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UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



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Distr.  
LIMITED

E/CN.14/CAP/27  
8 September 1967

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA  
Conference of African Planners  
Second session  
Addis Ababa, 4-15 December 1967

PLAN CONTROL AND IMPLEMENTATION METHODS:  
ADMINISTRATIVE ASPECTS

M67-1122

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PLAN CONTROL AND IMPLEMENTATION METHODS:  
ADMINISTRATIVE ASPECTS

Introduction

1. This is the second of two ECA papers, the first of which, entitled "Plan Control and Implementation: A Diagnosis", (Document E/CN.14/CAP/23) comprehensively spells out the difficulties which have been encountered in a number of African countries in the implementation of development plans. The objective of this paper is to discuss in greater detail the various interdependent administrative structures and their operation, which are necessary if development plans are to achieve their targets.
2. Administrative capability at all levels is vital to the success of development plans, and yet experience has proved that it is one of the scarcest resources in developing nations. Whilst planners concentrate on the construction of sophisticated socio-economic plans, it is hardly ever the case that during the planning period the question is asked: "Is our present administrative machinery capable of putting the plan into operation?". Nor, in many instances, are steps taken during the planning period to re-orient administrative structures and procedures to their new tasks; rather is this left to "crash programmes" of administrative reform and training after weaknesses become apparent.
3. Even when there is a realization that something needs to be done to modernize, reorganize, or enlarge the capacity of the administrative machine to meet the additional tasks imposed by development planning, mistakes occur in recognizing the relationships which exist between administrative improvements and the desired goals of economic and social development. The most common mistake is usually to attempt separate assessments of these factors, instead of regarding them as parts of a whole. The administrative machinery necessary to implement a plan, is an integral part of the plan, should be regarded as a sector of it, and should be as carefully compiled, assessed and formulated as any of the economic and social sectors. The successful appraisal of the capacity of any government organization to carry out its functions

under a development programme is not easy, and is not in itself a means of achieving administrative improvement, but unless an attempt is made to assess the capacity of the machine, overloading and eventual breakdown is more than probable. Appraisal, however, should never be allowed to become a substitute for constructive action.

4. Is it important to remember that the machinery of government is not only designed to carry out developmental tasks. Its primary functions in providing the usual government services must not be forgotten, and it must continue to function at these tasks with tolerable efficiency, despite the requirements of meeting the new needs of political, social and economic development.<sup>1/</sup>

#### The administrative implications of national planning

5. It is usual for a developing nation which feels the need to control its growth and development to model its planning processes upon the experience of the more developed nations. Yet failures in the implementation of development plans in those nations which have large resources are often obscured by the very vastness of the resources available. In a developing nation, however, the serious shortages of resources and manpower make their maximum utilization absolutely vital, for waste or misuse of these resources in one sector can cause serious imbalances in all other sectors.

6. The structuring of appropriate administrative machinery should, therefore, aim at achieving maximum results. This in turn requires a flexible approach towards structural formation and calls for continuing reorganization to meet new conditions and promote new and more creative policies and activities.<sup>2/</sup>

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1/ Waterson, Albert. Development Planning: Lessons of Experience. Johns Hopkins Press (1965). Baltimore, Maryland. pp. 250-251.

2/ United Nations Document ST/TAO/M/32 "The Administration of Economic Development Planning: Principles and Fallacies", page 43.

7. Whether or not the administrative capacity of a nation can support a large, sophisticated development planning machinery permeating all levels of government, the introduction of new development functions in addition to the traditional ones performed by ministries and governmental agencies, usually means the linking of planning and management functions and the introduction of some kind of planning machinery. The need for governments in developing countries to formulate development plans means that they must undertake these new functions and accept responsibility for the planning process. Experience has shown that national planning, if entrusted to an existing ministry, whether of finance or economy may endanger the traditional tasks of the ministry, and may also mean there is a risk of planning losing its national character. Because of these factors there has grown up a tendency to create a Central Planning Authority, which is made responsible for the drafting of the national development plan.

8. The conventional approach to the conception of this central authority is usually based upon its size, location and structural organization, expressed as follows:

- (a) The size, location and organization of this unit depends to a large extent upon such factors as the scope of its duties, its field of competence, its relationships with central government agencies, the administration at regional and local levels, the private sector and external agencies.
- (b) The size of the central planning organ is dependent on the type of planning envisaged, the availability of trained staff and the range of duties assigned to it. In a number of countries a special ministry of Planning has been created, whilst in others a Cabinet Planning Committee, or the use of planning panels from within and without the central government service has been tried. Whatever may be the solution adopted, the rational distribution of available trained staff between planning and management

organs must be a decisive factor in determining the size of the central planning organ.

