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DEVELOPMENT PLANNING AND THE  
PLANNING PROCESS .

by

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/I. Introduction

The first part of the paper is devoted to the study of the asymptotic behavior of the solutions of the system (1.1) as  $t \rightarrow \infty$ . It is shown that the solutions of the system (1.1) are bounded and tend to zero as  $t \rightarrow \infty$ . The second part of the paper is devoted to the study of the asymptotic behavior of the solutions of the system (1.1) as  $t \rightarrow 0$ . It is shown that the solutions of the system (1.1) are bounded and tend to zero as  $t \rightarrow 0$ .

## I. Introduction

The growth of State interference in society has led to the gradual abandonment of laissez-faire policies as a means of regulating socio-economic relations. But market forces are not absolved from dealing with problems for which the State is taking on an ever greater responsibility. There is a widespread conviction that the "invisible hand" does not automatically pull the strings to restore the social system to a position of equilibrium whenever disorders arise.

The search for social control machinery that would make possible a rationalization of efforts to achieve common objectives has been directed towards drawing up strategies for the allotment or re-allotment of scarce resources over a given period of time, in the hope of thus achieving optimum results. This trend has been particularly evident in the efforts of the less developed countries to speed up their growth rates and ensure a steady pattern of development. The very nature of this process calls for the solution of problems where the dichotomy between uniformity of objectives and aspirations, on the one hand, and the scarcity of resources, on the other, persists and is aggravated by serious limitations in the conception and application of substantively rational criteria.<sup>1/</sup>

In recent years, the notable strides made in technology and the availability of more sophisticated tools of analysis have made it possible to refine planning techniques with a view to improving forecasts of the results of different strategies for change or better evaluating their side effects. Paradoxically, what the planners gain in experience and capability, they lose in vision and perspective of the functions and disfunctions implicit in the courses of action drawn up, which transcend the bounds of their own fields of specialization. Often, the experts consider the relationship between the evaluation and solution of problems

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<sup>1/</sup> The distinction drawn in this work between substantive rationalism and formal or functional rationalism is based on the conceptual framework advocated by Max Weber.

from a formal rational viewpoint, that is, they relate to the achievement of objectives the means provided for or suggested by the total technical know-how of their respective disciplines. Obviously, the objectives concerned are not subject to any arbitrary distinction of category, so that the narrower the conceptual framework and the methodological approach used as a basis for tackling a given problem, the slighter will be the chances of the policies put forward being adopted, or of their being successful if adopted. In other words, the planning agencies are dealing with societies which present a high degree of substantive irrationality, and are trying to apply criteria that presuppose a high degree of formal rationality in the conduct of their members. Through the medium of "absolutely rational and benevolent social engineers" - to use Harry Eckstein's phrase <sup>2/</sup> they try to give definite form to the "invisible hand" of the classical economists, that is, to re-create an equally rational and benevolent social system that will most efficiently regulate the attribution of wealth in society.

They thus attempt to maximize the conditions of formally rational behaviour at the expense of substantively rational behaviour, even though such conditions may be irrelevant or, worse still, prejudicial to the achievement of objectives. That is, criteria of efficiency take precedence of criteria of effectiveness, since the search for optimum results in the input/output ratio tends to transform means into ends, and to weaken the original objectives.

Although the preceding remarks point up deficiencies in the approaches adopted by the planners, in the present work it will be attempted to make clear that the responsibility for the success or failure of any strategy for change which involves the social system must be attributed to the organizations which function at each of the three levels where economic and social development objectives are defined, evaluated and implemented: that is, the political level, where the main guidelines and alternatives that make up the normative base of the change required

<sup>2/</sup> Harry Eckstein, "Planning: A Case Study", Political Studies, vol. IV, 1956.

are formulated;

are formulated; the technical level, where the planning agencies evaluate different alternatives or strategies and formulate plans of operation; and the implementation level where the objectives of the plan must be converted into practical reality. The emphasis placed on the defects observable at the technical level - though in line with literature on planning - <sup>3/</sup> simply serves to highlight the critical role that the planners are called on to play in their capacity as intermediaries between policy-making and administration, between the conception of change and the practical action directed to its achievement.

There is no doubt that at every level there is over-simplification in the assumptions and contents of the objectives, strategies and courses of action provided for. This circumstance is aggravated by the lack of communication and co-ordination between the different levels. Obviously, if more information is made available and efforts are better co-ordinated, there will be less uncertainty and less need to introduce over-simplified assumptions, and the greater will be the chances of making objectives and strategies for change operational.

Clearly, this lack of co-ordination is not generally dictated by entirely deliberate attitudes. In fact, there is no set of rules to regulate relations between the different levels. To put it another way, there has long been no machinery for converting objectives into plans and plans into programmes and concrete activities. The language and symbols employed at each level are different, as are the pressures exerted in the respective bodies, both from external sources and their own governments. Their temporal horizon and prospects, the consequences of their practical actions, their particular position in respect of resources and even the type of reward they seek to obtain through their participation in the process of change, differ widely. Consequently, there are discords,

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<sup>3/</sup> Albert Waterston gives a singular exposition of this trend and attributes the failure of development policies to the approaches adopted at the technical level of planning. See his work Development Planning: Lessons of Experience (Baltimore, Maryland, John Hopkins Press, 1965).

distortions or "noise"<sup>4/</sup> in the passage of information from one level to another. Often, the problem is stated in terms of a power structure characterized by "lack of balance between political policy-making institutions and bureaucratic policy-implementing structures".<sup>5/</sup> However, the problem is much more complicated and its nuances must be understood if this situation of apparent imbalance is to be corrected.

