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*Central Planning, National Policies and Local Rural Development Programmes: The Planning Process in Latin America and the Caribbean\**

During the last International Conference of Agricultural Economists held in Nairobi, Kenya in 1976, a discussion group was organized which focused on the conceptualization of rural development. The ideas were abstracted from the experiences of and illustrated by participants from different countries.

In broad terms, it could be said that the discussion pointed out two different approaches to rural development. One could be labelled the "single level" approach. In this case rural development is carried out through autonomous projects. Throughout most of Latin America and the Caribbean, it is fairly common to find rural development projects of one type or another. However, these are isolated projects, and their administrators frequently work toward different objectives and under different assumptions without any general strategy to guide them or any reference to each other's activities. Many of these projects are generally based on the support provided by international organizations. The recent interest of these organizations in the small farmer, the rural poor, etc. has pushed the countries in this direction. These projects may be thought of in terms of horizontal integration but they lack vertical linkages to national policy.

A second or "multi-level" approach was also identified. This refers to the rural development projects integrated with sectoral and national policies, an important aspect of national development strategies. The complexity and diversity of local situations and the tendency to simplify or specialize sectoral administrative responsibilities at the national level require a strategy, policies and priorities that consider the need for careful co-ordination between the many national agencies responsible for different aspects of rural development. Without this vertical link, rural development project designers might define priorities which conflict with the interests of national decision-makers.

This second approach has also been tested in some countries in Latin America and the Caribbean. Because of the need for a strong commit-

\* The views expressed in this paper are those of the author and do not necessarily represent the views of IICA.

ment to rural development policies at the national level, these efforts should be analysed in the context of the evolution of the planning process in these countries. Planning systems with units at national and regional levels were legally created in several of the Latin American and Caribbean countries during the sixties. By mid-1978, 73 per cent of the Latin American and Caribbean countries reported having agricultural planning systems, although only nine indicated having regional planning offices. The lack of a regional and local dimension to planning has been identified as “planning without implementation”.

To many, planning in most of the Latin American and the Caribbean countries is no more than an academic and technocratic exercise removed from the reality it is to affect. In order to move away from the formalistic task of plan preparation towards a more operational focus, several international organizations are supporting a more “pragmatic approach”. To assure feasible, sound projects instead of aggregated national plans,<sup>1</sup> early inclinations of countries towards a “multi-level” approach are being reoriented to a “single level” approach with the help of financial international organizations.

These organizations have been funding the already well known if somewhat *ad hoc* “project preparation courses” through universities and public and private institutions in Latin America and Caribbean. “Proyectistas” (project specialists) are “trained” as a result in very short periods. Unfortunately, this situation has originated what is known as “implementation without planning”.

Paradoxically, both situations – “planning without implementation” and “implementation without planning” – can be found at the same time in several Latin American and Caribbean countries. This has been referred to as the “planning crisis”. Is this so-called “crisis” of a purely technical nature? This could perhaps be implied by what has been said thus far. Moreover, there are those that claim that planning is only associated with certain political systems and is not applicable to others.

In general, most opinions about this “crisis” reflect different views on the importance and role of planning in the countries’ social and economic development process. The common characteristic of all these opinions is the noted separation between the way in which planners generate their products and the real processes of policy analysis and decision-making adopted by governments.

Without actually ignoring existing instabilities and deficiencies of the planning organizations of Latin American and the Caribbean countries, it may be said that most opinions against the use of planning are based on apparent rather than real reasons. The results of the studies<sup>2</sup> conducted by the Latin American and Caribbean Agricultural Planning and Policy Analysis Project (PROPLAN) of the Inter-American Institute of Agricultural Sciences (IICA) support this statement.

The concepts elaborated, as well as the empirical results obtained by PROPLAN–IICA studies, show that planning may be adapted to any political system. Its efficiency is based on an essential comprehensive

coherence which includes: internal coherence among planners (national, regional and local planners); internal coherence among decision-makers themselves; coherence between the evolution of the political process and that of the socio-economic process; coherence between alternative policies proposed by planning technicians and the government's doctrinal position; as well as coherence between planners' proposals and the actual socio-economic situation:

Thus, the problem is not just one of imbalance between local planners who ignore central planners and central planners who ignore local planners. It can be shown that this is just one aspect of a more complex problem. Planners are not the only nor the more important actors of the planning process. The responsibility of planners is not only a matter of preparing plans or programmes; their task involves much more. This paper briefly presents a comprehensive view of the planning process, and goes into the essence of a planner's task.

This conference would seem to be an appropriate forum at which to discuss this topic. The PROPLAN-IICA studies indicate that 72 per cent of the Latin American and Caribbean countries identify the Sectoral Planning Units (SPU) as the co-ordinating agencies of their agricultural planning systems. The studies also show that at least 60 per cent of the technicians working in the SPUs of the Latin American and Caribbean countries are either agronomists with some training in economics or economists with some training in agriculture. Only about 10 per cent of all personnel working in SPUs have an MS or PhD degree while 15 per cent do not even have a BS degree. A problem common to the whole area identified at the three regional seminars recently held by PROPLAN-IICA for planners from twenty-four Latin American and Caribbean countries, was that there are no serious training efforts in agricultural planning nor are the applied research activities useful to the work underway on the problem-areas being faced. Therefore, there is an interesting challenge to economists that requires a clear understanding of the planning process.

## THE PLANNING PROCESS

A socio-economic system is present in every society and can be conceived of as the technical and social relationships which produce goods and services, their exchange and use, as well as the distribution of generated wealth. These actions take up time and space and are highly interdependent. This socio-economic system is the thrust behind every society (Figure 1).

The socio-economic system evolves in a certain way which demands a specific political system in order to provide for specific services. This allows the socio-economic system to move in the desired direction. The political system can be conceived of as different political groups or parties differentiated on ideological grounds, together with three specialized branches: legislative, electoral and executive (Figure 2).

