LATIN AMERICAN CONFERENCE ON CHILDREN
AND YOUTH IN NATIONAL DEVELOPMENT

Jointly sponsored by the Economic Commission
for Latin America, the Latin American Institute
for Economic and Social Planning, and the United
Nations Children's Fund, in cooperation with the
International Labour Organization, the Food and
Agriculture Organization of the United Nations, the
United Nations Educational, Scientific and Cultural
Organization, and the World Health Organization

Santiago, Chile, 28 November to 11 December, 1965

"SOCIAL DEVELOPMENT" AND "SOCIAL PLANNING":
A SURVEY OF CONCEPTUAL AND PRACTICAL PROBLEMS
IN THE SETTING OF LATIN AMERICA

presented by
the Social Affairs Division of the
Economic Commission for Latin America
# Table of Contents

## I. INTRODUCTION

1. Interpretations of the term "social" ........................................... 4  
2. Origins of the different approaches to "social development" and "social planning" ................. 7  
3. Prerequisites for effective policy and planning in the Latin American setting .......................... 11  

## II. THE SOCIAL SECTORS

1. Problems of identification and delimitation ..... 16  
2. Education ................................................................. 18  
3. Health ................................................................. 22  
4. Housing ................................................................. 25  
5. Food consumption and nutrition ......................... 30  
6. Clothing ................................................................. 32  
7. Employment and conditions of work ..................... 33  
8. Social security ....................................................... 34  
9. Recreation ............................................................... 38  
10. Human freedoms ..................................................... 38  
11. Social service ....................................................... 39  
12. Social defense ...................................................... 41  
13. Sectoral programming: some questions ................ 41  

## III. STRATEGIC OR INTEGRATIVE APPROACHES

1. Income and wealth distribution ................................. 45  
2. Population ............................................................. 56  
3. Human resources development .................................... 58  
4. Urban development and rural development ............... 61  

## IV. SOME CONCLUSIONS

63
I. INTRODUCTION

Over the past two decades several currents of theory, opinion, and governmental practice have come together in a widening stream of support for the proposition that the progress of the countries now at low income levels requires "planning". Acceptance of formal planning in the countries already at high income levels has been more hesitant, but even the countries in this group that do not consider such planning relevant to their own needs have come to urge it upon their poorer neighbours. The central - or at least the most readily formulated - objective of such planning has been the securing of higher rates of increase in the production of goods and services, progress being assessed through the composite indicator of per capita national income.

The techniques of planning for this objective have been worked out mainly by economists seeking to allocate scarce resources so as to maximize production, and the planning bodies that have tried to apply the techniques have been in the hands of economists, statisticians and engineers. From

Note: This paper represents one stage in a continuing programme of studies of problems of social development undertaken by the Division of Social Affairs of the Economic Commission for Latin America. Subsequent parts are expected to enter into such topics as: social structures of Latin America and applicability of "popular participation" in the formulation and execution of policies and plans; "regionalization" and "localization" of social programmes; approaches to urban development and rural development and problems of their integration; research and statistics in relation to social policy and programming; problems of communication between social scientists, policy-makers and the public. Other papers deriving from this programme of studies are: "Popular Participation and Principles of Development in Relation to the Acceleration of Economic and Social Development" (Economic Bulletin for Latin America, IX,2); "The Problem of Housing in the Context of Latin American Development"; and "Social Service in Latin America: Functions and Relationships to Development" (to be published).

/ the beginning
the beginning, however, it was evident that planning could not disregard the demands for immediate expenditures relating to human welfare made by the more articulate and organized sectors of the public, supported by the rising bids for popular support of rival aspirants to political leadership and the widening influence of social standards endorsed by the inter-governmental organization. Experience soon indicated, moreover, that achievement of the economic objective of self-sustaining growth in per capita production would require that non-economic factors be taken into account.

Thus, the terms "social development", "social planning", "social aspects of economic development", "balanced economic and social development" and the like began to become current. The necessity for incorporation of the "social" into comprehensive planning became a commonplace in the resolutions of inter-governmental bodies. International meetings on one variation or another of this topic have brought forth a formidable bulk of documentation, and even the conclusiones of meetings on quite specialized social programmes commonly pay their respects to the desideratum of integration into wider plans.\(^1\) Courses in social planning are organized, experts in social development go forth to advise countries,

\(^1\) The meetings organized by agencies in the United Nations family alone, excluding meetings on planning in general and meetings restricted to a single social sector, include: Working Group of Experts on Social Aspects of Economic Development in Latin America (Mexico City, 1960); Working Group of Experts on Social Development Planning (Bangkok 1963); Working Party on Economic and Social Development of the Economic Commission for Africa (Addis Ababa, 1962); European Expert Group on the Problems and Methods of Social Planning (Dubrovnik, 1963); Expert Working Group on Social Prerequisites to Economic Growth (Nicosia, 1963); European Seminar on the Problems and Methods of Social Planning, Kallvik, Finland, 1964. The Report of this last seminar (SOA/ESWF/1964/4) indicates clearly that interpretations of "social planning" and views on the usefulness of the conception itself continue to differ widely, even among specialists from countries with the most elaborate and well-established systems of public social action. In addition to the documents stemming from these meetings, discussions and summaries of current thought concerning social development may be found in the 1961 United Nations Report on the World Social Situation and in André Fiatier, Equilibre entre développement économique et développement social, Conseil International des Sciences Sociales, Paris, 1962. The latter work, based in part on regional papers commissioned by the International Council of Social Sciences, contains an extensive bibliography. /social divisions
social divisions of national planning offices are created, and social programmes lie side by side with economic in numerous published plans.

A close look at the present situation, however, reveals a remarkably wide gap between aspirations and realities. Neither the conceptual nor the practical problems of the incorporation of the "social" into comprehensive planning have as yet received satisfactory solutions. It cannot be safely affirmed that in any of the countries now striving for rapid development allocations to social programmes, new social legislation, or creation of new social agencies are controlled by unified conceptions of inter-relationships and priorities. At the same time, one finds a good deal of evidence that these countries are being offered more advice on planning than they can assimilate or evaluate, including elaborate quantitative techniques whose practicability has not been tested anywhere, and a considerable number of promotional schemes for separate lines of social action or alternative approaches to social action, all put forward as "plans" deserving the highest priority. It would seem, in fact, that a good many of the proponents of social planning have not digested the elementary principle that planning involves choice among alternatives, and the rejection or postponement of some forms of action which, though desirable in themselves, cannot be reconciled with others that deserve a higher priority. In fact, the popularity of the term "planning" has encouraged its extension to questions that might more properly be considered "policies" or "values", agreement on which should precede the stage of "planning". More solid progress has been made toward workable techniques for programming within the separate "social sectors", although even in this more limited sphere the practical application of the techniques now at hand is progressing only slowly. It is arguable that the more ambitious claims for social planning and the anxiety of social specialists to attach themselves to this popular cause may in some instances be diverting their attention from more immediate possibilities for improvement in the internal efficiency of the programmes with which they are directly concerned.

The present paper does not pretend to summarize the voluminous literature on planning and programming techniques, nor to offer recipes for successful planning. It attempts a panoramic view of the present status
of the movement to incorporate the social into planning, as it has taken shape in the international agencies and as it is being applied to the realities of Latin America, and suggests certain prerequisites for progress in this endeavour. It takes for granted that the shortcomings and exaggerated claims that will be examined do not obviate the need for a continuing search for effective solutions.

A brief look at three questions is first needed:

1. The meanings and limitations of the term "social" and its derivatives;

2. The multiple parentage of "social development" and "social planning" and the consequent differences in approach;

3. The prerequisites for effective planning that can be deduced from present trends in the Latin American countries.

1. Interpretation of the term "social"

In its broadest sense, the term "social" means "pertaining to society" or "collective". In this sense, economics is a "social science", all aspects of development are parts of a global "social process", and all facilities for general use by members of the society, from schools to sewers or from railways to race tracks, can be considered investments in "social infrastructure".

Such an interpretation is taken for granted in a number of recent statements on development policy and planning, and points the way toward the indispensable unified conception of development to which the present paper will return in its conclusions.

When the term "social" is coupled with "economic", however, the user commonly has in mind one of two narrower interpretations, or both of them together. "Social" may refer to the human welfare aspects of development: to the rising levels of living and more equitable distribution

---

of material and cultural goods that are expected to accompany or follow the increases in production brought about by "economic development".2/ Alternatively, "social" may refer to the structure of society, and "social development" to the changes in stratification and mobility, the widening participation in the national community, that are either prerequisites for economic development or concomitants of it. These two latter interpretations of the social imply different approaches to incorporation of the social into planning, and are put forward by persons with differing backgrounds - the former mainly by social administrators, the latter mainly by sociologists. With these two approaches a number of terms have come into international usage without acquiring precise definitions; the use of these terms seems to be unavoidable, but the looseness with which they are commonly used and the mental images they carry with them hardly contribute to the cause of clear thinking.

"Social situation", "social field", and "social sector" imply, more often than not, that the user has in mind the human welfare interpretation of the social. "Social prerequisites", "social factors", "social aspects", and "social obstacles" are more likely to be associated with the "structural" interpretation.

The "social situation" appeared in United Nations usage as a counterpart to the more easily envisaged "economic situation", and although the "world social situation" has been the subject of a series of reports, these reports have relied upon pragmatic criteria for their coverage.4/ Their topics have been determined partly by the organizational

2/ Piatier (op.cit.) points out that this interpretation of the social arose largely to fill the gap left by a deliberate narrowing of the interests of economists in the 19th century, and that as economists now widen their interests to include problems of employment, poverty, income distribution, education, etc., the content of the social, interpreted as a residual, shrinks.

4/ "For the purposes of the present survey, it would be futile to engage in elaborate distinctions between 'social' and 'economic' on the basis of avowed and unavowed motives of national policy-makers. The measures here treated are those regarded as 'social' by the United Nations and the specialized agencies; in general, they are measures that are directly rather than indirectly related to human welfare". International Survey of Programmes of Social Development. (United Nations publication, sales No 1955, IV. 8.)
structure of the agencies in the United Nations family, and partly by the content of the parallel conception of "level of living". The latter term has been the subject of considerable international discussion and has received an agreed-upon definition, but has remained a conglomeration of "components" measureable in part by separate "indicators", both the components and the indicators remaining resistant to all attempts at integration or synthesis. In practice, the United Nations reports have covered, in addition to these components and to the programme areas of the international agencies, a number of topics to which the economists would stake a claim: employment, income and expenditure, consumption, etc.

The terms "social field" and "social sector" have been used still more loosely. At times the users seem to envisage a finite number of social fields, large and small, that lie side by side, that can be merged into one big social field and fenced off from an "economic field" as a preliminary to deciding how much money is to be used to manure one field or the other. Or the image may be evoked of a social pie divided into "social sectors". An examination of the topics that are commonly identified as fields or sectors raises the question whether the big social field can be considered even a convenient abstraction. The more comprehensive the attempt to distinguish all the social fields or sectors the more anomalies appear: the fields overlap one another, stand in quite different relationships to human welfare, call for quite different kinds and combinations of public and private action. Some are subject to well-defined techniques of sectoral programming; others might conceivably be subjected to such programming in the future; in still other instances

---

5/ See "International Definition and Measurement of Levels of Living: Progress Report by the Secretary-General" (E/CN.3/270, 9 March 1960). (The United Nations Research Institute for Social Development in Geneva is now attempting to construct a unitary index of the level of living, but it seems questionable whether such an index can really sum up the heterogeneous components, or represent the realities of countries with incomplete statistics and wide discrepancies in the incomes and consumption patterns of different population strata.)
unified programming for the "sector" is hardly conceivable. Some of the social fields are growing economic crops and vice versa; discussions have been heard as to whether one or another topic is a social field with economic aspects or an economic field with social aspects. (The cultivators of the social fields now and then show traits that are to be met with also among real peasants; they engage in litigation over boundaries and try to incorporate portions of other fields within their own.)

The formulation "balanced economic and social development" has become associated with the imagery of economic and social "fields"; its use is likely to carry with it the presupposition that there are two distinct kinds of development that can or should be balanced.

The term "social prerequisites", "social factors" and the like have their own inadequacies. The user is likely to envisage a developmental process that is centrally economic, but that will run more smoothly if social lubricants are added to the machinery or social grit is flushed out of it. Under such an interpretation, social specialists complain, they are likely to be called in only at a secondary stage, to propose additives or tactical modifications for economic plans constructed without their full participation.

2. Origins of the different approaches to "social development" and "social planning"

We have already suggested that the present interest in "social development" and "social planning" involves a confrontation of the points of view of different sectors of opinion and different professional disciplines, and that discussions of these topics sometimes ignore the discrepancies in what the different participants actually envisage and want.

