

CEPAL

Review

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Planning and government

*Carlos Matus**

The comprehensive planning of a government's actions is useful only if it takes the form of a calculus which precedes and then provides for the monitoring of these actions so that day-to-day planning tasks become part of a practical process. The author asserts, however, that in the processes of government seen in the Latin American countries, a considerable gap generally exists between such plans and the actual process of discussion and decision-making which guides government action. This ineffectiveness of planning fosters a shortsighted style of government which often reacts only belatedly and spasmodically to the problems that arise. The author argues that the capacity of those who govern is measured by the results of their efforts in relation to the difficulty of the government scheme undertaken and the degree of governability of the system in question. In this regard, he underscores the need to increase the capacity to govern by providing government officials with adequate training and by adopting techniques of planning and government which are in keeping with the complexity of the social systems of today.

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Environmental planning falls within the sphere of comprehensive planning and can be effective only if the latter actually performs its practical functions. The overall planning of a government's actions is, in its turn, only useful if it represents a calculus which precedes such actions and which provides for the overseeing of activity on a day-to-day basis, i.e., if it becomes a practical process. Even the most superficial consideration of governmental processes in the Latin American countries, however, reveals a clear separation (of varying characteristics and intensities) between these plans and the promises they make, on the one hand, and the actual process of discussion and decision-making which guides the daily activities of the authorities, on the other.

This ineffectiveness of comprehensive planning facilitates and fosters a style of government lacking in foresight which is dominated by day-to-day affairs of little consequence and whose strongest signs of vitality are associated with belated and spasmodic attempts to deal with the problems raining down upon it. These improvised sorts of on-the-spot calculations become a superficial alternative to planning and place a series of constraints on environmental planning and control, which, by their very nature, should not focus on repairing the sometimes irreparable damage that has already been done, but rather on preventing further damage.

All practical planning exercises are a measured combination of forward-looking calculations, whose input is provided by ongoing simulations of the future, and of reactive calculations, whose feedback comes from the monitoring of problems as they become more or less severe. The predominant style of government in the countries of the region, however, leaves virtually no room for such forward-looking calculations; all its energy is devoted to devising emergency responses to the existing problems which pose a threat to its popular support.

Understanding the nature of this gap between government and planning is of the utmost importance because, going beyond the bounds of the ideologies upon which the various political schemes of government are based, it leads to ineffective action and a lack of faith among the population in its leaders which ultimately threaten the democratic system. The

Latin American people are steadily losing confidence in the ability of the political parties—and of the governments they form—to solve or even alleviate their problems. They see with dismay that election platforms cannot be regarded as commitments or promises made in good faith and watch as the plans diverge from the election promises and as the government's practices stray, in their turn, from the plans. It is becoming increasingly common for the man in the street to say that the political parties are capable of winning elections but incapable of governing effectively. After having waited for a time, the citizenry "punishes" the government by withdrawing support and, in the end, voting for the opposition in the next elections. This punishment does not, however, result in an improvement in government practices; the political leaders do not learn from the past but instead repeat the same mistakes. Thus, this punishment-vote in presidential elections expresses a judgement on the government's effectiveness which fails to engender greater effectiveness, but which does generate discour-

agement and a lack of trust in the long run. How long can a system last whose main benefit is to guarantee us the freedom to watch in peace as problems grow worse? How long will such peace endure in the absence of effectiveness, justice and employment but in the presence of hunger? In accounting for this gap we, the professional planners, bear almost as much responsibility as political leaders and governmental authorities.

The processes of winning elections, formulating development plans in the traditional manner and producing measures during a term of government conform to different types of dynamics which are guided by differing criteria of effectiveness, take place in widely varying contexts and involve quite distinct agents. Figures 1 and 2 provide an overview of the bases for the dissociation within the prevailing system which exist among the electoral platform, the traditional normative economic plan and government action.

At the electoral level, the agents are different from those involved in the government's economic plan and government action. The

Figure 1

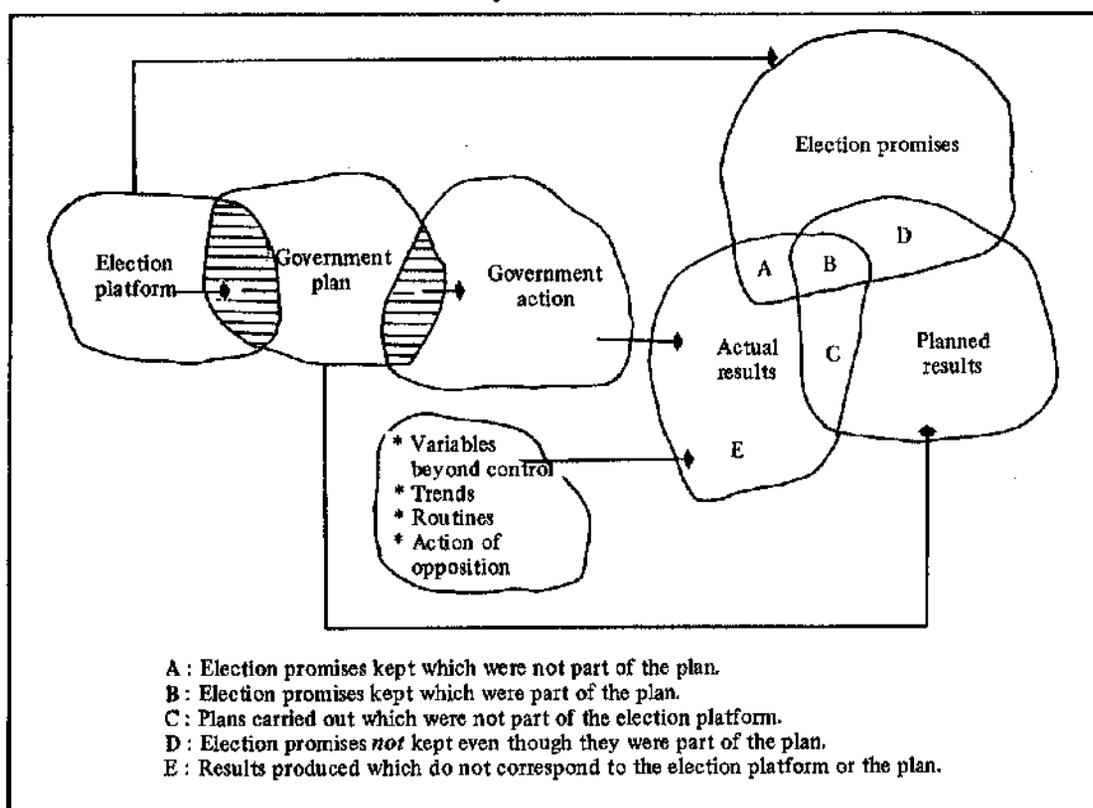


Figure 2

	1 Elections	2 Economic plan	3 Action
A. Personality of agents	The politician as the sum total of votes	The technical expert in the formulation of a rational economic design	The administrator overwhelmed by the situation and routine
B. Predominant constraint	Popular support	Economic resources	Managerial capacity
C. Criterion of effectiveness	Winning the election	Economic rationality	Satisfying immediate demands and complying with bureaucratic norms
D. Formal medium	Electoral platform	Economic plan	Management
E. Institutions	Political parties	Technical teams of planning offices	Civil servants and officials of State apparatus
F. Factors of resistance	Opposing candidates Voter apathy	The immediatism of the political culture	Bureaucratic routine Organizational ineffectiveness

criteria of effectiveness, the constraints and the relations among influential forces are also different. The electoral environment and institutions generate motivations and practices that are almost diametrically opposed to those present within the setting of State government in which the design of the economic plan and the routine bureaucratic administration of public agencies take place.

