NACIONES UNIDAS
CEPAL
ILPES
INSTITUTO LATINOAMERICANO DE PLANIFICACION ECONOMICA Y SOCIAL

ILPES: TWENTY YEARS OF ACTIVITY

1962-1982

Santiago, Chile
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I. INTRODUCTION

1. THE 1950s: A TURNING POINT IN THEORY

For twenty years, the existence of ILPES has been closely linked with the economic performance of Latin America and the Caribbean, particularly as regards its experiences with developing planning. In the early 1950s, CEPAL began to draw up and systematize a sizable body of theoretical and practical elements pertaining to development in the region, and to introduce innovations with respect to certain concepts prevailing at the time according to which the export of a single commodity was viewed as almost the only option for our economies. Thus, CEPAL established substantial theoretical elements in support of industrialization and expanded its technical support for a few experiences that were already underway in South America and Mexico. During this period, CEPAL conceived and disseminated development programming techniques through research, directed advisory services to countries and training of technical cadres. A significant part of the future growth of the region, translated into a growth of the product and of employment in manufactures and a vigorous urbanization process, took place under the inspiration of these theoretical reformulations of CEPAL.

2. THE 1960s: A STEP FORWARD IN PLANS

In the early 1960s, planning received strong support at Punta del Este. The Alliance for Progress encouraged the formulation of development plans and programmes, with a view to enabling the region to make more rational use

of the external resources that would be made available to it. The region experienced some high growth rates, a high degree of technification and an improvement in public policies; planning agencies were created which gave impetus to large-scale productive and infrastructure projects and encouraged the technical and economic appraisal of investments. In 1962, with the creation of ILPES, the United Nations made an effective contribution to the strengthening of development planning throughout the region.

3. THE INITIAL IMPACT OF THE INSTITUTE

The introduction of budgeting techniques, the systematization of national accounts, the projections of the external sector, the dissemination of input-output techniques, the programming of social sectors and self-evaluation of projects are some of the instances in which the recently created Institute produced different kinds of impact that were recognized as beneficial for the region. This work made it possible subsequently to generate constant improvements in statistical information systems, in administrative mechanisms for co-ordinating and programming government activities and indeed in its own capacity for economic analysis and evaluation of the economic policies being implemented at the time. Naturally, in reviewing and analysing their experiences in economic policy, the countries of the region found in ILPES an approriate and timely forum in which to exchange views and seek to update the diagnoses of their economies and discuss alternative development strategies. This task was enriched precisely because of the diversity of approaches and national

experiences that have characterized the Institute, from its beginning, as the specific forum for Latin America and the Caribbean to carry out a pluralistic exchange of knowledge as regards development planning and policies.

4. THE PURPOSE OF THIS DOCUMENT

The purpose of this document is to review briefly the institutional structure of ILPES and summarize the main activities it has carried out during its twenty years of existence. At the same time, it provides an opportunity to establish some bases for reorienting the activities of the Institute as it begins its third decade, a matter which, however, is dealt with in another report. This report begins with a brief history of the origin of ILPES and its institutional framework. It then summarizes the Institute's major achievements as regards training, research and advisory services and, finally, as regards the fulfilment of its new function as the Technical Secretariat of the System of Co-operation and Co-ordination among Planning Bodies. Some of the tables at the end of this report supplement the information concerning the two decades from 1962 to 1982.

5. CEPAL AND THE CREATION OF ILPES

The Latin American Institute for Economic and Social Planning was created to assume the duties and expand the activities being carried out by CEPAL in the field of development planning; it was to concentrate its action on training, advisory services and research. It was formally established by CEPAL resolutions 199/IX of 30 May 1961; 219/AC.50, approved by the Committee of the Whole in February 1962; and 220/AC.52 of June.

In the latter resolution, the Committee of the Whole of the Economic Commission for Latin America charged ILPES with the responsibility of providing, "at the request of the Governments concerned, training and advisory services to the countries and areas within the geographical scope of the Commission, and for undertaking research on planning techniques".1/

6. THE INTENTION OF THE MEMBER COUNTRIES

In creating the Institute, the intention of the member countries was to set up a permanent and independent agency within the CEPAL system that would be closely linked with its governments in order to provide them with support through the three types of activities mentioned above. This decision was reiterated on several occasions during the 1960s. At the end of the 1960s, the member countries stressed the need to provide the Institute with the necessary support to convert it into a permanent body and to ensure its financing over the long term (resolution 286/XIII of April 1969). Later on (resolution 340/AC.66), it was decided that ILPES should become a permanent institution of the Commission, with its own identity.2/

1/ This resolution also established the basic organizational structure of ILPES, setting up a Governing Council and creating the post of Director-General of ILPES.

