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ACTIVITIES OF THE LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING DURING 1973-1974

Note by the secretariat

In connexion with item 6 on the Agenda for the sixteenth session of the Commission, the secretariat has pleasure in transmitting to the delegations the present document on the activities of the Latin American Institute for Economic and Social Planning (ILPES) in 1973-1974.

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/A. GENERAL

A. GENERAL INTRODUCTION

In 1973 and 1974 the Latin American Institute for Economic and Social Planning (ILPES) was chiefly concerned with providing advisory services to governments, training for government personnel, and with carrying out research in development planning.

Advisory assistance was the major activity in the two-year period; this was mainly due to the increase in requests from governments for the Institute to assist them in the preparation of their development plans. For example, in 1973, 54 per cent of the time of ILPES personnel and 53 per cent of its budget were devoted to advisory services, which also had financial suport from the United Nations Development Programme (UNDP), from the Inter-American Development Bank (IDB), and from some of the governments of the region.

These advisory services largely consisted of collaboration with national government institutions in charge of planning for the provision of overall strategies and medium-term development plans. Assistance was also provided, although to a lesser extent, in the fields of regional, operational, pre-investment planning and projects, and in the preparation of reconstruction plans for areas affected by natural disasters.

With the increase in advisory assistance, there was a tendency for research work to decrease in relation to previous years; the amount of man-months devoted by ILPES personnel to research actually dropped from 57 per cent in 1971 to 36 per cent in 1973. Research carried out with ILPES's own resources aimed mainly at allowing its specialised staff, taking into account their experience in advisory services, to produce texts for guidance in the execution of planning tasks, such as those published on projects, pre-investment and operational plans. At the same time, several experts in agricultural planning were concerned with the production of an extensive survey in this field, for which financial suport from

/the Canadian

the Canadian International Development Agency (CIDA) was provided. Another large-scale research project carried out in recent years --concerning the sociological interpretations of Latin American development--was possible because of the support provided by the Ford Foundation.

Personnel concerned with training activities were subject to ever-increasing pressure in this period, since their resources were reduced, while their responsibilities remained the same, or even increased, as a result of the constant growth in requests from governments for these services. In 1967 a third of ILPES personnel was engaged in this activity, and in 1970 this proportion dropped to 16 per cent, while in 1973 it was less than 10 per cent.

Finally, it is worth stressing that ILPES has been dedicating some of its efforts to collaboration in the task of integration of the countries in the Andean Group and the Central American Common Market, for which purposes it has acted in conjunction with ECLA, UNDP, the Board of the Cartagena Agreement, and the Secretariat of the General Treaty on Central American Economic Integration (SIECA).

This report describes the activities in the last two years in advisory services, training and research. Finally, it gives a list of new publications and re-editions. It only remains to point out that this report is very brief, but the ILPES authorities can give further detailed information on its activities to whoever may request it.

/B. ADVISORY SERVICES

B. ADVISORY SERVICES IN PLANNING

In 1973 and 1974 the main activity--from the point of view of utilization of human and financial resources--was advisory services. A major part of this assistance was concerned with general planning, although the assistance carried out in regional and in operational planning is also worthy of mention. A summary of the work in this field during the last two years follows.

1. Advisory services in general planning

a) Costa Rica. In 1973 and 1974 the different stages of the asistance that ILPES contributed to the National Planning Office (OFIPLAN) were put into effect, the main aim of which was to provide techinical assistance in the preparation of the 1974/1978 National Development Plan.

The Plan, the draft of which was finished at the beginning of 1974, was submitted for the consideration of different sectors of the country in order to receive comments and suggestions. A systematic effort was made during the preparation of the Plan to integrate the different institutions and the different academic and sectoral approaches of those concerned with planning, both in economic aspects themselves, as well as in the relation between these and social aspects.

The Government has requested the collaboration of UNDP for a new technical assistance project in order to reinforce its system of national planning and to produce dynamic annual operational plans. Missions to be provided by ILPES for advising OFIPLAN and for complementing the previous project will be financed from IDB funds.

b) Argentina. At the request of the Argentine Government, at the beginning of 1974 ILPES sent an advisory mission to the Institute of Economic Planning (INPE) of the Argentine Republic. This collaboration came within the scope of the ECLA/Argentine Government

/Programme, and

Programme, and complements the assistance provided by ECLA and ILPES at the end of 1973 for the preparation of the 1974/1977 Three-Year Plan.

The mission collaborated in the work carried out by INPE in the initial stages of formulating the sectoral plans of the Three-Year Plan, and also in the setting up of its new organic structure. In this last item, assistance was given in drawing up a work programme for project areas, economic infrastructure, and social development. The identification of projects and programmes essential for completion of the Three-Year Plan was also concluded; this activity allowed in-service training of the personnel being incorporated into the recently created project units of INPE. At the same time, social sectoral plans and infrastructure were revised and re-formulated in order to prepare their final version, and a study of the social structure in Argentina was designed and initiated, with the participation of all INPE personnel specializing in the area of social development.

Finally, ILPES collaborated in the preparation of the terms of reference of a project requesting the co-operation of UNDP in research to be carried out by INPE and the Federal Investment Council (CFI).

c) El Salvador. The beginning of 1973 saw the final stage of the technical assistance that ILPES had been contributing to the National Council for Economic Planning (CONAPLAN) since the beginning of 1972. The contract signed with the Government was thus concluded, the Government having received financial support from IDB for strengthening the national planning system. In the course of this technical assistance, ILPES furnished CONAPLAN with advice on the selection of experts who collaborated with national staff in the preparation of the 1973/1977 Development Plan, and orientated and supported this permanent group with missions consisting of experts in different fields of general, operational, and sectoral planning.

