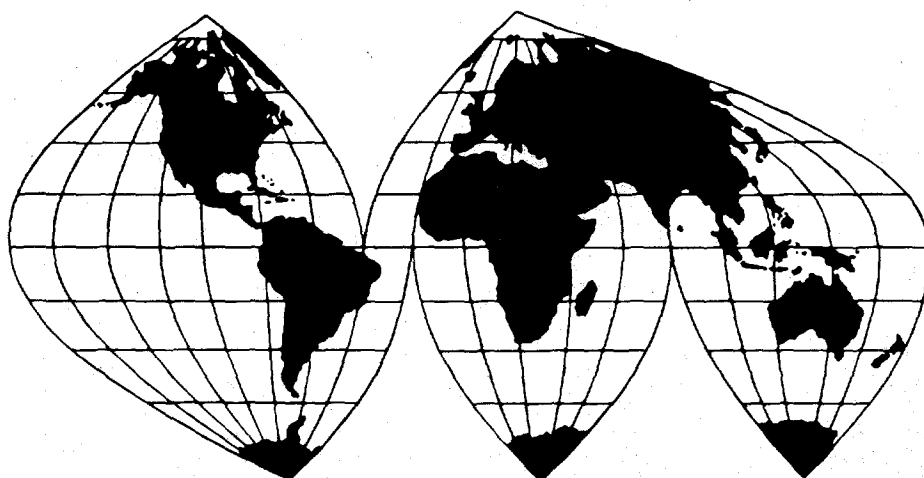


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DEVELOPMENT PLANNING

LESSONS OF EXPERIENCE

1969



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ALBERT WATERSTON

DEVELOPMENT PLANNING

LESSONS OF EXPERIENCE

By ALBERT WATERSTON

National development planning has spread throughout the world and added greatly to our knowledge about the planning process. Until now, however, no one has attempted to assess the results of this experience on a world-wide basis. A comprehensive source for the comparative study of national planning, Mr. Waterston's book contains a comparative analysis of development planning in over 100 countries in Asia, Africa, Europe, and the Americas. The volume has now been expanded to include a greatly enlarged list of all the development plans in effect in countries throughout the world, in addition to its list of central planning agencies and their addresses and its extensive bibliography on development planning.

For seven years the World Bank gathered information about national planning experience and problems. The countries studied were at many different

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Experience

DEVELOPMENT PLANNING Lessons of Experience

ALBERT WATERSTON

Assisted By

C. J. MARTIN, AUGUST T. SCHUMACHER,
AND FRITZ A. STEUBER

The Economic Development Institute
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Foreword

THIS IS THE sixth publication of the Economic Development Institute. The Institute was established in 1955 by the International Bank for Reconstruction and Development. Its objective is to improve the quality of economic management in government in the less developed countries. At the Institute, senior officials of member governments of the Bank are given an opportunity to study and discuss the practical problems facing them as administrators as well as the broad issues of economic policy which their day-to-day tasks often prevent them from seeing. An effort is made to put before them the growing experience of the Bank and of the international community as a whole in promoting economic development.

Publications of the Economic Development Institute are primarily designed for use by persons working in responsible administrative and advisory capacities in government, financial institutions or other important sectors of the economy of the Bank's less developed member countries. It is hoped that they may also prove informative and useful to educational institutions and to groups and organizations of all kinds concerned with the problems of economic development.

The present publication is related to the training activities of the Economic Development Institute. In connection with his teaching assignment at the Institute, Mr. Waterston probed into the experience of many countries to determine the efficiency and effectiveness of their planning organizations. In co-operation with others, he described in monographs the planning machinery of three countries, Morocco, Pakistan and Yugoslavia. The present study brings together the results of his investigations in these three and many other countries and attempts to derive from them the "lessons of experience" which are bound to be of much interest to planners and others concerned with economic development.

The publications of the Economic Development Institute are the work of individuals. While in every case inestimable benefit has been

derived from intimate contact with the work of the Bank, the publications in no sense purport to set forth the official views of the Bank or to be an authoritative statement of its policies in general or in detail.

JOHN H. ADLER
Director
Economic Development Institute

Preface

THIS IS A comparative study of development planning. It attempts to identify when, how and why planning has been successful or unsuccessful, and to draw relevant lessons of experience therefrom. Over a period of seven years, a group in the International Bank for Reconstruction and Development systematically collected a wide variety of materials on the experience of countries which plan their development. The basic raw material was obtained from a core group of some 55 countries in Africa, Asia, Europe and the Americas, including countries with advanced and less advanced, as well as socialized and mixed, economies. The collected data were analyzed and arranged nationally and topically according to a classification system devised for the purpose. In addition to the core group of countries, for which efforts were made to get complete coverage, partial information was obtained for all other countries which have attempted to plan their development. The study therefore draws, as much as was possible, on the experience of well over a hundred countries.