2/ Under this resolution, the Governing Council was replaced by a Technical Committee consisting of the persons responsible for planning in the Latin American and Caribbean countries.

7. THE 1970s: NEW DUTIES

In May 1975, the governments, meeting at a session of CEPAL, decided to add to the duties of the Institute those of co-operating in the exchange of experience and research results on global, sectoral and regional (area) planning between the planning bodies of member countries.3/ Subsequently, the Caribbean Co-operation and Development Committee (CDCC) 4/ established a mechanism for bringing together the planning officials in the Caribbean countries and entrusted CEPAL with the responsibility for acting as the Technical Secretariat, with the assistance of ILPES. Immediately after that,5/ the Governments of Latin America and the Caribbean decided to create the System of Co-ordination and Co-operation among Planning Bodies of Latin America and recommended that ILPES should become the Technical Secretariat. CEPAL supported this decision because it represented a significant step forward in regional co-operation and integration and assigned to ILPES the responsibility of assisting governments with the operation of the new System.6/

8. UNDP MAKES THE INTENTION A REALITY

The Governments' wishes with respect to this specialized planning agency were made a reality thanks to the technical and financial contributions of the United Nations. The Special Fund -now the United Nations

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3/ Resolution 351 (XVI).

4/ Second session, Santo Domingo, March 1977.

5/ First Conference of Ministers and Heads of Planning of Latin America, Caracas, April 1977.

6/ CEPAL Resolution 371 (XVII) of 5 May 1977.

Development Programme (UNDP)- supported the first project, putting the Institute underway. During these early years, the contribution of the Inter-American Development Bank (IDB) was also important. But it was UNDP that provided the main support for ILPES from its inception and classified it as a regional co-operation project which recently began its phase VII. In 1977, the United Nations General Assembly approved a contribution to ILPES, which later was formerly instituted as a permanent resource.7/ In addition, mention should be made of the fact that individual contributions were also made by governments within and outside the region and by bilateral co-operation agencies (see talbes 1 and 2).

9. CEPAL AND THE DIRECTORS OF ILPES

The last four Executive Secretaries of CEPAL have played a distinguished role in supporting ILPES, beginning with Mr. Raúl Prebisch, who created it at the end of his 13-year mandate at the head of CEPAL. The Institute was supported by José Antonio Mayobre, who was Secretary of the Commission from 1963 to 1967; Mr. Carlos Quintana, who led the Commission from 1967 to 1972, and Mr. Enrique Iglesias the current Executive Secretary. During its first 10 years of existence, the Institute was under the general direction of Dr. Prebisch, except for a few years during the 1960, when he served as Secretary General of UNCTAD and was replaced by the Deputy Director, Mr. Cristóbal Lara Beautell. Mr. Iglesias

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7/ Six technical posts and ten administrative posts.

took over the leadership of ILPES from February 1973 to November 1974 and between March and November of 1978. During the intervening four-year period, ILPES was directed by Mr. Luis Eduardo Rosas. From November 1978 to May 1982, it was directed by Mr. Jorge Méndez, and since July 1982 it has been under the leadership of Mr. Alfredo Costa-Filho. Two higher bodies orient the Institute and approve its programme of work, namely, the Technical Subcommittee, currently chaired by Panama and having as members, Ecuador, Argentina, Brazil, Mexico, Venezuela and Trinidad and Tobago; and the Technical Committee, composed of the seven aforementioned countries plus the remaining member countries in Latin America and the Caribbean. In both bodies, the individual countries are represented by the Minister or Head of Planning.

II. SUMMARY OF ACTIVITIES

10. GIVING CONTINUITY TO TRAINING

Training activities began in 1952, when CEPAL initiated a lengthy series of courses on economic development for professionals of the region. From the beginning, this effort, already a pioneering undertaking in itself, had great impact on Latin America and the Caribbean. Through this training, a body of theory on development and on planning techniques was disseminated which was to make a place for itself in the history of economic thinking as the first systematic contribution from Latin America. This work also influenced the universities of the region, which included in their curricula in more explicit ways certain subject matters drawn from the training provided by CEPAL with regard to development problems. In 1962, with the benefit of this experience, ILPES took responsibility for pursuing and continuing to enrich the training programme, its Basic Planning Course (later the Central Planning Course) became, from that time on, a key part of this effort.