/The early

The early stages of the work concentrated on general development policy, including the major productive sectors and the organization of the planning system. Subsequent stages dealt with the discussion of medium-term plans and at the same time recommendations were made for identifying, preparing, evaluating, and promoting, projects. Finally, the last stages were devoted particularly to operational planning.

d) Honduras. In the first half of 1974, the collaboration of ILPES with the Honduran Higher Council for Planning (CONSUPLAN) was concluded. ILPES had assisted in the preparation of a report entitled Bases de una estrategia para el desarrollo económico y social de Honduras . This assistance, begun in mid-1973, received funds from UNDP.

During the first stage ILPES co-ordinated the selection and appointment of the permanent group of experts who, together with the national experts of CONSUPLAN, formulated the 1974/1978 Development Plan. Later, two missions were sent consisting of ILPES experts and consultants from FAO and UNESCO. The first mission collaborated in the preliminary version of the development strategy, while the second produced the final version and at the same time advised national experts on the formulation of the bases of the 1974/1978 Development Plan. Assistance in this field included the drawing up of economic and social sectoral programmes as well as general aspects of development for the five-year period.

e) Dominican Republic. In the first half of 1974, the final report with guidelines for formulating development strategy in the next decades was concluded and handed to the Government. This assistance, begun early in 1972, was carried out as a result of an agreement between the Government and ILPES, and had the financial support of IDB.

Its main aim was to establish the general guidelines for development strategy and to recommend the work programme to be

/carried out

carried out by the National Planning Office in this respect. The areas of special consideration were overall planning programming, the public sector, the industrial sector, and national resources; subsequently, with UNICEF support, the social sectors were also included. Furthermore, in mid-1974 the UNDP project on development of planning was approved; this project is considered to be a continuation of the assistance that ILPES and the UNDP/ILO mission--which advised on problems of employment--have been providing for the Government of the Dominican Republic. The main objectives of this project are the review of the development strategy for the period 1975/1985; to establish work programmes and to organize sectoral groups for drawing up the 1975/1979 development plan; to recommend procedures for strengthening short-term planning mechanisms and for achieving better co-ordination in the planning process; and finally, to identify basic social problems and to prepare programmes for dealing with them. ILPES will collaborate in this project by assisting the group of permanent experts.

f) Minas Gerais (Brazil). In 1973 and 1974 various missions continued the advisory assistance that the Institute has been administering for several years to the Minas Gerais State Cabinet of Planning and Control. The assistance has been directly related to the execution, evaluation, and control of the Primer Plan Mineiro de Desenvolvimento Economico y Social (the First State Plan for Economic and Social Development), and the preparation of the Second of these plans.

The main collaboration has been in the areas of industrial planning, public investment--including State, Federal, and Municipal investment--and private investment in spatial, regional, and urban development of the State, and in the implementation of annual operational planning.

/g) Nicaragua.

g) Nicaragua. ILPES experts have formed part of the teams of the ECLA Mexico Office who have been assisting the Nicaraguan Government since 1973 in drawing up reconstruction and development plans. Collaboration has been given in the areas of administration for development, the public sector, regional development, human resources, employment and education.

2. Advisory services in regional planning

a) Mexico. During the first half of 1974 assistance was concluded for the first phase of the Project for Regional and Urban Development, which was started in mid-1972. Analysis and research were carried out concerning the situation and the regional and urban trends in Mexico, which could serve as a basis for establishing a regional development strategy.

Particular emphasis was given to the study of trends among industries to concentrate in certain poles especially in the metropolitan area of the capital, and recent trends towards satellization in the central area of the country were analized. The perspectives for local siting of the most important basic industries were studied, as well as the programmes and projects that this involves. The principal features of localization of industries which act or which could act in the country were also analyzed with a view to comparing them with regional policy shortly to be put into effect, taking into account the general development and industrialization policy.

b) Venezuela. In accordance with the agreement between ILPES and the Andes Development Corporation (CORPOANDES) of Venezuela, in 1973 the pre-investment and development studies for the Grita-Torbes and Chama-Mocotíes subregions were concluded.

i) Grita-Torbes. At the beginning of 1973 the final version was completed of the document: Bases para un programa de preinversión y desarrollo en la subregión Grita-Torbes, thus completing the work

/programme begun

programme begun in 1972. The mission was composed of a team of twelve ILPES experts along with several national counterparts from CORPOANDES and from Venezuelan ministries and other institutes. ECLA, the PASB Health Planning Centre, the Regional Office of UNESCO, and the Ministry of Agriculture/FAO livestock-breeding development programme of Venezuela also participated.

The task of the ILPES team was to prepare a diagnosis and to design a development strategy for the subregion, to identify the projects that could contribute most to achieving the proposed aims, and to establish the basis of a pre-investment programme for putting the projects into practice.