- (c) The central planning agency cannot, if it is to be effective, operate separately from the normal machinery of government, and even if competent administrative potential is available, it should not be made operationally responsible for project implementation. It should, however, function not only as an instrument of planning formulation, but also as an organ of control and be responsible for overseeing plan implementation. This means that the central planning agency must be able to exert an influence on the existing machinery of government, and in turn benefit from its co-operation. To do this it is generally agreed that the authority of a central planning agency is greater where it is closely involved with the Chief Executive.<sup>1/</sup> Owing to the heavy burden of responsibilities which most Chief Executives have to shoulder these days, they cannot themselves undertake to enforce plan implementation upon Ministers and operational ministerial staffs. A workable expedient for a Chief Executive in ~~this~~ situation has been found to be his appointing the Vice President, or Deputy Prime Minister, as Head of the Central Planning Agency, with full authority to require Ministers and their staffs to adhere to the development plan and implement projects in accordance with the agreed formulae and within the laid-down time limits.<sup>2/</sup>
- (d) The central planning authority usually consists of a permanent secretariat under the supervision of a planning council or board, representative of the most senior

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<sup>1/</sup> United Nations Document ST/TAO/M/27, "Administration of Development Planning," page 11.

<sup>2/</sup> A good example of this arrangement is the appointment of Tun Abdul Razak, Deputy Prime Minister of Malaysia, as supervisor and co-ordinator of the development plan and policies affecting rural reconstruction.

political circles of government; in many new States which have the single-party system, the party is often represented on the council or board. Whatever the composition, whilst idealism can play its part, realism must underlie recommendations of the planning authority, and technical decisions should not be subordinated to political expediency. Where involvement of political leaders in basic planning is achieved by such representation, it is often found that the admixture of politicians, planners and government administrators at this top planning level injects reality into the objectives of the plan.

- (e) Whatever may be the ultimate composition of this central planning organ, care must be taken not to confuse the activities of the planning authority and those of the responsible Ministers and Cabinet.

9. These are the conventional approaches to the establishment of central planning machinery and, with variations, this model can be found throughout the world. However, modifications to this approach have been brought about by experience. Factors such as: (i) the need to fully utilize knowledge and administrative skills at all levels of government; (ii) to plan within administrative and financial capacities; and (iii) to counteract tendencies of imbalance within the plan as projects are implemented, have made re-appraisal necessary of the usual model explained above. As has been authoritatively pointed out in a recent United Nations document:

"Yet any single planning agency, whether it be called a commission, council or ministry, serves such important, symbolic and ceremonial purposes that it may be mistakenly regarded as the planning agency. Indeed, in many countries a central planning organ illusion has already come into being."<sup>1/</sup>

<sup>1/</sup> United Nations Document ST/TAO/M/32 "The Administration of Economic Development Planning: Principles and Fallacies", page 43.

Professor Bertram M. Gross, who wrote the above-quoted document, further points out that the organizational basis of national planning should be approached in terms of the following principle:

"Effective development planning requires a cluster of central government agencies performing various roles not only in the provision of specialized and general staff services, but also in national leadership, financial management and the handling of critical problems."<sup>1/</sup>

Whatever may be the type of agency adopted at the centre and made responsible for the formulation of the plan and follow-up action for an implementation, however, it must be shaped so as to make maximum use of trained manpower resources, without depriving other organs of essential staff, have clear-cut lines of authority and communication to other organs and levels of government, be given attainable objectives, and above all be representative of all the forces which influence not only formulation of the plan, but its implementation.

#### Hindrances to plan formulation and implementation

10. There is growing evidence that the failure to implement development plans in many low-income countries is brought about by a number of well-defined circumstances. These include a tendency to confuse planning with implementation; an inability to prepare and execute soundly conceived projects in the public sector; control the allocations and expenditures of financial resources for these projects with reasonable efficiency through the budgets; and because there is usually a wide gap between the plans prepared by the central planning agency and what goes on in the operating ministries, departments and agencies and in the budget office.<sup>2/</sup>

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<sup>1/</sup> Ibid, page 44.