The citizenry undergoes a parallel process, but as a spectator. In the excitement of the elections, the people build up their hopes and bestow victory or defeat upon the political parties and their leaders; later, however as they realize that election promises are not being kept and as they witness a repetition of the same inability to overcome the force of routine, this gives way to apathy. After becoming disillusioned, the people await the next opportunity to take revenge, when they can exercise their punishment-vote. Do these governmental practices stem from a lack of capacity, a lack of willingness, or both? Or is it that the system is not very governable?

The usual response to these questions is to point to the indisputable existence of different and conflicting interests on the part of various social forces. We are told that these processes of government are not ineffective for everyone, that they benefit a dominant minority. Behind

the failure for the many lies success for the few. This argument is valid, but it does not explain the entire problem. The dominant minorities may also be ineffective and pay a high price for their success. Are we not all familiar with cases in which entrepreneurs have demanded given economic policies that end up depressing their own markets, and others in which workers have fought for projects which turn out to limit employment and concentrate income? Does not our recent history include examples of government practices which have destroyed the government's own base of political support as a result of passivity, its misreading of the situation, bureaucratic inefficiency, disinformation, inconsistent actions and its slowness to react as problems grow worse? Is it true that these governments are efficient for some and deficient for others or, in other words, that their actions are skewed in such a way that the majorities lacking in political influence must bear the brunt of their shortcomings?

Is there a problem in relation to the science and techniques of government which affects governments of widely varying ideologies and political bases?

The capacity of government authorities is measured by the results of their efforts in relation to the difficulty of the governmental scheme

they attempt to carry out and the degree of governability of the system in which they act. There are, thus, three interlinking variables in the theory of government: government capacity, the governmental scheme and the governability of the system.

One of the central ideas which will be discussed in this article is that of creating government capacity through the proper preparation of leaders, particularly within the politico-technical stratum of society, and of creating or adapting techniques of government and planning that are suited to the complexity of the social system to be governed.

Political leaders are "made" in the practical training ground ruled by the demands of political competition. The politico-technical stratum of society, however, is the product of formal schools and, in the long run, raises the qualifications required to engage in this political competition; consequently it also increases the quality of the training received by political leaders in the practical realm of day-to-day affairs. It can therefore be asserted that the creation of politico-technical teams having a superior level of theoretical knowledge and sound practical experience will foster an improvement in the level and quality of political leaders and practical political action.

Unfortunately, this techno-political stratum is quite poorly developed in Latin America. The Latin American milieu and its universities produce economists who turn a blind eye to politics, politicians who turn a deaf ear to economics, and political scientists who are undisturbed by the lack of communication between the two. As a result, in the course of the political process within the Latin American countries, there is direct contact, but no communication, between two agents who speak different languages and who work with incompatible theories: the conventional politician and the conventional technical expert. The result is obvious: there can be no agreement between them, unless it is founded upon mutual trust. Thus, a complex theoretical problem of interaction among the social sciences becomes, in political practice, one of interpersonal trust. A political leader has confidence in some economists and not in others, but he does not understand the economic problem involved. His situation is analogous to that of a patient who must rely upon his doctor's skill because he

cannot judge it for himself. Trust offers the only hope for understanding. This already serious situation becomes thoroughly complex if the economist does not understand the political problem either, even assuming (which cannot always be done) that he has a firm grasp of the problem in his own area of specialization. Naturally, this dialogue is unproductive and fails to get to the heart of the problems concerned, in addition to fostering superficial policies. The economic explanation of the problem sheds no light on its political explanation, and the converse is also true. Between the two participants in this dialogue, an in-depth understanding of the situation is impossible; all that is possible is a mere aggregation of knowledge and experience which does nothing to improve the quality of the explanation.

The main task before us today is to create this techno-political capacity with a view to increasing government effectiveness in complex situations of shared power. This cannot be accomplished by training a cadre of public managers, as some mistakenly believe, even though such managers are also essential, provided that the development of the nascent theory of the organization keeps pace with the urgent practical demands being made upon it. In any event, such managers preside over a limited operational and situational sphere, are subject to previously established guidelines and draw upon the resources assigned to them for the completion of their task; their training prepares them to solve problems in cases where the overriding objectives have already been laid down by policy-makers or executive planners.

The techno-political expert, however is not advised of his objectives, but must instead develop objectives and then help to decide among them; nor does he accept resource constraints as a given, because it is within his power to propose means of creating new resources. Hence, his work prompts him to engage in political dialogue, as well as in technical discussions concerning both his orientation (objectives) and guidelines (operations and means). His scope of action takes in the whole of society. This liaison between the politician and the technical expert is necessary so that these two agents can combine their know-how in explaining a situation. The techno-political expert does not need to have the charisma of a leader because his activities may be

conducted away from the public eye as he concentrates on a keen observation of political, economic, social and technical processes. He does, however, need to have other special capabilities which the political leader does not find it essential to cultivate.

The techno-political expert must be a true action-oriented social scientist, unbothered by any complexes about directly exploring the future, capable of understanding that action does not wait for the development of theories, alert to the need of avoiding the detours of the sociologist who takes delight only in the past, aware of the fact that—with few exceptions—economists tend to reason unidimensionally on the basis of a function of economic production in which there is only one scarce resource and only one criterion of effectiveness: the economic one. The scarcity of power, know-how, information, leadership, organizational capabilities, etc., is not figured into the economist's accounts. The techno-political expert should also stand ready to deal with political planning in the form of a situational calculus within the context of a creative and uncertain process, and must therefore avoid the digressions of which the political scientist is sometimes guilty. The main thrust of the political scientist's theory should concern the calculus which precedes practical action and which guides it. If the political scientist takes refuge in the history of political ideas to the exclusion of all else, in one-sided techniques of political analysis, in the use of the worst sort of microeconomics as a basis for a micro-theory of public policies, or in closed, mechanical and rationalistic concepts of decision-making theory, he is evading the central problem of his discipline and reducing its usefulness as a tool for men of action. In reality, this type of political scientist fails to draw a distinction between open and closed processes, between repetitive and creative ones, and, as a consequence, sometimes adopts theories and techniques of decision-making that are relevant only in closed and denumerable processes which are more typical of some physical mechanical systems. In the social system, however, possibilities do not exist; we ourselves or others create them. Consequently, they are not readily denumerable and decisions concerning them cannot be based on uni-rational criteria.