Recent years have seen a remarkably rapid expansion and diversification in public social action throughout the world, coinciding with the growth of the inter-governmental agencies and the endorsement by their member states of social objectives as human rights. Societies in which social services have reached a high degree of complexity and expensiveness have become models and suppliers of expert advisers to
countries in which low income levels and the cultural and political isolation of large parts of the population from national life place quite different limits on internal capabilities for the support of such services and on the likelihood of their effective functioning. The diversion of resources to the social programmes has met with opposition on the part of advocates of concentration on directly productive investments. Political pressures have generally been too strong for open resistance, but financial support of the programmes has in practice often been kept to a token level, widening discrepancies have appeared between the social rights guaranteed in laws and constitutions and the meagre benefits to the masses of the people, and the ineffectiveness and bureaucratization of the relevant programmes has strengthened the skepticism of their opponents. The advocates of the social programmes have thus been increasingly impelled to justify them both in terms of their contribution to the general developmental process and in terms of their internal efficiency. This has led them, on the one hand, to a quest for internationally applicable criteria for the "balancing" of social sectoral allocations with each other and with economic allocations and, on the other, to a quest for sectoral programming techniques, in which they have borrowed extensively from economic programming. In these approaches to social planning the element of promotion has inevitably been prominent; the advocates of each form of social action have tried to stake a claim, in terms convincing to political leaders and planners, to a larger share of national resources.

These trends have coincided with the interests of a good many economists, who began to envisage the social programmes, or some of them, as essential contributions to economic development, and thus to evaluate them as "investments" with returns potentially translatable into monetary terms; the phrase "investment in human resources" became current. A series of economic studies indicating that a very large share in the generation of economic growth must be attributed to an ill-defined but largely "social" residual factor, rather than to inputs of capital and labour, contributed to the economists' turning /of attention
of attention in this direction. At the same time, speculations began to be heard on the possibility of constructing mathematical models incorporating all the social as well as the economic variables relevant to development. This support was received by the promoters of the social programmes with gratification mixed with a certain uneasiness. They could not accept the investment criterion as primary without risking from the human rights point of view, serious distortions in the content of the social programmes and a refusal to allocate any resources to forms of social action for which "returns" cannot be demonstrated. At the same time, the initial attempts to measure returns on investment in such sectors as education and health or to view these sectors as input-output models led to such formidable conceptual and practical difficulties that some economists have come to doubt whether such exercises will ever be useful tools in the quest for criteria for social allocations. The present trend, in programming practice, seems to favour the use of non-monetary quantitative indicators for the efficiency of programmes, and pragmatic processes of successive approximations to determine the final allocation of resources to a given programme or project.

The above approaches are associated with immediate problems of allocation of public resources to programmes that already exist, with their own organizational structures, legislative sanctions, clienteles, and forces of momentum or inertia; and also with the justification of alternative lines of future public action. Both the advocates of the social programmes and the economic programmers inevitably place in the foreground extremely simplified quantitative targets; increases in the school enrolment ratio, in the number of houses constructed, in the percentage of public expenditure or of national income devoted to one programme or another.

A different approach, to which both economists and sociologists have contributed, involves a search for reasons why neither economic nor social programmes up to the present have proved predictably effective in the countries seeking rapid development. One of the pioneering presentations of this point of view singles out "social adaptation to new functions", "the creation of new patterns of living", and "the new /social stratification"
social stratification" as the central problems. From this approach, quantitative criteria for allocations to the social programmes or for rates of improvement in the components of levels of living are of secondary importance compared to an understanding of the functioning of the programmes within a given social structure and their potentialities for modifying the structure along lines more compatible with healthy development. This approach has been reinforced by the raising of more basic questions as to the meaning of a "good society", and by widening disinclination to accept the high-production high consumption societies of North America and Europe as satisfactory models for the rest of the world. It is obvious that the application to public policy of this last approach raises questions much more complex than do the attempts to set quantitative targets and determine more rational criteria for allocation of resources. The legitimate preoccupation of the planners and sociologists with the transformation of social structures does not imply that they should or can manipulate these structures into their own image of the good society. Historically, the transformation of social structures has been the task of political leadership representing the more dynamic elements emerging from the previous structures, and the role of planning in this process will presumably continue to be auxiliary.

Some presentations of the latter approach seem to view it as an alternative to the former, but it is more reasonable to envisage it as


7/ A recent paper proposes the terms "societal development" or "nation-building" to express such a point of view toward the development process. "Societal development" in countries of low income may be defined as the sum total of the measures, policies, operations, and other consciously induced changes or practices required to alter fundamentally the patterns of and attitudes toward life, work, and education in order to create a dynamic, responsive, and progressive society in which conditions of life are improved through the application of modern technology and democratic processes." (Donald C. Stone, "Education for Development Administration", paper prepared for the Conference on Administration for Development, November 1965, convened by the Inter-American School of Public Administration of the Getulio Vargas Foundation, Rio de Janeiro.)

8/ John K. Galbraith's, The Affluent Society (Boston, 1958) is one of the most influential presentations of this criticism.
complementary. The need for rationalization of the jungle growth of social initiatives now springing up will not wait upon the attainment of adequate understanding of the social structures. The search for quantitative targets and criteria for allocation of resources becomes questionable only if the targets are viewed as ends in themselves rather than limited indications of the degree to which the real purposes of the programmes are being attained.

3. Prerequisites for effective policy and planning in the Latin American setting

The Latin American countries at present, for all their obvious differences from one another, present certain common characteristics - including internal contradictions - that differentiate them from the more generalized models of "developed" or "under-developed" countries. 2/ These characteristics suggest certain conditions that must be demanded of an interpretation of social policy and planning likely to be capable of influencing the course of development in the region. Although the present state of social research is far from adequate to support firm generalizations, the following highly simplified conditions may be advanced:

(a) Such policy and planning must attempt to rationalize the struggles within what have been called "conflict societies" in which different classes and organized interest groups hold to widely separated interpretations of what is needed, and in which the real objectives of these groups - whether consciously formulated or not - may be in

2/ A number of classification systems have distributed the countries of the region in groupings according to levels of development, degrees of national integration, etc. One of the most recent of these exercises, dividing the countries of the world into four groups according to their ranking by a composite index based on quantitative indicators, places on Latin American country in the "advanced" category, six in the "semi-advanced", nine in the "partially developed" and only one in the lowest "under-developed" category. (Frederick Harbison and Charles A. Myers, Education, Manpower and Economic Growth: Strategies of Human Resource Development, McGraw-Hill Book Co., New York, 1964.) The differences in levels between the countries, however, do not in general place them outside the framework described here.
contradiction to the publicly agreed upon objectives of development and social justice. In Latin America today, these struggles are conditioned by the juxtaposition of large urban minorities that have attained or are determined to attain the consumption standards typical of Europe and North America with other groups having widely differing levels of living, aspirations, and degrees of integration into the national society. The latter groups include rural populations that remain "traditional" and more or less insulated from the national society by prevailing systems of land tenure, local administration and patterns of settlement; but they also include rapidly growing groups that are mobile geographically and occupationally, that are increasingly moving into urban or semi-urban settings, and that are increasingly able to make their influence felt in the political process. In the ideologies that purport to represent the points of view of different groups in the societies (and that have been labelled "nationalism", "populism" and "modern traditionalism")\(^{10}\) and also in the behaviour of individuals, including political leaders, administrators and planning specialists themselves, one finds an unresolved mixture of the traditional with the modern or innovating.\(^{11}\) The most basic hungers for bread and shelter combine in their pressure upon resources with hunger for television sets and automobiles. Reliance upon the State to resolve all problems of livelihood and social change co-exists with extreme apathy or hostility toward the public powers. Under these conditions, planning systems will be called upon, in addition to their more technical tasks, to clarify the policy alternatives in terms that will make sense to the

\(^{10}\) See "The Post-War Social Development of Latin America" (E/CN.12/660) and Kalman Silvert, Conflict Society Reaction and Revolution in Latin America (New Orleans, 1961).

\(^{11}\) Contradictions of this kind are being explored in an analysis of the structure of power now being undertaken by the Centro de Desarrollo (CENDES), Universidad Nacional de Venezuela, Some of the preliminary findings of these inquiries are summarized in Frank Bonilla, Julio Cotler, and J.A. Silva Michelen, "La Investigación Sociológica y la Formulación de Políticas", América Latina, Río de Janeiro, 8, 2, April–June 1965.
contending interest groups, distinguish real controversies that must be the subject of political decision from semantic ones, demonstrate the feasibility of the demands in terms of available resources and alternatives that must be foregone if a given demand is met, and help the less organized and less articulate groups to make more coherent and realistic demands through formalized channels. At best, the planners can hardly expect to attain the status of neutral and infallible arbiters of the allocation of resources.

(b) Policy and planning must take into account the pre-existence of extensive social legislation, fixed investment in social capital, social institutions with their own clienteles and pressure groups, resistant to planned change or integration. The expansion of public social action in the region has been accompanied by the growth of devices such as earmarked taxes, autonomous agencies, separate social security funds for different categories of insured, that are designed to protect specific social programmes or categories of beneficiaries against changes in the allocation of resources; social measures are typically governed to the smallest detail by legislation and each extension of the measures makes the legislation more complicated and administration more costly. At the same time, the social structures and the unequal participation in decision-making by different strata of the population have tended to distort the functions of the social institutions assessed from the points of view of development or of social justice. The most important of these distortions relate to the "redistribution" of incomes and opportunities for mobility that ensues arise when the whole society is taxed to provide services that are in practice within the reach only of certain relatively well-off and well-organized elements - as has notoriously occurred in the instances of secondary and higher education, social security and public housing. Another distortion is the bureaucratization that occurs when the function of providing jobs for members of the upper and middle strata comes to encroach on the overt functions of the institutions. Universalization of the public services already declared to be "rights" in many of the national constitutions would - at present per capita costs - require astronomical sums.

/(c) Policy
(c) Policy and planning must, at least in their early phases, adapt themselves to a typical combination of frequent changes in the higher policymaking personnel of the Government with the continuing existence of elaborate centralized administrative apparatuses lacking in capacity for initiative and resistant to change. These apparatuses, in most countries, are over-staffed but have few officers, if any, trained in modern administrative practices.

Frequent changes in programme directives may thus exert only a superficial influence on the behaviour of the personnel actually applying the programmes. Planning procedures and models introduced into this kind of setting must guard against a real likelihood of becoming additional sources of rigidity and bureaucratization.

(d) In the same countries, provincial and municipal administrative machinery is typically weak, both in staffing and in fiscal resources, and is usually dominated by narrow local cliques. This situation throws a heavier burden on the central authorities for detailed local decision-making, and at the same time exposes them to strong and persistent localistic pressures for allocation of resources, expressed through political channels. An effective planning system must seek means of strengthening the capabilities of local administrations to plan for local development, and at the same time seek more rational and politically practicable criteria for central public allocations to local authorities.

(e) It follows from the above considerations that planners in Latin America cannot assume that promotion of quantitative growth as assessed by the conventional indicators, including the social indicators, will be equivalent to the promotion of healthy self-sustaining development. It is probable that continued growth along present lines would run into certain obstacles inherent in the social structures that would bring it to a halt, or interrupt it through a breakdown of national consensus, as seems to have happened in some countries of the region formerly the most advanced. Furthermore, growth along present lines, even if could be continued indefinitely, would involve a restriction of the benefits of growth to a minority of the population — although conceivably a large and growing minority — and would condemn other large groups to /marginality. The
marginality. The key social institutions need structural reforms, not simply to enable them to perform their present functions more effectively, but to enable them to perform functions different from the present, including a more equitable redistribution of income and a widening of opportunities for upward mobility and participation in national life. Moreover, the societies in which this objective must be sought are not predominantly static or traditional, although static and traditional elements weigh heavily within them. Rapid population growth and redistribution, the inability of traditional ways of life to support the growing population, the rapid spread of new felt needs, including the multiplication of felt needs for "modern" consumer goods recreation, etc., among masses whose incomes are inadequate to cover their primary subsistence requirements, mass communications, etc., mean that the problem is more one of canalizing rapid and chaotic change than of overcoming traditionalist obstacles. The kind of planning needed under these circumstances has been labelled "strategic" to distinguish it from the "projective" or "indicative" planning that some of the high-income countries of Western Europe or North America find suited to their needs.

The prerequisites for a workable interpretation of social policy and planning, as they are listed here, are formidable. They have not yet been met by any country in the region, and it is enough to state them to see that they will never be met fully or neatly.\footnote{12/} The effort to approximate more and more closely to them will require persistent efforts at several levels - that of the quest for wider understanding of the structure of society and its relationships to the over-all process of development; that of the machinery for making and applying policy decisions, nationally and locally; and that of the heterogeneous forms of social action, with their own programming techniques and problems of

\footnote{12/} In fact, this generalization may be equally applicable to economic policy. The Introduction to Part III of the Economic Survey of Latin America, 1964 points out that "in Latin America, as elsewhere, the prevailing characteristic has been the existence of a heterogeneous patchwork of policies" that do not embrace the whole of the economic process, and that sometimes have mutually contradictory or conflicting aims. 

/
function and inter-relationships. The ideal of comprehensive planning will continue to be confronted by the limitations of the human mind, in its capacity to grasp simultaneously all the relevant factors, and by the limited capacity of governmental machinery to translate plans into action.

II. THE SOCIAL SECTORS

1. Problems of identification and delimitation

In spite of the inadequacies of the term "sector" its use is unavoidable when one turns to classify the forms of social action subject to public policy. The historical evolution of these "sectors", the character and closeness of their relation to the unifying conception of human welfare, the techniques and objectives of programming that are applicable, and the degree to which public intervention supplements or replaces individual or family provision show little resemblance from one to another.