<sup>2/</sup> Waterson, Albert. "Public Administration for What? - A Pragmatic View", page 15. A paper prepared for the Meeting of Experts on the United Nations Programme in Public Administration, New York, 16-24 January 1967.

11. All this means that not only must there be a greater involvement in planning by organizations, whether composed of formal or informal groups, but that the role of, for instance, financial institutions such as outposted offices of the central treasury, development banks or corporations and other central agencies which play a critical role and have special responsibilities, such as national water boards, housing corporations, metropolitan authorities, etc., must be taken into account. In other words, there must be a non doctrinaire approach to the building of the organizations necessary for the formulation of a development plan and its implementation.

12. To achieve this organizational excellence there must be a proper mixture of the human element - "the investment in people" principle and the formal structures of government. Neither is of any use without the other. The proper staffing of the institutional forms of government by properly trained and motivated people is essential if there is to be adequate fulfilment of development plans.

The need for full utilization of available manpower resources

13. One of the ways of utilizing scarce trained manpower is to institute regular investigation of the organizational charts of central planning agencies and operating ministries. This exercise is seldom carried out as part of the plan implementation policy; usually the scrutiny of staff establishments is left to the individual ministries when compiling their annual budgets. Unbalanced distribution of scarce technicians amongst units arranged on functional or sectoral lines means that some may be well, or even over-staffed, whilst others are understaffed. Investigations can reveal that some units have only the lower-level posts filled and these are inadequately supervised, whilst in others a senior administrator may have little or no staff to back him and be spending his time on routine work, instead of utilizing his specialized knowledge in analysis of problems and the formulation of policy.

14. Proper use of staff means that officials are assigned to departments in accordance with the assessed work load and their respective functions. It should be possible to shift staff from one task to another as the work load alters. This not only achieves an equitable distribution of work, but also provides a means whereby staff are trained in a broad range of subjects. This is particularly important where planning staff are concerned, as the usual tendency is to keep them within their narrow specialized fields. Any opportunity, therefore, to broaden their outlook and experience makes these specialists more valuable. The movement of the generalist civil servant administrator between departments, where he has a greater chance to work with planning specialists, also broadens his outlook and makes for greater flexibility of mind.

15. Flexibility in organizational arrangements is also needed where rapid changes take place in economic and social emphasis, environment and in selected priorities, all of which characteristics are often found in developing countries. This ability to be able to switch available manpower from one sector to another, however, must be accompanied by close co-ordination of actual requirements. Such co-ordination can be achieved by the creation of suitable Internal Co-ordinating machinery chaired by the head of the central planning agency, or whichever organ is charged with the overall supervision of the implementation of the development plan.

The use of task forces in the central planning agency

16. As an efficient tool for development purposes, an experienced adviser on planning organization has recommended the setting up within the central planning agency of a small number of task forces, each with a work programme arranged according to priorities. The pattern which he recommends as most generally found suitable was that of three task forces assigned the following responsibilities:

(a) Resources

Real resources (e.g. manpower, natural resources ); finance (fiscal matters, savings, investment, credit, foreign exchange, balance of payments, foreign aid and assistance, debt, etc.).

(b) CO-ordination

Co-ordination of sectoral programmes, regional planning, preparation and revision of national plans, co-ordinating annual plans with budgets, etc.

(c) Implementation

Progress reporting; recommending credit, monetary, fiscal and other economic policies required to implement plans in agriculture and industry, etc.; setting criteria and standards for project implementation; organizational, administrative and procedural measures for the public and private sectors; technical assistance co-ordination; etc.<sup>1/</sup>

17. It will be seen that this method of organizational arrangements facilitates flexibility in staff and work assignments and provides for ease of co-ordination. Each task force can be headed by the best persons available in the central planning agency, and it is these officials who could form the co-ordinating machinery mentioned in paragraph 15 above.

The co-ordination of the work of operating ministries

18. Whilst this arrangement enables the greatest use to be made of the resources available for planning, what of the needs of the operating ministries responsible for implementing the sectoral projects and sub-projects within the plan? Here again, it has been found necessary to devise machinery which would enable a ministry to perform not only its traditional functions, but also those new tasks imposed by the development plan. These tasks can, and should involve the preparation of sector (or sub-sector) programmes and projects within their fields and also their implementation, once they have been adopted as part of the overall plan.

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<sup>1/</sup> Waterson, Albert. "Public Administration for What? - A pragmatic View", page 18.