11. 210 COURSES: 8 200 ALUMNI

At the end of 1982, 8 200 professionals had attended the 210 courses given as part of this training effort: 1 500 in nearly 30 CEPAL courses, up to 1961, and 6 700 in the 180 ILPES courses, from 1962 to 1982. In addition to the aforementioned Basic Course, courses were also taught on sectoral planning (agricultural, industrial, commercial, etc.), short-term programming and budgets,

preinvestment and projects, various aspects of regional planning, problems of economic integration, and social planning (health, housing, education. etc.), in addition to others on specific subjects with which the United Nations has been concerned (human resources, environment, technology, etc.). Technical personnel in a wide variety of higher level positions (in a few cases, middle level), from the governments of almost all the countries of the region, have participated in these courses. More than 100 of them have held or are currently holding high positions in public administration or in universities, which means that the training effort of the Institute is multiplied. The above figures do not include the more than 1 000 occasions on which ILPES has provided its own technical staff to teach in training activities promoted directly by the member countries. These results are particularly impressive, especially considering that ILPES has always had a small technical staff, with a maximum number of 54 professionals during its best times.8/ To a large extent, these results were only possible because of the Institute's capacity to mobilize consultants from the region whom it called in to collaborate, and of the support it has received from other United Nations agencies, particularly within the CEPAL system.

8/ During the last ten years, ILPES has never had more than 30 professionals on the staff at any given time.

12.
A MUTATION IN THE CENTRES OF EXCELLENCE

Throughout its 20 years of existence, the quality of the training provided by ILPES has of course been closely linked with the centres of excellence -some of them of a pioneering nature- which the Institute has generated within itself. The dynamics of these centres was heterogeneous. Some were permanently assimilated into permanent divisions of CEPAL, thus disappearing as specific planning nuclei in the Institute: such is the case with the agricultural, the industrial, the economic projections and the social planning centres. Others have become independent United Nations programmes, specializing in subjects in which the Institute has been a leader: the environment, critical poverty, and, in part, technology. Some changed their orientation after having helped the member countries to build up their own capacity, as in the case of certain aspects of budget programming and public sector planning. In a few cases, the Institute has worked in areas more closely related to other international agencies, withdrawing after having fulfilled a more specific and limited, although timely and irreplaceable, task; a typical example is that of the former programme on projects. Finally, throughout the years, the Institute has maintained its centres of excellence in two areas: regional planning (in respect of which it has programmes of academic integration with European institutions offering the Master's and the Doctor's degrees) and planning at the national level, in respect of which it is fully committed to keeping its work in line -in theory and in technique- with the

specific needs of the member countries and to adjusting it to their individual institutional characteristics. This twofold approach explains the dual direction given to ILPES training in the last few years: an open central course is offered with the option of specializing in regional planning or in global planning and economic policy. However, it is important to point out that some of the changes in these centres of excellence have been the result of the inadequacy of the financial support received by the Institute, which has impoverished this common technical resource of the countries of the region.

13. WORK WITH THE GOVERNMENTS

The dynamics of the installed technical capacity of the Institute, mentioned above, has also determined the conditions under which ILPES has provided direct advisory services to the governments in each phase. This is, however, another of the areas of the Institute's action in which it has shown a decidedly positive balance over the two decades. Indeed, up until the 1960s, direct advisory services in the area of planning had been provided by groups of advisers from CEPAL, the OAS and the IDB. In 1962, the Institute began to perform the advisory duties entrusted to it, providing support to the aforementioned advisory groups and co-operating directly with the member countries. The demand for these

services grew rapidly,9/ as awareness increased regarding the need for techniques in the preparation and implementation of economic and social development plans. In this regard, the Institute is still the most highly specialized and experienced intergovernmental agency in the region.

14. THE BROAD SPECTRUM OF ADVISORY SERVICES

Whereas in regard to training ILPES has always sought to be sensitive to the aspirations of the region, interpreting its basic problems and offering a more or less uniform type of training, its advisory services have been much more diversified, as it has responded to specific requests from individual governments. There are many subject-matter areas in which it has had to develop its own capacity, working together with the governments, or to act as a catalyst for the technical activity of consultants and specialized personnel from other international agencies, especially the regional United Nations agencies serving Latin America and the Caribbean. It has provided advisory services in connection with the interpretation of the economic and social situation and development strategies; global, sectoral and regional planning techniques; national accounts and basic statistics for planning; techniques for public sector programming and programme budgets,

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9/ In response to this demand, the Division of Advisory Services (now the Directorate of Advisory Programmes - DPA) was established in 1965 to co-ordinate these activities.

and preinvestment, identification, formulation and evaluation of projects. It has provided advisory services in public sector organization and legislation for strengthening national planning systems and processes in close collaboration with the planning ministries and bodies. This had made it possible to apply more effective techniques and procedures in the public sector.