Let us make clear what contribution each level must make to carrying out a development policy. At the political level, two basic conditions must be met: (1) a precise definition of the political, economic and social objectives pursued by the government, based on a realistic evaluation of the practical possibilities of achieving those objectives that takes account not only of their technical feasibility but also of their political viability in terms of the time available and the resources of the regime in power;<sup>6/</sup> and (2) a permanent display of political will which provides the legality and support (including finance) required to achieve the desired aims, thus enabling concrete policies to that end to be adopted and implemented.<sup>7/</sup>

At the technical level, it is necessary (1) to draw up plans that respect - at the different stages into which they are broken down - the objectives established at the political level and take account of the

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- <sup>4/</sup> An interesting analysis of the effectiveness of the reception and transmission of information as a means of achieving cohesion and integration between individuals or organizations can be found in Karl W. Deutsch, The Nerves of Government: Models of Political Communication and Control (New York, The Free Press, 1966), chapter 9 in particular.
- <sup>5/</sup> Fred W. Riggs, "Bureaucrats and Political Development: A Paradoxical View", in Joseph La Palombara (ed.), Bureaucracy and Political Development (Princeton, New Jersey, Princeton University Press, 1963), p. 120.
- <sup>6/</sup> The term "resources" in this context must be understood in a wider sense than its conventional connotation, since it includes, apart from material, financial and human resources, other more abstract instruments such as legitimacy, coercive capacity, prestige, etc. See in this connexion the recent work of Warren F. Ilchman and Norman Uphoff, The Political Economy of Change (Berkeley, California, University of California Press, 1969).
- <sup>7/</sup> This point is stressed by Albert Waterston in his work "What Do We Know About Planning", International Development Review, vol. VII, N° 4, December 1965.

/corresponding limitations



corresponding limitations imposed by the social context in which they will be applied; (2) to make adequate provision for the administrative capacity of the different government units that will be responsible for implementing the plans which are approved, or to make proposals, that can be applied effectively, to create or augment that capacity; and (3) to establish the responsibilities to be assumed by each unit at the operational stage, to which end the technical agencies should prepare detailed policies and advocate concrete measures needed to implement the plans proposed, allowing administrators or experts on administrative reform to take an effective part in determining those responsibilities.

Lastly, effective action at the administrative level is dependent on the following conditions: (1) a correct interpretation of the sense and scope of the aims pursued by the government and total comprehension of the plans formulated to facilitate the achievement of those aims; (2) the possibility of obtaining all the information required for a correct evaluation of the plans at the technical level and provision of the infrastructure and personnel needed for the work of planning; (3) bringing up to scratch the formal structures and procedures for fulfilling the aims established; and (4) the design and effective operation of feedback machinery to supply information which can help in the periodical evaluation of progress made towards achieving the objectives.

A study of these conditions will show up the serious deficiencies that exist at every level and the conflicts that are provoked in the relations between different levels, circumstances which seriously jeopardize any efforts to implement effective development policies.

## II. Defects and Conflicts at the Policy Level

H.K. Paranjape rightly points out in one of his works that "the first essential requirement of economic planning in any society is continuity in basic policy", and adds that, if there is much uncertainty about the continuance of such basic policies at the time of every election, the process of development is bound to be significantly interrupted every five years, with a gap of one or two years before progress commences again. This is bound to be a hindrance to planned economic progress.<sup>8/</sup> If it is noted that these remarks are prompted by the experience of a politically stable country like India, the problem is much more serious in the case of the majority of the Latin American countries, which are the scene of permanent political instability, where governments succeed each other without continuity, so that the guidelines, objectives and priorities of planning are constantly having to be re-thought out.

Although the election of a new government is supposed to give rise to changes in political orientation or strategy, such changes are often more apparent than real. In general, it is observed that, with each change of government, the target of political action consists in scrapping past decisions which are denied any possible merit. Past errors are ferociously emphasized or exaggerated and an artificial frame of reference is constructed with standards of aspiration that are intended to belittle as much as possible the achievements of the previous regime.<sup>9/</sup> It is as if retrieval from the past of policies and projects that offered reasonable prospects of success implied a lack of originality, that is,

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<sup>8/</sup> H.K. Paranjape, "Political and Administrative Problems of Implementing the Indian Plan", The Indian Journal of Public Administration, vol. IX, No 4, October-December 1963, p.622.

<sup>9/</sup> Albert O. Hirschman identified this "morbid insistence" - as he calls it - in the three Latin American experiences analysed in his work Journeys Toward Progress: Studies of Economic Policy-Making in Latin America (Garden City, New York: Doubleday and Co., Inc., 1965), p. 319.

compromise or identification with regimes that either failed in their efforts to implement sometimes coherent development plans, perhaps for lack of political support, or did not even have an opportunity to fail. In so far as the past signifies failure and future success depends on a complete change of direction, past and future become significant temporal dimensions which legitimize new action strategies. The present is only relevant in so far as it requires the government of the day to consolidate its position rapidly so as to be sure of remaining in power. This strategy of tabula rasa thus fulfils a double objective, since, on the one hand, it expresses to some extent the general feeling of frustration that prevails when a new regime takes over and, on the other, it fosters new hopes for social improvement by speedily attracting vital political support for the launching of new action programmes.

