

CDCC/PO/WP/78/18 M  
January 29 1979

ECONOMIC COMMISSION FOR LATIN AMERICA  
Office for the Caribbean

CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE

LATIN AMERICAN INSTITUTE FOR SOCIAL AND  
ECONOMIC PLANNING

First Meeting of Planning Officials in  
the Caribbean  
25-31 January 1979  
La Habana, Cuba

#### PLANNING IN THE NETHERLANDS ANTILLES

Prepared by:  
Humphrey van Trikt  
Roly Sint Jago  
Department of Economic Development, Aruba  
Robert Bomberg  
Department of Industrialization and Development  
Curacao



UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA Office for the Caribbean

## PLANNING IN THE NETHERLANDS ANTILLES

Since the establishing of the oil refineries (Shell and Exxon) in Curacao and Aruba, the Netherlands Antilles (N.A.) are known as relatively prosperous.

Until the fifties there was a shortage of manpower. The population of the islands was too small to meet all the job opportunities, so there was a large immigration from the other islands and countries in the region to the N.A. This economic boom lasted until the 60s, when the international economic situation obligated the oil refineries to streamline their production in the form of automation. As a result of this development, thousands of people lost their jobs. First the foreign workers were laid off, then the Netherland Antillians followed. We can say that the employment in the oil industry has now stabilized at  $\pm 3,000$  workers compared with  $\pm 20,000$  during the 50s.

As the N.A. government was not prepared for this situation, it had no program or plan to cope with the new situation. The main instruments it used to fight the problem of unemployment were migration mainly to Holland and the development aid from Holland to initiate projects and so create the necessary jobs.

Although the N.A. were a high income-per-capita nation, The N.A. government could convince the Dutch that the aid was necessary for a program of diversification of the economy, which was considered the only solution for the unemployment problem. Since then the N.A. created a tourist -sector, some industries arose, the infrastructure improved, etc. During the period of these activities (60s-70s) the first requests were heard for planning, because though one roughly knew what one was doing, there was no real plan, so one could not evaluate the results of these policies.

It seemed that most people were convinced of the importance of planning but there were serious institutional problems (how to organize planning).

In the context of the historical events in the N.A. we briefly tried to describe, our delegation listened with great interest to the presentations of the delegates of the different islands. These experiences will be of great importance to us in connection with the future developments in the N.A. Several of the problems are

*Amulian to order in particular the Suriname case before independence (v)*



Planning in the sense of macro-planning until now is unknown in the N.A. The activities concentrated more on project preparation and project coordination in connection with the development aid from Holland.

Besides the pressure of the economic events to plan, the increasing unemployment since the automation of the oil industry, another factor grew important - this is the development towards independence. Now the main question is: "How to Plan?" In the first place we have the problem on which level the planning bureau has to be established, since the N.A. consists of six islands, each of them with their own governments and besides that a Central Government. Since 1954, this is the year in which the N.A. formed an autonomous part of the Dutch Kingdom, some activities are the responsibility of the Central Government and some the responsibility of each of the island governments, with their own budgets. So, speaking in terms of planning, the instruments were divided on different levels, which created an enormous problem in connection with planning.

This situation has become more complex, since one of the islands demands for more autonomy or even complete independence from the rest of the N.A. The latest developments seem to be going in the direction of more autonomy for the islands. So anticipating the new relationships among the islands, mainly Aruba and Curacao are preparing their planning on the island-level. The role left to the Central Government in this new development at this moment is uncertain, but is intensively discussed in a Kingdom Committee consisting of delegations of all the islands, the Central Government and Holland.

To conclude, we can state that in the N.A. there is a strong inclination for planning on a decentralized level and not on the central level.

## PLANNING IN CURACAO

In Curacao planning up to now has limited itself to some kind of project planning, with the exception of the Ten Year Plan 1962-1972, which however was looked upon as project planning in the implementation stage. This was partly due to the fact that the plan was coupled to Dutch development aid in the form of project aid. Only certain projects derived from the ten year plan were implemented, as there was no adequate follow up on the plan. The follow up only consisted of project preparation and project implementation, with the Department of Economic Development, later the Department for Industrialization and Development performing the co-ordination function.

For the period 1972-1976, again partly because Dutch development aid to the Netherlands Antilles consisted of project aid, a so called five year investment plan 1972-1976 was made. Again the follow up only consisted of project preparation and implementation and again only some of the projects were implemented.

The philosophy behind these plans and projects was public sector planning aimed at influencing social and economic development directly through the implementation of the projects and indirectly through an expected positive effect of implemented projects on private activities.