Besides the introductory section, the study comprises 16 Chapters divided into two parts. Part One includes a description and analysis of the planning process as revealed in the experience of the countries under review. Considerable attention is given to problems of plan formulation, although not to details of planning technique. Because problems of implementation have been found to be the most intractable ones in the planning experience of most countries, the greatest emphasis is given to them. Part One lays the substantive foundation for Part Two, which contains an extensive discussion of the experience of countries in setting up organizations and administrative procedures for preparing and implementing development projects, sectoral programs, and regional and national development plans.

Detailed appendices contain, among other things, a comprehensive chronological listing of national plans by country or dependent territory; a comprehensive list of names and addresses of central planning

agencies; organization charts of representative central planning agencies; and a list of some 370 references cited in the text which constitute an extensive bibliography on development planning.

The organization of the book was arranged to facilitate its use as a reference work or textbook on development planning. For example, at the end of each chapter, except the Introduction, there is a summary and conclusions section; references cited in footnotes were reduced in size and made identical with the first part of each entry in the list of works cited at the end of the book; an unusually detailed index, consolidating country and topical data not included in the table of contents, simplifies cross reference; and important abbreviations used in the study are listed in the front of the book.

The study is unavoidably incomplete. Several subjects which might have been covered are not. But even if they had been included, the study would still be incomplete because it sought to survey the planning experience in as many countries in the world as possible and to draw such lessons and conclusions as seemed useful. And although the goal was known to be unattainable from the start, it nevertheless seemed worth striving for since the closer it was approached the more there was to learn.

Although theoretical or other points of view found in the literature on planning are presented for each topic covered, the approach is essentially inductive. As was to be expected, wide discrepancies between theory and practice were frequently encountered, and this led to attempts to reconcile the two. Sometimes, the resolution required proposals for changing practice, but at other times it seemed more appropriate to recommend adjustments in theory.

When feasible, published sources were quoted or cited to illustrate prevailing theory and practice. Whenever possible, quotations and citations for a broad cross-section and representative sample of countries were used, but this was not always possible because most of the published material on planning experience concentrates on a very few countries. It was therefore necessary at times to use published material available for one country to illustrate situations which were known to prevail also in others for which no published data could be found. Thus, frequent quotation or citation of published material for a country does not imply that the situation discussed was necessarily limited to the country concerned.

Considerable effort was made to check on the accuracy of the examples cited to illustrate various points. Although some examples may

prove, nevertheless, to have been inaccurate originally or to have been overtaken by events, errors in illustrations need not invalidate the points made.

The study considers and discusses the lessons inherent in planning successes, but since unresolved planning problems are both more numerous and more challenging than those which have generally been overcome, most of the study concentrates on them. This may perhaps seem to give the study an unduly pessimistic orientation. If so, it would be the opposite of what is intended. So much experience has now been acquired about which planning mechanisms work well and which do not, that countries forewarned and forearmed are better able than ever before to avoid pitfalls and plan with reasonable assurance of success. It is hoped that this study will prove of some use for these purposes.

The author's debt to others is so great that it is hard to know where to begin and where to end acknowledgements. Cyril J. Martin, August T. Schumacher and Fritz Steuber labored long and hard to accumulate and arrange the basic research materials used in the study and Messrs. Martin and Schumacher also prepared first drafts of several chapters. Richard H. Demuth read the draft manuscript and made many penetrating comments which greatly improved it. Dr. Edward S. Mason of Harvard University also read the draft manuscript and made helpful suggestions. Members of an Informal Advisory Committee, which included Richard H. Demuth (Chairman), John H. Adler, Dragoslav Avramovic, Willem Brakel, Roger A. Chaufournier, John A. Edelman, William M. Gilmartin, Harold N. Graves, Jr., and Andrew M. Kamarck, set up within the World Bank to advise the author, somehow found time from their busy schedules to read and comment, sometimes in considerable detail, on the manuscript. They, as well as Reginald A. Clarke, A. J. Creshkoff, Sylvain R. F. Plasschaert and many other colleagues in the World Bank, were helpful in reading all or parts of the manuscript and commenting thereon. Dr. Gerhard Colm of the National Planning Association and Dr. Richard Goode of the International Monetary Fund also read and commented on individual chapters.

Nor could the study have been carried out without the help of many others. Jeffrey H. Dennis checked the footnotes, prepared the list of works cited and performed many other tasks. Thomas B. Winston greatly improved the form and readability of the report with many editorial suggestions. Miss Mary Philippides started the list of national

plans which August T. Schumacher completed. The staff of the Bank's Research Files, especially Bogomir Chokel, made many helpful contributions to this list, and also met many requests for documentary assistance. August T. Schumacher, assisted by Miss Regina Bassani, prepared the list of central planning agencies included in Appendix IV, and, assisted by Jeffrey H. Dennis, compiled the index. Martin L. Loftus, Charles O. Olsen and their staff in the Bank-Fund Joint Library were unfailingly helpful with suggestions and in supplying innumerable books and documents. Miss Regina Bassani not only typed the manuscript, but guided the study from handwritten copy through many stages to the final draft.