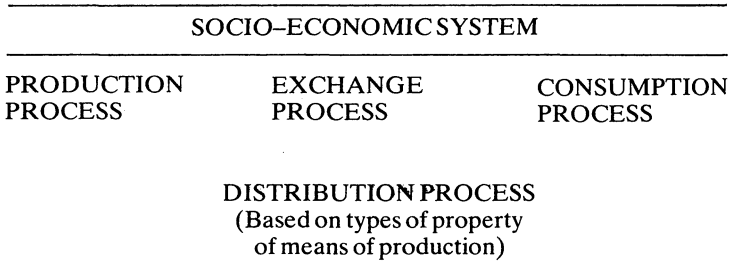


Fig. 1

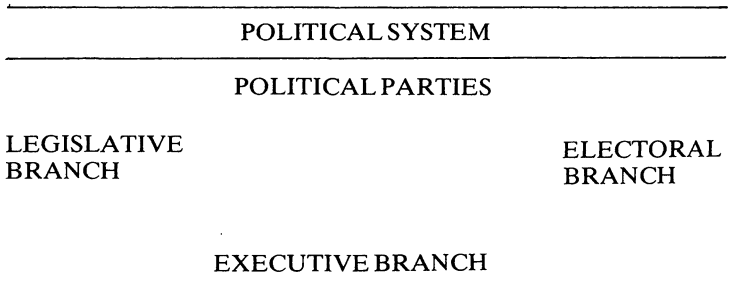


Fig. 2

The political system of a country is responsible for deciding on policies which will affect the socio-economic process of that country in order to attain certain objectives. This decision-making process, in general terms, is guided by the existing ideological position and the socio-economic situation, as presented by various interest groups (Figure 3).

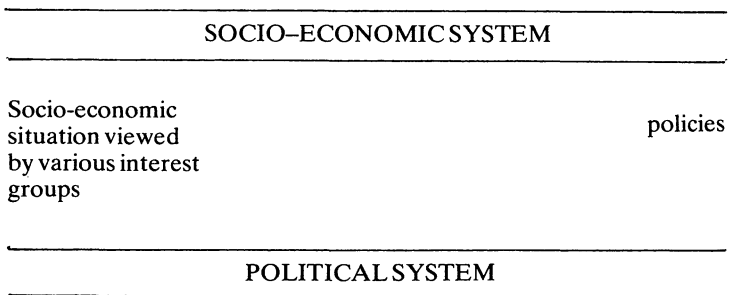


Fig. 3

The decision-making process is usually complex and involves a number of conflicting interests as well as many sources of influence of both national and international origin. Although government programmes frequently reflect the more ambitious and long range doctrinal position of the political parties or groups in power, the question of handling specific

problems and daily matters tends to generate decisions which may take precedence although they may frequently be in conflict with medium and long term doctrinal positions.

Therefore, planning should be seen as a process for rationalizing governmental action in order to regulate and accelerate the countries' economic and social development. This serves as a basis for presenting three complementary views of the planning process:

the planning process as a continuous policy-producing process.

the planning process as the integrator of two processes: policy analysis and decision-making.

the planning process as characterized by the formulation, implementation and control of policies.

#### *The planning process as a continuous policy-producing process*

The agricultural planning process can be defined as a continuous policy-producing process<sup>3</sup> with goals to accelerate agricultural development within a desired framework of regional and national development. The essential characteristic of this policy-producing process is to bring integral coherence to decision-making on agricultural policies, and is conditioned by the political position of the government (doctrinal position) and by the problems arising from socio-economic realities.

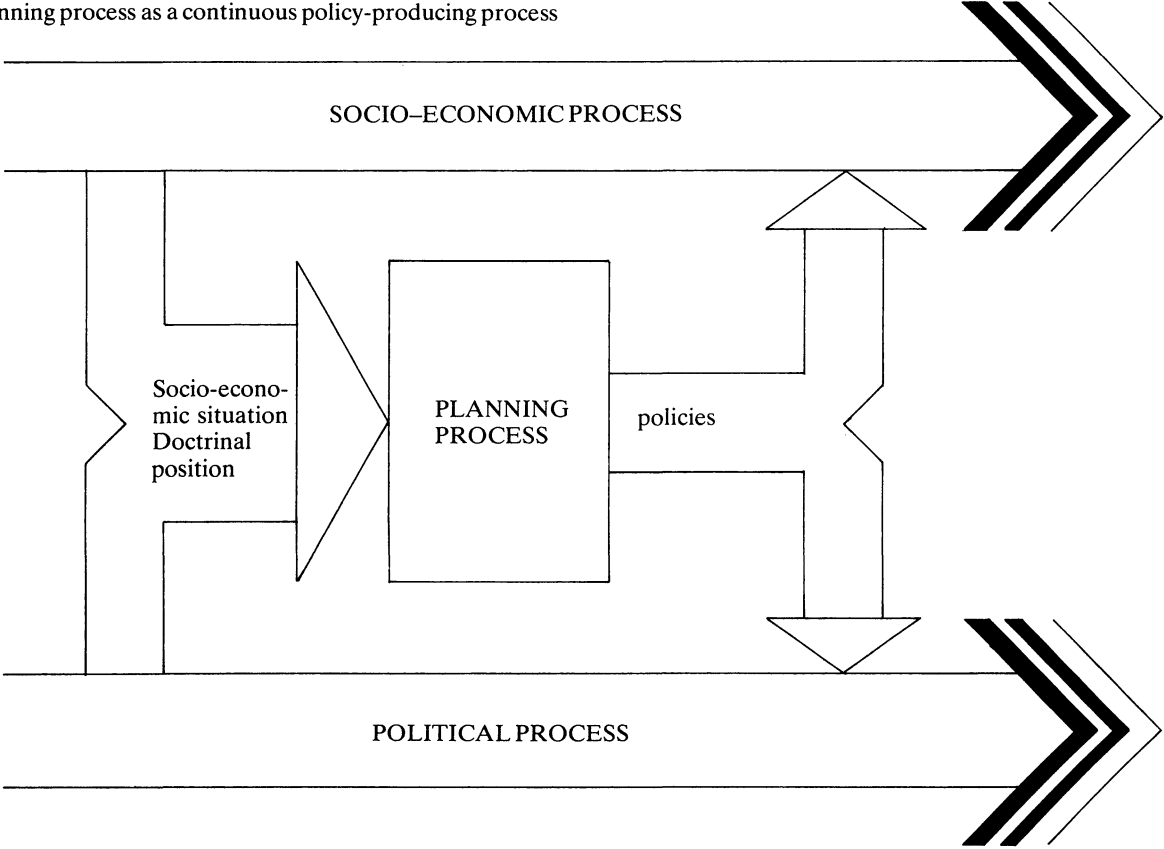
The planning process is conditioned by the historical evolution of each country's socio-economic and political<sup>4</sup> processes. In every development process the socio-economic viability of the planners' products is the determinant in the last instance, for directing the desired transformation of the socio-economic process. However, a lack of coherence between the government's political position and the socio-economic reality can give political viability a dominant role in the short run over the socio-economic viability. This implies that the work of the planners will be of significance only when it is politically acceptable.