The proposed strategy had to take into account not only the subregion's requirements and possibilities, but also the main guidelines of national development policy such as diversification of international economic relations, improvement of employment opportunities and distribution of income, the regionalization of State action and the reduction of regional imbalances. The report also contains detailed information on studies of high-priority pre-investment aimed at advancing towards the attainment of established objectives by means of specific investment.

ii) Chama-Mocotíes. In 1973 the major part of the work for the preparation of the document: Bases para un programa de preinversión y desarrollo para Chama-Mocotíes was carried out. The subregion of Chama-Mocotíes coincides with the State of Merida, where CORPOANDES and the University of Los Andes are located. This was the last ILPES study of the Andean subregions of Venezuela, and is closely related to the study that ILPES carried out simultaneously on the University of Los Andes. Assistance began with a mission sent to the region towards the end of 1972, composed of a team of experts from ILPES, ECLA and PASB. These were joined by several officials of the CORPOANDES Chama-Mocotíes Programme. These Venezuelan Officials provided the national counterparts to the ILPES group by following

/a period

a period of in-service training aimed at achieving their full participation in the formulation of proposals, and at expediting the later stages of the work in the region itself.

The task of the ILPES team was to prepare a diagnosis of the development possibilities and of the principal problems of the subregion; to provide a long-term development strategy integrated with the country's national and regional policy, and finally, to outline a pre-investment programme which would allow CORPOANDES to promote the execution of priority projects and complete the necessary studies for drawing up a development plan and an investment programme. The final report was submitted at the end of 1973 after analysis and discussion with experts and authorities from CORPOANDES.

iii) Advisory assistance to the University of Los Andes. Closely related to the previous study is the one entitled: Universidad de Los Andes de Venezuela: Bases para una estrategia de su desarrollo. The first part of this report, presents the groundwork for the strategy proposed for the University with regard to the system of higher education in Venezuela, the relationship between this system and the region, the growth of the University, the possibilities it offers and the role it has to play in regional and national development. The second part contains an analysis of the different problems and activities within the University, such as the training of teaching staff, student participation, the basic cycle, vocational cycle, post-graduate studies, scientific research, and regional nuclei. The third part deals with the implementation of the proposed strategy. Two annexes were added, one suggesting the creation of a University Information Committee, the second includes the diagnosis on which the strategy was based.

c) Peru. Towards the end of 1973, the asistance provided to the Peruvian Regional Office for Development of the Earthquake Zone (ORDEZA) was concluded. This assistance, which was carried out in conjunction

/with ECLA

with ECLA and the UN Office of Technical Co-operation, concentrated on the identification and formulation of projects for the reconstruction and development of the part of Peru devastated by the earthquake in 1970.

3. Advisory assistance in operational and budgetary planning

a) Panama. ILPES collaborated in the project to prepare the 1974 annual operational plan financed by UNDP. The principal aims of the project were to advise the Ministry of Planning and Economic Policy in the elaboration of the 1974 annual operational plan and in the preparation of the methodological and organizational bases of the short-term planning process.

The main results of the project have been the ratification and the implementation of a coordinated set of policies and actions in different sectoral areas, and the preparation of respective annual operational plans. In order to ensure the proper implementation of short-term planning, the Government organized, with the financial support of UNDP and the assistance of ILPES, a course on operational planning, the contents of which are detailed in the section on Training. The mission was joined by a sociologist from ILPES who advised on the preparation of a diagnosis of the problem of poverty and the ways of eliminating poverty, which was included in the guidelines of the 1974/1978 development plan.

b) Guatemala. A mission went to Guatemala in order to evaluate the existing budgetary system and to suggest certain methodological and conceptual modifications aimed at making the system more adequate to the requirements of annual operational planning. An evaluation was also made of the progress achieved in adopting the technique of annual operational plans and assistance was given in roder to improve the mechanisms of operational planning.

c) Argentina. In 1973 advisory missions in the area of budgetary planning were sent to the provinces of Mendoza, Cordoba, and Tucuman.

/The missions

The missions discussed problems of budgeting, assisted in introducing a system of programme budgeting, and advised on the preparation of the 1974/1976 Three-Year Plan and on the 1974 budget.

4. Other advisory services

a) Venezuela

i) Advisory assistance in agricultural planning. A mission was carried out in Venezuela with the aim of drawing up an agreement to provide advisory assistance in the area of agricultural development. These missions provided the basis for the preparation of a report containing a description of the country's agricultural development and guidelines for future development. The agreement with Venezuela includes further missions, as well as in-service training for officials of the Agricultural Planning Office of the Venezuelan Ministry of Agriculture and Livestock-Breeding.

ii) Advisory assistance in administrative reform. Towards the end of 1973, a mission was sent to Venezuela with the aim of defining an assistance programme concerned with regional budgeting of the public sector and with the planning and regional administration of development. Subsequently, a working plan was designed in order to draw up the regional budget of the public sector for 1975, and to redefine norms, criteria, and methodology in order to bring them more into line with the country's needs.

b) Uruguay. The Institute collaborated with the Uruguayan Planning and Budgetary Office in the preparation of a technical assistance project concerned with the management and programming of public enterprises. The main aim of the project is to systematize experience obtained in the programming, management, and control of State institutions of an industrial, commercial and financial nature, and also to detect the problems which hinder their efficient operation.

/C. TRAINING

C. TRAINING

The training courses held in 1973 and 1974 either formed part of the regular programme of ILPES activities, or were held in accordance with special agreements with UNDP or as a result of requests from governments and other Latin American public institutions. The attached table gives details of the contents of the courses, the cities in which they were held, the institutions which collaborated with the Institute, the length of the courses and the number of students participating.

In general terms, the courses were aimed at training government officials and specialists in the traditional areas of development and general, regional, and sectoral planning, and at preparing and assessing investment and pre-investment projects. Courses were also held, however, in new subjects such as annual operational planning and environmental development planning.