The above list of requirements notwithstanding, the type of techno-political expert who is needed is not a superman, much less a technocrat. If we consider what the scientist who works with general systems theory now knows or hopes to know in time, we find a similar case to the one of interest here. It is not a question of gaining an indepth knowledge of all the relevant domains, but rather of gaining an indepth understanding of the general aspects common to all of them; with the help of this meta-theory, a given area of specialization can then be seen in a new light, and this perspective can serve as a basis for interaction with other specialists and with practical politicians. The techno-political expert is a man who aspires to a social meta-science and, while it does not yet exist, does not feel obliged to remain blind and trapped within the boundaries of a partial or one-sided science. He is, then, simply a social scientist who takes a practical outlook, who is disheartened by the futility of theorizing about theories and is moved to theorize about the reality in which he lives, who is obsessed with the desire to devise methods and techniques that will be of service to men of action, who feels no respect for "official" science, who is humbled by the complexity of events, but alert to the developments taking place at the outer frontier of the sciences and to the development of the sciences in their respective frontiers. He is aware that the social product of his endeavours is surrounded by a world in which there are many resources in short supply, many criteria of effectiveness, many rationalities and various self-contained explicative frames of reference. He thus becomes the enemy of reductionism to any single monotonous criterion of effectiveness. The development and refinement of a type of situational planning which attempts to take the above-mentioned complexities into consideration will thus provide a useful tool for endeavours at the techno-political level.

There is an urgent need for this new politico-technical stratum in governmental structures, political parties and social forces in general. As a result of the modernization process, the situational planner of the future will be positioned at the apex of a network of critical nexuses in the social system, whereas the existing economic planning offices, after undergoing a radical restructuring, will be only one link in a

vast network of situational calculus at the principal levels of the social system.

The preceding discussion provides the foundation for the following ten theses concerning the reasons for the overall ineffectiveness of the governments of Latin America.

THESIS No. 1: Latin American planning methods are primitive, rigid and incapable of aiding a political leadership which governs a complex, dynamic, creative, resistant system plagued by elements of uncertainty.

The normative economic planning which serves as the basis for planning as it is commonly practised in Latin America holds it in a strait-jacket, rendering it powerless to address the complexity of creative social processes or to provide support for men of action, who are faced with an indivisible reality and hemmed in on all sides by a multitude of resource constraints. It does not perceive the existence of social agents as such because it confuses them with economic agents; it does not recognize the existence of opponents; it assumes that the social system is governed by laws rather than creating them; it identifies a shortage of resources with a scarcity of economic resources; it operates on the basis of a single, dominant criterion of effectiveness: economic effectiveness; it distances itself from real problems by analysing reality at the sectoral level; it clings to the imprecise concept of diagnostic analysis as a means of explaining the reality of the system in which it operates because for it, since it does not distinguish opponents, there is no "self" and no "other" who undertake planning from the vantage points of different situations; its central concern is the future, while it stands aloof from the present. Hence, it confuses planning with design. It is a sort of medium-term economic architecture which concerns itself exclusively with the normative sphere of what "ought to be". Due to this narrowness and rigidity, it is of no use to the political leadership of the government. The theory of situational planning is an attempt to resolve this problem.

THESIS No. 2: The methods of government used by the State and those used by political parties and social forces are equally primitive and ineffective.

Democracy is eroded and weakened if political, trade-union and entrepreneurial organizations are governed ineffectively, because this

ineffectiveness is then invariably reproduced in the government of the State. Democracy begins to give way if social problems which are an affront to human dignity are accepted as being necessary and natural evils. Nothing is more lethal for democracy than stultifying routine and the subjection of its leaders to the evils which abound in daily life. One hundred years of inequalities are one hundred years of problems. The passage of time does not transform problems into a fact of life or an acceptable norm. Problems which have been in existence for one hundred years are old problems, not new conditions that should be accepted. Governing is not the same thing as managing affairs; it is resolving current or potential problems. Poverty, social marginalization, the unequal distribution of income, the concentration of political power, the lack of participation, urban crowding, ecological degradation, slums, the ineffectiveness of the State apparatus and our own ineffectiveness in governing are not necessary evils of democracy. If they were, we would not desire democracy, defend it or fight to regain it. These problems exist because either we do not know how to solve them or we do not have the will to do so. Both of these situations contribute to the diversion of governmental attention to trivial concerns.

Governing is becoming increasingly complex, and governing in a democracy is even more so. The leader who steers his government in the direction of social progress has greater demands placed upon him than the leader whose sole governmental aspiration is to keep problems under control. Hence, the leader who has less ambitious objectives also labours under less severe constraints.

The crucial questions are these: Are we or are we not prepared to govern effectively? Will we commit the same errors as in the past? Will our anxiousness to preserve democracy cause us to lose sight of our objectives? Will our fear of losing sight of our objectives cause us to fail to preserve democracy? Will the ideologism of democracy or the ideologism of a specific utopia obscure the strategy and techniques for calculating the course of effective action?

I believe that exceptionally qualified governmental teams will be needed to deal with the problems of the future; otherwise, democracy will become impossible. I believe that the most

serious dilemma of our times is posed by the gap between our capacity to govern social systems and the increasing complexity of guiding these systems towards democratically-established objectives. This gap is widening and may continue to do so for a long time to come because we have been more concerned with making progress in the natural sciences so that we may attain a capacity for governing nature than we have been with the sciences, techniques and arts of action in social systems that would allow us to reach new heights of effectiveness in the art of governing our countries. The electrons which exist today, and the physical world in general, are of the same complexity as they were millions of years ago, but the countries of Latin America conform to social systems which are infinitely more complex today than in the past. Social systems are not only much more complex than natural systems are, but also are of a growing and different sort of complexity. The social system not only follows certain laws; it also creates laws. It is a creative system. Man, however, has concentrated his efforts on developing theories which give him an ever greater capacity to govern the simplest sphere (nature) while neglecting the development of his capacity to govern the most complex sphere (society). Governing is not only an art; it is also increasingly a science, but this science must be capable of addressing creative processes in which knowledge is not always synonymous with the discovery of the laws that rule given processes. An increasing incapacity to govern social systems is what ultimately causes man's relationships with nature to careen out of control. It will not primarily be ecological research that will make it possible to improve man's management of the environment, but rather research into the sciences and techniques of governing social systems.

This is the great challenge of governing in a democracy. Once again, questions arise: Are we using our time wisely to improve our preparedness for bringing about change, from the smallest modification to transformations of overwhelming importance, and for participating in these processes? Are the progressive political parties of Latin America aware that something much more complex is needed to prepare new generations of leaders than the schools where cadres are now trained? Have we understood the fact that we are managing the economy poorly

and failing to put our power and natural resources to good use while wasting time and idle resources, or are we still blaming fate, the preceding government, the outside world, the international economic crisis or flaws in the message we send to the social media? Have we grasped the fact that in order to modernize the State we must first modernize the modernizers? Have we learned from our mistakes that our most primitive and inefficient institutional structures are our leadership structures, that governing is more than just an art, and that governing in a spirit of progress and democracy requires an even greater measure of science and technique?