#### *The planning process as the integrator of two processes: policy analysis and decision-making*

Governments are forms of expression of the political system created to perform technical-administrative functions. Here, they are referred to as the political-administrative system. Governmental actions take form when decisions are made on policies in different fields and at different administrative levels. Thus, any government decision at the national level related to agriculture, must be made tangible at regional levels and in concrete areas. The multisectoral inter-connections of the socio-economic process that is to be affected must always be taken into due consideration.

The decision-making elements and the executor elements are the two important groups of the political-administrative system. The first participates in the planning process by making decisions that will affect the

Fig. 4 Planning process as a continuous policy-producing process



socio-economic system; it includes the president, ministers, vice-ministers, national directors of specific areas (research, extension, agrarian reform, marketing, credit, etc.) regional directors, etc. The executor elements are the specialized technicians that are responsible for administering and proposing specific technical directives for carrying out the approved policy measures and who, at the same time, support the decisions made on actions specific to their fields of technical specialization. The actions of these executor elements do not constitute part of the planning process but are supported by the elements of the planning system.

The political-administrative systems in most Latin American and Caribbean countries have created technical advisory groups for different fields of specialization and at the different administrative levels. These groups are called planning units. The integration of these units at a technical level to ensure coherent products, has been defined as the planning system which advises the decision-making elements on the policies to be adopted in order to regulate and accelerate a country's economic and social development.

Since planning has been conceptualized as a process for rationalizing governmental action to promote socio-economic development, the structural element of the planning process can then be defined as the *planning system* and the *political-administrative system*. Both systems are furnished with quantitative and qualitative information from the *socio-economic system* through various participative mechanisms or through their relationships with the pertinent socio-economic agents and their organizations. Similarly, the planning and the political-administrative systems exchange information; the political-administrative system transmits its doctrinal position while the planning system provides policy alternatives for purposes of decision-making. Each system in turn, relates to the socio-economic system; the political-administrative system transmits the decisions taken in the form of adopted policies while the planning system provides the technical bases and the implications of these decisions.

Both the planning and the political-administrative systems are essentially characterized by the processes they generate. Thus, they should be characterized by the very essence of the structural elements of the planning process, rather than by the apparent aspects of those elements. Hence, reference to the planning system is in terms of the policy analysis process,<sup>5</sup> whereas when referring to the political-administrative system, one refers to its decision-making process.<sup>6</sup>

#### *The planning process as characterized by formulation, implementation and control of policies*

The planning process is also characterized by the activities that its essential elements develop in an integrated manner, to produce effective policies and policy measures for the desired transformation of the socio-economic system. The agricultural planning process is defined as the formulation, implementation and control of policies oriented towards