CONTENT OF THE COURSES

1. Development and Planning Courses

The development and planning courses have a common structure which can be modified according to the length of each course and, in the case of national courses according to the specific situation and problems of the country in which the course is being held.

They have been designed to present an integrated approach to, and an interdisciplinary analysis of, the various subjects dealt with. Their aim is to provide links between the Government centres of political decision and the teams which operate at different levels of the administration, a task which is inherent to the effiency and feasibility of planning. This aim has meant that the courses have had to deal with subjects which surpass their strictly methodological limits in order to comprise an analysis of major problems of development in their economic and socio-political

/aspects. For

aspects. For this reason, the lectures and discussion seminars have aimed at an integral approach to development and planning, avoiding the sectoral division of these processes, although certain particularly relevant items are dealt with in detail.

/TABLE 1

Table 1

TRAINING COURSES HELD BY ILPES IN 1973 AND 1974

Title of course	Locality	Institutions which collaborated with ILPES	N° of weeks	N° of participants
	1973			
1. IV Regional Development Planning Course	Santiago de Chile	ECLA and the UN Office of Technical Cooperation	14	25
2. Post-Graduate Course on Integrated Regional Development Planning	Rehovot, Israel & Santiago, Chile	The Land Settlement Studies Centre (CEC), IDB, OAS, the Inter-American Institute of Agricultural Sciences (IICA), The Israel Ministry of Foreign Affairs and the Chilean National Planning Office (ODEPLAN)	41	32
3. Development & Planning Course	Quito, Ecuador	The National Planning Board (JUNAPLA) and UNDP	16	35
4. Intensive Course on Regional Planning	Porto Alegre, Brazil	Co-ordination and Planning Office and UNDP	16	24
5. Development & Planning Course	Mexico City, Mexico	Secretariat of the Presidency of the Republic and UNDP	20	35
6. Regional Planning Course	Mexico City, Mexico	Secretariat of the Presidency of the Republic and UNDP	21	28
		SUBTOTAL	128	179

/(cont.)

(Cont.)

Title of course	Locality	Institutions which collaborated with ILPES	N° of weeks	N° of participants
	1974			
1. Regional Development Planning Intensive Course	Belem, Brazil	Superintendency of Development of the Amazon (SUDAM) & UNDP	17	35
2. Development & Planning Course	Buenos Aires, Argentina	Federal Investment Council (CFI) and UNDP	8	26
3. Annual Operational Planning	Panama City, Panama	Ministry of Planning and Economic Policy & UNDP	6	35
4. Development & Planning Course	Mexico City, Mexico	Secretariat of the Presidency of the Republic & UNDP	27	32
5. Regional Planning Course	Mexico City, Mexico	Secretariat of the Presidency of the Republic & UNDP	23	41
6. Industrial Planning Course	Mexico City, Mexico	Secretariat of the Presidency of the Republic & UNDP	16	30

/(cont.)

(Cont.)

Title of course	Locality	Institutions which collaborated with ILPES	N° of weeks	N° of participants
7. V Regional Development Planning Course	Buenos Aires, Argentina	ECLA, the Federal Investment Council (CFI) & UNDP	22	24
8. First Course on Development Planning and the Environment	Buenos Aires, Argentina	ECLA, the Government of the Argentine Republic and PNUMA	6	26
9. Post-Graduate Course on Integrated Regional Development Planning	Rehovot, Israel and Lima, Perú	The Land Settlement Studies Centres (CEC), OAS, IDB, The Inter-American Institute of Agricultural Sciences (IICA), and the Israel Ministries of Foreign Affairs and of Agriculture	40	26
10. Development and Planning Course	Guayaquil, Ecuador	The National Planning Board (JUNAPLA)	15	38
		SUBTOTAL	180	313
		TOTAL	308	492

/The course

The course syllabus is divided into three main sections: Introduction; Interpretation of the current situation in Latin America or in the country under consideration; and Planning and economic policy. The introduction serves the purpose of reducing the disparity of levels of knowledge among the participants and provides them with training in economic analysis, social accounting, statistics and other quantitative techniques considered essential for a rigourous treatment of the main subject matter.

The second section (Interpretation) is generally divided into two sub-sections, the first containing two disciplines: international trade, which illustrates de basic principles of the theory of international trade and recent international economic relations along with interpretation of the development process in Latin America, which involves a critical study of ECLA's dependency and structuralist approaches. The second sub-section concerns the sociological approach to development, and deals with the main directions of sociological thought and the main sociological interpretations of development, the socio-political context of planning and makes special reference to the social problems in Latin America and to those in the country where the course is being held.

Finally, the third section consists of subjects related to planning and to economic policy. In planning, the syllabus starts with the origin and evolution of the planning process in the major capitalist and socialist countries, with special reference to the Latin American situation. It continues with a study of the scope of planning, its historical background, its aims, the institucional structure in which it finds expression and the main techniques it employs. The syllabus then includes an analysis of the different dimensions of planning: on the one hand, general, sectoral and regional planning and on the other, long, medium, and short-term planning. Finally, there is an examination of planning mechanisms such as the techniques for compiling and

/analyzing reports,

analyzing reports, the models of planning, and the techniques for the execution, evaluation and control of plans.

The section on economic policy begins with a study of the social and political processes related to economic policy and the institutional and structural framework within which these processes operate, with an in-depth analysis of the forms of State participation in economic policy. Subsequently, there is an examination of the mechanisms used in economic policy, and general criteria are given for guidance in the choice and operation of these.

The section ends with basic notions of pre-investment and the formulation, execution and evaluation of projects.