It is clear that a total break with the past presupposes a change in ideologies, structures and behaviour, that is, replacing the parameters of the universe of political alternatives and changing the criteria of choice and action. It seems superfluous to stress how much symbolism and ritualism, mere lip-service and attention to outward form underlie so-called "revolutionary programmes", "profound transformations", "changes of structure", and similar expressions of desire. This is not to attribute a lack of idealism to the leaders of new governments but rather a lack of realism - either deliberate or unconscious - in the conception or definition of the objectives that are to guide their actions. Very soon, the ambitiousness of their aims must fall a victim to the inertia of the State machinery, the lack of foresight in the provision of resources and the pressure exerted by groups whose interests are affected by the intended changes. It is then that recourse is had to the technical level in search of the precious resource of information or know-how, in an attempt to inject a new dose of legality into the policies pursued by appealing to the incorruptible opinion of the experts.

Thus, the planning organs and advisory teams or commissions become architects of the "new" system, embodying the political ideals to which the members of the new regime subscribe. But it is in this relationship

/between the

between the political and the technical levels that the first breach is made in the planning process. The need to express largely ideological and political objectives in technical and economic terms is a sometimes insurmountable difficulty. The problem has different aspects. In the first place, the objectives established at the highest level are generally defined too vaguely or imprecisely, obstructing any effort to draw up operational programmes. This may be due to a certain "dilettantism" in the exercise of public office or to the requirements of political strategy which make it advisable to "gain time" by using demagogic formulas or painless, uncontroversial definitions.

Another source of difficulty lies in the mere number of objectives pursued, and is reflected in the search for total, definitive and rapid solutions that Hirschman defines as the style of problem-solving where motivation outruns understanding.<sup>10/</sup> Meyerson and Banfield have pointed out that the greater the number of aims pursued, the more difficult it is to draw up a course of action that covers all of them.<sup>11/</sup> In other words, the possibilities of rational choice diminish in inverse proportion to the number of objectives established since: (1) the resources available are normally scarce and, as demand for them grows, the possibility of their being able to satisfy all requirements decreases; (2) additional aims probably involve environmental restrictions and other limitations, so that the greater the number of objectives the more complex will be the treatment of the contextual variables that crop up in the analysis of possible alternatives or strategies for development planning; there is

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<sup>10/</sup> Albert O. Hirschman, Journeys Toward Progress, p. 309, et. seq.

<sup>11/</sup> Martin Meyerson and Edward C. Banfield, Politics, Planning and the Public Interest (New York, Free Press, 1955), p. 320. In the same connexion, Riggs states: "The prospects of rational choice ... increase to the extent the number of goals sought by any actor or social unit can be reduced. Thus increasing rationality requires not only the evaluation of means in relation to ends, but the narrowing of goal orientations". Fred W. Riggs, "Administrative Development: An Elusive Concept", in Montgomery and Siffin (eds.) Approaches to Development (New York, McGraw-Hill Book Co., 1966) p. 250.

then a greater risk of falling into what Vickers calls "ecological traps";<sup>12/</sup> and (3) the greater the number of objectives the more chance there is that some of them may be incongruous or discordant, either because of inconsistencies in the conception of new aims or because practical action undertaken in pursuit of a given objective leads to unexpected results which invalidate or run counter to other objectives.<sup>13/</sup> Lastly, the political objectives may be extremely ambitious in terms of the resources that may be assigned to them or extremely undesirable in terms of their political implications. It is obvious that a sweeping agrarian reform, for instance, calls for not only the mobilization of an enormous mass of human, technological and financial resources, but also - and in particular - the capacity to face up confidently to the loss of support or the open defiance of a large section of the ruling class - the great landowners - which could jeopardize the ability of the regime to remain in power. This possibility leads us to consider the second prerequisite for an effective contribution to the planning process at the political level, namely, a firm and repeated manifestation of political will to achieve the aims in view, expressed in contributions of the resources and political support needed for that purpose. Although this may seem obvious, it is undoubtedly one of the most difficult conditions to satisfy and probably one of the main causes of divergence between aims and achievements. It was pointed out in the report of the Conference of Asian Economic Planners in Bangkok that, if the governments have not made planning an article of faith and have not ardently pursued the objectives of the plans, it is not surprising that results have not come up to expectations.<sup>14/</sup> However, devotion to the task of planning - although a necessary condition - is not sufficient. It is obviously essential that a clear and complete understanding should exist at the highest level of

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<sup>12/</sup> See United Nations, Appraising Administrative Capability for Development. (United Nations publication, Sales No: E.69.II.H.2).

<sup>13/</sup> Naturally, there may be contradictions and incoherences in the establishment of objectives, regardless of their number.

<sup>14/</sup> United Nations, ECAFE. Conference of Asian Economic Planners, Second Session. Bangkok, Thailand, 1964.

the alternatives or courses of action that can facilitate the achievement of the objectives and that it should be possible to make reasonable forecasts of the political costs involved in each of the viable alternatives. In addition, however, there must be a readiness - demonstrated in concrete measures for the provision of resources and legality - to meet the costs that the chosen alternative may involve. Obviously, it is not easy to make a decision in this respect. The government generally has the chance to envisage one or more courses of action, in separate or combined form, at the same time or at different stages. Each of the manifold combinations that arise have advantages and disadvantages for the regime in power that can be measured in terms of profit and cost. The benefits may be estimated in terms of the degree of change induced or results achieved in so far as they are consistent with the aims in view. The costs, on the other hand, are much more difficult to evaluate or forecast, considering the complexity of the political environment in which it is normally necessary to act. The decision to meet the cost of implementing specific strategies for change will largely depend on the resources that are available to the regime in relation to the composition of the dominant groups in the society concerned and the extent to which those groups would be affected by the consequences of the policies to be applied. It will also depend on the preferences and time limits set by the government, that is, it will vary according to whether the government aims at consolidating its present position or is prepared to risk that position in order to obtain support that could possibly consolidate its future position; or whether the government prefers to carry out investment in political and administrative infrastructure, to bring about changes or to face up to - and moderate - processes of social and economic transformation that are started outside the sphere of government, etc.<sup>15/</sup>

In general, the possibility of carrying out far-reaching reforms is associated with governments capable of controlling the level of political demands and producing relatively autonomous coercive decisions.