Fig. 5

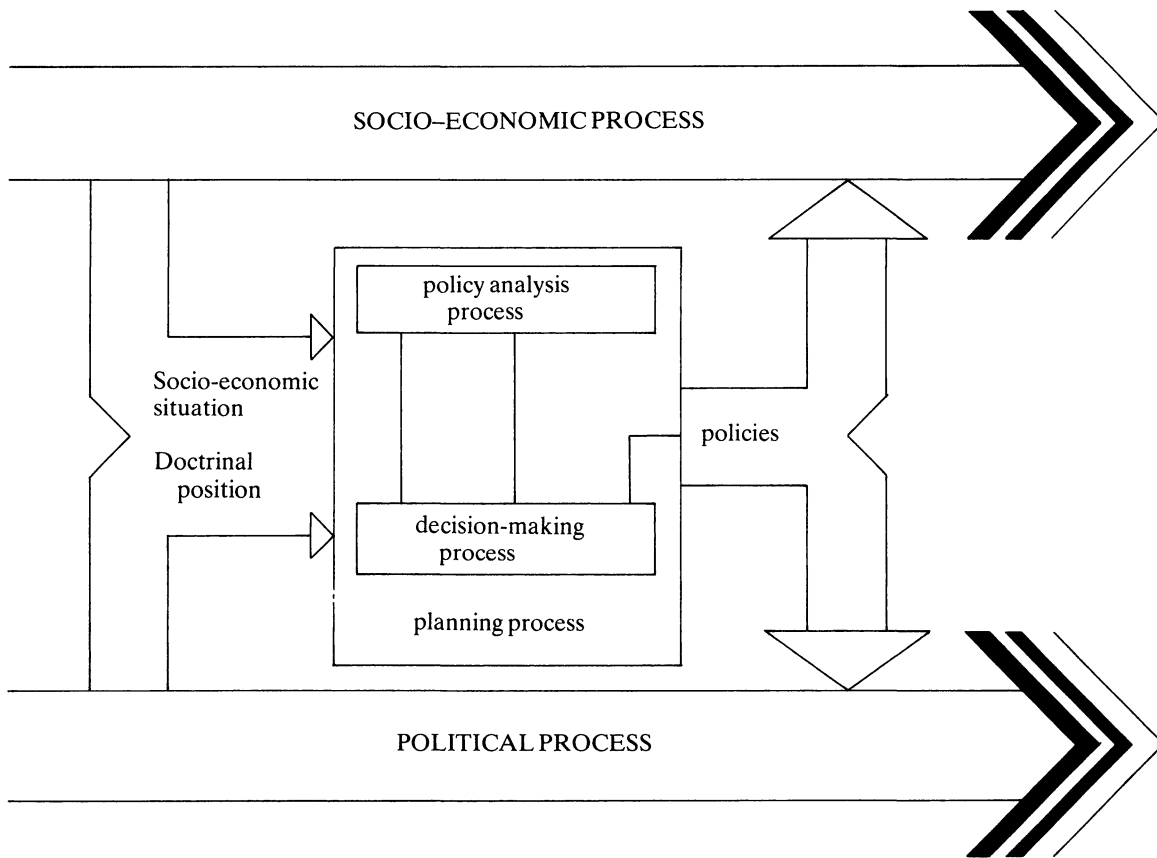
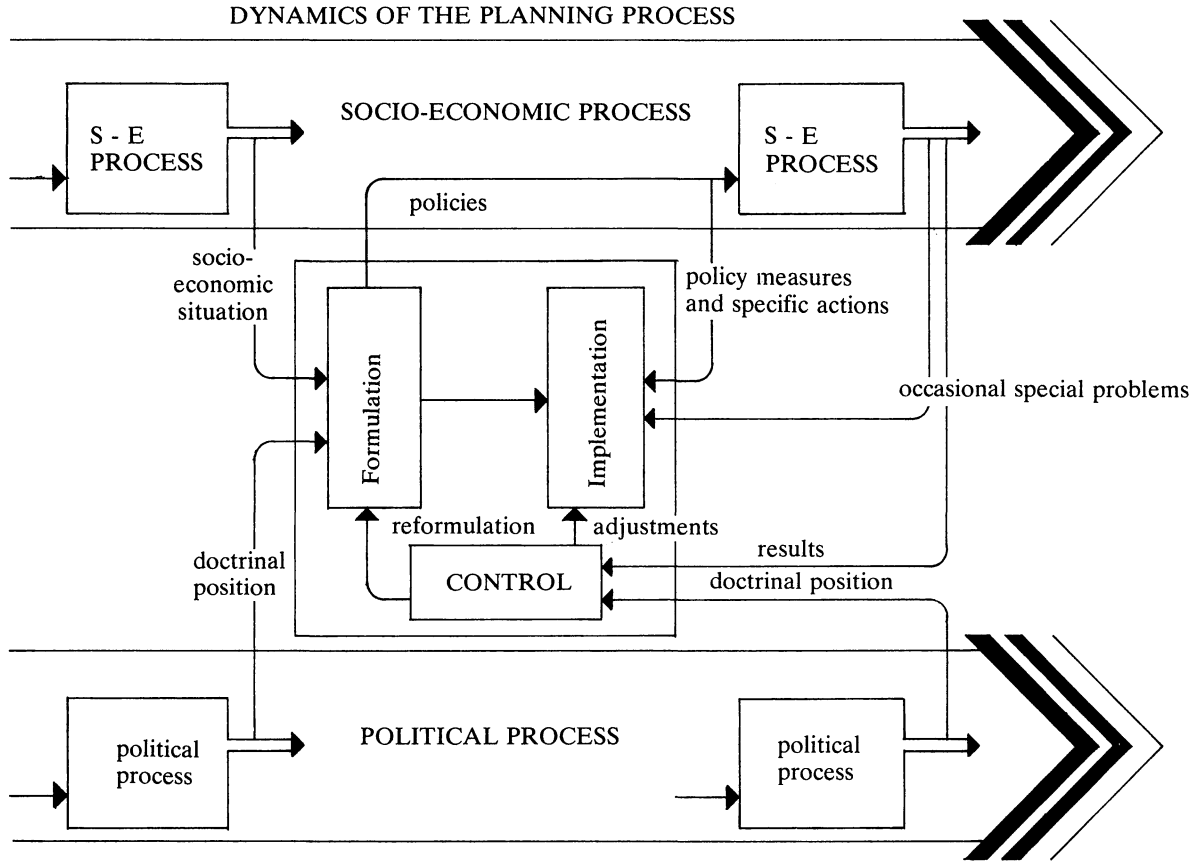


Fig 6



inducing actions by the socio-economic agents in order to achieve the desired objective-image. The three mentioned stages are analytically separable but, for all practical purposes, their activities are continuous and interdependent.

The planning process has been conceived of as a continuous policy-producing process. Thus, the products of each of its stages are also policies. This refers to the essence of the content of the products of the planning process and not to the form in which they are presented, such as plans, programmes, projects, budgets, etc. These policies are then broken down into concrete policy measures. Both policies and policy measures become concrete aspects of agricultural policy<sup>7</sup> as soon as pertinent decisions are made concerning them by the political-administrative system.