The following discussion progresses from the sectors that are most incontrovertibly social in content and purposes, and in which the relevant forms of public action are readily definable and subject to unified control, to the sectors in which the dividing line between social and economic becomes harder to draw, in which the forms of public action become more diverse, or in which public intervention is of minor importance. It then takes up certain lines of social policy that cannot be considered "sectors" at all, that purport to make sectoral action more unified and effective in determined settings, or that set forth a strategy for social change through concentration on determined lines of action. Finally, we shall return to the questions: Do the terms "social development" and "social planning" stand for realities at the level of public action? Is it useful to distinguish "social planning" or "social programming" as something apart from sectoral programming on the one hand, and comprehensive planning on the other? Does the phrase "balanced social and economic development" point to really useful principles for the allocation of resources to the different sectors or to the whole range of social programmes?
It is natural that programming techniques should have appeared and attained a certain degree of practical application in a few of the sectors prior to any systematic attempt to integrate these sectors into broader systems of planning. These are the sectors in which public action has a relatively long history, in which the greater part of such action falls under the control of a single ministry or other agency, which have easily demonstrable relationships to economic growth, and which make effective demands for large shares of the resources available to the State. Two sectors - education and health - stand out in these respects and housing is now acquiring a comparable status. Some discussions of planning and some published plans in Latin America seem to assume that investment in these sectors constitutes the whole of the social side of planning.\footnote{13} They are the only social sectors in which programming techniques have been taught (education and health) or are expected to be taught in the near future (housing) at the Latin American Institute for Economic and Social Planning.\footnote{14}

What are the other social sectors? One can seek a provisional answer to the question in two directions: by considering the nine components of the level of living agreed upon in United Nations usage,\footnote{15} or by considering the conventional areas of organized public social action that

\footnote{13} Summaries of twelve national plans and investment programmes in Part III of the Economic Survey of Latin America, 1964, indicate that objectives classified as "social" are limited to education and health, or to these plus housing, in six instances. Other plans are quite diverse both in the social topics included and in specifications of objectives and indicators. Several treat provision of drinking water and sewerage as a separate social objective; a few emphasize income redistribution and employment; others set targets for consumption of food and consumption of clothing and footwear; one plan treats community development as a separate sector.

\footnote{14} Experience up to 1963 in the teaching of programming in these sectors is summarized in "Problems of the Programming of Social Development" (E/CN.12/661), 17 April 1963. The Latin American Institute for Economic and Social Housing has also given a course in human resources development, but this topic, for reasons to be discussed later, can hardly be considered a "social sector".

\footnote{15} See "International Definition and Measurement of Levels of Living: Progress Report by the Secretary-General" (E/CN.3/270, 9 March 1960),
are embodied in the administrative structures of the United Nations agencies. Education, health and housing would be included under either approach, along with food consumption and nutrition, employment and conditions of work, and social security. The list of level of living components yields also clothing, recreation and human freedoms; the list of areas of social action yields social services and social defense, in addition to several topics that we shall treat as integrative approaches rather than sectors.

It may also be convenient to attach the term "sectoral" to any "programme for a specific objective - to improve child nutrition, for example - or for a defined group of activities - for the development, say, of education or the steel industry - on explicit or implicit assumptions about other sectors... The 'crash programme' is a form of sectoral plan... Sectoral plans may be set up on private initiative".\(^{16}\) This interpretation may be quite satisfactory in relation to the planning or programming practices of specific countries, but it assumes that sectors are brought into being by the formulation of programmes, and that there may be sectors within sectors; it does not lead to any consistent delimitation of the "social".

2. Education

Education appears to be the most readily definable and susceptible to unified programming of all the sectors. International meetings on educational policy have been frequent,\(^{17}\) an International Institute for

---


\(^{17}\) In relation to Latin America the most significant milestones have been the Conference on Education and Economic and Social Development held in Santiago in 1962 and the Seminar on Problems and Strategies of Educational Planning in Latin America, held in Paris in 1964. The basic documents of the Conference have been published in the Economic Bulletin for Latin America, VII, 2 October 1962, and in UNESCO's America Latina: Proyecto Principal de Educación, Boletín Trimestral. For selected documents of the Seminar see International Institute for Educational Planning, Problems and Strategies of Educational Planning, Paris, 1965.
Educational Planning has been created, and educational authorities have a wealth of detailed technical advice to draw on. The greater part of formal education in most countries is directly administered by the State. To the extent that local governments or private schools replace or supplement the efforts of national authorities they are supported largely by national public funds and operate within a framework of standard-setting national legislation. Statistical yardsticks are at hand for assessment of the efficiency and output of an educational system: age-group enrolment ratios; duration of schooling; rates of promotion, retardation and dropouts; pupil-teacher ratios, etc. offer the opportunity of constructing sets of standards and objectives that are internally consistent, easily understandable by the general public, and subject to precise calculations in terms of costs. Moreover, most of the statistics needed for programming are or should be by-products of educational administration or are standard census tabulations.

Considerable progress has been made in the analysis of educational requirements for a labour force possessing specified levels and types of skills, so that economic planners can make concrete demands on the educational system and understand the indispensability of allocating sufficient resources to it if their long-term production plans are to be practicable. By way of the conceptions of "human capital" and "human resources" (to be discussed later) economists have become particularly interested in contributing to educational programming principles and techniques. Although their attempts to calculate returns on educational investment in monetary terms or to incorporate educational systems into mathematical input-output models have hardly as yet proved usable programming tools,\(^{18}\) success in these endeavours does not in any case seem essential for the incorporation of economic objectives and economic programming principles into workable systems of sectoral programming for education.

\(^{18}\) These questions are the subject of continuing controversy, and the advocates of the more elaborate mathematical techniques have been accused of luring programmers into a waste of ingenuity on academic exercises. Among the best known proponents of, respectively, positive and negative evaluations of these approaches are the economists Jan Tinbergen and Thomas Balogh.

\(/\text{Nevertheless, progress}\)
Nevertheless, progress in the application of educational programming has been halting in Latin America, and is probably even more limited in the other regions in which educational deficiencies are particularly serious. Planning machinery has been set up in the majority of ministries of education, the stock of trained specialists in educational programming is growing and a number of national programmes and studies leading to programmes have been published. One cannot, however, as yet find an example of an integrated programme effectively applied to the whole of a school system, determining priorities and controlling educational output in accordance with an over-all conception of national educational objectives.\footnote{19} The most notorious and often-denounced inefficiencies and sources of waste in the educational systems remain stubbornly resistant to programming. Aside from the difficulties common to all areas of planning and programming, the educational systems present rigidities that derive from their historical development and their peculiarly close relationship to existing social structures.

In almost every country, public primary and secondary education have separate administrative apparatuses, in spite of their apparent joint control by a single ministry of education; higher education enjoys a jealously guarded although in many respects fictitious autonomy; vocational education usually has its own administrative machinery, inside or outside the Ministry of Education; while private schools are usually in a strong position to defend their own interests. Within each of the separate administrative divisions are numerous specialized teaching groups and auxiliary services, each contending to maintain or improve its previous status and its share of the educational budget. The existing rigidities are protected by detailed legislation, which educational authorities find it easy to add to but hard to reform and simplify. Meanwhile, the difficulties of global programming of the sector, coinciding with separate international initiative contribute to a proliferation of "plans" that

\footnote{19} This conclusion is supported by several papers presented at the 1964 Paris Seminar mentioned above. See, in particular, Maximilio Halty Carrera, "Some Aspects of Educational Planning in Latin America" and Sylvain Lousié, "Education for Today or Yesterday?".
purport to concentrate resources on specific problems, such as the elimination of illiteracy. However justified such initiatives may be as promotional devices they can hardly contribute to the establishment of an ordered system of priorities for the sector as a whole.

More basic difficulties derive from contradictions between the publicly endorsed objectives of education and the real objectives — whether conscious or unconscious — of its customers, the families of school children and at the secondary and higher levels, the students themselves. In practice, the complex and rigid administrative structures and legislative provisions serve as protective shields against changes not really wanted by the more influential "customers" of the educational systems.

The public objectives of education derive from two main sources — conceptions of human rights and conceptions of prerequisites for human resource development. These two conceptions imply somewhat different priorities in the growth of an educational system, but in the main they are compatible and mutually reinforcing. Both support the objective of universal primary education of a duration and quality sufficient to enable the individual to function as a citizen of a national state and a producer and consumer in a modern economy. Both support the objective of gradual prolongation of universal schooling, in line with the capacity of a developing economy to support the costs, in line with demands for labour force qualifications that are increasingly complex and subject to continual change, and in line with demands for the filling of new social and political roles. Both support the objective of equalization of opportunities for youth to advance into the stages of schooling at which it ceases to be universal and uniform in content.

These objectives, however, clash with the typical stratification of Latin American society. The overt objectives would favour unified educational systems with equal opportunities for promotion from one level to another. The social structure, with its leaning toward "ascriptive" assignment of educational and other roles, favours a compartmentalized educational system, in which children entering some compartments have a good chance of climbing to the very top of the educational ladder, while children entering other compartments have no real likelihood of progressing /beyond the
beyond the elementary level. At the same time, the attitudes and occupational qualifications imparted in the different compartments are likely to differ widely from the attitudes and qualifications envisaged by the planners who see education as an instrument of economic development and social mobility.

In general, the educational systems of Latin America today are in some stage of transition between structures appropriate to "adscriptive" and to "acquisitive" societies, subject to contradictory pressures, reflecting the aspirations of different strata of the population and the differing degrees of effective demand for education the different strata are able to make. 20/

Under such circumstances, the topic of "popular participation in planning" is particularly relevant to the educational sector but particularly hard to apply. Reconciliation of the different interests at best requires protracted consultations, compromises, education of the public and consistent initiative at the highest political level; it would be naive to expect such reconciliation to emerge smoothly from the application of neutral planning techniques. One obvious task in the early stages of programming is to bring the contradictions into the open and promote national self-consciousness on the realities and objectives of the educational system.

3. Health

In health, the problem of delimiting the sector and fixing quantitative objectives is somewhat more complicated than in the case of education. The well-known definition endorsed by the World Health Organization according to which "health" is a "state of complete physical, mental and social well-being" makes the level of health synonymous with the level of living and hardly susceptible to a sectoral approach. Even if one falls back on the narrower conception of health as an absence of disease, progress

20/ For discussions of these questions, see Luis Ratinofo, "Problemas Estructurales de los Sistemas Nacionales de Educación, Esbozo de una Tipología Analítica", Ciencias Políticas y Sociales, México, X, 36, April-June 1964, and Marshall Wolfe, "Social and Political Problems of Educational Planning in Latin America", in International Institute for Educational Planning, op.cit
toward this objective depends on advances in many forms of social action, including education, housing, social security, and improvement of food consumption as much as it does on health measures in the strict sense. It is legitimate, up to a point, to view the level of education as a result of the functioning of teachers and schools; the level of health cannot be regarded in the same way as a result of the functioning of doctors and hospitals.

In practice, it has been necessary to set programming objectives in terms of negative indicators - mainly reduction in the rates of mortality. The programming techniques that are now being applied experimentally in Latin America envisage strategies for distribution of health resources based on the relative magnitude of the different threats to health (assessed through comparative death rates), their importance to family and community (assessed through the age distribution of deaths from each cause), and their vulnerability to measures that can be included in the health programmes. In principle, morbidity rates from the different threats are just as relevant as mortality rates. In the initial stages of programming, however, reliance on the latter is made unavoidable by the inadequacies of statistics concerning the former, although this introduces the danger of inadequate attention to threats that sap well-being and productive capacity without contributing very much directly to the mortality rate.

While programmes in the other sectors are generally formulated first at the national level, health specialists now favour the construction of national programmes from below, through the integration of programmes drawn up for "programme areas" with populations not exceeding 100,000, considered the maximum for efficient administration of a unified programme adapted to local conditions.

21/ For a detailed presentation of the methodology along these lines that is utilized in the courses of the Latin American Institute for Economic and Social Planning see Oficina Sanitaria Panamericana, Manual para la Elaboración de Planes de Salud, Caracas, September 1962.
It can be expected that resistances to programming deriving from the social structure and the demands of the clienteles of the services will prove less formidable in relation to health than in relation to education. The difficulties deriving from compartmentalization and separate vested interests within the services, however, are similar in the two sectors.

The health programmer encounters a relatively large fixed investment in health services, an investment that derives from many past influences and initiatives, usually with only intermittent attention to priorities. Examples of hospitals built in response to local pressures or in the course of a national construction campaign and then left without staff or patients are easy to find. The stock of different kinds of health personnel (doctors, nurses, laboratory technicians, auxiliaries, sanitary engineers, etc.) is usually unbalanced numerically and badly distributed geographically. The hospitals cannot be moved at all and the personnel can be shifted only to a limited extent to bring them more into line with programming objectives. At the same time, the device of crash programmes (directed toward the elimination or control of specific diseases) has been more effective and more widespread in health than in other sectors, and such programmes usually involve the creation of a separate administrative apparatus with its own momentum.