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<sup>15/</sup> See W.F. Ilchman and N. Uphoff, The Political Economy of Change, chapter II.

Graham observes "What made it possible for Vargas to impose sweeping administrative reform during the 1930s (in Brazil) was the monopoly he exercised on political power. Once this monopoly was broken and a political system style emerged which was based on a mass electorate, competitive political parties and the division of powers between the executive and congress, his administrative reforms assumed a purely formalistic character, because they were unrelated to the attempt to develop a representative and competitive political system in which the administrative system would be responsive to its demands".<sup>16/</sup> That is, reforms continued to be drawn up without altering assumptions in respect of the political context where there had obviously been changes that modified the position of the Vargas regime with regard to resources. The governments of Velasco Alvarado and Fidel Castro are further examples of the growing possibilities of carrying out sweeping changes as a result of the concentration of power in the hands of a small ruling élite. On the other hand, the political commitments undertaken by Frondizi prior to his rise to power, or the fact that Illia faced strong opposition, were, at the time of happening, a formidable obstacle to the implementation of any possible strategy for reform.

It is probable that in most cases the solution ends up being acceptable rather than effective, the product of influence and persuasion rather than rational calculation, which implies that rational decision-making processes are replaced by political reactions to the prevailing situations. This does not imply that desirable solutions are provided for undesirable trends. It is superfluous to make value judgements on fairly inevitable social processes. Only the incorporation of variables that define substantively irrational characteristics of society in a rational evaluation of political alternatives could obviate the deep gulf that exists between strategy and action.

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<sup>16/</sup> Lawrence S. Graham, Civil Service Reform in Brazil: Principle versus Practice (Austin, Texas: University of Texas Press, 1968), p. 187.

### III. Restrictions at the Technical Level

In the broadest sense of the term, planning consists in blue-printing a course of action with specific objectives. The planner's task is usually thought of as being the interpretation and rationalization of objectives established at the political level, which implies the identification and design of courses of action that will enhance the possibility of achieving those objectives to the utmost. Hence, some authors conclude that efficient planning is equivalent to rational planning, for if the course of action is selected rationally the chances of achieving objectives are maximized.<sup>17/</sup> However, the adoption of rational decisions in the course of the planning process implies: (1) taking account of all the alternatives that make it possible to put into practical effect the aims pursued; (2) identifying and evaluating all the consequences that could derive from the adoption of each alternative, not only in terms of a specific objective but also considering possible disfunctions in respect of other aims or structures whether or not included in the planning system; and (3) selecting the alternative or course of action with better foreseeable consequences in the light of the evaluation made. It is obvious that the satisfaction of these conditions is a difficult and complex task, and so it is not surprising that the system of variables constructed by the planner to analyse alternative courses of action uses closed-system hypotheses which inevitably lead to exaggerated simplification and weakness of analysis. Obviously, this approach seems to be justified, for if we are responsible for the future state or functioning of a system, we are bound to opt for a closed system.<sup>18/</sup> In simple terms, we shall try to increase control of our variables by eliminating uncertainty. Opening the system immediately implies examining a large number of contextual variables which could jeopardize any planning effort since they complicate analysis.

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<sup>17/</sup> Meyerson and Banfield, Politics, Planning and the Public Interest, p. 314

<sup>18/</sup> James D. Thompson, Organizations in Action (New York, McGraw-Hill Book Co., 1967), p. 4.



However, to paraphrase Thompson, we could say that the planning system - like any complex organization - is an open system subject to criteria of rationality, but one which also needs to be specific and definite. It is therefore not a question of choosing ingredients to suit objectives with a view to creating optimum efficiency - a feature of the closed system - but of ensuring the viability of the system and the achievement of its aims, by subordinating criteria of efficiency to criteria of effectiveness. This calls for identification of critical deficiencies in the planning process, which at the technical level are found in the three sources of information, that is, political objectives, available resources and contextual variables.

Generally speaking, the planner tends to concentrate his attention on the resources available - physical, human, financial and technological inputs - for the purpose of forecasting, measurement and quantification, neglecting the normative aspects of planning and environmental conditions which, if included in the analysis, would help to give a clearer picture of the characteristics and limitations of the real situation. The over-concentration on the evaluation of those aspects does not, however, make up for the deficiencies in the examination of available resources, with which we shall deal in more detail at a later stage. We shall now analyse the difficulties inherent in considering objectives and contextual variables.

The ambiguity of the definition of objectives at the political level, or the absence of such a definition, provoke two kinds of reaction - which often run concurrently - at the technical level. On the one hand, the lack of precise aims impels the planner to dissociate himself completely from the regime in power, so that he tries to operate in a political vacuum, and either divests the diverse objectives outlined by the government of any normative content or converts them into parameters that limit the area of discretion at this level. Acting on the instinct of self-preservation and shielding behind principles of supposed neutrality and scientism, the planner thus tries to make his role non-political, and places himself outside the mainstream of political life. Successive /frustrations caused

frustrations caused by inability to apply the proposed plans, either because of political unsuitability or discontinuity, induce the planner to set up machinery for conversion that denatures the objectives and sterilizes the plans.