Knowledge of the *formulation stage* is most widespread and is generally identified by the term "planning". The main goal of this stage is to generate specific policies or directions that accelerate the agricultural development process. In order for this stage to fulfil its intended purpose, it is necessary for the planning and political-administrative systems to collaborate in the following series of activities: i) identification of the socio-economic situation; ii) identification of the government's doctrinal position; iii) definition of the orientational framework; iv) analysis and proposal of policy alternatives; and, v) policy definition.

The activities of the *implementation stage* are less well known and are generally considered to be outside the planner's conceptual sphere. What is actually done as a result of adopted policies is not the direct responsibility of planners but their efforts in support of those actions are of crucial importance. Implementation, here, is therefore defined as the stage in the planning process where policies and policy measures approved during the formulation stages are further specified, or are adjusted as a result of recommendations made during the control stage, or include special complementary actions for resolving specific occasional problems that arise. This facilitates the integration of planners with the executor elements of the political-administrative system and the agents of the socio-economic system. This stage assures a permanent definition of agricultural policy at given levels as well as the specification of conditions needed for purposes of carrying it out. The articulation of the planning process is thereby assured, bringing content and relevance to the formulation and control stages at national, regional, local and other levels.

The following activities should be carried out by the political-administrative and planning systems in order that the implementation stage be complied with: i) promotion, ii) specification and iii) direction.

"Promotion" includes activities directed at informing different groups of the intent and scope of the approved policies and policy measures, as well as of their expected role to assure their participation in the corresponding implementation process. Dissemination and motivation are this group's primary activities.

"Specification" is directed at implementing the policies and policy

measures approved during the formulation stage, along with the adjustments outlined during the control stage, and those complementary actions designed to deal with specific occasional problems that arise. They determine what is necessary for the successful application of the approved directives and decisions. This presupposes a viability analysis as a complement to the other two stages. Necessary for its realization are: i) the disaggregation into specific tasks; ii) their organization in terms of the activities of the socio-economic system; and, iii) the assignment of institutional responsibility and allocation of resources. It will then be possible to define detailed work programmes for the public sector and operative mechanisms for applying the policy measures.

“Direction” refers to a set of activities of crucial importance, although not generally recognized as such, since they provide continuity to the entire planning process. They are always present and their products are inputs not only for other activities of the implementation stage, but for the formulation and control stages as well. These activities help avoid deviations that may occur because of technical deficiencies or because of a lack of political foresight when specific occasional problems may generate pressures causing inconsistent decisions to be made. This set of activities includes the following: i) analysis and advice on measures to correct specific occasional problems; ii) co-ordination of executor elements; and, iii) technical support to other planning units.

The activities of the *control stage* are not seen as a simple matter of auditing but as a feedback stage of the planning process through which changes generated by the evolution of socio-economic and political activities are fed back into the planning process.

In order to fulfil its responsibilities in the planning process for the development of the agricultural sector, the control stage must constantly evaluate and review the policies and policy measures formulated within the context of the sector’s evolution (socio-economic and political processes). The results of this continuous evaluation and review are communicated to the decision-making elements of the political-administrative system. To this end, the control process contemplates: i) measuring the results of the evolution of the socio-economic and political processes, as well as the achievements of the political-administrative system; ii) policy evaluation and review; and iii) definition of corrective measures.

## THE PLANNING SYSTEM: POLICY ANALYSIS PROCESS

The planning system is conceived of as the technical elements of the planning process with the aim of constantly advising the political-administrative system, proposing alternative policies and policy measures that are consistent with both the government’s doctrinal position and the existing socio-economic situation. The primary task of the planning system is to generate a policy analysis process that provides integral coherence to its products.

“Sectoral Planning”, no matter how closely related to a productive sector, as in the case of agricultural planning, should be considered within a context of the pertinent technical and social relationships of the participating socio-economic agents and within the multisectoral context of its actions at national, regional, and local levels.

The agricultural planning systems in Latin American and Caribbean countries are defined as an integration of planning units within the limits of the agricultural sector, *per se*. However, PROPLAN-IICA studies identified a fairly high degree of relevance attributed to planning units not directly related or functionally identified with the agricultural sector but which influence policy alternatives for the sector.

Planning units of relevance within the policy analysis process of the Agricultural Sector in Latin America and the Caribbean

	National Planning Units	Agricultural Sectoral Planning Units	Agricultural Sub-sectoral Planning Units	Non-agricultural Sectoral/Sub- sectoral Units	Regional Planning Units
Number of countries	21	21	17	14	9
%	100	100	81	67	43

Even though the planning units from other than the agricultural sector are so important, they are not considered an integral part of the formal agricultural planning system. Therefore, the definition of planning systems should not be restricted to sectoral administrative limits but should take into consideration all those units that participate in generating policy alternatives for the entire socio-economic process of the sector.

The figures show the importance of the planning units from other sectors as advisors to decision-makers in the agricultural sector. However, their effect is limited, if they are not part of the agricultural planning system, as in the case of many Latin American and Caribbean sectoral planning systems. Also significant is the lack of importance of regional planning in almost 60 per cent of the countries.

The above indicates an important weakness in the advisory functions of the sectoral planning systems in the decision-making process concerning agricultural policy, since regional planning is essential for the conceptualization of sectoral planning for two fundamental reasons: it is a means of operationalizing the planning process which must be multisectoral in nature in order for agricultural development to be integrated and harmonious from both national and regional viewpoints. Regional planning is therefore a way to integrate both aspects: to operationalize the process and to assure intra and intersectoral consistency.

Thus, the efficiency of the planning system depends on the degree of the integral coherence accorded by the policy analysis process to its products. This is described as: i) formal coherence or internal consis-

tency; and, ii) an adequate correlation with the evolution of the political process and the socio-economic process.

*The formal coherence or internal consistency* is based on the technical capability (human and information resources) to generate the pertinent policy analysis process. This situation should be studied at the level of planning units, both individually and as integral components of the planning systems.