The first task for the programmer is thus to find ways of using more efficiently the resources that are at hand, although the composition and distribution of these resources may be a long way from what he would have wished. The second task is to channel the additional resources that can be allocated to health in directions that will eventually bring the whole system more closely into line with programming objectives. As in the case of education, a command of programming techniques will not be sufficient for this purpose; it will be essential to gain the support of the public and the different interest-groups within the health services, to compromise, and to exert pressure in a consistent direction over a long period.

Another problem that is likely to emerge more clearly as programming becomes more effective and its statistical bases wider and more reliable lies in the criteria for relative importance of threats to health. The
criteria that are now being advanced are bluntly economic, with priorities for allocation of resources to be determined, inter alia, by the probable number of years of working capacity lost owing to the different causes of disability and death. A youth of an age to enter employment represents an important investment in terms of costs of his maintenance during the years of dependency, his education, etc. on which society has as yet realized no return. The preservation of his life and health is thus of maximum economic importance. This importance diminishes according to age in both directions, and if the reasoning is carried to its logical conclusion, protection of the health of persons past retirement age merits no attention, nor does protection of infants in whom society has as yet invested nothing. Arguments for a higher priority to child health measures commonly ignore this difficulty and extend the economic justification to cover all age groups. Presumably programming will never be carried to its logical conclusion, and the health programmer will have to seek workable compromises between humanitarian and economic criteria for allocation of resources.\(^{22}\)

4. Housing\(^{23}\)

Housing, considered as a sector of social policy, differs from the other sectors in many important respects:

(a) The central objective consists in the provision of an adequate supply of the most durable consumer goods used by human beings, not in the provision of continuing services or in the maintenance of a flow of goods for immediate consumption. In every country, the existing stock of housing represents an enormous fixed investment. Almost all of this

\(^{22}\) Some aspects of these questions are discussed in Chapter 8, "Population and Economic Development", in Hans W. Singer, International Development; Growth and Change, Mc Graw-Hill, New York, 1964. Singer emphasizes the relation between health and productivity and asserts: "If there is anything inimical to economic development, it would be an undue concentration of international humanitarianism and improvements in medical knowledge and technology on the prevention of death rather than the creation of health" (p.77).

\(^{23}\) Policies in this sector are discussed in more detail in "The Problems of Housing in the Context of Latin American Development".

/stock, up
stock, up to the past few years, has been accumulated through private
initiative, determined by market forces together with the aspirations
and saving capacity of individual families, subject only to a certain
amount of regulation by the State. Such investment, with or without
public encouragement, continues in all countries and represents about
20 per cent of total investment in fixed capital, or from 2 to 6 per cent
of the gross national product.24/

(b) The "housing problem" derives in part from population increase
and redistribution, necessitating the construction of dwellings for new
families or in-migrant families in specific locations; in part from the
deterioration or demolition of existing housing; and in part from rising
standards according to which much of the existing stock is judged unfit
for human occupation. When population redistribution takes the form of
rapid and concentrated urbanization, as in most of Latin America today,
the majority of the new urban families are unable to meet the heavy initial
costs of dwellings responding to modern standards, and many of them are
unable to amortize such costs even on the most favourable terms.

(c) The special characteristics of housing make it possible for the
problems to be neglected and for the housing deficit to increase over a
long period before pressures for action become irresistible. The fact
that housing construction competes directly for capital investment, man-
power, land equipment and materials with other more obviously "productive"
forms of investment, induces economic planners to give it a relatively low
priority, or to postpone a solution until higher income levels of living
have been reached. When the majority of the urban population have low
incomes and low standards for housing they will be prepared, up to a point
to tolerate increased over-crowding in the existing stock of housing, or
will try to meet their own needs through improvised construction in
shanty towns.

(d) Certain other characteristics of the housing sector, however,
in addition to the argument of urgent human need, support a higher priority
for housing within national planning. Planners have been slow to envisage

(United Nations; Sales No: 65.II.G.1.)
the likelihood that the solution lies not so much in the allocation of additional scarce resources to housing as in the reorientation of the heavy investments that will continue to be made whether they like it or not. The desire for better housing stimulates in families a disposition to save that cannot be diverted to other forms of investment. Under present conditions, inflated urban land prices, costly and inefficient construction techniques, high costs of credit, lack of effective legal protection and technical advice for families wishing to invest in houses, mean that a high proportion of family savings for this purpose are wasted, or that the family is dissuaded from trying to save. At the same time, the limitation of effective demand for housing to relatively small upper-income sectors dissuades the construction industry from seeking lower-cost mass-production techniques, and keeps the costs of building materials high. The potential stimulus to over-all development that could flow from efficient construction and building material industries with a dependable level of demand is not realized.

(e) The housing programmer has at hand a wider range of alternative or complementary techniques for improvement of the housing situation than one finds in the sectors of education or health. Construction of low-cost housing for sale or rental as a public service is only one of these. Other measures include arrangements for low-cost credit through savings and loan associations; material and technical aid for families undertaking self-help construction; rationalization of the construction and building materials industries; favourable terms for imports of building materials and machinery, etc. At the same time, resources can be channeled into improvements in the quality of the existing stock of housing, arresting deterioration, even making the improvised shantytowns more habitable. These last alternatives seem to have received remarkable little attention considering their potential importance in settings in which it is taken for granted that the existing deficit, in terms of dwellings meeting conventional standards, cannot be wiped out for many years.

(f) Houses once built cannot normally be moved and represent a heavy loss of resource if abandoned; they also call for a wide range of complementary investments in infrastructure. A housing programme restricted to /quantitative objectives
quantitative objectives for increases in the number of dwellings cannot help having unforeseen repercussions upon the abilities of the cities to function efficiently and provide essential services, on the forms of local community organization (or the lack of such organization), on the mobility of the labour force, etc. The need for integration of housing with other areas of planning and programming relating to the livelihood and wellbeing of the people who will live in the houses is obvious, but effective solutions have been almost entirely lacking in Latin America. Urban regulative plans have been unable to control the sprawl of the great cities or of smaller centres that have undergone rapid growth. Recent housing programmes have often selected sites for houses according to the cheapness or ready availability of land; with no consideration of accessibility of sources of employment or relative costs of infrastructural investments that are the responsibility of other public agencies. Ideally, housing programmes need to be integrated into a coherent national policy influencing the redistribution of population and the rates of growth of cities and towns according to some coherent conception of objectives for balanced regional development. The stimulation of development in economically stagnant towns and cities that already have important fixed investments in housing and infrastructure might appreciably diminish the pressure for housing investments elsewhere.

Another problem that has not yet been squarely faced in programming in the "housing sector" derives from the differing characteristics and functions of housing in urban and rural settings. In the cities, houses are normally built by a specialized industry and construction is subject to elaborate regulations and standards. When the high costs of construction and the low incomes of the families needing houses combine to prevent the industries from meeting the needs, the efforts of the families to construct their own shelter take the notoriously unsatisfactory form of the shanty-towns. The programmes attempting to rationalize individual construction through "aided self-help" may bring about more acceptable results, but remain expedients made necessary by the gap between building costs and ability to pay for housing. If urban incomes were to rise sufficiently and building costs were to be brought down, it would presumably be more efficient economically if all construction were to be carried out by professional builders.
Up to the present, practically all housing programmes have concentrated on construction in the urban setting, where the problem is acute and the deficit rapidly growing. National estimates of the deficit, however, commonly include the rural areas, in which typical housing conditions, assessed by the usual yardsticks of dwelling space per family, construction materials, availability of potable water, sanitary waste disposal, etc., are probably no better than in the urban shantytowns. In the rural areas, however, construction by the family and neighbours, with only a limited amount of paid specialized labour, remains the rule. The housing problem is chronic rather than acute: the inadequacies of the houses derive partly from traditional patterns and low standards or felt needs for housing, and partly from relationships to the land that affect the value of the house to the family. Families of workers living on large estates without tenure rights, squatters in the pioneering zones, or landless workers compelled to migrate in search of seasonal labour and shelter themselves by the roadsides have no incentives to build more substantial houses. Houses would not represent to such groups a real investment, and in any case their investment aspirations usually centre on acquisition of land rather than houses.

Thus far, public rural housing programmes have been limited to a token scale, and it seems unlikely that resources bearing any relationship to the size of the problem can be allocated to them in the near future, except in the countries in which the rural population is already a minority. In the long term, it would seem that rural housing will require policy and programming approaches quite different from urban, approaches closely dependent on other programmes for the raising of rural levels of living or redistribution of the rural population. Secure land tenure and a reasonable expectation of an adequate livelihood from agriculture would provide the preconditions for rural family interest in better housing. Once these conditions are met, public aid in the form of technical advice, loans of simple machinery or tools, and provision of some building materials at low cost might be sufficient. Another part of the problem could be solved through enforcement of regulations requiring landowners to provide for their workers housing meeting minimum standards. In other instances,
regrouping of the rural population in nucleated settlements or in line
settlements along the roads may be called for, together with some public
construction. 25/  

5. Food consumption and nutrition

One other "sector", that of food consumption and nutrition corresponds
to a clearly defined human need that is even more basic than the three
that have just been discussed. Highly refined techniques for the quantifi-
cation of objectives and measurement of progress toward such objectives
have been devised, both in terms of the intake of nutrients according to
the age and other characteristics of the individual, and in terms of the
physical state expected to result from a satisfactory diet. The main
difficulty in this aspect of programming is the expensiveness of the
inquiries needed to maintain accurate information on national nutritional
levels, but less expensive techniques, such as the preparation of food
balance sheets, can throw a good deal of light on consumption trends.
Food consumption targets have been included in a certain number of national
plans. Even in the most highly planned societies, however, public action
in this sector is supplementary to the continuing responsibility of the
individual or the family to find the resources to pay for its food (or to
grow it), to choose the foods it prefers within the limits of its resources
and to decide what proportion of its income to spend on food. Meanwhile
the State and to some extent private organizations influence food supplies
and consumption through measures as diverse both in character and in
objectives as the following:

Dietary education and propaganda (which may have as objective not
only improvement of the diet but also improvement of the markets of
domestic producers of certain foods, etc.).

Legislation setting standards for food quality, handling, labelling
additives, etc.

25/ These problems are discussed in more detail in the ECLA Secretariat's
study of "Rural Settlement Patterns and Social Change in Latin

/Subsidized production
Subsidized production of certain foods intended to improve the diet of children or nursing mothers and creation of industries processing such foods.

Public purchase of surplus foods and distribution to low-income families, school children, etc.

Price controls (whether to favour producer or consumer).

General subsidies for food production (likewise).

Differential tariff rates for food imports.

Purchases and sales by co-operative or State-managed shops in order to narrow the price gap between producer and consumer.

Technical and material aid to farmers, including agricultural extension; supply of seeds, fertilizer and tools; low-interest credits, etc.

Land tenure reforms.

Colonization and opening of new lands to cultivation.

Public investment in rural infrastructure promoting the production and marketing of foods (including irrigation systems, rural roads, electrification, extension of communication networks).

In no country are all of these lines of action subject to unified administration or a unified strategy focused upon the raising of food consumption levels. Many of them are economic in purposes and techniques; others respond to political pressures; to their proponents their impact on food consumption is incidental. It is likely that in most countries different measures adopted for such diverse purposes as improvement of the balance of payments through import substitution, protection or redistribution of farm incomes, protection of urban low-income groups from rising costs of living, disposal of crop surpluses protection of organized marketing interests, have directly contradictory or mutually cancelling effects not only on food consumption but also on over-all development. Moreover, in countries such as those of Latin America, the unresolved problems of the rural social structure and power structure stand in the way of coherent programming for increases in food production and consumption.

International concern over low nutritional levels and the lagging of food production increase rates behind rates of population growth, together with the accumulation of food surpluses in some of the economically advanced countries
advanced countries have given rise to a number of programmes or proposals for the use of surplus foods to stimulate the use of underemployed rural labour on projects that would eventually increase domestic production. In general, however, the practical difficulties of integrating these programmes with national policies and national administrative limitations do not seem to have been solved very satisfactorily.

National policies for the improvement of food consumption and nutrition in which all of the measures listed above would be assessed in relation to their contribution to the central objective and their consistency with one another are obviously needed, and there may also be a place for narrower sectoral programmes limited to the range of measures directly concerned with nutrition. The delimitation of these areas of policy, the dividing of a suitable programming or co-ordinating apparatus, and the fixing of criteria for the relating of nutrition policy to agricultural policy, however, have only begun to be tackled.

6. Clothing

One other "sector" included in the list of components of levels of living can be dismissed in a few words. The content of a clothing sector is easy to define, but influences of culture and changing fashions out-weigh the measurable aspects of need to such an extent that meaningful objectives would be hard to formulate, except from the point of view of targets for consumer goods production and consumption. A few Latin American plans do in fact, include targets for per capita consumption of textiles and footwear. The range of measures having some impact on the family's consumption of clothing is almost as wide as in the case of food and as little subject to unified policy or programming. Except among groups at the very lowest income levels and to some extent among school children the question of direct public action to support a minimum standard of clothing hardly arises, and it is left to the family or individual to decide what proportion of income to allocate to this need.

/7. Employment
7. Employment and conditions of work

Employment and conditions of work figure in the list of components of the level of living as a single "component", and public action concerning them usually centers in a Ministry of Labour. In relation to programming, however, they present rather different problems and are subject to different instruments of public policy.