In all of Latin America there is not a single centre of advanced training for young people who wish to develop their political or politico-technical vocation in a scientific manner. In all of Latin America there is not a single centre where present political leaders can gather to refresh their experience and further develop their knowledge. There is not a single school of government sciences and techniques in all of Latin America. There is not a single centre in which Venezuelans can join with Chileans, Peruvians, Ecuadorians, Brazilians, a centre open to all the countries of Latin America where young people can learn to master the sciences and techniques of government, strengthen their democratic values and renew their cultural identity and personality. There is not a single place where Latin Americans can go to grapple with the complex problems involved in governing creative and uncertain processes, where they can learn about widespread situations on which little information is available, about strategic planning in an uncertain context which takes the activity of opposing forces into consideration, about the analysis of integral situations, the issues of security and defence and how to approach them in a way that is in keeping with the consolidation of democracy, the study of foreign relations, of the techniques of negotiation, gamesmanship and human process simulation, of the infant modern organizational theory, and many other disciplines which the modern politician must master if he is not to be a helpless victim of technocratic advisers whose perspective is often distorted by one-sided, perhaps already outdated sciences which they apply without reference to political interests and needs.

Nor is there a place where young Latin American politicians and technical experts can form bonds of friendship and common values which later, when they rise to positions of power, will lead to the mutual understanding and trust among them that is so necessary to the pursuance of common regional and international objectives for Latin America, such as economic integration, cultural integration, international democratic solidarity, and the penetration of the international economic and financial sphere by the capital of Latin American democracies so that they will no longer be merely foreign depositors and clients of an oppressive financial system that is monopolized by the major powers. In order to do all this, however, and to do it with the necessary direction and scope, we must technicalize politics and politicize the technicians. We also have to introduce a greater sense of truth into politics and strengthen ethical values. We have to safeguard the policies of statesmen from digressions into micro-policies which are defended on the pretext that a certain detour is necessary in order to reach our objectives, when all too frequently it turns out to be a deviation that further distances us from them. We have to develop our imagination and our will and use them to create a different future. At the very least, we have to accord as much importance to the techniques of government as we do to those of winning elections or of gaining power by force.

THESIS No. 3: The political culture, dominated by a sense of immediacy and by a raw sort of pragmatism, focuses on the intermediate problems affecting the political system while ignoring the terminal problems affecting the social system.

Major policy and planning are concerned with the solution of the terminal problems of the social system. Such problems are the result of the conduct of government over time. Micro-policy, on the other hand, is concerned with intermediate and immediate problems. This is a sound division of labour, so long as the resources we allocate for the resolution of intermediate problems (principally our time) are essential to the solution of terminal problems. These intermediate problems are burdensome and relate to domestic political issues, matters of protocol, micro-negotiations required to maintain the leadership position and cohesion of political for-

ces, political clientage, the administration of bureaucratic routine, reactive and defensive moves in micro-political struggles, political action in response to immediate problems, and formal or empty efforts to attain given economic targets in relation to the budget, monetary policy, external trade, etc.; and these problems become divorced from the terminal economic problems of the social system, such as growth, employment, income distribution, social marginality, urban crowding, environmental damage, the irrational use of space, etc.

If micro-policy overpowers major policy issues, then intermediate problems come to be the government's objectives, while the terminal problems of the social system accumulate and grow worse. What we are now witnessing in Latin America, with few exceptions, is the ascendancy of micro-policy over major policy issues, of short-term pragmatism over the statesman's imagination and will, of routine over creation. We are witnessing the dissociation of government tactics from government strategy, and this gives rise to governors who are governed by the press of events. The tide draws us along on an indefinite course. Those who lead us do not lead.

The conventional politician is trapped, preoccupied and entangled by a web of relationships which he sees as the world of his practical struggle: projects, obstacles, and successes. He lives in a world of the immediate matters with which he is occupied, but in reality they occupy the attention he could otherwise give to the major problems of the social system. For him, major social problems are a universal constant within which he experiences the tense and creative variety of his daily affairs. He cannot choose whether to concern himself with the terminal problems of the social system or to immerse himself in the day-to-day rush of intermediate problems in the political system. The system chooses for him.

If he is to survive in this overwhelming political struggle, he must become engrossed in his day-to-day affairs and put off reflecting upon his overall political purpose. Indeed, he is very busy, has no time, is constantly interrupted by meetings and telephone calls; he is enslaved by the demands of just surviving in the cold world of politics. Thus he discovers that politics is politicking rather than trying to resolve the terminal problems of the social system. These

problems are only his working environment, not the object of his attention.

THESIS No. 4: We must reform our planning systems, modernize our techniques of government and transform our political culture in order for electoral platforms, taken seriously, to become government plans, in order for government plans to become government action, and in order for government action to have an impact on national problems, i.e., on the terminal problems of the social system. Then, democracy will find its defence in its works.

Along with government programmes, which are strategically differential, we must develop the capacity to rise above mere tactical differences in order to provide an opportunity for consensus concerning national schemes for ensuring the long-term continuity of progress in the countries of Latin America. This is both technically and politically possible, because experience demonstrates that there are common problems which require common solutions, regardless of the differential political utopias which we champion.

This is the major task of the political parties: to shape new generations of leaders capable of articulating micro-policy with major policy, to create research and educational institutions which will provide them with support in performing the functions of government and opposition, to furnish guidance in the selection of

major national and regional strategic options, and to generate a class of public managers capable of winning out over the bureaucratic tangle and adapting public organizations to the needs of government action and the participation of the people.

THESIS No. 5: The key to the success of a planning system lies in the articulation of executive planning with operational planning (see figure 3). If executive planning at the level of the national president and his cabinet has no force, then operational planning carried out by the ministries and the directorates of public agencies can have no practical effect. The converse is also true, but the main problem in Latin America is the absence, in some cases, and the weakness, in others, of executive planning. Where it is absent, the order of the day is improvisation, arrogantly based on so-called political experience which is often no more than experience in tackling the political system's intermediate problems and inexperience in coping with the terminal problems of the social system. The arrogance of a few powerful practising politicians, on the one hand, and the mediocrity of many, on the other, constitute the principal barrier to the technicalization of the process of government.

Planning is a tool of government, not a system of research and economic advisory services. Planning is also confused with the on-the-spot process of government in a given situation.

Figure 3

	Executive planning	Operational planning
1. Objectives	Flexible and freely determined	Subject to directives
2. Domain	More political	More technical
3. Agents	Executive-level officials	Operational officials
4. Opponents	Defined by the political scheme and the overall strategy of conflict	Factional forces defined by directives
5. Means	Creation of means	Means allocated
6. Type of calculus	Overall strategy and tactics	Operational strategy and tactics
7. Responsibility	To the people	To ranking superior
8. Constraints	Macro-situational constraints	Mandatory directives and micro-situational constraints
9. Planning sphere	Entire conflictive system	Specific situational domain

There will never be genuine and effective planning in the countries of Latin America so long as presidential staffs and cabinets conduct their affairs as they do now: unsystematically, unselectively, in a disorganized manner and bereft of technical support. Under the prevailing system, the national president is weighed down by daily affairs, has little or no control over significant events, is constantly surprised by circumstances, and devotes his time to the solution of intermediate problems of minor importance. Consequently, the governments do not provide guidelines to their planning offices, which are thus left to debate among themselves whether they should provide their own definition, thereby invading the sphere of high-level policy, or remain relegated to the role of serving as centres for the calculations required for immediate and partial actions lacking in direction.