The less concrete and coherent the objectives established at the political level, the greater the discretionary powers allowed to the planner for the proposal of sub-objectives that provide a suitable frame of reference for the plans he draws up. That is, the lack of clear aims and guidelines for political action enables - and often forces - the planner to fill the normative gap by setting forth aims that justify and direct the courses of action elaborated. However, in the long run, it is common for these aims to be totally divorced from the political reality sought after or confronted by the government. This trend towards the substitution of objectives may be in perfect concordance with the process already referred to of the denaturing and sterilization of objectives and may be observed even in cases where the general principles of political orientation have been defined. In such cases, this movement at the planning level could be due to the loss of topicality or legality of those principles. For instance, the National Development Plan (1969-1974) for Argentina, drawn up by planners in the National Development Council (CONADE) under the government of President Onganía, seems to have been inspired more by the fears and opinions of its authors than by the political aims and priorities of Onganía. A recent incident, highly publicised in the Argentine press, where the secretary-general of CONADE is supposed to have outlined economic policy objectives that were in conflict, at the time, with those formulated at the highest level, is a further instance of this trend.

Another difficulty connected with the establishment of objectives concerns the superimposition and lack of co-ordination between different policy-making bodies and planners, which often presents an obstacle to the identification of coherent directive policies. The dynamic growth of government apparatus and the high turnover of governments often determines the superimposition of structures and organizations that carry

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out similar functions - though in different fields and with different immediate aims - and this situation is worsened by inadequate harmonization. In Argentina, for instance, the responsibility for drawing up tax policy is often entrusted simultaneously or alternately to the Secretary for Finance, through the National Tax Office (Dirección Nacional del Sistema Tributario) or ad hoc Commissions; to the National Development Council (at presidential level) through different working groups; to advisers to the Minister of Economy and even to officials of the internal revenue service. Naturally, the content, time allowed and degree of generality or specificity of the objectives prevailing in each organization will vary according to the individual case. At the same moment in time, CONADE might be working on medium- or long-term objectives while the ad hoc Commission could be drafting the inevitable annual tax "reform"; or the Tax Office might propose legislative changes to meet the demands of the most effective pressure groups, while the ministerial adviser would be "sifting" information that requires immediate political sanction. Despite this apparent functional specialization, the absence of formal or informal co-ordinating machinery is due regrettably to the accumulation of taxation standards in a totally irrational system which, apart from its economic and social effects, considerably distorts the work of programming administrative tasks in the collector's office.

With regard to contextual variables, it may be superfluous to draw attention to their conspicuous absence or the limited consideration given to them in the planning process. However, it might be useful to make some remarks on the possible causes of this deficiency. In practice, the field of planning has been reserved almost exclusively for economists, who have assumed responsibility for drawing up alternative strategies for change. When it comes to solving a problem, these experts often fix the bounds of the analysis within the narrow conceptual framework of their respective areas of specialization, through lack of knowledge or understanding of the many dimensions of the problems under consideration. Access to more sophisticated techniques and the growing balkanization of knowledge tend to produce an unsystematic distribution of the areas of social research. Conceptually it is possible, and perhaps valid, to

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differentiate between diverse aspects of the development process, and to isolate the individual subsystems, fix their limits and analyse the relevant independent variables in the light of social change objectives. However, the limits remain diffuse and the problems tend to be studied by more than one set of experts, generally without reference one to the other. These partial approaches to a common problem through independent analyses and the use of specialized techniques heighten the lack of communication between the different departments. Clearly, this might not be a harmful - and might even be a healthy - factor, as long as the evaluation of development strategies were a team enterprise or the information provided by each branch of specialization were used as background material for a comparative analysis before taking decisions on alternative courses of action. Unfortunately, this laudable harmonization of knowledge does not come about owing to the "imperialist" attitude of the technicians who monopolize and control the course of the planning process.

It is thus common for variables concerning aspects of the social structure or the political process to be underestimated or for only lip-service to be paid to them, and they are considered as non-technical, neutral or irrelevant to the solutions arrived at through the study of more conventional variables. If the results are successful - which is highly improbable - those responsible take all the credit; if they fail or their suggestions are not heeded, the result is attributed to "political" reasons, a term which then takes on a pejorative connotation.

The paradox in this situation is that the approach adopted by the planners is intended to be all-embracing. At the risk of raising a question of semantics, we could say that it is misleading to tag the strategy adopted by most planning offices as "comprehensive planning". The approach may be comprehensive in the sense that it is attempted to make a total projection of the social and economic system, even though in reality no more than a defective draft is usually offered.<sup>19/</sup> The term

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<sup>19/</sup> The term "global" approach, as suggested by Kleber Nascimento, would be more appropriate.

/"comprehensive" implies

"comprehensive" implies the study of the public and private sectors, consideration of all the available resources and the constant comparison and balancing of capacity and objectives. The analysis must be based on deductive reasoning, with a study of objectives, policies and programmes, progressing from general and abstract to concrete and specific levels of analysis. This method, known as "planning from above",<sup>20/</sup> has the serious drawback that possible discords or bottlenecks in the passage of information from one level to another cannot be remedied successfully, thus considerably limiting the prospects of it being possible to programme operational tasks.

