

Opening session – Second Conference on Albert Hirschman’s Legacy: A Bias for Hope

- Warm word of welcome to participants on behalf of IEG
- General word of thanks to the A Colorni Hirschman International Institute, colleagues at the World Bank and colleagues at IEG for organizing this event.

Ladies and Gentlemen

Dear colleagues

We are very pleased to host you here at the World Bank. The venue for this conference is not a coincidence. The fact that Albert Hirschman is regarded as one of the great social scientists and development thinkers of the 20th Century, that alone would be enough reason to dedicate an event to discussing his work. As it happens, and as most of you probably know, Albert Hirschman had a special connection with the World Bank.

The relationship between Hirschman and the World Bank was a both productive one but also a contentious one. Productive in the sense that one of Hirschman’s seminal works “*Development Projects Observed*” was in fact based on a study of 11 World Bank projects. In the framework of this study, Albert Hirschman spent quite some time at the World Bank. It was contentious in the sense that at the time, many World Bank staff were not quite so enthusiastic about Hirschman’s mode of inquiry and his findings. Toward the end of the 1960s when the book came out, the World Bank was firmly vested in the paradigm of Cost-Benefit Analysis and Hirschman’s in-depth qualitative approach to assessing World Bank projects was something novel and quite outside of the reigning paradigm for project appraisal and assessment.

As it turns out, Hirschman proved himself to be a skilled evaluator *avant la lettre*. In his assessment of World Bank projects, he combined empirical observation and inquiry with masterful inductive reasoning. While on the one hand he acknowledged and richly described the complexity of development projects in their specific environments, he also identified in a grounded theory sort of approach, many principles of regularity (or in Hirschman’s terms, structural characteristics) regarding how projects work (or not). According to Hirschman, understanding the structural characteristics of projects and how these interact among themselves and with society, constitutes the basis for explaining and anticipating success and failure in projects. This modality of case-based theory-driven analysis is closely in line with the work of another Giant, the sociologist Robert Merton, whose work on middle range theories strongly influenced a particular branch of evaluative inquiry called Realist Evaluation, as developed by Ray Pawson and others. At IEG, having outlasted the cost-benefit paradigm (though not completely rejected it), we have learned a lot from Hirschman, Merton and others in developing our approaches to do empirical case-based evaluative analysis to better understand how WBG interventions work.

The title of the Conference “a Bias for Hope”, is a typical Hirschmanian expression. It epitomizes an essential feature of Hirschman’s perspective on the world: despite many obstacles to development or life in general, there is always cause for hope. A Bias for Hope is also the title of the book of essays that follows the three main books by Hirschman on development: *The Strategy of Economic development*, *Journeys toward Progress*, and *Development Projects Observed*. It concludes 18 years of work by Hirschman on Latin America and development in general.

A Bias for Hope is also implicit in “the principle of the Hiding Hand”, a mechanism Hirschman identifies in *Development Projects Observed*. There are two sides to the Hiding Hand. On the one hand, there is the notion that project planners tend to underestimate the costs and uncertainties regarding a future project. On the other hand, planners also tend to underestimate the human creativity that is likely to emerge when faced with unexpected challenges or obstacles in project implementation. Paradoxically, Hirschman argues, if the full extent of potential obstacles or costs would have been known beforehand, many projects which in the end turned out to be very successful due to human tenacity and creativity, would never have been approved in the first place.

Of course, while *Development Projects Observed* is probably one of the works that is most relevant for the evaluation community, Hirschman’s work goes far beyond the development project perspective. In this regard, it is wonderful to see how his work brings together such a diverse and distinguished group of academics and practitioners. Several of you have been colleagues, friends, or students of Albert Hirschman. In the two days to come you will not only discuss the implications and lessons from Hirschman’s work for the practice of evaluation, or for the practice of designing and implementing policy interventions to the betterment of society, but more broadly, on how to tackle some of the small and big challenges of the turbulent times we live in. With this in mind, the title of the Conference, a Bias for Hope, seems to capture rather adequately the spirit in which these discussions should be conducted.

Thank you.