Full employment is usually one of the central objectives of over-all planning, and the supply of manpower is one of the most important determinants of the feasibility of production targets. At the same time, employment places the individual in a position to earn the income that supports his family's level of living. The topic is thus too intimately associated with the central problems of planning to be satisfactorily interpreted as a "social sector". The measures that can be applied to combat unemployment and underemployment, to channel employment into the occupations with highest development priorities, to raise the qualifications of workers, to raise average real wages and place a floor under minimum wages, or to strengthen the organized bargaining power of the workers, can be divided only arbitrarily between the "economic" and the "social"; the claims of production, of human welfare, and of social organization must be taken into account simultaneously and at each step. While a body of techniques for dealing with the more limited problems of employment have taken shape under the name of "labour management", with emphasis on the reduction of frictional unemployment through labour exchanges, the arbitration of disputes between employers and workers, etc., the content of labour management covers only a small part of the area associated with employment. Other approaches to the organization of policy in this area will be discussed under "human resources development" and "income distribution".

The topic of conditions of work is more easily envisaged as a component of the level of living or a sector for social programming. In practice, improvements in such conditions depend on three main factors:

(a) attainment of levels of productivity permitting a given branch of production to support improved conditions;

(b) organized bargaining by the wage-earners;

(c) laws
(c) laws and regulations supported by inspection and enforcement machinery. The first of these factors depends on the wider production and employment trends and policies; the second is part of the problem of popular participation in policy and programming to be discussed in a sequel to the present paper. The third, at least potentially, constitutes an area for unified programming, but in the main instruments are quite different from those applied in the sectors discussed up to this point. Capital investment is of negligible importance, and recurrent expenditures for provision of services (in this instance, inspection and enforcement) are minor. Programmes for improvement of conditions of work thus need not make important claims for allocation of public resources, although their impact on allocation of resources in the private sector may be quite important, with repercussions both favourable and unfavourable to increased production.

That this area of public action depends primarily on the enactment of laws and a gradual accumulation of piecemeal legislation, complicated and even self-contradictory, responding to demands from limited sectors of the public or to international recommendations is quite common. In the Latin American setting, a common consequence is elaborate protection for some categories of workers, little or no protection for others, and a particularly wide gap between the levels of protection afforded urban and rural workers. The task of sectoral programming in this area seems to be principally the reform unification and simplification of existing laws, with attention to the equalization of rights of different categories of workers, the enforceability of the laws, and their likely repercussions in the economy.

8. Social security

Social security differs from the other sectors both in its relationships to human welfare and in the kind of claims it makes upon resources. The typical social security system consists of a range of measures making the individual or family "secure" in the long-term maintenance of a minimum income (through old-age, invalidity and survivors' pensions) and in the meeting of short-term contingencies such as sickness and maternity. It thus has a bearing on ability to meet needs in all of the consumption sectors,

/and a
and a more direct relationship to the health sector; in practice, health care is often provided directly through the social security system. Social security is also expected to serve wider social or socio-economic objectives, particularly the redistribution of incomes, and the maintenance of consumer demand and thus of employment levels during periods of economic recession.

Social security is in most countries, and almost invariably in Latin America, financed through tripartite contributions from insured persons, employers and the State. It has often been pointed out that this type of financing has a deceptive element, particularly as coverage approaches universality, and that the real costs are borne by the community at large, whether by direct allocation of public funds or by the price repercussions of higher labour costs. In any case, the funds allocated to social security are, aside from the costs of administration, transfer payments that affect the character, timing, and sources of consumption expenditure, but over the long term need not affect its total nor diminish the resources available for investment. In the short term, to the extent that the social security system is financed by employer-employee contributions, it produces compulsory savings and adds to the investment resource available to the public sector.

It might be expected that a social sector that seems naturally suited to unified administration, that has multiple repercussions upon other areas of social and economic policy, and that offers a potential instrument for the accomplishment of many social and economic objectives, would be among the first to be subject to coherent programming. The wide differences in national social security schemes that have hindered agreement on internationally comparable objectives and indicators do not seem to affect the practicability of internally consistent national programming.

In practice, however, the social security systems of several Latin American countries have grown by accretion to a high degree of complexity and costliness without any centralized direction or programming, let alone systematic co-ordination with other social and economic programmes. 26/

26/ Among the major social security systems of the region, the Mexican - which is relatively young, unified in administration, and systematic in extension of coverage - is the main exception to this generalization. The Mexican system, however, covers only 14.7 per cent of the economically active population, compared to 72.9 per cent in Chile and 51.4 per cent in Argentina.
Programming initiatives have appeared only recently, in response to the increasingly glaring deficiencies and inequities of the systems and have usually taken the form of special surveys of the systems and proposals for reforms made by official commissions or international experts. 27/ In the countries in which social security has made its largest advances, however, built-in resistances to change are formidable and the application of programming recommendations is likely to be slow. 28/

The main problems to be faced in social security reform, to judge from recent surveys, are the following:

(a) The social security systems typically consist of a number of separate institutions or funds created at different times, incorporating different classes of employees and workers with differing obligations and benefits. In Chile, such institutions number 41, in Argentine 11, and in Uruguay 12. Ministries of Labour and Social Security generally have some supervisory responsibilities but little real control over the institutions. The laws governing the separate institutions are complicated and hard to interpret usually provisions for new benefits and new sources of financing have been added piecemeal. The administrative machinery is inevitably expensive and slow-moving. Benefits usually correspond to the organized bargaining power of the different groups that have come under social security. The lack of consideration of wider social and economic implications has resulted in well-known anomalies, particularly in relation to retirement pensions;

---

27/ Within the past three years, reports of such surveys have been issued by the Technical Secretariat of the Comisión Asesora Permanente de Seguridad Social in Argentina, by an ad hoc Comisión de Estudios de Seguridad Social in Chile, and by an International Labour Organisation expert in Uruguay.

28/ For a recent discussion of these questions, see "New Orientations in the Field of Social Security, 1963-64", in the Social Survey of Latin America 1963-64, prepared by the OAS General Secretariat and published as a reference document for the Third Annual Meetings of the Inter-American Economic and Social Council as Document 656. This document concludes that "The errors of the past have been made known and corrective measures have been suggested, but, unfortunately, no country has been able to take the politically difficult path which would result in the loss of privileges for those groups which through political pressure have been able to gain advantages at the expense of others."
members of some groups have gained entitlement to retirement after as little as 20 years of work or at ages as low as 50.

(b) Contributions for the support of social security have become extremely high in relation to wage levels; employer contributions alone commonly are equivalent to 25 or 30 per cent of wage costs. Governments have frequently become unable to meet their own sizeable obligations for contributions to the funds, while evasion of payment by employers and workers is common. Consequently the benefits are under-financed, leading to the bankruptcy of some funds and to long delays in benefit payments or in granting of benefits to eligible persons. In several countries, inflation has eased the burden on public funds while leaving the retired groups in a chronically desperate situation; the occasional readjustments rarely restore the full, original value of the pensions.

(c) The financial reserves accumulated in the early stages of the social security funds have not in general been so invested as to produce satisfactory monetary returns to finance benefits nor to serve wider social and economic objectives. Excessive expenditures on administrative buildings seem to be common and heavy investments in urban real estate and upper-income housing have been criticized.

At present, the countries face pressures that will in the long run prove irresistible for the extension of social security to the groups not yet covered — in particular the rural workers, the self-employed artisans and shopkeepers, and the casual labourers of the cities. The problems of financing administration and equity in provision of benefits are bound to become even more difficult than at present, in view of the practical inability of these groups to contribute to the costs of their own social security, their lack of organization, and their lack of experience in coping with administrative procedures.29/ Another problem of increasing importance under prevailing conditions of underdevelopment and rapid growth of the labour force is the influence of labour protective and social security programmes upon employment trends. The more onerous these burdens are to the employer the stronger his motivation to adopt labour-intensive techniques.

29/ These questions were discussed at the Seventh Inter-American Conference on Social Security held in Asunción in June 1964.
Under these circumstances, it would seem that among all the "social sectors" that of social security is in the most urgent need of unified programming integrated with over-all development planning.

9. Recreation

Recreation in the broad sense of use of leisure time is, at least in principle, susceptible to some degree of public programming. As societies become increasingly urbanized, as normal hours of work shorten and vacation periods lengthen, as the average age for entry into employment moves upward and the average age of retirement downward, recreation makes increasingly heavy demands on public as well as private resources, supports increasingly important and varied economic activities, and raises complex problems in relation to social values.

Nevertheless, the few public recreational programmes that have been formulated are limited in scope, usually to the area of athletic sports, and no serious attempt has been made to set priorities or relate public recreational allocations to over-all planning. The alternative forms of use of leisure time are so varied and so dependent on individual choice and group cultural norms that a quest for objective criteria for public allocations to them would presumably be futile, except in relationship to public objectives in other sectors, in particular health and education. Economic programming criteria of "efficiency" in allocation of resources are particularly hard to apply here, and the strength of consumer demand for such expensive instruments of recreation as the television set and the automobile is already setting the planners difficult problems. In fact, recreation and the use of leisure time are among the least explored of the important areas relating to social policy and programming in the Latin American setting.

10. Human Freedoms

The last of the internationally recognized components of the level of living, human freedoms, can hardly be considered a social sector susceptible to programming, except in the restricted sense of programmes for the elimination of discrimination based on race, language, religion, sex, etc. In this sense, the programmes of certain Latin American countries for incorporation of their indigenous populations into national life might be classified under human freedoms, but for present purposes it will be more satisfactory to consider these programmes in the context of rural development programming.
development programming. In a broader sense, all measures intended to promote wider popular participation in decision-making - strengthening of democratic local government, creation of local planning bodies, participation by organizations representing different sectors of the public in the policy-making and planning process - are relevant to human freedoms. These measures, however, can best be discussed in connexion with the problems of formulation of development policies, organization of planning, and changes in social structure assumed to be preconditions or accompaniments of development.

II. Social service

The term social service, in its more precise international usage, covers an area of social action that stands in yet another relationship to human welfare from the sectors previously discussed. It refers to "organized activity that aims at helping towards a mutual adjustment of individuals and their social environment", and implies that the concept of levels of living should be expanded to include a "component of social relationships". It assumes that certain methods and techniques, largely those imparted in the professional training of social workers, can help families and communities function more effectively in meeting their own needs, and also that these techniques can add considerably to the effectiveness of services in the other social sectors by helping individuals and families take full advantage of them. It is also asserted that social service, by "lubricating" the points of social friction, can promote productivity and bring economic benefits that are important although hardly quantifiable.

30/ The term is frequently used, in the plural, to cover all or most forms of organized social action. The recent report of a group of experts on development planning, for example, refers to "vocational and technical education, the spread of elementary and secondary education, scientific research, the development of health services, family planning, town and country planning, and the housing of industrial workers" as "social services which are ... directly related to economic aims". Planning for Economic Development, (United Nations publication, Sales No. 64.II.B.3), p. 17. The present discussion, however, follows the interpretation set forth in Chapter X of the 1963 Report on the World Social Situation, (United Nations publication, Sales No.: 63.IV.4), from which the quotations are taken.

/In Latin
In Latin America at present, social service is at a transitional stage, in which principles and techniques originating in other settings have been superimposed on older traditions of charitable action, and in which training institutions have multiplied in advance of clear agreement on the purposes of the training. The problems of adaptation of social service principles to societies characterized by mass poverty and accelerating social change will not be discussed here. For present purposes, it is enough to note that social service is not subject to unified administration or programming anywhere in the region and that it rarely receives any separate sectoral treatment in development plans. It is typically dispersed through many small agencies — including both private agencies dependent on State subsidies and public agencies that are more or less autonomous administratively, often with special earmarked sources of revenue — and in an auxiliary capacity within other social programmes including education, health, housing, social security and labour management. There is a widespread impression that resources allocated to social service are being dissipated on an excessive number of small-scale activities, frequently originating in imitation of the specialized programmes of the higher-income countries. Declarations on the desirability of integration of social service into over-all planning have become frequent, but as yet there seems to have been little systematic discussion of priorities, working relationships with other sectors, and requirements for more efficient organization.

12. Social Defense

Social defense, a term adopted internationally to cover the range of measures relevant to prevention of crime and treatment of offenders, is probably the most ancient and universal form of organized public social action. Until recently, it has evolved in partial isolation from the other areas of social action, and although at present its specialists are increasingly interested in identifying their work with the wider issues of development, the relationships are not yet clearly defined. There seems to be

---

These questions are to be discussed in detail in an ECLA Secretariat study of "Social Service in Latin America: Functions and Relationships to Development".
to be no reason for believing that the problems of crime and delinquency will
decrease with development and higher incomes, though their character will
presumably change in many ways. Societies cannot avoid devoting important
resources to social defense, but objective criteria for the size and
distribution of these allocations are lacking; there seems to be no way
of determining whether increases in the allocations would bring proportionate
benefits to the society as a whole. The main hopes for reduction in the
burden represented by crime and delinquency have been placed in action in
the other social sectors, in particular in education, in special youth
programmes, in strengthening of the family through social services, but
the few attempts to measure the impact of such programmes on anti-social
behaviour have been inconclusive. There is presumably as much room in
social defense as in the other sectors for improvement of internal
efficiency through programming, but the possible scope of integration
with over-all planning will require further study.