2. Regional development planning courses

As in the case of the development and planning courses, the regional planning courses also have a common structure which is modified in each case according to the length of the course and to the requirements of the country in which they are held. In short, the syllabus for these courses is divided into three sections. The first, or introductory section, is essential for achieving a minimum level of common knowledge among the participants in certain basic topics. The second section includes the theory and methods of the spatial aspects of development, among which are spatial economic theory, the contribution of sociological theory to regional analysis, and also the set of methods and instruments used in studying and assessing economic structure and processes from a spatial point of view. The third section, which forms the nucleus of the course, covers a series of theoretical and practical problems concerned with regional planning, with special reference to the particular problems of the country and of the region in which the course is held.

Among other subjects in this section are: the incidence of the spatial dimension in the different aspects of national development plans; the congruity of regional and national aims and objectives from both a general and a sectoral point of view; the

/function of

function on the national urban network in the strategy of regional planning; analysis and evolution of regional economic policies, their instruments and their plans of action; pre-investment and projects on a regional scale, etc.

3. Special courses

a) Course on development planning and the environment. The major part of this course was dedicated to the analysis of the interrelationships among development, planning and problems of the environment. There was a specific section on this last subject, which included such topics as pollution of the environment, air pollution, conservation of the environment, etc.

b) Course on industrial planning. This course concentrated on the study of industrial planning, industrial enterprises, and on an analysis of four areas, namely: iron and steel, chemicals, forestry and textiles. The final part concerned pre-investment, and the formulation and evaluation of projects together with discussions of some examples in Latin America.

c) Course on annual operational planning. The main aims of this course were to increase the level of training of public officials, to analize the main problems faced by those responsible for making economic policies, and to study the essential technical and administrative requirements for strengthening the general system of planning and for incorporating short-term planning. The central part of the course was an analysis of planning systems and processes, of economic policy, and in particular, of the theoretical and practical aspects of operational planning.

/D. INTEGRATION

D. INTEGRATION

The major part of the work in this field was an analysis of the process of integration of the Andean Countries and the proposal of some solutions. The Institute carried out this work with ECLA and particularly with the Board of the Cartagena Agreement. Moreover, contact has been maintained, and some collaboration was given to the Mexico Office of ECLA and to SIECA concerning Central American integration.

1. Study of Venezuela and the strategy of Andean integration

With the incorporation of Venezuela into the Andean Group, the Board of the Cartagena Agreement requested ILPES to analyze the significance of Venezuela's accession with regard to the development prospects of the Andean subregion which had not been considered in previous strategies of regional development. This analysis was carried out with the collaboration of the Bogota Office of ECLA and of UNDP, the results being presented in a document entitled: Elementos para una futura estrategia subregional andina considerando especialmente la incorporación de Venezuela.

2. Study of balanced development

This research was begun in 1973, also at the request of the Board, with the aims of clarifying the concept and identifying the problems of balanced development among countries engaged in the process of integration with different degrees of economic development studying in depth the scope of this concept in the economic conditions prevailing in the Andean Group; suggesting ways of measuring the degree of balance achieved to date in the common market, and finally, of proposing policies which tend to impulse an increasingly balanced development among member countries. In 1974 a preliminary report was concluded entitled: Desarrollo equilibrado en el grupo andino.

/3. Studies on

3. Studies on industrial integration

The study of small- and medium-scale industry in the Andean Group was concluded. This consisted of an analysis of industrial categories and of plant sizes at the small and medium level in the five original member countries of the subregion, and the problems facing such industries were put forward together with some conclusions and recommendations which should be taken into account for action at the subregional level.

In 1974 the preliminary report was concluded of a study entitled: Bolivia: identificación de nuevas posibilidades de producción industrial con fines de integración subregional, which was carried out at the request of the Board of the Cartagena Agreement. The report examines the subregional market prospects for Bolivia, and studies the country's twenty industrial categories in relation to the different projects already underway, and to new industrial opportunities based on an abundance of certain natural resources.

4. Evaluation of the Andean integration process

The Institute assisted the Board in its work on evaluation of the Andean integration process with the aim of collaborating more efficiently in the guidance of this process. In more concrete terms, ILPES has carried out, at the request of the Board, an analysis of the relationship between the Andean integration process and certain institutions and social groups such as entrepreneurs, unions, universities, professional bodies, etc.

The Institute also collaborated with ECLA in the preparation of studies on evaluation of the process of integration in Latin America, which forms part of the general evaluation studies on development carried out by ECLA every two years.

/5. Work on

5. Work on agricultural integration

Advisory services to the Board of the Cartagena Agreement in agricultural matters involved several tasks. On the one hand, the Institute collaborated in the preparation and organization of the First Meeting of Ministers of Agriculture of the Andean countries held in Lima early in 1974, in which a series of resolutions were adopted with the aim of accelerating the process of agricultural integration in the Andean Group. A mission consisting of Board and FAO officials under the coordination of ILPES subsequently visited the countries in order to analyze with the respective governments the fulfillment of the resolutions emerging from the Meeting. On the other hand, after the Cartagena Agreement Committee had approved the establishment of the Agricultural Council, ILPES collaborated in the preparation of the First Meeting of the Council held in Lima at the end of 1974. ILPES also cooperated in the document evaluating the work prepared by the First Meeting of Ministers, with special emphasis on the programmes dealing with products and groups of products, and on scientific-technological cooperation.