In the planning unit, formal coherence refers principally to the consistency which should exist between policies defined within their corresponding area of action at the three stages of the planning process (formulation, implementation, and control). This is mainly concerned with the temporal dimension (long, medium and short term policies) of each policy area.

For the planning system, formal coherence means the consistency which should exist among different policy areas (structural or developmental policies such as: agrarian reform and settlement, productive and natural resources, research, extension, etc; and stabilizing policies or those to deal with occasional special problems such as: prices, credit, subsidies and incentives, salaries, taxes, etc.) and different spatial levels (national, regional, local, etc.) within their multi-sectoral and sectoral dimensions, as well as for the three stages of planning.

*Socio-economic and political coherence* refers to the need to assure the appropriateness of alternative policies and policy measures submitted by planning system elements, as applied to existing possibilities for national development, from both the socio-economic and political points of view. The appropriateness of the planning system's products, as applied to the evolving socio-economic process (in terms of the socio-economic situation) will determine its socio-economic viability. The appropriateness of the planning system's products, as applied to the evolving political process (in terms of the government's doctrinal position) will determine its political viability. The planning system must be in constant contact with the agents of the socio-economic system and with the decision-making and executor elements of the political-administrative system. This requires that the planning system have a flexible and comprehensive information system, the products of which are adapted to each stage of the planning process and to each administrative level of the planning system.

There are three steps to the policy analysis process; i) collection and systematization of information; ii) drawing up alternatives; and iii) discussion of the results. These steps or phases essentially characterize the participation of the planning system in the formulation, implementation and control stages.

The "collection and systematization of information" requires a specification of the needed information based on the theoretical framework of the sector's development (socio-economic and political processes), its organization into categories, an estimation of its parameters and relationships, as well as its organization within the given theoretical framework.

“Drawing up alternatives” refers to the use of the information based on an analytical scheme<sup>8</sup> in order to simulate the reaction of the socio-economic agents and the executor elements of the political-administrative system to the alternative policies, policy measures and specific actions being studied.

“Discussion of results” refers to the process of consultation concerning suggested alternatives, to be carried out internally by the planning system’s elements (national, regional and local) as well as with the executor elements of the political-administrative system and representatives of designated strategic groups of the socio-economic system.

In this manner, planning units could generate alternative policies and policy measures with at least some degree of participation of other planning units, of the elements of the political-administrative system and strategic agents of the socio-economic system.

#### RELEVANT ASPECTS OF A PLANNING UNIT’S STRATEGY FOR INFLUENCING THE DECISION-MAKING PROCESS

In general it was noticed that planning units in Latin America and the Caribbean play an important role during the formulation stage of agricultural policies, especially in the areas of structural or developmental policies and to a lesser degree in stabilization policies. Planning units are only slightly involved in control activities, in other words, in designing and defining corrective measures and adjustments to adopted policies. Implementation activities are the least developed of all. Therefore, the promotion, specification and guidance efforts undertaken by the planning units, in an attempt to improve relationships with the decision-making and executor elements of the political-administrative system, as well as to provide support to the rest of the agricultural planning units, have not been adequately taken into account.

Consequently, it may be said that the planning units in Latin America and the Caribbean have not developed the formulation, implementation and control stages consistently, in an integrated manner as a continuous and permanent advisory service to the decision-making and executor elements of the political-administrative system and as support to other planning units.

The majority of Latin American and Caribbean countries recognize the existence of agricultural planning systems, but most of them have had trouble defining them. Also noted was that the set of agricultural policies covered was only partial, with emphasis on developmental or structural and national-sectoral policies. Less attention was placed on regional-sectoral policies. An inadequate relationship between planning units was also detected; their relationship with the socio-economic agents is completely absent.

Three weaknesses have been identified as the most crucial to the performance of planning units at different administrative levels (national,

regional and local) in order to fulfil their role as permanent advisors to the political-administrative system in the decision-making process in most of the Latin American and Caribbean countries. There is a clear need to *improve the relationships between the planning units and the political-administrative system* in two ways: by increasing planning unit policy measure implementation activities, fostering improved relationships with the decision-making elements, mainly with the executors of the political-administrative system; and increased political support. There is urgent need for the *development and operation of mechanisms to facilitate the participation of strategic socio-economic groups in the planning process*. The relevance of *strengthening the agricultural planning system* together with *increasing the technical capability of the planning units* in the policy analysis process are necessary conditions to assure integral coherence of the planning products.

In short, adequate technical capability and planning units well organized in fulfilling activities pertaining to the formulation, specification, adjustment and readjustment of policies and policy measures, as well as their implied relationships with the political-administrative system, strategic groups of the socio-economic system and the rest of the planning system elements at all administrative levels are an integral part of the planning units' strategy for providing efficient advisory services to the political-administrative system in their decision-making process.

Since economics is a predominant discipline involved in planning in Latin America and the Caribbean, we, as economists have an essential role to play. We serve as teachers, training potential planners or upgrading the skills of those already active in the field. As researchers, we try to develop the tools necessary to improve the policy analysis process. As advisors to planners, we help them to perform as permanent advisors to the country's decision-makers. We also serve as planners ourselves.

In order to solve problems facing planners in Latin America and the Caribbean we must understand the dimensions planning is taking in these countries and their needs at the present time. There is an increasing demand for support in the area of policy analysis, not only for the formulation stage of the planning process but also during the implementation and control stages. There is also a need for information systems that would allow this policy analysis process to be carried out at different stages and at different administrative levels of the planning process (national-multisectoral, national-sectoral, regional-multi-sectoral, regional-sectoral, etc.). These areas are being considered as the bases for the development and operation of planning systems which assure the integral coherence of planning products already mentioned.