To complete our examination of the deficiencies at the technical level, it should be pointed out that even the evaluation of resources - doubtless the least neglected aspect at this stage of the planning process - likewise suffers from serious defects, of which the most important, particularly from the point of view of the final implementation of the plan, is lack of foresight and ignorance of the administrative resources that will be made available for plan implementation.

The planners do not normally consider development as a process but as the final result of a process. Thus, planning becomes an instrument, a monolithic statement of objectives and priorities, quantified to a greater or lesser extent, which, if put into practical effect, will surely create some degree of prosperity and social welfare in the name of development. In other words, neither planning nor development are conceived of as processes, but merely as the means and the end, respectively. In any event, the planning process is identified with the formulation of the plan, and effective measures are not normally adopted to enable the programmes and policies suggested in the plan to be implemented. It is precisely these effective measures which, if they are to be approved, require the incorporation in the analysis of information relating to: (1) the existing administrative infrastructure or, as the case may be, the resources provided for its expansion or reform; (2) the available manpower and training needs; (3) the machinery to be established for co-ordinating relations between policy-making agencies and operational bodies; or (4) the institutional and juridical changes required.

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<sup>20/</sup> A. Waterston, Development Planning: Lessons of Experience, p. 65.

As an illustration of the waste of efforts and resources involved in persistently adopting unoperational and flexible plans, we may recall the development plan for the period 1965-1969 brought out by CONADE under the Illia government. By concentrating on the programme for the agricultural sector,<sup>21/</sup> we shall quickly be able to appreciate the limitations of this plan. In the first place, on reading the plan, it is difficult to get away from the impression of vagueness and impreciseness, particularly noticeable in the phraseology. Terms like "adequate improvements", "appropriate action", "the competent bodies" or "at a first stage", characterize the lack of preciseness of the whole plan. What is provided in sum is little more than a statement of priorities and a list of general programmes. The efforts to be carried out by the public sector for the achievement of objectives consist in "policies, programmes and loans", while the requirements of the private sector for the achievement of production targets are "investment and other entrepreneurial decisions in particular redistribution of land in the pampas". Nowhere is it established what specific projects will be affected by financial policies and other "means of action", as they are called. Constant reference is made to "co-ordination between the competent bodies" without specifying which bodies; or when and how contact will be established; or who will be responsible for the final decision; and so on. With regard to concrete programmes, in only a few cases is reference made to the setting up of organizations, boards or councils (perhaps because those programmes were already in operation), but even in those cases the reference is vague, making it clear that a proper evaluation was not made of the available resources, not only financial but natural, human and technological.

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<sup>21/</sup> The plan established a programme for agriculture, livestock, forestry and fishing, with the following content: (1) general description of the problems affecting the sector in different areas (production, education, pests, etc.) in fairly succinct form; (2) determination of general objectives for the sector as a whole and establishment of aims for each important area of production; (3) description of the programmes to be undertaken in each area of problems (pasture land, education, etc.); and (4) description of the projects, both in the public and private sectors, and quantification of investments for each programme. It should be pointed out that this ambitious programme was set forth in only forty pages of text. Ten additional pages were sufficient to outline official policy on prices, marketing, land settlement, co-operatives, seeds and mechanization, to be adopted during the period of operation of the plan.

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Lastly, the description on only one page of all the specific projects crudely epitomizes the impression of vagueness mentioned above. The Government ends up by proposing public sector investment equivalent to 4 per cent of total sectoral investment (e.g. two projects in very rough outline) leaving the responsibility for the "remaining" 96 per cent of investment to the private sector and trusting to provide incentives for the achievement of objectives through "a framework of adequate policies" and by "channelling efforts towards areas of maximum return on investment".

There is no need to add that the plan did not even have a chance to fail: it was never implemented.

The above remarks show the need to adopt a more pragmatic approach to planning at the technical level. From an analytical point of view, a start must be made at the more practical stage of operation on the gradual incorporation and integration in the evaluation process of concepts, phenomena and variables from the different branches of specialization, so as to reproduce as nearly as possible the conditions and limitations of the real social situation. The elaboration of plans requires the collection, adjustment and control of varied - and apparently unrelated - analytical and empirical data. The process is necessarily selective since the number of possible courses of action must be limited to a few alternatives in the light of the objectives, available resources and limitations of the social context. The process must, therefore, be basically short-term in outlook so as to minimize uncertainty and to be adaptable, as and when the need arises, to frequent political vicissitudes. It must be partial, though comprehensively orientated. Basically, this approach may be even more comprehensive than the traditional approach, since it implies that social, administrative and political inputs - in addition to technical and economic inputs - must be integrated in the process of evaluation in order to arrive at rational decisions. In other words, planning must have an interdisciplinary flavour and cannot be claimed to be the legitimate heir to any specialized branch of art or science. In these terms, planning becomes a genuine process, in so far as implementation, the most dynamic phase of planning, is virtually implicit in the process.

#### IV. Planning and the Implementation Level

It is said that the life of an administrator consists more in action than in reflection; but there is no doubt that in most cases action must be preceded by a process of analysis that may be called decision-making.<sup>22/</sup> This remark, which appears trivial, deserves special consideration, as the process of decision-making at the level of policy implementation acquires particular relevance in cases where it is intended to introduce sweeping changes in administrative structures with a view to endowing them with greater capacity for achieving social and economic development objectives. However, the features of administrative reform will vary in accordance with: (1) the type of action entrusted to the implementing organs; and (2) the method of analysis adopted by the planning office.