THESIS No. 6: A primitive executive system cannot lead or govern a complex dynamic, uncertain and resistant social system. Social systems determine their own results, and their governors are governed by the press of day-to-day events. Hence, the first task is to improve the government authorities' capacity to govern, to modernize the modernizers and to reform the reformers. Only they themselves can do this, by becoming aware of their weaknesses, appreciating the value of the sciences and techniques of government, and paving the way for new generations that will promote change.

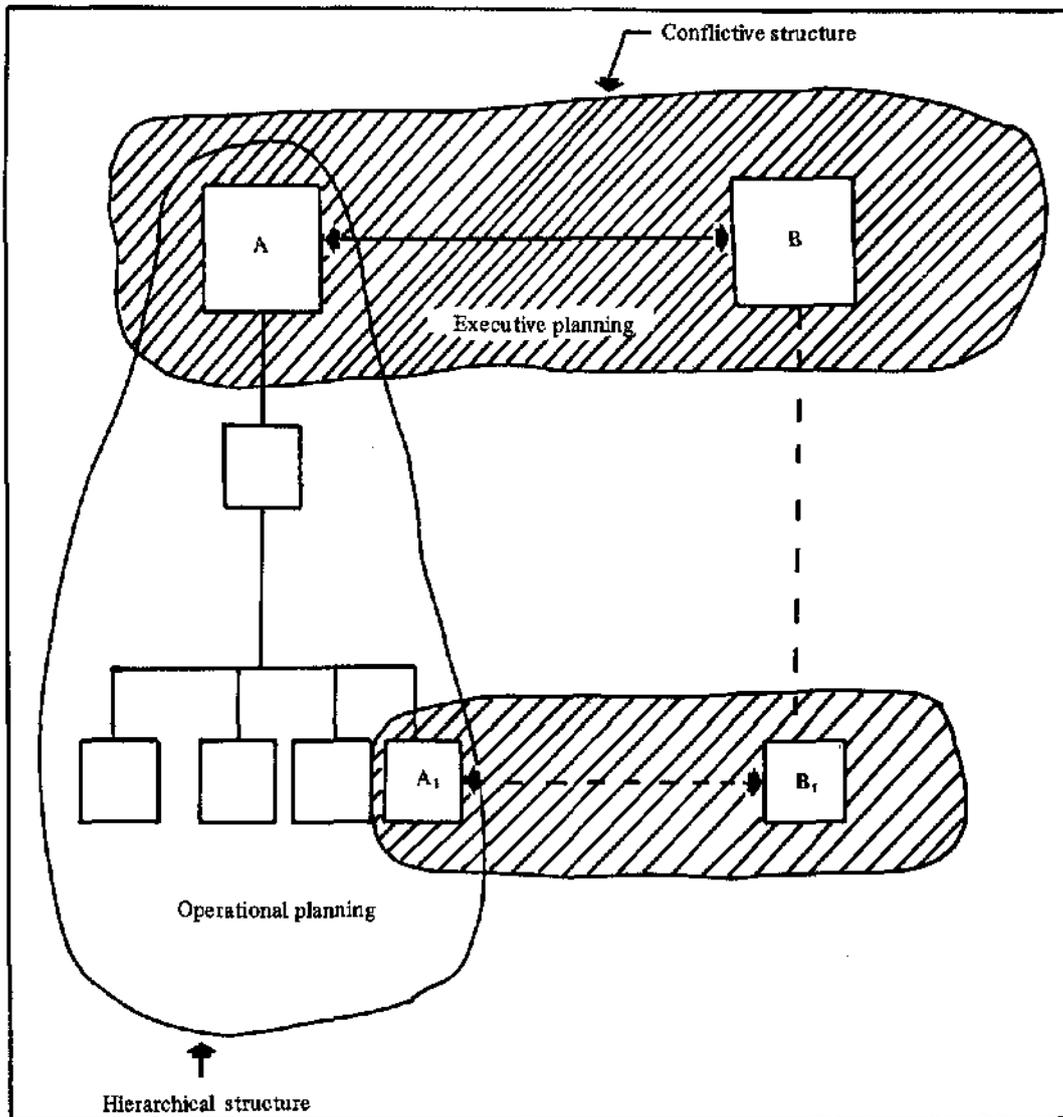
The executive level of government should not only be active, creative and express a willingness to resolve the problems that exist, but should also be effective, organized, informed and able to anticipate social needs. In short, the executive function should employ the most productive means of planning and management, such that it will meet the requirement of variety, as expressed by Ashby, who wisely said that an executive or leadership system which wishes to control or lead another must exhibit greater variety than the system to be controlled or led. In the experience of Latin America, the many dynamic forces of the social system display more variety than their governments.

THESIS No. 7: Economic planning should be transformed into the planning of government action. Accordingly, the architectural concept of planning should be abandoned, inasmuch as this concept results in the identification of the plan

with its design, thereby overlooking the political problem of the shortage of resources of power. The design of what "ought to be" is only the beginning of the planning problem. Plans are always devised in either a resistant or a conducive environment, but never in a neutral one. The resistance or encouragement may be either active or passive. Social forces use their political influence in pursuing partially conflicting objectives. Routine takes the form of an anonymous plan. Prevailing trends are sometimes more forceful than government action. The random or chance factors which are ushered in by those variables that are beyond our control tip the balances against us or in our favour. Opposition forces introduce the uncertainty of the human factor involved in any interactive calculus. Nature takes us by surprise with unknown variables. The international sphere which surrounds us either strengthens or contradicts the trend of national variables. Planning must not be a strait-jacket which allows the expression of our will alone, while we ignore the will of other social agents, the influence of nature or the effects of international factors. Planning must not be purely normative; it must also be strategic and situational. It must articulate political effectiveness with economic effectiveness.

THESIS No. 8: Planning within a resistant environment or in situations of shared power cannot be conceived of simply as the planning of measures to be executed by a hierarchical structure, but instead must be seen as the planning of a conflictive structure which intersects with a hierarchical one (see figure 4). In a conflictive structure, no agent has decisive power over the others; consequently, the plan of any single agent can be successful only if it wins out over the resistance of its opponents. The success of a plan advocated by some agents therefore necessarily entails the defeat of the plan espoused by others. However, in a hierarchical structure, the executive level issues planning directives whose fulfillment by subordinate agencies is mandatory. The serious oversimplification of which traditional normative planning is guilty is its assumption that this is done within a hierarchical structure and to a social system that follows certain laws. This is why some traditional planners—the blindest ones—long for a compulsory type of planning. A theoretician of conflict at its extreme such as Clausewitz would

Figure 4
EXECUTIVE PLANNING AND OPERATIONAL PLANNING



smile at the idea of demanding that one's enemy follow one's own battle plan. Compulsory planning is a fantasy; there are only agents with differing degrees of power, but their power is always limited, even in the type of socialist system having the greatest concentration of power.