In several Latin American and Caribbean countries a more flexible, more comprehensive and less capital intensive technology than that being generated presently at universities and research centres is being demanded. This is the challenge we have to face if we want to have an active role in rural change during the eighties.



## NOTES

<sup>1</sup> As opposed to the needed interaction of plan formulation and project analysis discussed by Tinbergen (*Development planning*, New York, McGraw-Hill, 1967), Dasgupta, Sen and Marglin (*Guidelines for project evaluation*, New York, United Nations, 1972), Little and Mirrless (*Project appraisal and planning for developing countries*, New York, Basic Books, 1974) among others. Little and Mirrless put this in a nutshell in their twin statements that "plans require projects" and "projects require plans".

<sup>2</sup> The documents published so far based on PROPLAN-IICA studies are the following:

- |                   |    |  |
|-------------------|----|--|
| Documento PROPLAN | 1  | Marco conceptual del Proceso de Planificación Agrario en América Latina y el Caribe: una visión integral de los procesos de análisis de políticas y de toma de decisiones en el Sector Agrario. San José, Costa Rica, 1978. (Version available in English.)  |
| Documento PROPLAN | 2  | Análisis del Funcionamiento de las Unidades de Planificación Sectorial en el Proceso de Planificación Agrario en América Latina y el Caribe: su participación en el proceso de análisis de políticas y de toma de decisiones en el Sector Agrario. San José, Costa Rica, Febrero 1979. (Version available in English.) |
| Documento PROPLAN | 3  | El Proceso de Análisis de Políticas en el Sector Agropecuario de Costa Rica. San José, Costa Rica, Febrero 1979.   |
| Documento PROPLAN | 4  | El Sistema de Planificación Agrario en Bolivia. La Paz, Bolivia, Febrero 1979.   |
| Documento PROPLAN | 5  | La Etapa de Formulación del Proceso de Planificación Agrícola en Venezuela, Caracas, Venezuela, Febrero 1979.  |
| Documento PROPLAN | 6  | La Etapa de Instrumentación de la Ejecución del Proceso de Planificación Agrícola en Honduras. Tegucigalpa, Honduras, Febrero 1979.  |
| Documento PROPLAN | 7  | La Etapa de Control del Proceso de Planificación Agrario en el Perú. Lima, Perú, Febrero 1979.   |
| Documento PROPLAN | 8  | Seminario Regional sobre Planificación Agrícola y Análisis de Políticas en América Latina y el Caribe: Zona Norte (América Central, Haití, México, Panamá, y República Dominicana). San José, Costa Rica, Junio 1979.  |
| Documento PROPLAN | 9  | Seminario Regional sobre Planificación Agraria y Análisis de Políticas en América Latina y el Caribe: Zona Andina y Sur (América del Sur) Lima, Perú, Junio 1979.  |
| PROPLAN Document  | 10 | Regional Seminar on Agricultural Planning and Policy Analysis in Latin America and the Caribbean - Antillean Zone - (Barbados, Guyana, Jamaica, Suriname, Trinidad & Tobago). Kingston, Jamaica, June 1979.  |

<sup>3</sup> "Policies" are understood as the group of aspects defined by the Public Sector as needed to produce a desired effect in the socio-economic process. Footnote <sup>7</sup> discusses this in some detail.

<sup>4</sup> Understood as the generator of the governments' doctrinal position usually expressing general guidelines and objectives that represent the objective-image desired for the socio-economic system and constitute the essential political input for the planning process.

<sup>5</sup> The process of the transformation of fundamental inputs of the planning system (socio-economic situation and the government's doctrinal position) into its products (policy alternatives) characterized as response functions of the socio-economic agents that establish the bases for the social benefits and costs of each alternative.

<sup>6</sup> The process of transforming fundamental inputs of the political-administrative system

(group problems and policy alternatives) into its products (adopted policies) that give form and content to the transformation of the socio-economic reality.

<sup>7</sup> "Agricultural policy" refers to the role assigned by the government to the agricultural sector in its efforts to direct the national development process. It is a set of general proposals in the form of objectives reflecting the government's doctrinal position (a simplification of the structural characteristics of the agricultural sector and its relationships within the objective-image of the desired society) and the strategy for achieving them. The interpretation of these general proposals into explicit directives should guide the performance of the agents of the agricultural sector, as well as those related to it.

"Policies" are specific orientations that define the direction of the different fields of action which the government employs to manage and regulate the agricultural development process. These orientations refer specifically to the relationship between the political-administrative system and the economic agents of the sector in each of the fields of action employed by the government for implementing agricultural policy. Literature on economic policy refers to policies as "instruments of economic policy" and are defined as the means used by the government to achieve its goals. They are generally grouped in two larger classes (analytical level). The first has been given a number of different names such as quantitative or stabilization policies, or policies for special problems. The second class identifies the qualitative, developmental or structural policies. Their existence in planning must be acknowledged and must not be overlooked if decisions are to be consistent. Otherwise they may indirectly neutralize or invalidate some of the decisions taken. Spatial and temporal levels are also considered in order to assure policy consistency.

"Policy measures" are concrete decisions made within the framework of policies adopted by the political-administrative system. They involve actions that affect the performance of the economic agents of the sector and are directed toward operationalizing the "policies". These "policy measures" generally refer to "specific actions" to be carried out by the executor centres of the political-administrative system.

<sup>8</sup> de las Casas, P. Lizardo. A theoretical and applied approach towards the formulation of alternative agricultural sector policies in support of the Peruvian agricultural planning process. PhD dissertation, Iowa State University, 1977. (This study develops a system for policy analysis which provides the basis for an ex-ante comprehensive social benefit-cost analysis of single policies or combinations thereof.)