13. Sectoral programming: some questions

In addition to the topics discussed above, it would be easy to find
others referred to in one source or another as "social sectors" or "social
fields". Enough has been said, however, to indicate the difficulty of
envisaging the sectors as parts of a whole, however many may be distinguished
and wherever the dividing lines may be drawn. Before we go on to consider
various approaches that have been offered for integration of the sectors
or their concentration on strategic objectives, it may be worthwhile to
note a trend toward inflation of each sector from within. This trend can
be considered a product of the present gropings toward co-ordination and
planning as they interact with the natural reluctance of the sectoral
specialists to accept subordination within an over-all planning system.

Recent literature deriving from the different sectors, from the
broadest to the most specialized, indicates a common yearning for the
incorporation of new territory and for more intimate involvement with
the whole area of development policy. The common introductory formula
is in the passive tense: Such and such a programme is "no longer
regarded" as "merely" or "solely" concerned with the objectives with which

/it was
it was previously identified. A recent document prepared for a United Nations meeting of experts offers a compendium of such formulas: "Housing policy no longer involves merely construction programmes, but all steps that will enable present and future community needs to be satisfied in accordance with a master town-planning programme and over-all territorial development programmes". "The concept of specialized social services is gradually giving way to a wider concept of integrated social services, calling for social workers trained in many fields and able to cope with all community problems and needs". "The concept of health is no longer defined as an absence of illness, but in a positive way as the body of conditions favouring harmonious individual and community development, i.e. healthy environment, balanced diet, child protection from the pre-natal period until the teens, etc."; and so on for the other spheres of social action.

Such formulas are typically as vague as they are ambitious. They fail to indicate who has attained the new enlightenment and where and to what extent the new conceptions have been translated into policies and programmes that are being applied. They evade the problem of division of responsibilities and some of them suggest that successful application of the new conception in one sector of social action would render the others superfluous. If one type of professional can really be invested through training with an ability to "cope with all community problems and needs", there should be no need to allocate resources for the training of others.

In practice, at least in Latin America, housing programmes are still concerned almost exclusively with the construction of houses, health programmes with reductions in mortality and morbidity, education programmes with increases in enrolment, etc. There is an obvious need for the formulation of objectives in each sector that express more adequately its purposes within over-all development policy and its relationships with the other sectors, but this need can hardly be met through formulas that

---

do not correspond to administrative or programming machinery and that leave each sector assuming undefined responsibilities for the meeting of "community needs".

Such attempts to solve the problems of co-ordination by expanding the area to be covered by programming in each sector can be contrasted with a disposition on the part of advocates of comprehensive economic and social planning to belittle the importance of sectoral programming outside the framework of comprehensive plans and to criticize the common restriction of the social side of planning to separate programmes in education, health and housing. In principle, such criticisms are justified, but in the present circumstances of the majority of countries of the region efforts to programme action in each sector can hardly be expected to wait upon the achievement of comprehensive planning or global criteria for the allocation of resources. All of the sectors have their own technical problems of programming to solve, and must work out their own applications of the principles common to all programming — quantification of targets, specification of alternative means of reaching them, internal consistency, maximum efficiency in the use of scarce resources. If one starts from the direction of general planning, the task must somehow be cut down to manageable proportions and responsibilities for detailed decisions decentralized. For this purpose, sectoral programming and regional-local programming are both indispensable.

From the panoramic view of the sectors given above, it seems reasonable to conclude that both the ways and the degrees in which different types of organized social action need to be incorporated in over-all planning differ considerably. Some of these forms of action (in relation to education, housing, food consumption, employment) are so deeply and complexly involved in the basic issues of change and in the struggle over allocation of resources that a system of general planning in which they are left aside is hardly imaginable. In other instances, these considerations are somewhat less compelling and the possibilities for action based strictly on human welfare considerations greater, although the desirability of incorporation into general planning is still obvious. In still other instances, the sectoral aspirations towards incorporation in general planning may amount to little more than an understandable desire for improvement of
improvement of status and larger appropriations; the claims on resources and the potential impact on development are relatively limited; and the justifications for the programmes so predominantly cultural or humanitarian that a serious attempt to incorporate them into a development strategy would distort or transform them. Questions such as the following might be asked of each programme or sector:

(a) What specific contributions can be expected from the programme to the goals of overall development planning? On what reasoning or evidence are claims for these contributions based?

(b) To what extent does the justification for allocation of resources rest on contributions to development, and to what extent on cultural values, conceptions of human rights, or demands from the public that cannot be ignored in democratic societies?

(c) Are there incompatibilities between the programme in question and the objectives of overall development planning? Does it call for the diversion of resources that could be used elsewhere, on a scale seriously affecting the financing of other programmes?

(d) To what extent can the objectives of the programme be advanced by the more efficient use of resources already allocated to it or contributed by the private sector? What are the needs for legislative and administrative reforms?

(e) What changes in the programme can be formulated that would increase its contribution to overall development without damaging its ability to respond to its other justifications? To what extent would its specialists and administrators be prepared to accept and cooperate in such changes?

(f) To what extent can programming principles and techniques contribute to the internal efficiency of the programme in question in relation to its own objectives without reference to overall planning?

(g) How are responsibilities for the area of social action in question divided between national public agencies (readily controllable by central planning machinery and receiving funds from the national budget), autonomous public agencies with their own sources of income, local public bodies, private organizations, family or individual initiative? What kinds of
internal co-ordinating machinery are needed? To what extent is the area of social action susceptible to decentralization, local planning and administration, the calling forth of resources not otherwise available?

In relation to public expenditure, the majority of the social sectors differ from the economic sectors in the greater relative importance of recurrent costs, and of a dependable level of allocations from year to year. Even in housing, efficiency calls for annual allocations foreseeable over a period of several years so as to insure a smoothly rising rate of construction, rather than a crash programme. In the sectoral programmes applied up to the present, this circumstance has hardly been given enough weight. It has been easier to concentrate on investment in visible projects, such as school buildings and hospitals. This kind of investment, if it is not to be wasted altogether, results in long-term claims for staffing and maintenance, and thus sets limits to future programming. It has already been emphasized in relation to several sectors that programmers can rarely start with a clean slate; they must make the best of what their predecessors have left.

III. STRATEGIC OR INTEGRATIVE APPROACHES

The approaches falling under this heading purport to focus action in several of the conventional sectors - economic as well as social - upon a broad problem area or a defined element of the population, or to organize such action around a specific interpretation of priority objectives or strategic factors in development. Income and wealth distribution, population, human resources development, urban development and rural development are among the policy areas that are most prominently considered for this kind of treatment.

1. Income and wealth distribution

During recent years Latin America, like other regions, has seen a partial and still incomplete transition in dominant currents of thought concerning the relationship of income distribution to development. According to the more traditional point of view, a highly uneven distribution of personal income in the early stages of development is required if a sufficient /share of
share of the national product is to be diverted from current consumption to investment. According to a common corollary, the domestic financing of industrialization supposes a particularly severe squeeze on agricultural incomes. This conception, which in effect justifies existing income distribution, remains very influential in practice, although public expressions of it are becoming fewer and more cautious. The alternative point of view, increasingly prominent in the studies made by the Economic Commission for Latin America and in the recommendations of regional meetings, declares the present income distribution an obstacle to development. The receivers of high incomes do not in practice invest productively an adequate proportion of the resources in their hands, while their consumption patterns exert undesirable pressures on the level of imports and the patterns of domestic production; the concomitants of extreme poverty hinder the masses of the population from acquiring the qualifications and attitudes needed for participation in a modern economy; and the lack of purchasing power of the same masses restricts the potentialities for growth of most industries producing for the domestic market. These economic arguments are reinforced by the political impracticability of maintaining — or at least overtly defending — patterns of income distribution that majority sectors of the population have come to consider intolerably unjust.

Income redistribution, in fact, in its wider implications, appears to be one of the central themes around which development policy must be organized, and a particularly fruitful approach to the integration of the economic and the social. To a very large extent, the deficiencies in the various social sectors already discussed must be viewed as manifestations

33/ See, in particular, United Nations, Towards a Dynamic Development Policy for Latin America and The Postward Economic Development of Latin America, both issued in 1963. The 1961 Punta del Este Charter calls for "a more equitable distribution of national income, raising more rapidly the income and standard of living of the needier sectors of the population, at the same time that a higher proportion of the national product is devoted to social uses". The 1965 Economic Commission for Latin America study "El Proceso de Industrialización en América Latina" (E/CN.12/716) gives particular emphasis to the need for redistribution of income as a means to the stimulation of industries producing for the domestic market.
of low income levels and maldistribution of income rather than as problems soluble by sectoral programmes; at the same time, the deficiencies in some of these sectors, particularly education, obviously confirm and perpetuate the maldistribution of income. From the economic point of view, it is a truism than an acceptable income redistribution policy cannot be reduced to a more even distribution of poverty; the objective must be to channel as much as possible of the national income in directions that will strengthen the productive capacity and the incentives to produce of the whole population. 34/

While the fact of extremely uneven income distribution in most of the region is apparent even from casual observation, the formulation of consistent and comprehensive policies responding to the newer conceptions is hampered by a general lack of reliable detailed information and of analyses of the socio-economic implications of alternative patterns of distribution and techniques of redistribution. Moreover, the political pressures and resistances that beset a question as central to the societies as income distribution place formidable obstacles in the way of the application of a unified policy. Up to the present measures intended to influence income distribution have been adopted piecemeal. Such measures when confronted with existing social and economic structures are likely to have effects quite different from their overt purposes. Experience thus far suggests that they have more effect in redistributing income within the middle strata and improving the relative position of some of the better organized urban groups than in changing the main features of distribution between high, middle, and low. Nor does it appear that the isolated redistributive measures have realized their potential contribution toward making the economies more flexibly and dynamic.

34/ See Introduction to Part III of Economic Survey of Latin America, 1964 for a discussion of the different relationships between income redistribution and development in industrialized and in other countries. In the former, the central objective is the maintenance of real demand; in the latter, redistribution is conditional upon "the reform of the structure of production, which is manifestly rigid and incapable of meeting requirements in respect of essential consumer goods (especially foodstuffs) and social services".
The principal areas of public policy that are directly relevant to income distribution can be classified as follows:

(a) Fiscal policy

A 1962 Conference on Fiscal Policy organized by the OAS/IDB/ECLA Joint Tax Program discussed in some detail the use of fiscal policy as an instrument for income distribution; there was general agreement on the need to increase public revenue and to distribute the burden more fairly, but considerable divergence in views as to the techniques that should be used, the priority that should be given to income redistribution in relation to other objectives of fiscal policy, and the effectiveness of fiscal policy relative to alternative instruments of income redistribution. The problem centers on the capacity of the State to tax the upper brackets of income and wealth, under the circumstances typical of Latin America, efficiently and through techniques that will also stimulate these groups to use their resources more productively. While the alternatives open to fiscal policy and their complex implications cannot be discussed in the present paper, one proposal made to the Conference deserves special attention in relation to the general framework of social policy:

It was proposed that the tax systems should be examined in their entirety in relation to social objectives for distribution of the burden among broad income groups and that the differing tax instruments appropriate to each group should be distinguished. The proposal was set forth schematically, so as to correspond in a rough way to the average situation of Latin America, as follows:

---

35/ "The participants were agreed that there was ample capacity in most Latin American countries to increase public revenue and that among the most important causes for the insufficiency of such revenue was the failure of the tax system to impose effective levies on the propertied classes and to collect those in force. While the great masses of the population bore considerable fiscal burdens, through indirect taxes of various kinds, and also through personal taxes deducted at source, the benefits accruing from the ownership of capital — whether in the form of income, of capital gains or of the spending power derived from the ownership of wealth as such — largely escaped taxation. Considerations of equity and of expediency alike required that any major reform of the tax system should ensure that the propertied classes, as well as the working classes, paid their due share of the common burden." (Final Summary and Conclusions, "Provisional Report of the Conference on Fiscal Policy organized by the OAS/IDB/ECLA Joint Tax Program", E/CN.12/638, 15 January 1963.)

/Percentages
<table>
<thead>
<tr>
<th>Social Group</th>
<th>Active population</th>
<th>Participation in national income</th>
<th>Reasonable contribution to fiscal revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) High</td>
<td>5</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>(2) Middle</td>
<td>35</td>
<td>40</td>
<td>30</td>
</tr>
<tr>
<td>(3) Low</td>
<td>60</td>
<td>20</td>
<td>10</td>
</tr>
</tbody>
</table>

After tax, on the assumption that fiscal income represents 15 per cent of national income, the high group would retain 31 per cent of national income, the middle group 35.5 per cent, and the low group 18.5 per cent plus benefits from public expenditure, on social programmes. The tax instruments appropriate to the high group would be income tax, tax on assets in whatever form, and a tax on expenditure on luxury goods and services. The middle group would be subjected to taxes on expenditures on "non-wage goods" ("nearly all consumption goods and services except the most essential") and to low rates of taxes on incomes, based on payrolls and deducted. The low group would not make a net contribution to public finance in view of the redistributive effect of public expenditure, but would be taxed to the extent that its consumption crossed the borderline between "wage goods" and "non-wage goods".

