit. p.17
\textsuperscript{15} ibid. 55.
\textsuperscript{16} ibid. p. 58.
evaluation activities can be adapted to addressing issues of social equity. The key task is simply to persuade governments of the importance of systematically addressing such issues. This can be done through the instituting of social equity impact assessments - much the same way that environmental impact assessments were introduced and helped to alert both citizens and policymakers of the importance of such issues.

**Bibliography**


Church, George J. “Are We Better Off?” *Time Magazine*, January 29,1996.


BIOGRAPHICAL STATEMENT

Allan Rosenbaum

For the past seven years, Allan Rosenbaum has served as Director of the Institute for Public Management and Community Services and Professor of Public Administration at Florida International University (FIU), Miami, Florida. He also currently serves as President of the International Association of Schools and Institutes of Administration (Brussels, Belgium) and on the Executive Council of the U.S. National Association of Schools of Public Affairs and Administration. Prior to assuming his current position, Dr. Rosenbaum served for six years as Dean of the School of Public Affairs and Services (now the College of Urban and Public Affairs) at FIU. Prior to that, he was for seven years an Associate Professor of Policy Sciences at the University of Maryland, Baltimore Graduate School, where he directed the Maryland Institute for Policy Analysis and Research, a state government oriented public policy research institute. Dr. Rosenbaum served in the U.S. federal government during the Carter Administration and on the faculty at the Universities of Connecticut and Wisconsin, Madison and held a research position at the University of Chicago. He has also worked in state government in Illinois as Administrative Assistant to then Lieutenant Governor, Paul Simon, and, for one year, served as acting budget administrator of the City of Miami, Florida.

Before assuming the Deanship at Florida International University, Professor Rosenbaum was actively involved in research and consulting activities with national, state and local government in the United States in a variety of fields including higher education, employment and training policy, economic development, elementary and secondary education, social welfare and science and technology policy. Since leaving the Deanship of the School of Public Affairs and Services, Dr. Rosenbaum has been heavily engaged in international public administration and democratic development technical assistance, consulting and research. During the past four years, he has consulted, spoken or carried out research in 50 countries around the world. Dr. Rosenbaum received his Ph.D. in Political Science from the University of Chicago and his Masters degree from the University of California, Berkley.

Allan Rosenbaum
Director, Institute for Public Management and Community Service
and Professor, Public Administration, School of Policy and Management,
College of Health and Urban Affairs, Florida International University

University Park Campus, TC-30
11200 SW 8th Street
Miami, FL, USA 33199

Phone: (305) 348-1271
Fax: (305) 348-1273
http://www.fiu.edu/~ipmcs/