With regard to the first point, it is very difficult to conceive of administrative reform in isolation from other types of reform, except in the purely analytical sense. Otherwise, it would mean that the political, social and economic systems function properly, and reforms are needed only in the administrative field. Or, alternatively, that even though reforms are required in a number of fields, priority is given to administration. Or, lastly, that the administrative system can be studied conceptually as a closed system, assuming that the changes that are introduced in it will not affect or provoke reactions in the other systems. The first alternative is not detectable by empirical research in the experience of Latin American countries, so that the reforms generally tend to be justified on the basis of the other two arguments. This implies that the process of change at the level of policy implementation ceases to be a minor objective in the planning process or an appendix to more ambitious institutional reforms and become an end in itself.

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<sup>22/</sup> John D. Montgomery, Cases in Vietnamese Administration (Michigan State University, Vietnam Advisory Group, AID Contract ICA c1126) p. ix.

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In this connexion, it has been said that it is the Development Plan that must determine what administrative structure is suitable for its implementation and not vice versa,<sup>23/</sup> Which leads us to consider the second factor characteristic of administrative reform, that is, the method of analysis employed by the planning office.

Adopting the classification suggested by Waterston, it will be recalled that planning "from below" requires that concrete programmes and projects proposed by various administrative bodies be integrated cumulatively in sectoral and regional programmes that respect established priorities and accord with political objectives. This process requires the active participation of the administrator in the planning process, in contrast to planning "from above" where the work of the administrator is at best purely instrumental. In fact, practical experiments in planning show that plans are not generally translated into concrete projects, so that the work of the administrator as an executive arm of development is seriously curtailed. The immediate cause of this further breach in the planning process is precisely the fact that the organizations that take part in the evaluation of alternative policies - both at the technical and the political level - are unaware of, overlook or do not have time to consider existing administrative capacity or the capacity needed to implement the plans proposed.

One of the foreseeable consequences of this lack of unity in the process is a tendency towards increased autonomy and freedom of decision in the different implementing bodies. It is very common in the case of projects that acquire the force of law before consideration has even been given to the administrative resources that will be assigned to them, for sufficient authority to be given to the organs of the State bureaucracy to enable them to validate the application of the relevant legal standard.

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23/ Allan-Randolph Brewer-Carias, Una Revolución para el Desarrollo, Cuadernos para la Reforma Administrativa/1 (Caracas, Editorial Sucre, 1970), p. 33.

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Paradoxically, the excessive discretionary power in the hands of the administration can become the cause of its very debility. This often happens when hasty, unconsidered or imprecise decisions are adopted, and the design of implementation and control systems is entrusted to specific branches of the administration without a prior evaluation of the capacity of the administrative organ to satisfy the requirements or implications of the measure adopted. The Argentine experience in the sphere of taxation clearly reflects this situation. Thus, the tax on agricultural production was introduced in a short tax reform of considerable scope in which the administration was instructed to "construct" a tax on the basis of a few lines of legislation. The very high levels of evasion of this tax, estimated some time afterwards, showed the serious error of sanctioning political measures without giving the administration a chance to set up the necessary machinery of advisory assistance, implementation and control. The lack of harmony between the levels of planning is another obstacle to assembling the planning objectives within administrative circles. Often, when the nature and scope of the original project are not understood or are the subject of capricious re-interpretations, their aims are weakened and there is a risk that the operational standards formulated at this level may lead to results that are not in line with the objectives pursued. But there is no denying the possibility that the plan of action at the implementation level may be a highly rational version of a course of action that, at a higher more general level, would be truly irrational.<sup>24/</sup> Clearly, this circumstance, far from being an excuse for giving excessive discretionary powers to the administration, shows how far the absence of machinery for converting plans into operational action programmes - that is, the lack of harmony between levels and the lack of continuity between critical phases of the planning process - is expressed in ineffectiveness or even abnormal or absurd results.

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<sup>24/</sup> In Weberian terms, this would be a functionally rational but substantively irrational plan.

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Lastly, the dissociation with the technical level of planning tends to develop independent lines of action in the administrative bodies in the form of a sort of bureaucratic ritualism that associates reform with changes in formal structures and procedures.<sup>25/</sup> Although the emphasis on formal aspects does not produce real results in the short term, it does offer suitable substitutes.

Thus, rationalization projects that are never implemented, organizational charts that conserve only their aesthetic value, duty systems that are constantly defied or training courses that provide information without changing behaviour, do have the fortunate characteristic of showing a semblance of activity, concern and modernity. And if specialized organizations such as the United Nations and the Organization of American States accept them as if they were real achievements, why should an honest reformer have to experiment with new lines of inquiry that can only create problems for him without any compensatory benefits?

Moreover, formalism is closely bound up with the natural motivation of the administrator to transform what has been questioned or debated at the political level into an area of administrative discretion, thus reducing his uncertainty and asserting his power.<sup>26/</sup> This is no chance orientation since, even if his action could definitely be judged against criteria of effectiveness, it is generally easier to justify formally rational behaviour, even when confronted by evidence of failure. As Boneo remarks, "What objections can be made to a Civil Service Law that is well designed, flawless, solidly based on principles of merit, justice and equity? Only a very rash man would presume to make criticisms on anything more than questions of detail. Naturally, even without criticism, these 'reforms' tend to be shelved or, at best, they are approved but not supplied with regulations or implemented. The frustrations of the authors are probably sublimated in this formal chasteness. Thus, they arrive unsullied, as it were, at the day of real reform".<sup>27/</sup>

<sup>25/</sup> This attitude is often promoted from the political level, as in the case of the technical and general secretariats of the President's Office, which are conspicuous in the promotion of organizational charts, training courses, re-organization of duty rosters or public service regulations.