Situational planning within a partly conflictive, partly hierarchical structure exhibits the following characteristics:

i) It includes creative and repetitive, qualitative and quantitative processes. In part, the social system does follow laws and can be explained to a limited degree by mathematical

models, but primarily it creates laws. Creative processes can only be addressed by means of an interactive calculus, for which some of the available tools are games, tests, manoeuvres, techniques of negotiation, expert opinions and direct political consultation. In addition, the social process involves aspects of quality and quantity whose relative position in the hierarchy of meaning should be preserved. The important issue in social analysis is the accuracy of the propositions involved, and their accuracy is partially a question of precision in the use of linguistic variables, and only partially a problem of

measurement. If we do not recognize the concept of accuracy as being broader than that of measurement, we can easily fall into the error of quantifying secondary aspects and failing to differentiate among the quality of different situations.

ii) It employs the methods of operational planning within the hierarchical structure. In operational planning there are also a strategy and a tactic, but in this case the objectives are determined by high-level directives and are consequently more rigid, the planning involved is more technical, the agents are teams formed by operational units subordinate to higher authority, opponents are restricted to factional forces in a limited situational domain, and the means of carrying out the plan are allocated by a higher level in the organizational structure.

iii) Within the context of a conflictive structure, executive planning requires strategic and situational planning. When agents are involved in a conflict over plans, each one develops strategies for defeating its opponents, and each strategy is based on the agent's own situation and on that of its opponent. Thus, the reality surrounding both is seen differently by each. Without the concept of situation, a theory of strategy is impossible. Executive planning has flexible objectives, is more political, is carried out by high-level authorities, has greater freedom in choosing its opponents and its allies, and has no one to look to for the means or resources needed, but must instead create them during the actual process of conflict.

iv) It requires the development of an interactive calculus in order to deal with the uncertainty to which the relations among social agents give rise. When the plans of the various agents are in conflict, the matter of which of one agent's plans is seen as being the most effective by that agent depends upon which plan is singled out as being the most effective by other agents, and vice versa. This is where interactive calculus comes in, which cues us to regard the plan as an interplay among social agents; this is the essence of the creative processes in a social system, because it challenges our imagination and creativity as they are pressed into the service of strategic judgements.

v) It requires the use of the concept of situation in order to explain reality, since the various

social agents experience different realities according to the positions they occupy in the social system. The concept of diagnostic analysis sidesteps the problem posed by the different explanations of social agents and seeks a single absolute truth, which hampers an understanding of reality. The concept of situation, however, facilitates an understanding of the conflict and increases the possibility of consensus, in that both presuppose a knowledge of the opponent's and the potential ally's explanations. If we are aware that our view of the world is a personal view relative to our own position in the social system, then whenever we find ourselves to be in contradiction or opposition to other people or forces, we can learn to coexist with them. If our attitude is not one which binds us to what we see from our own vantage point or in terms of our own situation, if we realize that others see reality in accordance with the situation or environment in which they live, and if we acknowledge the fact that their view may be just as valid as our own, even if it seems undesirable to us, then we will be more willing to talk and to understand. If we nevertheless decide to fight, then we will have a better grasp of our opponents' motivations.

vi) It posits the existence of a wide range of scarce resources and, hence, of a wide range of criteria of effectiveness. It must be assumed that each social agent is restricted by a vector quantity of scarce resources which the agent must manage efficiently in order to achieve its objectives. This vector quantity of scarce resources includes such elements as political power, economic resources, a natural-resource production capacity, knowledge and information, values, etc. Producing any social fact or event requires the application of this vector of resources, and the effectiveness of the events thus produced reflects back on the agent and either increases or decreases the resource constraints affecting it. Thus, there is no one absolute criterion of effectiveness—in contrast to the way in which the economic criterion of effectiveness is treated in normative planning—but rather multiple criteria, whose relative importance depends upon the characteristics of the situation and the nature of the objectives pursued. Thus, we may speak of political effectiveness, economic effectiveness, ecological effectiveness, cognitive effectiveness, ideologi-

cal/cultural effectiveness, etc., and it is not always possible to express one in terms of the others.

vii) It shifts the focus of planning to the present and to the high-level political situational calculus which precedes decisions and guides them, rather than concentrating exclusively on partial medium-term technical calculations. The future is shaped only in the present, and this is the end purpose of planning. Nevertheless, the decisions taken today will be rational, not in relation to the present situation, but in relation to future situations. Hence, medium- and long-term plans play an essential role in providing direction, but they do not perform their entire function unless they take the form of a calculus which precedes current action and guides it.

viii) It replaces the book-plan with an inventory of operations which are ready for implementation in foreseeable situations and in contingencies; this inventory is constantly being renewed as the situation changes.

In traditional planning, the categories of programmes, policies, projects, recommendations, approaches, etc., may be ambiguous because no attempt is made to provide an exhaustive coverage for all possible decisions and because they do not constitute consistently-defined modules of action. In contrast, a basic principle of situational planning is that the entire plan is expressed in terms of operations or action modules. Thus, an executive programme is a form of selecting and articulating the operations included in the plan. This selection and articulation can, of course, be conducted only in relation to a strategy of action which imparts consistency and direction to them.

The plan can be viewed as a communications structure containing an articulated system of various types of "speech acts". Actually, it includes the five types covered in conversational theory (Searle and Flores). It contains assertions, inasmuch as both traditional diagnostic analysis and situational explanation are primarily composed of assertions regarding the process by which problems are produced. The truth or falsehood of these assertions must then be determined on the basis of practical experience, or a provisional value of truth or falsehood must be assigned to them by means of process simulation.

The plan contains expressions, since it qualifies facts and events by using adjectival phrases which accept, reject and rank the above-mentioned assertions. For example, in the explanatory portion of a plan we congratulate ourselves on certain results when a high growth rate in the gross domestic product is achieved, and we express regret about or condemn certain situations when we declare levels of critical poverty to be unacceptable.

The plan contains statements because it both designates the persons responsible for designing and executing the operations included in the plan and ranks various spheres of action. For example, we give priority to certain problems and operations when we state that, within certain limits, the unemployment problem is more important than inflation.

It contains commands because it orders others (the people designated by the above-mentioned statements) to execute certain tasks and to assume certain duties. For example, the plan may order a Minister for Foreign Relations to execute operation 04/07.

Finally, the plan also contains commitments, because those responsible for the plan commit themselves to carrying out its proposals. The operational aspects of the plan are commitments which, in the final analysis, its author makes to the population and the social forces of a country.

In situational planning, operations constitute commitments to do something to modify the characteristics of one or more problems. These commitments are assumed by the president and his cabinet, as the highest officials in the country. Of course, solely for operational purposes, the president delegates (through a statement) the responsibility of fulfilling and validating these commitments to other officials.

Thus, the central components of the plan are commitments, which are complemented by statements and commands. A plan's credibility is determined by its record in fulfilling its commitments.