Also in conjunction with ECLA, a report was drawn up on the future situation of agriculture in the Andean countries by 1985, taking into account the implications of the expansion of both the domestic market and of subregional trade in agricultural products. Cooperation was also given to research and preparation of a document concerning the problem of the food situation in Latin America which was presented at the XIII FAO Regional Conference held in Panama in August 1974.

/6. The work

6. The work of UNDP experts stationed in Lima supervised by ILPES

In 1974 the study was concluded on Los metales no ferrosos en la subregión andina. Propuestas para una estrategia de integración, and work progressed in the Estudio general sobre los hidrocarburos en la subregión andina, which forms part of a document being prepared by the Board about the energy situation in the subregion.

In mid-1974, the preparation was concluded of the report on a Programa de armonización de cuentas nacionales en el grupo andino. The report suggests measures for obtaining uniform presentation of accounts and figures under the present systems, and makes recommendations for stable price estimates and for the fixing of calendars which the countries must meet for submitting the required information.

7. Central American Integration

Work on Central American Integration has been carried out in conjunction with the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) and with the ECLA Office in Mexico. Specifically, SIECA requested the advisory services of ILPES for formulating a development strategy for the subregion, and for this purpose ILPES staff visited the Central American countries early in 1974 to analyze their main problems and to outline future collaboration with these countries and with regional integration organizations. With this background, ILPES advised the ECLA Office in Mexico on a study of balanced development in the subregion, which was elaborated at the request of SIECA and presented in the document: Planteamientos y posibles medidas en torno al problema del desarrollo equilibrado en Centroamérica, ECLA/MEX/72/22, November 1974. The report proposes measures for making the Common Market more dynamic and for stimulating development of the countries and reducing the uneven income levels among them.

/E. RESEARCH IN

E. RESEARCH IN SUPPORT OF ADVISORY AND TRAINING SERVICES

Traditionally, ILPES has always given considerable importance to research, since this is essential for efficient advisory services to governments and efficient training in planning of the professional staff of government institutions. However, in recent years the Institute has had to resort to additional financial resources for research purposes, as the majority of its specialists have been involved in advisory services.

In fact, most research projects are directly and closely linked to the requirements of advisory and training services, and to the extent that they attempt to deal with the multiple areas of planning, they cover a vast range of subjects and problems. However, not all research projects have had the same depth and breadth of treatment, as some studies have had special financial support, such as the agreement with the Ford Foundation for research into the sociological interpretations of development, and the agreement with CIDA for research into agricultural planning.

This last piece of research is a systematic attempt to analyze all the relevant components of planning in the agricultural sector in such a way that the documents arising from the research may be used as a pedagogical guideline for courses in planning and, principally, for concrete action in this field.

A similar aim has been behind research on pre-investment and projects; texts on these subjects have been prepared as guides for presenting and formultaing pre-investment programmes and projects, and the ample experience gained by ILPES in this field has gone into the work.

Similarly, personnel engaged for almost eight years in advisory and training services in operational planning, are using this experience to revise the documents already published by ILPES on

/this subject.

this subject. On the other hand, the specialists in industrial planning have not been able to devote to research the amount of time that would have been desirable, although they have carried out some studies in their field--on smal-scale industry, for example--and have collaborated on research into integration and operational planning.

In the area of social development, the extensive study on sociological interpretations of Latin American development was concluded. This will be extremely useful for organizing the theoretical approaches to this controversial topic, and will give rise to texts which will be used widely in the Development and Planning courses. Finally, in 1974 research into the problems of science and technology was begun, and the ground-work was laid for future work to be done in this field.

1. Research on agricultural planning

The aim of this research is to tackle agricultural planning from different angles for the purpose of preparing a series of reports which could serve as a guide for action in this area.

The main body of research deals with the theoretical and methodological analysis of the general aspects which enter into the preparation of an agricultural development plan. With this in view, a critical presentation is made of the different approaches which exist for the purpose of making sectoral diagnoses, including methods for describing the present situation, interpreting it and underscoring its main problems. Along the same lines, a careful analysis is made of the various criteria normally used for selecting objectives and targets, formulating policies, selecting operational procedures, etc. Following this critical outline of the normal methodological procedures for agricultural planning and their theoretical bases, the general features for a new approach in this area are put forward. Basic methodological orientations are

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suggested and mathematical models and quantitative techniques, the use of which will tend to spread rapidly in agricultural planning, are examined.

Along with these general aspects, others of a more specific nature, but of equal importance, are covered. The financing of agricultural development is studied from the point of view of the criteria used to estimate financial requirements for investments in infrastructure, the supply of inputs and capital goods, the marketing and processing of products, etc. Along with this analysis, a method is being developed for identifying potential investment projects and a means is being devised for introducing them into the agricultural planning system.

Other important aspects dealt with in this section of the research refer to techniques for preparing the annual operational plans and methods for expressing the sectoral strategy in spatial and regional form. Lastly, a study is made of the problems of state institutions in charge of agricultural planning, especially in respect of their efficiency for tackling the numerous problems of agricultural development.