<sup>26/</sup> In this connexion, see Warren F. Ilchman, "Productivity, Administrative Reform and Anti-Politics: Dilemmas for Developing States", a mimeographed work presented at the International Conference held at Lake Como, Italy, July 16-22, 1967.

<sup>27/</sup> Horacio Boneo, "Reforma Administrativa y Viabilidad Política", mimeographed preliminary version (1970), p. 11.

## V. Conclusions

Hirschman reminds us that political pundits normally consider a good government to be based on certain institutions and capacities such as an adequate civil service, public participation in the process of government, legality, ability of a political élite to intervene in conflicts, and so on. However, the real proof of good government lies in the capacity to develop constructive action despite the existence of defects in the political structure or process.<sup>28/</sup>

Planning for development, as a real political process, must take no account of the imperfections of the environment in which and through which the strategies and programmes established are to produce results; on the contrary, an attempt must be made to incorporate them in the analysis. Perfectionism in planning, or the search for a self-closing mechanism for the system and the formal need for absolute internal consistency, conspire against the programming of practical action to satisfy the requirements of a substantively irrational society.

The critical problem is to achieve a suitable mastery of the available information. We have developed sophisticated techniques that in no way help to increase our forecasting capacity if applied to fragmentary or inadequate data.

The greatest gulf between practice and theory lies precisely in the fact that many of the most penetrating and provocative concepts and observations that have emanated from learned efforts to understand the nature of development do not have a compulsive or immediate relevance for those who operate on the "firing line".<sup>29/</sup> Obviously, such academic efforts are not restricted to the branches of specialization to which the elaboration of development plans is traditionally entrusted.

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<sup>28/</sup> Hirschman, Journeys Towards Progress, pp. 21-22.

<sup>29/</sup> Montgomery and Siffin (eds.), Approaches to Development, quoted above, p. 4.

Sociologists and students of politics - among other social scientists - have been totally marginal to the planning process, despite the vital nature of the information they could offer for a better evaluation of alternative courses of action. At most, they have been reserved the role of spectators or critics of the measures adopted, when their contribution could be far more constructive than that of merely rationalizing failure. Those responsible for political decision-making cannot go on ignoring the information supplied and sophisticated techniques of analysis developed by non-economic social scientists which, if they are not employed, are irreparably wasted in vain efforts to go beyond the bounds of theory. The social sciences can do a great deal to make the effects of decisions more predictable. This suggestion is consistent with the new trend implicit in the writings of various economists and political pundits.<sup>30/</sup>

Although there is no doubt that in the matter of social change we are better equipped in theory than in practice - since knowledge is not necessarily effective in action -, we have not tried to or succeeded in harmonizing any knowledge that is required for proposing viable and operational solutions. What is worse, we defer action in the quest for more and more irrelevant information and, in the last analysis, we are driven to act by the political necessity of "final" and immediate solutions, without being able to take account of know-how that is really crucial to the understanding of the problem to be resolved. Hirschman's adage that motivation outruns understanding must be understood in this sense.

Social change has an opportunity cost marginal to the resources it involves. Once a course of action has begun to be applied, it is very difficult to change the decision adopted without incurring a large loss of resources. The situation becomes worse when the decision is urgent and rational patterns tend to give way to cumulative solutions which, although they are generally introduced as a temporary measure, tend unfortunately to be converted into permanent features.

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<sup>30/</sup> See, for instance, Aaron Wildavsky, "The Political Economy of Efficiency: Cost-Benefit Analysis, Systems and Program Budgeting", Public Administration Review, XXVI, N° 4, (December 1966), pp. 292-310; Walter W. Heller, New Dimensions of Political Economy (Cambridge, Mass., Harvard University Press, 1966); and Ilchman and Uphoff, The Political Economy of Change.

For years, planning for development provided us with incomprehensible or utopian schemes, from the point of view of technical feasibility, which were not politically viable. A change of focus necessarily will involve assembly of as much information as possible to be used in the evaluation of sectors or geographical areas where there is the greatest receptiveness to social and economic change with reasonable control in terms of time and resources. This should not be interpreted as a denial of the usefulness of medium- and long-term macro-economic planning. Both watches and calendars serve to measure time, but we must use both. In the same way, we need to know where we are and what we can do today for development, and for that purpose comprehensive annual plans are essential. At the same time, long-range sectoral programmes and medium-term plans may give us a clue as to the direction in which we must move and the aims we must set out to achieve. They fix our temporal horizon, stabilize expectations and determine the manner in which resources will be assigned in time. This integrated approach to planning can close the gap that exists between aggregative medium-term plans, on the one hand, and projects, budgets and economic policy on the other.<sup>31/</sup>

It has been said that "in the context of developing countries, politics and administration are interrelated instruments of action susceptible of some measure of deliberate manipulation and control".<sup>32/</sup> But the chances of this being so will decrease, the more ambitious the scope of social research and the less variables and other data are considered in the planning process.

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<sup>31/</sup> Waterston, Development Planning: Lessons of Experience, This approach may be seen as an attempt to reconcile the rational-comprehensive model of decision with the cumulative approach of Lindblom based on successive limited comparisons. See Charles E Lindblom, "The Science of Muddling Through", Public Administration Review, vol. 19, 1959.

<sup>32/</sup> Milton J. Esman, "The Politics of Development Administration", in Montgomery and Siffin (eds.), Approaches to Development, p. 65.