Another participant, while in general agreement with this approach, felt that an estimate of 15-20 per cent of active population in the middle income group and of 75 per cent in the low group would better reflect the true situation. He also indicated the revolutionary character of the shift in tax burden proposed by estimating that at present the upper income group now carries 33 per cent of this burden and the lower 60 per cent.  

---

36/ Provisional Report of the Conference of Fiscal Policy, pp. 140-142 and 211. Proposal made by Aníbal Pinto and commented upon by Felipe Pazos. A similar hypothetical distribution of the population into three strata in relation to income and consumption patterns may be found in "El Proceso de Industrialización en América Latina", p. 221. /At present
At present, under the influence of the Alliance for Progress, most countries in the region are at some stage of the drafting or application of tax reforms intended both to increase public revenues and to distribute the burden more equitably, although concrete targets such as those set forth above have not yet been incorporated in public policies. The annual reports of the Social Progress Trust Fund of the Inter-American Development Bank describe these trends under the heading "mobilization of domestic resources" in a tone of qualified optimism, stressing the importance of changes of attitudes in the social strata affected and acknowledging that such changes cannot be expected to occur overnight. The debates now under way in the legislative bodies and the press indicate that a consensus on the desirable limits of income redistribution through tax reform is not at hand. In practice, the public sector remains heavily dependent on indirect taxes that bear upon the low and middle income groups, while the upper-income minority retains formidable powers to resist or evade attempts to increase its own contribution.

(b) Measures redistributing wealth and diffusing control over the means of production

The highly uneven distribution of income in Latin America is associated with a high degree of concentrated control of the sources of income, and compelling arguments have been made that effective policies for the redistribution of income must include measures for the redistribution of wealth. This proposition is most widely accepted in relation to the ownership of land, and it would be unnecessary to repeat here the justifications for land tenure reform, now embodied in numerous regional policy recommendations approved by the Governments, although not yet widely translated into national practice. Such reform is redistributive only to the extent that compensation to landlords falls below the market value of the land, and assumes a shift in political power depriving this

\[37/\]

For the most recent information on this question see Políticas de Reforma Agraria (LARC/65/CONF/3), Document presented to the 8th Regional Conference of the Food and Agriculture Organization, Viña del Mar, March 1965.
group of the ability to block or evade a measure so distasteful to them. It has been pointed out that the concentration of agrarian property in latifundios, in addition to its obvious depressive influence on rural wage rates and on the possibilities for emergence of a class of efficient small farmers, is likely to influence food supplies and prices in ways that may frustrate the redistributive intentions of wage measures outside the agricultural sector.

Regional thinking on needs for and instruments of wider diffusion of property and control over the means of production in sectors other than agriculture is much farther from a consensus. The relevant instruments would include anti-monopoly legislation; promotion of ownership of shares in enterprises among the public in general or among the workers; expansion of the sector of public ownership of large enterprises; and a wide range of measures for the encouragement of small entrepreneurs, including credits and promotion of co-operatives.

(c) Public services

A large share of any increase in revenue secured by the public sector is sure to go to education, public health, low-cost housing, and other services theoretically available to the whole population. To the extent that the low-income strata really benefit from these services and that the revenue system is progressive, these services constitute a highly important form of redistribution of income, and one that is particularly calculated to stimulate development by raising the productivity of the "human resources". The sectoral discussions above have indicated, however, how far this objective is from attainment. Even in countries with high per capita incomes and long traditions of providing such services as

---

38/ "To pretend that landlords should be fully compensated is as absurd as to expect that taxpayers of advanced countries should receive cash compensation or bonds by an amount equal to their taxes." (Edmundo Flores, "The Economics of Land Reform and Agricultural Development", LARC/65/CONF/15.)

39/ Aníbal Pinto, "Notas sobre la distribución del ingreso y la estrategia de la redistribución", El Trimestre Económico, 115, July-Sept. 1962, contains interesting suggestions on this as well as other aspects of the problem.

/rights, it
rights, it is believed that the lowest income groups are at a serious practical disadvantage in using them. In the settings of Latin America, many of the services seem to involve a redistribution of income away from the masses who contribute to their support but are unable to take advantage of them. In education, moreover, the real importance of an uneven distribution of the publicly-financed service does not lie in a comparison of the contributions to educational costs and the benefits received by different classes or income strata, even if it were practicable to make such a calculation. The distribution of educational opportunities goes far to determine the income-earning capacity of the coming generation, and a distribution of such opportunities that coincides to a large extent with family income and place of residence is at least as important as the concentration of wealth in carrying existing patterns of income distribution into the future. The advantages of access to higher education are typically confirmed by elaborate legislation protecting the employment opportunities of the holders of professional "titles".

(d) Wage and salary legislation

Minimum wage laws with varying breadth of coverage have been enacted in many countries of the region, and in the countries with experience of inflation, laws or decrees periodically raising wages and salaries are standard practice. The redistributive effects of these measures have been conditioned, first, by their widely differing enforceability in different types of enterprises; second, by their inevitable limitation to regularly employed workers and employees. The over-all result, as in the case of other types of redistributive measures, may have been a strengthening of the position of certain groups at middle or lower-middle income levels, with advantages going to workers in large enterprises in relation to workers in small ones, to urban workers in relation to rural, to wage workers and salaried employees in relation to self-employed groups, etc. The more marginal casually employed or self-employed workers are likely to be placed at a disadvantage in two respects: minimum wage laws (often combined with rigid provisions for job security) motivate employers to turn to labour-intensive methods; and enterprises subject to the laws are commonly able to pass on the costs in the form of higher prices that depress the purchasing power of the unprotected groups.

/(e) Legislation
(e) Legislation promoting or regulating collective bargaining and unionization

Labour legislation up to the present, like wage legislation, seems to have contributed mainly to a strengthening of the position of certain salaried groups in relation to others and in relation to the casually employed and self-employed. In general, the groups that have been in a strong position to bargain collectively and to exert effective pressure on the public authorities have had strong motives to protect their favoured position against the threat of competition from the growing unorganized and under-employed labour force. At the same time, the presence of a large unorganized labour reserve has tended to limit the power of the unions to influence wage levels except in the larger enterprises in which wages form a relatively small part of total costs.\(^{40}\) The laws themselves have commonly supported the highly uneven distribution of incomes between urban and rural workers. Unionization of the former has been favoured, while unionization of the latter has been prohibited or placed under severe restrictions.

(f) Measures affecting prices of consumer goods and services

This category comprises a wide range of measures: control of prices of essential consumer goods, favourable treatment of imports of such goods, subsidies to producers, direct sales by public agencies in order to combat hoarding and profiteering by middlemen. Measures of this kind inevitably come to the fore in countries undergoing inflation, with chronic struggles centering around the prices of a few goods and services having the most direct impact on the lives of the urban low-income groups - in particular bread and transport fares. To the extent they are enforceable, measures that stabilize prices presumably benefit wider strata of the urban population than do the measures affecting wages. Unless they include a large element

\(^{40}\) "El Proceso de la Industrialización en América Latina", Chapter II 3, emphasizes the wide variations in wage levels within the industrial sector, with relatively inefficient industries able to survive because they need not meet the wage levels of the modern industries, points to a relatively low average participation by wages and salaries in the value added in the industrial sector, and also suggests the relative ineffectiveness of minimum wage laws in the smaller enterprises.
of public subsidy to the producers of essential goods, however, they inevitably increase the rural-urban income discrepancy. Controlled food prices mean lower rural wages and incomes for small cultivators, while controls on the consumer goods bought by these groups are likely to be much looser.

(g) Measures for supplementation of inadequate incomes, protection against loss of earning power and other contingencies

Under this heading fall the diverse social security and social welfare programmes that have become part of public policy in the high-income industrialized countries and that have gradually been introduced, at least on a token scale, throughout Latin America. Some of them, in particular the social security systems that depend on employment status and previous contributions, are subject to the same limitations as the other redistributive measures mentioned above. They redistribute incomes to some extent within the middle and lower-middle strata, but since the costs of employer and worker contributions to their financing is passed on to the general consumer of domestically produced goods and services, they leave the uncovered lowest-income strata at more of a disadvantage than before. In many of the countries, political pressures toward the universalization of social security are strong, but the wider the coverage the greater the need for public subsidies to meet the costs for groups that cannot, at their present income levels, contribute very much toward their own "security".

Family allowances and old-age pensions not dependent on employment status or previous contributions, and public assistance toward the maintenance of a floor under incomes should in principle have wider redistributive effects. Arguments for such measures gain weight with the degree of urbanization and with the decline in relative importance of family economic enterprises and of traditional forms of mutual aid in the community or extended family. From the human resources standpoint, it is obvious that the heavy burden for support of children and other dependents assumed by the poorest families depresses their potential productivity and limits the future capabilities of their children to participate in the society. Under present circumstances of increasing political participation by the urban masses and to some extent of the rural masses, it can be expected that the conception of minimum
of minimum income maintenance as a right will become increasingly influential. Unfortunately, the introduction of this conception in countries in which half or more of the population falls below the poverty line, in which public resources are very limited, and in which the existing social structure is hardly compatible with a massive reallocation of resources to overcome the problems of poverty and low productivity, is likely to produce a widening gap between pretensions and realities, and systems of distribution of material aid among the lowest-income strata that perpetuate the traits of passivity and dependency inherited from past paternalistic relationships. According to one of the basic principles of social service, the granting of economic aid should fit into a strategy of helping the needy family or individual to solve its own problems and regain the capacity for self-support. The application of this principle in settings of mass poverty and marginality poses a challenge that social personnel in the region are only beginning to face, through experiments in aided self-help and community development.

(h) **Employment Policies**

While many fully-employed workers do not earn enough for adequate maintenance of their large families, it is also well-known that much of the low-income population is under-employed, subsisting precariously by seasonal labour in the countryside or makeshift occupations of low productivity in the towns. Present employment trends both in industry and agriculture, when related to the rapid growth in the labour force, present the likelihood of continuing increases in the under-employed population and the appearance of open unemployment on a larger scale than heretofore. Income redistribution benefitting the under-employed and unemployed supposes the creation of jobs enabling them to earn income, and attention is now beginning to turn to the potentialities of large-scale public works programmes with the double objective of providing such jobs and utilizing the idle labour resources to further essential infrastructural investments in roads, dams, buildings, etc. Such policies have already been applied on a significant scale to meet emergency situations, as in periods of drought in the Brazilian Northeast. The wider implications of their adoption on a national scale remain to be faced, and some of the arguments for them seem
arguments of desperation: no other promising solution for the problems of rising under employment is within reach, so labour-intensive public works must be tried. In any case, such programmes, unless they are to be financed entirely by external aid, require accompanying progress in the fiscal techniques of income redistribution; the public sector must obtain large additional resources to pay for them.

The above considerations indicate that an effective policy of income redistribution would require an assessment of measures in all of the social sectors in relation to the equitability of their distribution, and their potential impact on income-earning capacity and of opportunities for upward mobility. More broadly, it would have to be preceded or accompanied by basic changes in social relationships and in the distribution of political power. This last theme leads back to the indispensability or organized popular participation in the making and carrying out of social policy.

2. Population

The term "population policy" in its narrower usage refers to a governmental decision to try to influence the rate of net national population increase. In the past, the objective of such a policy was usually to raise the rate of increase through encouragement of higher birth rates or immigration, but in the low-income countries at present the standard objective is to slow down population increase through measures affecting fertility ("family planning") and sometimes through promotion of emigration.

No country in Latin America as yet has a population policy in this sense; in this respect the region differs from the other major low-income regions. In discussions of such policies two over-simplified positions have confronted each other: one sector of opinion has posited a drastic reduction in the rate of increase as the first pre-requisite for development, while an opposed sector has argued that the present unprecedentedly high rates of increase are no cause for concern in view of the relatively low regional population density and the need for expansion of internal markets. A more fruitful approach, focusing

\[^{41}\text{In fact, economists who recognize the limited labour-absorptive capacity of industry commonly fall back on one of two "residual" solutions: large-scale public works or retention of labour in agriculture. A recent statement by Gunnar Myrdal gives heavy emphasis to the latter alternative, ("Agriculture and the World Economic Revolution", Address delivered at the Latin American Conference on Food and Agriculture, Viña del Mar, Chile, 18 March 1965).}\]

upon the
upon the specific implications of present rates of increase and the resulting age distribution among different strata of the population, rather than on the unmanageable conceptions of "over-population" and "optimal population", seems to be emerging. Two aspects of the problem have a direct bearing on income distribution:

(a) The typical low-income family has a large number of dependent children. With urbanization and the decline of family economic enterprises these children become a burden rather than an economic asset; uncontrolled fertility hampers the family in any effort to rise above the subsistence level, and the family is unable to equip the children with skills qualifying them to become productive members of society.