2. Research on social development

a) Research on sociological interpretations of Latin American development

This research project was begun early in 1972 with financial support from the Ford Foundation. The final mimeographed report is entitled: El cambio social en América Latina. Las perspectivas sociológicas (Social change in Latin America. Sociological perspectives). It is divided into four sections, the first of which, "Sociological perspectives", begins with the concepts of social and sociological thought, and later concentrates on a study of the major theoretical approaches which have existed in Latin America through the subjects they have considered central in their interpretacion of development. The second section is concerned with

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the agents of conservation and of change, and is divided into three chapters which deal with the upper social classes, the middle classes, and the lower classes, respectively. The third section contains the major national and international power structures, while the fourth and final section is divided into three chapters: values, the Latin American political system, and the State and planning. The final version of the report will shortly be published.

b) Research into the social aspects of education and employment

A Cuaderno has been published under the title "Estudios sobre educación y empleo", consisting of three studies. The first refers to the problems of society and employment in Latin America with special reference to the justification for a sociological analysis of employment, the social legitimacy of the mechanisms of employment distribution, the labour market as a political market, and the conflicts that may arise in connection with employment problems and the mechanisms for their settlement. The second study contains an analysis of the differences between the evolution of educational systems in Latin America and in what are now the developed countries. The third study undertakes a systematic analysis of the indicators that have been used and those that should be used for examining the development of education in Latin American countries.

c) Activities resulting from the agreement with UNICEF

At the end of 1973 the agreement between ILPES and UNICEF which had been in force for several years came to an end. Under this agreement, a considerable number of studies were carried out.

Two of these studies led to publications in 1973 of ILPES Cuadernos. The first of these, Tipología de América Latina; análisis de las discontinuidades, is an attempt to classify social indicators and on this basis to establish a typology. The second publication, Problemas del desarrollo social de América Latina, is a result of the seminar on Social Programming for Development and Integrated

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Training of Children and Youth. It contains an analysis of the sociological interpretations of development, a study of social and economic indicators, an interpretation of the meaning of values and attitudes in the development process, and a summary of the problems involved in State action.

At the beginning of 1973, a seminar on development and social policy was held in Costa Rica, organized jointly with UNICEF. Several documents were presented, including a bibliography, a glossary and a reading selection on relevant topics. A report entitled El enfoque unificado y la planificación social was added to these documents with the purpose of providing discussion material for the seminar. The report analyses the ideas included under the heading "unified concept" or "unified approach" to development, together with the proposed aims and the main difficulties of such an approach.

d) A study of the social process in Costa Rica

At the end of 1974, a study was begun of the social process of the last 25 years in Costa Rica, with special emphasis on the aspects of social inequality. This research is closely linked to the advisory services carried out in Costa Rica in 1973 and 1974, and is aimed at providing a basis for the assistance that the Institute will give in 1975 in relation to redirecting and operating the 1974/1978 Development Plan.

3. Research on Industrial Planning

Research into specific problems of industrial planning has become a marginal activity due to the fact that the majority of the specialists in this field have been assigned to training and advisory services, although two pieces of research have been carried out, on small-scale industry and on agro-industry.

/a) Research into

a) Research on small-scale industry and employment

An extensive piece of bibliographical research was concluded (an analysis of over 500 publications by the UN, other international organizations, universities, etc.) on the multiple problems of small-scale industry in a wide variety of developed and developing countries. After this analysis, it was possible to carry out a study of employment characteristics in small-scale industry and produce a preliminary report entitled La importancia ocupacional de la pequeña industria. The report examines and evaluates widespread opinions concerning the capacity of the small-scale industrial enterprise to generate employment. It is based on an analysis of 450 manufacturing establishments--of different sizes, countries, and branches--from the point of view of productivity, density of capital and efficiency.

b) Agro-industry

Research was begun on industries which elaborate agricultural products. Interest in such research arises from the degree of compatibility being achieved by these two sectors and leading, as is the case in many developed countries, to a rationalization which has deeply affected agriculture. So far, the bibliography on the subject has been examined and a start has been made on an analysis of statistical information on the processing, exporting and importing of certain agricultural products of some Latin American countries.

4. Research on pre-investment and projects

a) Guide to project formulation

In 1973 the first edition of the Guía para la presentación de proyectos appeared. This is one of the results of the programme undertaken by ILPES with the financial support of IDB, to produce a handbook which would be an up-dated and expanded version of the Manual on Economic Development Projects edited by the UN in 1958.

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This first edition of the Guide is divided into four sections followed by a series of annexes. The first section deals with the general background conditions which affect the formulation of projects, such as their connection with planning and investment programmes and the general relationship of the project to economic and social development.

The second section deals with the complementary conditions for the negotiation stage, the institutional analysis by the entity responsible for the project, and the preliminary study of the financial requirements.

The third section is devoted to a detailed analysis of the different partial studies contained in the project document: the market study, technical study, financial study, economic evaluation and the plan for the execution of the project.

The fourth part contains an analysis of the auxiliary instruments for organization of the project document, and consists mainly of a check list of the contents of the document including all the partial studies and each item which the preceding section deals with in detail.

The annexes attempt to clarify some matters appearing in the publication which are not yet within the scope of common knowledge of all those who may take part in the preparation and execution of projects. Each annex deals with problems referring to the partial studies contained in the project document.

b) The formulation of agricultural, extractive, transport and energy projects

This is a further study published by ILPES resulting from research into the production of a Guide to Project Formulation. The first Cuaderno: Notas sobre formulación de proyectos, contained the results of an analysis of the successive stages of preparation of projects, with details of the type of information, the nature of analytical studies, the conclusions and the decisions to be taken in each of these stages.

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In this second Cuaderno, published in 1974, an attempt is made to apply the general conclusions drawn from the above-mentioned analysis in agricultural, extractive, transport and energy projects.

Starting, therefore, with the hypothesis that general aspects of the formulation and analysis of projects are applicable to investment studies in all economic or social sectors, the text deals with these general aspects, and subsequently with their application to specific projects.

c) Studies on pre-investment and development

ILPES undertook several advisory services in pre-investment and development programmes between 1965 and 1973 in Ecuador, Paraguay and Venezuela.