The purpose of the situational plan is expressed exclusively in the form of operations and the modules into which they are divided. It is therefore necessary to define exactly what an operation is in order to: i) prevent the modules of the plan from being composed solely of assertions, expressions or merely commands and

statements, and ii) ensure that the modules of the plan, taken together, cover all the actions promised, without ambiguous duplications. Of course, the plan is also a process of communication containing the speech acts mentioned earlier, but they are not its central purpose.

It should be emphasized that an operation is a commitment. What, however, is it a commitment to do? Obviously, it is not a commitment to make another commitment, to make an assertion or to utter an expression, a command or a statement. The answer is that it is a commitment to action, but what kind of action? It should be noted that Austin and Searle had to create the concept of a "speech act" because man does things through words, and the distinction between "doing" and "saying" is not a clear one. Truly, we do when we speak, but we do not do as much as we say.

At this point it will be helpful to draw a distinction between "act" and "action" that may be relevant to the problem at hand. Within this context, "acts" may be defined as the speech acts that antecede actions in the chain of production, while "actions" will refer to the effects that follow upon these speech acts in the system of social production, through which certain means are used to: a) modify social behaviour, b) build and modify social production capacities, and c) modify the rules governing social production. Action is the tool used to change a situation, while acts are the tools used to produce actions. Using these definitions, an operation can be said to be a commitment to carry out one or more actions. This commitment must not, however, be ambiguous, general or vague. On the contrary, it should meet the following requirements:

- a) To specify clearly the person directly responsible for carrying it out and to identify clearly those who are to reap the benefits or make the sacrifices;
- b) To spell out the specific means to be used to achieve the desired effects and results (actions, subactions and regulatory actions); the design of an operation should be refined until it is sufficient for its implementation;
- c) To project the dimension and scope of the expected results and to identify these results clearly in terms of their modification of the nexuses making up the definitional vector of the problem in question;

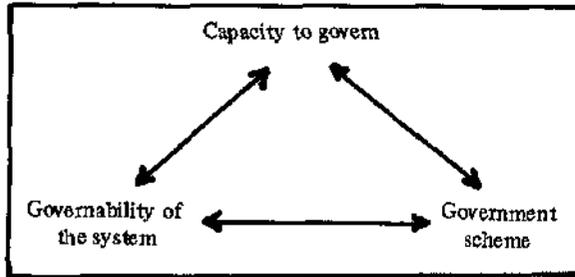
- d) To conform, at the time the commitment is made, to intentions to produce the results outlined (since an event which occurs by accident, by mistake or inadvertently may have unexpected positive or negative results which do not constitute an operation);
- e) To make a claim upon resources and to specify the amount of resources required; some operations demand a large input of resources of power, others call for an intensive use of economic resources, and some require a large amount of both; and
- f) To establish the time span within which the commitment should be discharged and the desired results can be achieved.

An operation is a commitment to carry out actions which is assumed by a specific agent and explicitly based on a projection that the consequences attributable to the means selected will coincide to a considerable degree with the desired results in the targeted situation.

Operations and actions are clearly distinct from other acts such as recommending, adopting action criteria, establishing a position or announcing any event whose purpose is vague or whose author is not specified. Thus, the vague wording of traditional economic plans would be replaced by a precisely defined set of operations. THESIS No. 9: The government programme, the governability of the social system and the capacity to govern form a system of relationships upon which the effectiveness of the government's plan rests. However, a government's plan can only be effective if it is backed by political and economic operational planning and if the executive level of government actively exercises leadership over the process through planning directives and an ongoing follow-up and assessment of situations as they develop. Hence, government and planning become intermixed at the level of day-to-day decision-making.

The capacity to govern is only one of the components of a leadership triangle which at all times influences the leaders concerned. The governability of the system and the government scheme constitute, together with the capacity to govern, a system. A quite limited capacity to govern, in combination with a high degree of system governability deriving from abundant resources and the disorganization of opposing

social forces, makes possible a government scheme which will not be very conflictive or very vigorous but which will nonetheless be sufficiently effective to maintain the stability of the system.



The governability of a system is a relative concept which denotes the relationship between the variables we control and those that are beyond our control. It will not be the same in a democracy as in a totalitarian system, in a scheme aimed at management as in one directed towards social change, in a situation of abundance as in one where resources are scarce. Each element in the triangle of leadership is relative to the others, and the governability of the system is therefore relative to the capacity to govern and the government scheme. It is not a static concept either because, as the situation changes, the system may become more or less governable to the extent that variants are converted into options and resource constraints are overcome as greater freedom of action is achieved.

The limited capacity to govern of a conventional political structure is sometimes enough to

produce good results if the system is highly governable and the government scheme is not very ambitious. However, a limited capacity to govern is a severe restraint in systems which are of a low degree of governability due to a shortage of resources or to the nature of their political structures. Naturally, a limited capacity to govern is an even more restrictive factor when leaders undertake very demanding schemes of social change.

Figures 5 and 6 illustrate the various spheres in which the process of government takes place and the overall system which structures them.

In sphere "A", the government scheme is defined through executive planning. The translation of this government scheme into practical action requires (in "C") action strategies and political and economic directives, which focus on the political guidance of the government (in "B") and on public management and economic guidance (in "D"). The systematic provision of techno-political support is essential in all four spheres of the process of government.

Operations-based management is a system of leadership and administration by objectives. It is, therefore, a type of management that is based on action modules, which can and should correspond to the modules of the plan. In this sense, operations-based management is an essential system in the organizational apparatus of the system of planning and government. The leadership of a government can only ensure that its day-to-day economic actions serve the ends pursued by its plans if the modules of the plan (operations, actions, subactions, regulatory