(b) As mentioned above, the rate of growth of the labour force exceeds the foreseeable absorptive capacity of industry and agriculture, while the very low qualifications of many entrants to the labour force, coming from the impoverished families just mentioned, limit them to the most marginal occupations. Lower rates of increase would not solve the problems of poverty, but would make the problems somewhat more manageable. It is likely that public policy in the region will gradually come to support programmes for the lowering of fertility, without necessarily giving this objective the prominence it has received in such countries as India and Japan or fixing quantitative targets for the slowing down of population growth, and that techniques of family planning acceptable to public opinion will be found.\footnote{Under the most favourable circumstances, however, the}

\footnote{The 1961 Charter of the Alliance for Progress makes no reference to population policy, but a significant shift toward regional endorsement of the desirability of lower rates of increase appeared at the fourth meeting of the Inter-American Committee on the Alliance for Progress (CIAP) in April 1965, when the creation of an advisory group for the purpose of seeking acceptable methods toward this objective was considered. See Pan American Union, "Population Problems in relation to Development in Latin America" (CIAP/197, 31 March 1965). The policy issues as they relate to Latin America are discussed in several of the papers prepared for the 1965 United Nations World Population Conference. See, in particular, José Antonio Mayobre, "Economic Development and Population Growth in Latin America" (WPC/WP/151) and Víctor L. Urquidi, "El Crecimiento Demográfico y el Desarrollo Económico Latinoamericano" (WPC/WP/118). The proceedings of the First Pan American Population Assembly, held in Cali, Colombia, in August 1965, contain further evidence of the acceptance by influential currents of opinion of the need for action to limit rates of increase.}
Diffusion of new attitudes is likely to be slow, especially among the rural masses, and planners cannot expect lower rates of increase to ease their problems within the near future. Even after birth rates begin to decline, while there will be an immediate alleviation of the dependency burden, the growth of the labour force will not begin to slow down for another fifteen years, and the effect will be secondary for several decades.

The kind of population policy described above, with a single narrowly defined objective to be attained by a limited range of technical means, cannot by itself be considered a strategic approach to development, although it may in the long term be indispensable to the achievement of the more positive social and economic objectives. In practice, of course, the possibility of attainment of the narrower objective will be conditioned by progress in all forms of social action contributing to higher levels of living, particularly education and measures for strengthening of the family, but these measures are not likely to be organized around the population objective.

A broader conception of population policy, however, can link the characteristics of the population, as revealed by censuses and special surveys and analyzed by demographers, with strategic approaches to the improvement of the quality of the population ("human resource development"), to its geographical distribution and to its ecological relationships with the land ("urban development", "rural development", "regional planning"). As will be suggested below these approaches to policy have up to the present not been satisfactorily delimited and related to one another, and their potential value for policy and planning has not yet been realized.

3. Human resource development

The content of human resource development, according to the more ambitious definitions, is practically equivalent to that of "social development". The most authoritative recent presentation of this approach states:

"Human resource development is the process of increasing the knowledge, the skills, and the capacities of all the people in a society. In economic terms, it could be described as the accumulation of human capital and its effective investment in / the development
the development of an economy. In political terms, human resource development prepares people for adult participation in political processes, particularly as citizens in a democracy. From the social and cultural points of view, the development of human resources helps people to lead fuller and richer lives, less bound by tradition."

Under such a definition, action in any of the conventional social sectors could be marshalled under human resource development, and even the special focus to be expected from the name, on the raising of human productive capacity, merges into a wider preoccupation with socio-cultural change and political participation. Human resource development, then, can be seen as one manifestation of the quest for an operationally usable interpretation of development as a single process in which economic, social and political factors are interwoven.

In practice, however, the content of the programmes and proposals going under the name of human resource development has been a good deal more restricted than the above definition might suggest. The proponents of the approach have had little to say about the relationships of social and political structures to the capacity for development of human resources. Although some attempts have been made to incorporate health and nutrition programmes into human resource development, these do not seem to have gone beyond the stage of statistical exercises based on rather shaky data. The human resource specialists have concentrated on the integration of educational programming and manpower programming, largely through the preparation of forecasts of the output of schools and training programmes, their confrontation with forecasts of needs for manpower with different levels of qualification, and the drawing of conclusions on needs for changes in educational output. The Mediterranean Regional Project of the Organization for Economic Co-operation and Development represents the most advanced attempt to incorporate the human resource approach into educational planning, and is of special interest to Latin America in view of the

historical links between the social structures and the educational systems of the two regions.44/  

In Latin America thus far, in spite of the attraction of the human resource approach to economic planners as a means to quantifiable criteria for the allocation of resources to education and potentially to other social programmes, its application has been hampered, in the first place, by the inadequacies of census-derived manpower statistics as a basis for detailed forecasts of needs, and in the second place by the structural rigidities and conflicting aims within the educational systems that have been discussed above.  

In a world in which production techniques and the structure of demand are changing with the present rapidity, and in which present trends in the industrially advanced countries indicate even more revolutionary changes in the future, the human resource approach naturally needs to be applied with flexibility and caution.45/ Educational output geared to the needs for different types and levels of skilled manpower that can be forecast from present trends might be unsuited to the long term requirements of healthy economic development, let alone the valid non-economic purposes of education. The major proponents of the human resource approach, however, are quite aware of these dangers or limitations, and have set forth judiciously qualified proposals for target-setting in countries at different stages of development.46/  

44/ The techniques and experiences of the OECD Mediterranean Regional Project were analyzed in a number of papers presented to the 1964 Paris Seminar on Problems and Strategies of Educational Planning in Latin America, and the OECD has issued a report directed to Latin American audiences on the subject: Herbert S. Parnes, La Planificación de la Educación para el Desarrollo Económico y Social, Paris 1963.  

45/ "In the course of the future", according to a contributor to the 1962 Columbia University Seminar on Technology and Social Change, "intellectual pursuits rather than business activities will set the predominant tone, and the universities, the research institutes and corporations, and other intellectual centers will be the major institutions". (Eli Ginsberg, Ed., Technology and Social Change, Columbia University Press, New York and London, 1964.)  

46/ See, in particular, Chapters 9 and 10 in Harbison and Myers, op.cit.
One question that deserves careful consideration in relation to the Latin American setting, in view of the well-known trends toward excessive complication of planning and administrative machinery, is the organizational place of the human resources approach in such machinery.47/

4. Urban development and rural development

Development policy in general and all of the areas of social action in particular confront conditions and trends that differ widely by population group or local setting. The most obvious distinction is between the urban and the rural and among the approaches to planning most prominent in recent years, at least at the level of studies and regional meetings, are schemes for the organization of programmes around the central problems of urban development (or "urbanization") and of rural development. It is intended to explore these questions in a sequel to the present study and only a few points will here be touched upon in a summary way.

(a) Discussion of urban development policies 48/ has focused on the rapidly growing great cities. Here the central problems are employment, physical environment and social participation, all of them conditioned by the related phenomena of massive immigration and the growth of the population strata commonly labelled "marginal". Broad policy declarations setting forth the measures needed to deal with these problems abound, but one finds remarkable little evidence of progress toward effective planning or even toward consistent national decisions on the main lines of policy.

47/ Harbison and Myers conclude, in reference to the world as a whole, that "There is as yet surprisingly little experience in the establishment of governmental machinery for human resources planning", but recommend the establishment of a "human resource development board", a "human resource planning secretariat", and planning staffs within the main bodies participating in the board. They conclude, however, that "where strong general planning organizations exist, there is a compelling reason to put the human resource planning machinery under its jurisdiction". (Ch.10).

48/ The term "urbanization policies" has become current internationally, but it seems more satisfactory to restrict "urbanization" to the process of concentration of population in urban areas and to classify the policies relevant to this process under "urban development". UNESCO, Urbanization in Latin America (Paris 1961) is a compendium of studies and policy recommendations on the theme, deriving from a 1959 Seminar sponsored by UNESCO and the Economic Commission for Latin America.

/The urban
The urban programmes that have reached the stage of legislative sanction or application are relatively narrow, dominated by architectural and space-planning considerations, and have had only limited and erratic influence on city growth.

(b) In rural development, the central theme is agrarian reform. Around it can be grouped a wide range of measures needed to enable the rural population to participate in national life on more equitable terms and to attain more adequate levels of living. A viable rural development policy needs to take into account, inter alia, the economic base of the rural group, its capacity for community and interest group organization, its patterns of settlement in relation to the provision of educational and other public services, and its ties to the local centres of administration, services and marketing. Up to the present, the well-known slowness of most countries of the region in arriving at enforceable large-scale solutions for the problems of land tenure has ruled out the application of really integrated rural development programmes.

(c) A simple urban-rural dichotomy is quite inadequate as a framework for policy; it is a truism that the problems of neither the cities nor the countryside can be solved in isolation. The very distinction between urban and rural is certain to become increasingly blurred in several respects and also to be increasingly complicated by Latin America's unevenness of development and contradictions in styles of life. The rural areas themselves will be increasingly urbanized, in a cultural sense, by the diffusion of mass communications and manufactured consumer goods, as well as by the increasing mobility of rural people. Meanwhile, the cities and towns will continue to be "ruralized" by migrants. These trends point toward the need for (a) understanding of the functions and dynamics of the many types of urban and rural areas - the great cities; the provincial centres; the specialized industrial towns, ports and mining centres; the small towns; and the rural-agricultural nuclei; (b) workable conceptions and techniques of regional planning; (c) national objectives for population redistribution related
IV. SOME CONCLUSIONS

1. Uses of the term "social" at the levels of development policy, planning and sectoral programming require separate consideration. Development itself is a single phenomenon, the nature of which is obscured when it is interpreted as two processes of "economic development" and "social development". At the level of development policy, however, the specification of social objectives (rising levels of living, more equitable distribution of incomes, wider opportunities for social participation and mobility) distinguished from economic objectives is indispensable. In such formulations the social programmes or areas of public social action should be treated as instruments rather than as ends in themselves; a listing of quantitative targets in the different social sectors does not constitute an adequate statement of objectives. Ideally the process of formulation of social policy objectives should be part of a quest for national consensus concerning the future society toward which such policy is directed.

2. At the level of planning to attain the objectives set forth in development policy directives, there does not seem to be an adequate justification for a grouping of the so-called "social sectors" under a separate conception of "social planning" although it may be administratively advantageous to group the specialists responsible for these sectors in a "social" division of the agency responsible for national planning. The representatives of the sectors are unlikely to be willing or able to reconcile their claims upon resources within a "social plan" prior to incorporation of such a plan into over-all plans. The problems of fixing compatible targets and distributing resources in order to reach these targets can be dealt with satisfactorily only within comprehensive planning.


/ The terminology
The terminology in use up to the present and the typical compartmentalization of public administration have fostered conceptions of the economic and the social as two "fields" competing for resources, while the need is for an integrated strategy of development in which economic and social measures are both focussed upon needed structural changes. At the same time, it would seem more fruitful to think in terms of compatibilities and potentialities for mutual support between social and economic programmes than in terms of "balanced social and economic development".

3. At the level of programming, each social sector has distinct problems of administrative efficiency, personnel training and standards, quantification of objectives, research and obtaining of statistics, relations with its clientele, etc. A certain amount of real progress can be made toward more effective sectoral programming even in the absence of coherent overall policy decisions and planning machinery, but such progress has obvious limitations and dangers. It cannot be taken for granted that quantitative increases in the coverage of action in each sector, measured through the indicators now available, will produce unmixed benefits for the society as a whole or that such increases will justify priority for allocations to the sector.

4. The above generalizations do not imply that social allocations can or should be determined by economic criteria, in terms of calculations of monetary returns on investment. Even aside from the practical difficulties of calculating such returns in a meaningful way, and the fact that some of the most promising strategies for social change do not call for commensurate allocations from the public sector such an approach would leave out of account large areas of the preconditions and the objectives of development. Attempts to apply criteria of economic rationality to expenditures on social programmes cannot be pursued beyond a certain point without running into open contradiction not only with the ways peoples and nations actually behave but also with their deepest value systems. No people is so poor that it will be prepared to do only the things it can afford according to a utilitarian scheme of priorities, and a systematic attempt by planners to apply such principles, even if practicable, might well involve an impoverishment of culture and initiative that would frustrate healthy development more than the apparent waste of resources.

/5. While
5. While policy-making and planning processes more coherent than at present are attainable and indispensable, social and economic programmes cannot be expected to respond exclusively to neutral planning techniques or even to completely consistent public policies. A large part of the task of the policy maker and planner in the settings typical of Latin America will continue to be the reconciliation and rationalization of pressures from different directions. This situation should by no means be interpreted exclusively as a hindrance to dynamic and integrated policy and planning. Planning techniques cannot be expected to reach infallibility and they will continue to be applied by planners subject to prejudices and limitations of vision deriving from their own social and educational backgrounds. Demands expressed through political channels and through organized interest groups are essential if plans are to respond to real social needs and if they are to be presented in terms conducive to popular support and participation.

6. Development planning does not gain in effectiveness through elaboration of regulations and centralized controls. This is particularly true of the social programmes with their needs for flexible responses to local situations. A large share of the responsibility for regional and local programming must be devolved upon local administration and local organizations in order to relieve the central authorities of tasks they cannot carry out. In Latin America, a good deal of recent discussion has centered on this requisite, but progress toward institutional forms capable of satisfying it has been very limited. In fact, the need cannot be met by institutional changes alone; if the institutions are to function, local social and economic relationships and attitudes must change simultaneously.