The methodology which was developed for carrying out diagnoses, forecasts and complementary analyses in each area and for presenting a set of recommendations arising from each of these tasks, has been systematically compiled in two documents.

The first of these Proyectos de desarrollo integrado en áreas de base agropecuaria, refers specifically to some experiences in Ecuador, Paraguay and the Western Plateau of Venezuela, where the programmed economic activity was basically agriculture and livestock farming. The second contains experiences in Venezuela in which the regional economy studied was based on other sectors of the economy.

Both documents emphasize the nature of the tasks carried out the methods of recollection background material and its analysis. The suitable presentation of conclusions and recommendations for operational use of the pre-investment and development programmes involved is also analyzed. Proper attention is given to the problem of insufficient information, which is a dominating factor in work of this kind, and also to the need to incorporate regional and sectoral organizations in the task.

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Emphasis is also given to the need for integration in studies and analyses of the sociological and institutional aspects of the development process.

d) Studies on operational planning

Since 1967 ILPES has been promoting the adoption of operational planning in Latin America. A text was originally prepared on the different instruments and aspects of operational planning, which was used as a basis for a variety of advisory and training activities in this field.

As a result of these activities, ILPES has considerably increased its knowledge of operational planning, and the need has arisen to revise and expand the original texts. This task was begun in 1974 and towards the end of that year draft versions of the following chapters had been prepared: Public Sector budgeting, monetary and financial budgeting, balance of human resources, balance of material resources and short-term economic policy.

5. Study on science and technology

At the request of ECLA, experts from ILPES prepared a report entitled Progreso científico y técnico para el desarrollo de América Latina, in the second half of 1974. The aim of the report is to present an overall view of the problem faced by science and technology in the light of the development process, and to identify actions and mechanisms and regional, subregional and national institutions, which might allow a more harmonious development of science and technology within a unified approach to development.

This document was discussed, together with others prepared by ECLA, at a meeting held in Buenos Aires in September 1974, attended by representatives of different international organizations. The document was also presented at the Meeting on Science and Technology held early in December in Mexico City.

/F. PUBLICATIONS

F. PUBLICATIONS

Excluding mimeographed publications, ILPES edited or re-edited in 1973 and 1974 the following Texts and Cuadernos:

1. Texts

Editorial Siglo XXI, in Mexico, has published the following:

- ILPES	Guía para la presentación de proyectos. First edition, 1973.
- Dardo Segredo	Planificación a corto plazo en economías mixtas. Una técnica progresiva. First edition, 1973.
- ILPES	Experiencias y problemas de la planificación en América Latina. First edition, 1974.
- ILPES	Planificación regional y urbana en América Latina. First edition, 1974.

and has re-edited

- R. Cibotti and E. Sierra	El sector público en la planificación del desarrollo. Second edition, 1973.
- P. Paz and O. Sunkel	El subdesarrollo latinoamericano y la teoría del desarrollo. Sixth edition, 1973.
- ILPES:	Discusiones sobre planificación. Fifth edition, 1973.
- Héctor Soza V.	Planificación del desarrollo industrial. Third edition, 1973.
- Arturo Núñez del Prado	Estadística básica para la planificación. Third edition, 1973.
- Gonzalo Martner	Planificación y presupuesto por programas. Fifth edition, 1973.
- José Medina	Filosofía, educación y desarrollo. Fourth edition, 1973.

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In 1973, FORUM Editora published the first edition in Portuguese of Estadística básica para planificación by Arturo Núñez del Prado.

2. Cuadernos

Series II: Advance reports on Research:

- Alfredo Jaramillo	Estructura familiar. Estudio sobre los sectores populares de Quito, Ecuador. First edition, 1973, N° 16.
- Rolando Franco	Tipología de América Latina: Análisis de las discontinuidades sociales. Series II, N° 17, First edition, 1973.
- Aldo Solari	Estudios sobre educación y empleo. Series II, N° 18, First edition, 1973.
- ILPES	Problemas del desarrollo social de América Latina. Series II, N° 19.
- Juán Ayza	Tres ensayos sobre ciencia, tecnología y desarrollo. Series II, N° 20, First edition, 1974.
- Hernán Calderón & Benito Roitman	Formulación de proyectos agropecuarios, extractivos, de transporte y energéticos. Series II, N° 21, First edition.
- Bernard Van der Wolf	La programación monetario-financiera en el Uruguay. Series II, N° 22, First edition.
- Victor Tokman	Distribución del ingreso, tecnología y empleo en el Ecuador, Perú y Venezuela. N° 23, New general series.

The following Cuadernos have been re-edited:

- Hernán Calderón & Benito Roitman	Notas sobre la formulación de proyectos. Series II, N° 12.
- ILPES	Consideraciones sobre ocupación industrial. Series II, N° 8.
- Pedro Paz & Octavio Rodríguez	Cinco modelos de crecimiento económico. Series I, N° 3.

/-Jorge Ahumada:

- Jorge Ahumada — Teoría y programación del desarrollo económico. Third edition, Series I, N° 1.
- Antonio Baltar — Control de la ejecución de proyectos por el método del camino crítico. Third edition, Series I, N° 4.

3. Forthcoming publications

- Michael Nelson — El aprovechamiento de las tierras tropicales en América Latina.
- Several authors — Ensayos sobre planificación regional del desarrollo.