For the period 1978-1980 only an Indicative List of Projects has been prepared, while steps are being undertaken to arrive at a planning system able to produce an integrated Total Plan for the period 1981-1990. In the first instance this ten year plan would merely be a Perspective Plan, but by instituting a permanent social-economic planning the plan would be evaluated year by year reviewed where necessary and refined on short term basis.

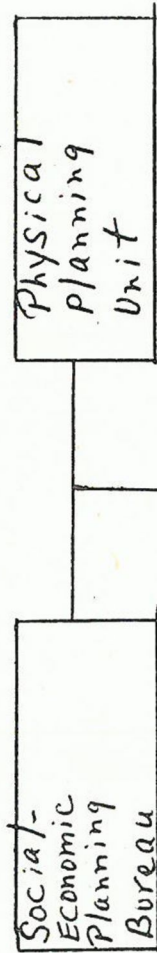
The planning system would involve the elaboration of sectorial plans in different government departments, and the co-ordination and integration of planning, project preparation and implementation by the Social-Economic Planning Unit and the Physical Planning Unit.



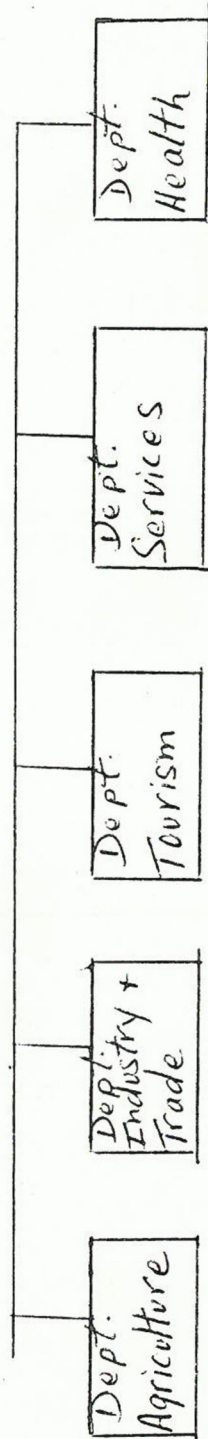
- 4 -

There are two factors of main importance in this system and process of planning, communication and manpower, that will determine the efficiency and effectiveness of planning. There should be a continuous communication and feed-back in the system both vertically and horizontally, and there should be a permanent theoretical and practical preparation and formation and training of our manpower on all levels.

Co-ordination +  
Integration of  
Planning



Sectorial  
Planning



Other Depts: Utilities  
Education  
Housing  
Finance  
Land Affairs  
Public Works  
Social Affairs  
Etc.

## PLANNING IN ARUBA

A very global overview (without being complete) of the development in Aruba, conducted to the planning concerns of today.

---

Since the early 1960s the Dutch financial and technical development aid was given to us in the frame-work of a multi-annual development aid program.

This multi-annual development aid program, which consisted of three stages of five years each, ended in 1976. From that time onwards we are in a stage of transition. That is to say that the Dutch government decided that development aid, as it was given to us up to 1976, could not be continued in that way, because it did not pay; the useful effect in the distinguished sectors of the Aruban community did not turn out to be what it was expected to be.

As it is put, the development aid in the period up to 1976 did not diminish the primary economic and social problems of Aruba and it increased the dependence towards the Netherlands. Apart from that the Dutch had a political conscientious objection of still being a colonial country in this time.

Because of this, in the present stage of transition discussion has been opened on the several levels of government:

- the Kingdom of the Netherlands
- the Netherlands Antilles as a total
- the level of insular governments,

about how to continue the cooperation between the different governments concerned.

The idea is that these discussions or deliberations should lead to a frame-work in which the political, economical and social development of each island and the Antilles as a total is basically settled.

The present stage of transition must thus lead to planned development.

In Aruba the planning situation is as follows:

- Up to now we have been engaged in project-planning in the economic and other sectors. Planning was thus scattered in various government departments.
- Now we are trying to bring together all planning activities; that is to say to at least formulate basic points of departure in planning; formulate common priorities, and coordinate the planning activities on the island.



In this process we encounter some structural problems (which I would like to suggest as issues for discussion) such as:

- 1) the interference of external forces, which are not sufficiently familiar to our political, economical and social problems, in the process of our coming to an adequate and proper view of our own planning,
- 2) the absence of adequate statistical data for planning,
- 3) The past and present influence on the level of methods of planning brought in by our Aruban planners who studied in Holland, and which do not meet with the historical stage and development of our planning activity.