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## EVALUATION OF PUBLIC POLICY

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**COSTAS COMESAÑA, Antón**

**From consumer to citizen: the role of citizen satisfaction in public service market sustainability**

**Abstract:** One of the most consequential policies for governmental reform implemented in the last two decades of the twentieth century was the privatization of public financial services. These policies shifted from public production to private production and market organization to enhance the efficiency and consumer orientation of these services. The present article shows that the sustainability of this market model depends less on the degree of competence than on citizen satisfaction with the results. The political imperative is to evaluate privatized services from the perspective of citizen-perceived quality.

**Key words:** public services, privatization, quasi-markets, service quality, citizen satisfaction, assessment of public policy.

**JEL Classification:** H11, H83, P35

**DAHLER-LARSEN, Peter**

**Should everything be evaluated? Or: from evaluability assessment to evaluation culture and capacity**

**Abstract:** We live in an era of evaluation. Should everything be evaluated in every situation? In the evaluation field itself, there has been an interesting change in how this question is answered. An earlier, «evaluability assessment» approach advocated that evaluation should only be carried out when it can be rationally expected to bring improvement. Today, however, conceits such as «evaluation capacity» and «evaluation culture» suggest that the standards and values underlying evaluation should be applied more generally. At the same time, new categories of evaluation are arising. The article addresses the consequences of these changes in pursuit of the answer to the question: should everything be evaluated?

**Key words:** public policy, evaluation, regulation.

**JEL Classification:** H43.

**FEINSTEIN, Osvaldo**

**Pragmatic public policy evaluation**

**Abstract:** This article introduces a pragmatic approach to public policy evaluation. A description covering its functions and various formulas is followed by a discussion of evaluation as a tool for learning from experience. An overview of evaluation criteria and the attribution problem is also provided. Two approaches to public policy evaluation are presented using the concepts introduced in the preceding sections and the difficulties

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encountered in public policy evaluation are addressed. Finally, a series of possible solutions are put forward and ten pragmatic conclusions are drawn.

**Key words:** public economy, public policy, evaluation.

**JEL Classification:** H11, H83, P35.

**GARCÍA SANTOS, M.<sup>a</sup> Nieves**

### **Analysis of the impact of financial regulation**

**Abstract:** Regulatory impact analysis (RIA) is now becoming standard practice, particularly in Europe, where it has been in place in some cases since the nineteen eighties and nineties. Much of the new impetus, however, is due to the expanding role of the European Commission in the generation of legislation. The present article justifies RIA as a mechanism to improve the procedures for establishing rules and regulations, which are generally instituted without studying the market failures they aim to correct or determining whether the problems detected are originated by regulatory shortcomings. The absence of such an analysis often prompts the generation of unnecessary legislation on problems that the market itself would have solved, or the accumulation or overlapping of rules, instead of the repeal of legislation that occasions undesired effects. RIA is a more or less broad and structured procedure for formulating and presenting legislative proposals. The expression covers anything from cost-benefit analyses conducted with a certain degree of flexibility in terms of (quantitative and qualitative) evaluation methods to wider procedures, including the presentation of alternatives to proposed regulations, with their respective evaluation, public consultation procedures and even guidance on how to present RIA reports. The extent of the use of RIA varies from one country to another. It is used fairly universally to analyze budgetary policy, but in the financial domain it is still in the initial stages. Nonetheless, it may henceforth be driven by the initiatives set out by the European Commission in the Financial Services Action Plan, 2005-2010.

**Key words:** regulation, market failure, regulatory shortcomings, cost-benefit, decision-making.

**JEL Classification:** G28, H43, L51.

**GARDE ROCA, Juan Antonio**

### **Creation of an Evaluation Agency in Spain**

**Abstract:** This article begins by explaining the political and administrative backdrop against which the National Public Policy and Service Quality Evaluation Agency is created, a formation process that draws from a collective interest in the shared aim of good

governance. It continues with a description of the scope of and approach to evaluation that should be expected in practice. Finally, it reviews the Agency's chief characteristics, stressing its principles of action, membership of its governing bodies and the importance of its management contract.

**Key words:** government performance, budget, budgetary systems, Government, public economics.

**JEL Classification:** H11, H61, H83, P35.

### JAREÑO CEBRIÁN, Francisco

#### Change in the methodology for computing the CPI and its impact on the sectoral response to announced inflation figures

**Abstract:** We study the short run response of daily stock prices in Spanish market to the announcements of inflation news in a sectorial level on the time when the IPC (consumer price index) is announced during the period 1995-2004. The sectorial *flow-through* capability could explain different stock return responses to the news. This research analyzes inflation surprises according to the direction of the news, taking into account the asymmetric response of the sectorial stock returns depending on the state of the economy, and focussing on a possible structural change in the impact of inflation news on sectorial stock returns, due to changes in the IPC preparation. In general, there are relevant (although not significant) differences in the stock return responses to unexpected inflation changes depending on the activity sector of the firms, the state of the economy and mainly the methodological change in the IPC preparation.