## DISCUSSION OPENING – WERNER KIENE

On behalf of all of us I would like to thank Dr de las Casas for a very comprehensive description of the planning process and its problems in Latin American and Caribbean countries (LAC). His paper is based on the interesting, and to my view, valid observation that dissatisfaction with the planning approaches of the sixties and early seventies has led to an increasing reliance on so-called "single-level" or integrated rural development projects that are often isolated from the bulk of the countries' overall development policies and strategies. He believes that while we had "planning without implementation" in that earlier era we now have a lot of "implementation without planning"; and to make things worse we now have more of both of these deficiencies than ever before. His recommendation seems to be that we should not throw out the child with the bathwater but should continue with developing more realistic and more coherent and efficient approaches to national and sectoral planning. Although he does not say so explicitly in his paper, I believe, or at least I hope, that he does not advocate a return to the past but that he appreciates the complementarities that exist between the horizontal (or

single level) approach and the vertical (or multi-level) approach to rural development planning.

In his paper Dr de las Casas emphasises that planning may successfully be adapted to any political system and he then proceeds to describe three complementary views of the planning process that may help in rationalizing government action *vis-à-vis* the country's economic and social development. All three views of the planning process rely on a close and continuous interaction between the socio-economic system and the political system. Planners are viewed as agents that interpret and, to some extent, facilitate this interaction and in the process produce coherent policies; link these policies to actual decision making; implement the policies; and monitor their impact on development objectives.

In the – unfortunately too brief – final section of his paper de las Casas compares this idealistic view of planning with the reality of planning in LAC. It might be worthwhile to summarize again his findings:

- 1 Planning units in LAC do play an important role in the policy formulation stage. They do some work on the monitoring side, but they do very little, and in de las Casas' view too little, in terms of implementation.
- 2 Planning units cover only a small portion of direct or indirect agricultural policies.
- 3 Emphasis is placed on policies at the national level but not enough attention is paid to policies at the regional level.
- 4 Interaction between planning units is inadequate.
- 5 Interaction between planning units and socio-economic agents is completely absent.

Given these weaknesses in the present LAC planning scene, de las Casas suggests the following key measures:

- (a) improve the relationship between the planning units and the political administrative system;
- (b) facilitate the participation of strategic socio-economic groups in the planning process; and
- (c) strengthen the agricultural planning system through improved and expanded training of planners.

I believe that particularly his two latter recommendations should be of interest to us here and I wish he had expanded on them more. How should one go about getting more and more meaningful participation from strategic socio-economic groups? Who determines which group is strategic and which is not?

I would like to know whether de las Casas determined the input/output relationships of different types of planning approaches. In other words, what evidence do we have that the more complex planning approaches he advocates are, firstly, feasible and, secondly, produce better results than the less complex ones? Let me also raise another issue that needs to be analysed in greater depth: Dr de las Casas pleads for more training; but he does not tell us what kind of training and what kind of a planner is

needed. In one West African country we have repeatedly argued for more training that would foster greater creativity in policy formulation. However, a survey of policy makers and administrators indicated that they were more interested in people who could make sense out of a 200 page World Bank project proposal and condense it into half a page of plain English.

Related to that issue I would like to get Dr de las Casas' ideas on how agricultural economists who are engaged in planning can make more important contributions to the directions of the planning process. I have the feeling that a lot of planners are optimizing within a given set of options which are often sub-optimal to begin with. How can the creative genius of rural social scientists be released to broaden the number of meaningful choices that are up for discussion? Universities certainly play a role in that respect; but it seems limited, since they are often not asked to participate in the direct policy formulation process. I feel that economists tend to be happy with assuming that their task is limited to take objectives as given and then find algorithms to achieve these objectives with limited resources. We need to realise that the real choices are made in the process of defining objectives; but it seems that planners in general and agricultural economists in particular have not been able to be part of that crucial process. I would like to close by asking Dr de las Casas to expand a bit on his ideas on:

How planners should get more involved in implementation?

How one could effectively integrate single-level projects into multi-level planning?

How single-level projects could serve as a means for interaction between planners and the socio-economic system?

How he proposes that LAC countries move towards the ideal planning approach he painted in his paper. It is one thing to know where you want to be and another one to know how to get there.

## GENERAL DISCUSSION – RAPPORTEUR: KWAKU ANDAH

A participant asked the speaker why he did not consider cultural anthropology as a background of planning. Cultural anthropology is important because it is a part of the cradle in which economists need to develop their profession. The economist needs to be aware of the fact that sociology is part of the needs of planning.

Another speaker congratulated the author of the paper for his excellent analysis of the topic and confirmed that the paper was very relevant to Panama but wondered if copies were available in Spanish.

A concerned participant mentioned that deficiency in data is very important as a problem in planning, especially in developing countries. Without improving basic data one cannot do justice to planning. Furthermore, planners should get involved with implementation of plans and with the beneficiaries of the plans.

Another contributor pointed out that there was some inconsistency in the paper. This arose from the fact that the speaker mentioned that capitalised technology was expensive whilst at the same time advocating it.

In his reply Dr de las Casas reminded the participants that he had not mentioned in detail cultural anthropology in his discussion though he realised that it is an interesting and perhaps relevant point to the issue under debate. He stipulated that when one wants to talk about cultural anthropology it is accepted that it plays an important role. Nevertheless, when it comes to planning, the agricultural economist has a restricted role to play and should not pretend to be an anthropologist.

The crux of the planners' task is policy preparation as well as data analysis. If this statement is accepted then one may come to the conclusion that even our text books are incomplete and also that planners have done very little. We should then ask ourselves what information planners need to be good advisors for the development process.

The speaker felt that it was incorrect that he was suggesting or advocating elaborate planning process. He was actually advocating selective participation. However, because the dynamics of the process is of such magnitude planners cannot always cope with it. The type of planner needed for development will differ from country to country. Planning is not mechanistic. Planners must understand what politicians want and should not participate in decision making.