15. DIRECT WORK IN 19 COUNTRIES

The Institute has worked directly with 19 of the member countries in connection with its traning and advisory activities. Many other countries have also benefited by sending their professionals to receive training at Institute headquarters or regional courses (in Mexico, Brasilia, San José, Costa Rica, etc.). In terms of the volume of advisory services provided in each of the six phases of the Institute, by subject-matter area (economic policies, global, sectoral and regional planning and projects) and by country, 180 major tasks have been carried out, a little over 30% in Central America, 15% in the Caribbean and the remainder in Mexico and South America. Clearly, the geographical distribution of the advisory services has been largely determined by the sale of services. During the last 10 years, a significant part of the technical staff of the Institute has been demobilized; this has reduced its capacity to provide services to the relatively less developed countries, despite the fact that this was the orientation set for the Institution's programme of work from the beginning. Nevertheless, the entire region has also benefited from its research work.

16. RESEARCH ORIENTED TOWARDS THE REGION

Since its establishment, the Institute has carried out many research studies, all of which have been oriented towards the basic problems of the member countries. In brief, studies have been carried out in fields such as economic and social development; global planning and the techniques thereof; management of the external sector and economic integration; public sector, preinvestment and project planning; social sector programming; certain areas of economic policy, and both sectoral and regional planning. The results of the research studies made it possible to develop planning methodologies, to expand and improve techniques used in advisory services and to prepare textbooks for professional training in the area of development and planning. The research studies have been carried out in close contact with CEPAL, and in several cases, with the collaboration of academic centres, planning agencies and international or bilateral co-operation bodies.

17. OVER 20 PUBLICATIONS PER YEAR

During the 20 years of its existence, the Institute has brought together in numerous publications a large part of the results of its work. Through books, notebooks, research progress reports and other documents, it has made available to the planners of the region, the universities and the research and training centres its theoretical and technical contributions, some of which have represented a pioneering effort in the region. To these publications must be added the training notes, which already total over 300 titles.

18. SECRETARIAT OF THE FORUM OF MINISTERS

As has been noted in paragraph 7 above, the member Governments deemed it necessary to establish a forum for the planning bodies of Latin America and the Caribbean to discuss their accomplishments and problems; to improve contacts with each other; to promote the exchange of national experiences in economic and social planning, and to establish, through planning, appropriate mechanisms for strengthening regional co-operation. Over the last five years, ILPES has performed several tasks in its capacity as Technical Secretariat of this System. Thus, it has organized three Conferences of Ministers and Heads of Planning (and is currently preparing the Fourth Conference); it has helped CEPAL with the organization of the First and Second Meetings of Planning Officials of the Caribbean; it has established, together with CEPAL and CLADES, the Information System for Planning in Latin America (INFOPLAN); it has put underway activities involving horizontal co-operation among national planning agencies and it has published the Planning Bulletin as an element to provide links within the System (in Spanish and English).

19. ARTICULATING HORIZONTAL CO-OPERATION

With respect to horizontal co-operation, the opportunities for exchange among member countries extrapolate the frameworks of action of their planning agencies. Experience has shown the advisability of formulating and implementing such action within this broader context. Nevertheless, in view of the importance of this co-operation within the region, it must be

recognized that the volume of operations in this area has been lower than desired. During this period, the Institute has only been able to assign two specialists to promote and administer horizontal co-operation; this is clearly a small number considering that there are already nearly 40 countries within its area of action.

20. REGIONAL TECHNICAL CAPABILITY

Evidently, during the 20 years of the Institute's existence, there have been variations in the intensity, quality and orientation of its basic activities: training, advisory services, research and, more recently, promotion of co-operation among planning agencies. In each of these areas, ILPES has accumulated specific technical experience which now counts as an asset belonging to the region when stock is taken of the different contributions of the United Nations agencies to Latin America and the Caribbean. Although it is considered a permanent intergovernmental agency, the Institute has always been supported by temporary resources, with the exception, during the last five years, of the six technical posts created by the General Assembly (see paragraph 8). This has affected its work in such a way that it has often worked with governments that were able to finance the advisory services requested but it has not been able to meet the needs of relatively less developed countries. With the exception, however, of direct work with the governments, the overall activities of the Institute have benefited most of the region. In any event, on an international scale, ILPES is a successful

regional undertaking which would not have been possible without the backing of UNDP and the close support of the Economic Commission for Latin America. As it turns the corner to begin its seventh phase and its third decade, the Institute is in a position to meet the new requirements of member Governments and to support them in the areas of planning and development, in which it has accumulated experience and specialized knowledge.

Note: The annex containing statistical tables and figures is being prepared.