**Key words:** inflation announcement, Stock return, *Flow-through* capability

**JEL Classification:** E31, G12, G30, L2

### LÓPEZ DUARTE, Cristina

#### Large Spanish corporation FDI trends 1988-2003. The role of listed companies

**Abstract:** The present paper analyzes the foreign direct investment conducted by Spanish companies listed on Madrid's official Securities Exchange between 1988 and 2003. Evolutionary trends, geographic and sectoral distribution and the different investment formulas chosen by Spanish companies—with regard to both the ownership structure of the investment and its implementation in the host market—are analyzed on the grounds of a study of 712 foreign investment projects.

**Key words:** foreign direct investment, internationalization, listed companies.

**JEL Classification:** D74, F21.

**OSUNA LLANEZA, José Luis and BUENO SUÁREZ, Carlos**

**Public policy evaluation: case study of policies designed to encourage stable employment**

**Abstract:** This article discusses the employment challenges presently facing Spanish society and calls for reflection on possible short- and long-term solutions. Taking recent years' quantitative and qualitative results as a reference, it focuses on the imperatives of improving employment stability and quality, which necessitate a turn away from the paradigm underlying traditional approaches. The role of evaluation in enhanced efficiency and effectiveness of the respective public policies is stressed, along with the need for more active citizen participation.

**Key words:** public policy, evaluation, labour market, employment.

**JEL Classification:** J23, J68.

**OTERO GARCÍA-CASTRILLÓN, Carmen and VERSCHUUR, Frank**

**The problematic Community-wide regulation of food supplements**

**Abstract:** In its attempt to simplify intra-Community traffic of food supplements while ensuring protection for public health, the new EU Directive has raised a series of interesting issues that have drawn attention to the association between the regulation of these products and the regulation of drugs. Discussion around these matters has even prompted the institution of a pre-judicial question on the suitability of this legislative instrument to the purpose it claims to pursue. Questioning such suitability would appear to suggest the presence of a strategy designed to protect the Community's pharmaceutical industry.

**Key words:** food supplements, drugs, free circulation of goods, public health.

**JEL Classification:** I12, I18.

**SHIPMAN, Stephanie**

**The diversity of programme evaluation in the United States Federal Government**

**Abstract:** Programme evaluation —the systematic application of research methods to assess how well public programmes are working— has a long history in the United States in efforts to assess social reforms. Over the years, evaluations have taken on a variety of forms and served varied uses. The Federal Government's interest in evaluation has waxed and waned, and the field itself has matured to embrace a variety of methodological approaches. Recent world-wide efforts to improve government accountability and

performance have led to increased attention to programme evaluation at the federal level in the United States, bringing new challenges and opportunities.

**Key words:** public administration, structure, scope and performance of government, field experiments.

**JEL Classification:** C93, H11, H83.

**VENTURA VICTORIA, Juan and ORDÓÑEZ DE PABLOS, Patricia**

**Analysis of knowledge strategies in the Spanish manufacturing industry: empirical evidence**

**Abstract:** The essence of organizational strategy, i.e., the achievement of sustained competitive advantage, consists in identifying, developing and applying strategic resources. As a general rule the resources that lead to sustainable competitive advantage are found in a company's knowledge base. This explains why companies develop knowledge strategies whose essence is a series of strategic choices with respect to two activities: on the one hand, the creation or acquisition of new knowledge and on the other, the application of existing knowledge to create new products and organizational processes. Companies must carefully assess their allocation of resources to maximize their knowledge base. The purpose of the present paper is to analyze organizations' knowledge strategies and their effect on corporate competitiveness. It is divided into two sections. The first discusses a conceptual framework to study the architecture of companies' knowledge strategies. The second presents the results of an empirical study conducted in the Spanish manufacturing industry over the period 1995-1999. The survey data collected covered three basic areas: knowledge strategy, organizational learning and organizational results. The cluster analysis run with this information identified three general knowledge strategies in place in these companies. The relationship was then drawn between these strategies and organizational results. The chief conclusions and implications for business management deriving from the study are discussed.

**Key words:** organizational learning, knowledge base, competitiveness, survey, Spain, knowledge management.

**JEL Classification:** D23, L20.