Figure 5

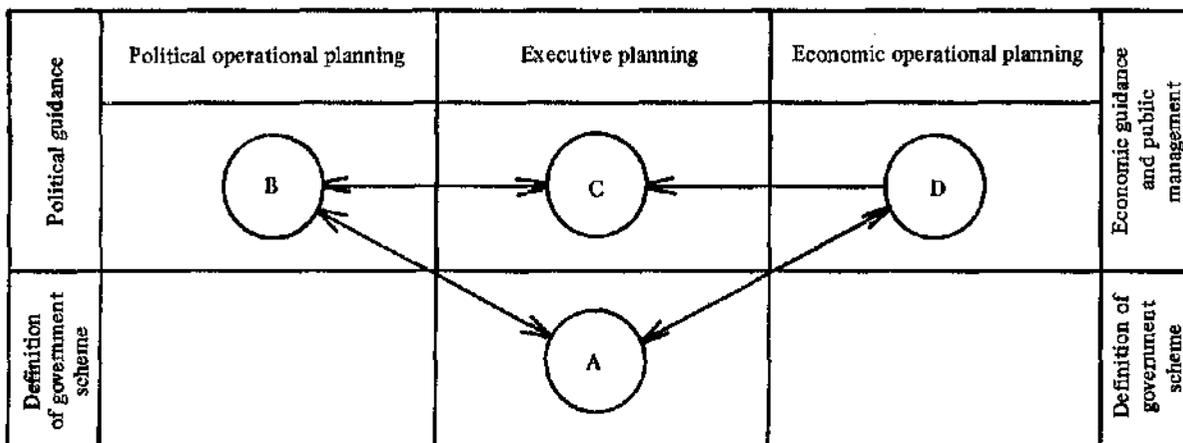
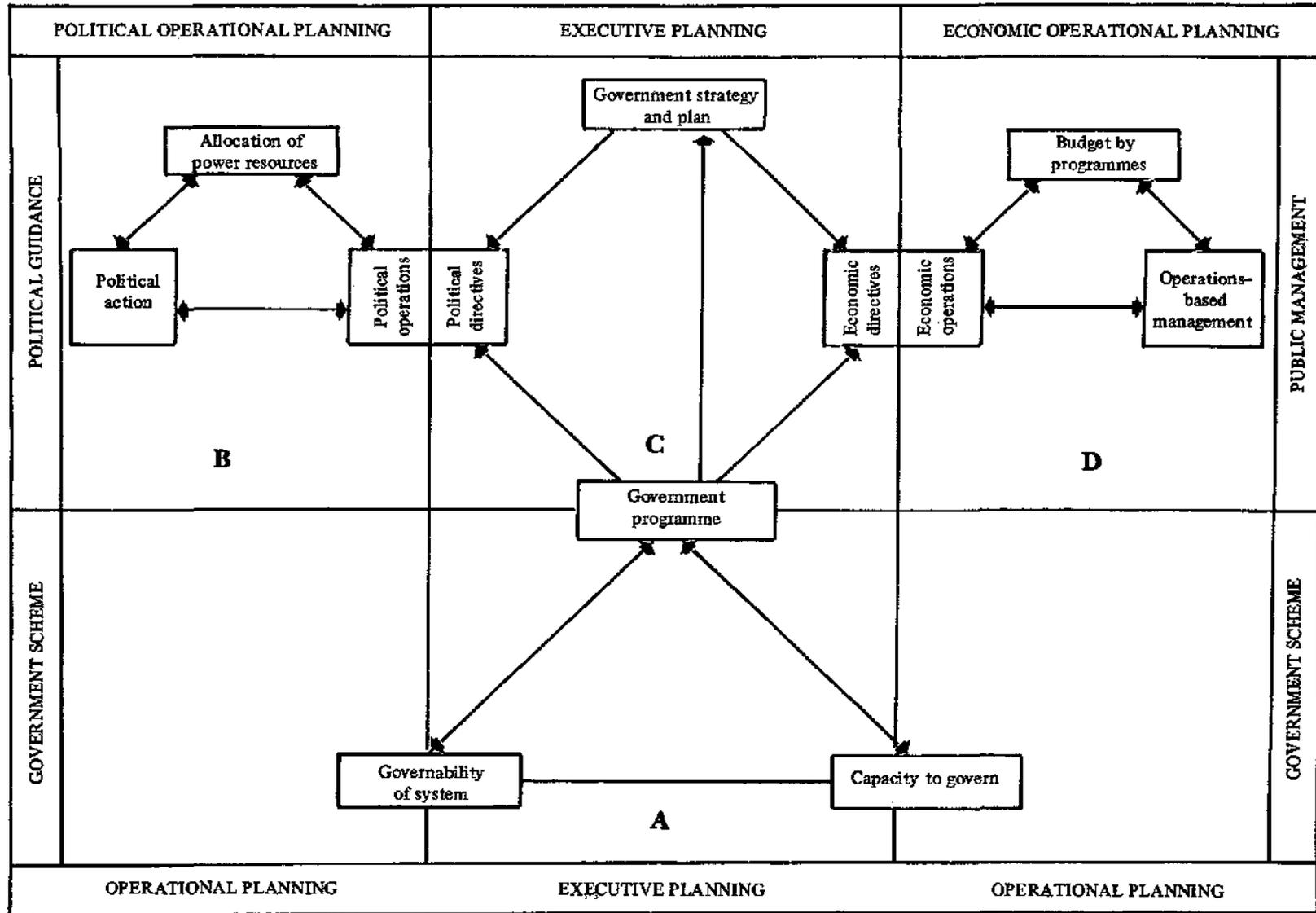


Figure 6



actions, etc.) are articulated with the modules of its budget (programmes, subprogrammes, activities, etc.) and if both correspond to managerial activity that is organized with a view to their execution (management based on operations, actions, etc.).

Consequently, the basic organizational requirement at the practical level in order for a government to function effectively, validating its plans with results, lies in the existence of the triangular system: modular plan — budget by programmes — operations-based management. Obviously, the operations-based system of management requires that high-level leadership, in turn, should also be an operations-based system.

This operations-based system of high-level leadership calls for changes in some of the routine habits typical of traditional forms of government. A number of the more important changes of this sort are the following:

- a) New functional modalities with respect to the president's cabinet with a view to ensuring that it periodically follows up on the problems encountered in the course of operations;
- b) New modalities as regards the ministers' accounting for the progress of the operations for which they are responsible;
- c) New procedures and criteria in regard to the discussion and approval of the programme-by-programme budget in the national congress;
- d) The establishment of a responsive and effective system for decentralized monitoring of the progress of operations and actions so that problems relating to the execution and effective guidance of operations will be resolved on a decentralized basis and will therefore have to be brought to the attention of ministers or the cabinet only in exceptional cases; and
- e) A speedy system of situational planning to assess new situations, evaluate results, adjust the scope and design of operations, adopt new operations, and arrive swiftly at the decisions called for by each new situation. This system of high-level leadership can only exist, however, if it is backed up by a decentralized resource system of operations-

based management at the various levels of public-sector institutions and agencies.

Neither the plan nor the budget-by-programmes system can operate in a substantive manner in the absence of an operations-based system of management. If this is lacking, no agents will be truly responsible for the operations provided for in the strategic plan, and the budget programmes will be no more than a façade disguising the traditional practice of budgeting on the basis of institutions and agencies, without any clearly-defined objectives or established internal and external criteria for the productivity and effectiveness of public management.

THESIS No. 10: The practices of government are flawed at both its "head" and its "feet". A careful examination of figure 6 will show that the major weaknesses of government practice in Latin America are to be found in the areas of executive planning and operations management. The absence of an operations-based management system means that a modular system of operations-based situational planning and a system of budgeting by programme can exist only in a formal sense. Without a system of management-by-objectives, the operations provided for in the plan will be a dead letter, and budgetary programmes will exist in name only. Executive planning is the "head" of the system and operations-based management serves as its "feet". The process of government cannot be effective if it is lightheaded and its feet are weighed down. The head then fails to provide guidance or produce directives relevant to the solution of national problems, while the feet will then plod along on their own account without any definite direction. This is the dilemma of democracy. On the one hand, the head's capacity for self-criticism is so greatly diminished that it claims to be misunderstood by the people when it loses the elections. On the other hand, the feet would only be able to free themselves from their bureaucratic deadweight through an unimaginable act of autonomous self-renewal which would be out of keeping with the faculties of the lower extremities. It would be like trying to pull oneself up by the scruff of one's own neck. Only a renewed and deep-seated awareness of major policy among the leaders of society can resolve this problem.