To those mentioned, as well as to many others who were not, who helped make this study possible, the author extends his thanks. However, since the final decision about what was to be included in and what was to be excluded from the book was the author's, it seems only fair that he assume full responsibility for all errors and omissions.

ALBERT WATERSTON

Washington, D. C.
June, 1965

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Important Abbreviations Used

- AFL-CIO American Federation of Labor—Congress of Industrial Organizations.
- AID Agency for International Development (United States).
- BAEQ Bureau d'Aménagement de l'Est de Québec, Inc. [Eastern Québec Planning Bureau] (Canada).
- CAG Comparative Administrative Group of the American Society for Public Administration.
- CAR Corporación Autónoma Regional de la Sabana de Bogotá y Valles de Chingínquia y Ubaté [Autonomous Regional Corporation of the Savannah of Bogotá and the Chingínquia and Ubaté Valleys] (Colombia).
- Cassa Cassa per il Mezzogiorno [Fund for the South] (Italy).
- CD&W Colonial Development and Welfare (United Kingdom).
- CIAP Comité Interamericano de la Alianza para el Progreso [Inter-American Committee for the Alliance for Progress].
- CIDE Comisión de Inversiones y Desarrollo Económico [Investments and Economic Development Commission] (Uruguay).
- CODESUL Council for the Development of the Extreme South (Brazil).
- COEB Gaspé and Magdalen Island Regional Council for Economic Development (Canada).
- COMECON Council for Mutual Economic Assistance (Eastern Europe).
- COPERE Comité de Programación Económica y de Reconstrucción [Economic Programing and Reconstruction Committee] (Chile).
- COPLAN Development Planning Commission (Brazil).
- CORFO Corporación de Fomento de la Producción [Corporation for the Development of Production] (Chile).
- CSO Central Statistical Office (Thailand).
- CVC Corporación Autónoma Regional del Valle del Cauca [Autonomous Regional Corporation of the Cauca Valley] (Colombia).
- CVM Corporación Autónoma Regional de los Valles de Magdalena y Sinú [Autonomous Regional Corporation of the Valleys of the Magdalena and Sinú] (Colombia).
- DAC Development Assistance Committee of the Organization for Economic Co-operation and Development.

DECP	Division de la Coordination Economique et du Plan [Economic Co-ordination and Planning Division] (Morocco).
DVC	Damodar Valley Corporation (India).
EACSO	East African Common Services Organization.
ECA	Economic Commission for Africa.
ECAFE	Economic Commission for Asia and the Far East.
ECE	Economic Commission for Europe.
ECLA	Economic Commission for Latin America.
EEC	European Economic Community (Common Market).
EFTA	European Free Trade Association.
EPU	Economic Planning Unit (Malaya).
FICCI	Federation of the Indian Chambers of Commerce and Industry (India).
FAO	Food and Agriculture Organization.
GDP	Gross Domestic Product.
GNP	Gross National Product.
Gosplan	Central Planning Agency of the Union of Soviet Socialist Republics.
IBRD	International Bank for Reconstruction and Development (World Bank).
IDB	Inter-American Development Bank.
INE	Instituto Nacional de Estadística [National Statistical Institute] (Spain).
LAFTA	Latin American Free Trade Association.
NEC	National Economic Council (Pakistan or the Philippines).
NEDB	National Economic Development Board (Thailand).
NEDC	National Economic Development Council (United Kingdom).
NED	National Economic Development Council (United Kingdom).
NTPC	National Technical Planning Committee (Sudan).
OAS	Organization of American States.
OECD	Organization for European Co-operation and Development.
PAU	Pan American Union.
PEO	Programme Evaluation Organization (India).
PEP	Political and Economic Planning (Published in the United Kingdom).
PIA	Program Implementation Agency (Philippines).
PO	Plan Organization (Iran).
SIECA	Secretariat of the General Treaty for Central American Economic Integration.

SUDENE	Superintendência do Desenvolvimento do Nordeste [Superintendency for the Development of the Northeast] (Brazil).
TAA	Technical Assistance Administration of the United Nations.
TAO	Bureau of Technical Assistance Operations of the United Nations.
TTEC	Thai Technical and Economic Cooperation Office (Thailand).
UAR	United Arab Republic.
UDEAC	Union Douanière et Economique de l'Afrique Centrale [Customs and Economic Union for Central Africa].
UK	United Kingdom.
UN	United Nations.
UNESCO	United Nations Educational, Scientific and Cultural Organization.
US	United States of America.
USSR	Union of Soviet Socialist Republics.
WAPDA	Water and Power Development Authority (Pakistan).