19. As operating ministries are often handicapped by lack of trained staff in the formulation of feasible sectoral projects, their implementation according to a well-devised cost and time schedule, and their maintenance on completion, it has in a number of countries been found advisable to establish, within these ministries, what are known as "programming units".<sup>1/</sup> These units have to be located at a high level within a ministry; in the British-type government administration just below the permanent secretary, (headed by his deputy, if such a post exists), and in the French-type government administration placed immediately below the highest permanent official in an organization.<sup>2/</sup> The use of the term "programming units" and not "planning units", should be noted. The staff of these units need not be specialized planning economists; indeed they can well be engineers, agriculturists, geologists, or administrators etc., provided they show an aptitude for and understanding of planning and the intricacies of implementation; these units have a primary function in spurring on the operational ministries in which they are situated towards meeting goal targets.

20. A programming unit is the virtual equivalent for its ministry or organization of the central planning agency of a national government. Its functions include: (a) the setting of standards and criteria for operating departments or other units to follow in preparing and carrying out projects; (b) the formulation of the overall development programme and the recurrent budget for its organization, on the basis of directives from the head of the organization; (c) the preparation of alternative development policies for the consideration of the organization's head, after consultation with the various operating heads of departments or other units; (d) the setting of standards for operating departments and units to follow in reporting on the progress of projects and, on the basis of reports from operating units, the

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<sup>1/</sup> Waterson, Albert. "Public Administration for What? A Pragmatic View", page 24.

<sup>2/</sup> Ibid, page 25.

preparation of regular, timely and reasonably complete reports and evaluations of its organization's overall programme; (e) the co-ordination of the technical assistance programme for its organization; and (f) liaison for its organization with the central planning agency.

21. Neither the central planning agency, its task forces, nor the ministerial programming units can work in isolation, and a workable liaison linkage must be created between these organs. It has been found that a way to institutionalize liaison between them is by creating an inter-ministry planning committee composed of the heads of all programming units as members, and a high official of the central planning agency as chairman, with a representative of the budget office as a member, so that office is kept informed of the committee's activities. The functions of the Committee can include the formulation of uniform criteria and standards for preparing projects, sector programmes and plans, and for reporting on their progress in consistent form.<sup>1/</sup>

#### The use of "Military Operations" techniques

22. If the mobilization of a country's resources within the scope of a development plan, and their all-out use in implementing such plan can be described as a "war operation", then techniques devised by the military services can be elaborated and utilized in implementing and controlling the operational aspects of development plans.

23. Such devices as: an operations manual; an operations book; an operations room and project data sheet forms, can all be used to provide effective control measures for the central planning agency, the task forces and the programming units and, modified to suit the different circumstances, can even be utilized at regional levels.

24. A central planning agency can compile an Operations Manual which, without being laboriously detailed, can spell out - the major objectives of the development plan; the distribution of tasks between operating ministries, central government agencies, regional and local government

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<sup>1/</sup> Waterson Albert, "Public Administration for What? - A Pragmatic View", page 25.

authorities and the other departments or bodies involved; the methods of implementing projects and sub-projects; the duties of the task forces and ministerial programming units, if these are part of the implementation machinery; the time limits laid down by which separate parts of the plan are to be put into operation or completed; how checks on the rate of progress are to be made; reporting procedures; how adjustments to the agreed plan can be made. Copies of this manual would be distributed to each operational ministry and control level, so that everyone concerned would be aware of the major procedures to be followed in plan implementation.

25. The operations book is a document supplied to each separate operational unit within a ministry or organization charged with the duty of implementing projects; (where the system of programming units is utilized, the operation book would be issued to this unit). The operations book sets out the sector and sub-sector programme of work for each operational unit, broken down into projects and sub-projects; gives details on such matters as: financial resources allocated; the relationship of one project or sub-project with another, where applicable; the units with which collaboration or co-operation is required; progress reporting; action to be taken when adjustments are made to projects, and give details of the the project implementation forms which are to be completed from time to time by the officials assigned as project officers to projects and sub-projects.

26. With the operations book are kept these project data sheet forms for each project and sub-project. These, in addition to giving basic details about the project and related projects, establish who is the project officer; give details of participating organizations; manpower requirements; material, local currency and foreign exchange resources required and those available; the time limits set for completion; budgetary details; breakdown of expenditure as it occurs; implementation details covering activities and operations and the activities necessary to co-ordinate all the above work. Usually the project officer is responsible for compiling the data forms, keeping

them up-to-date and ensuring their proper distribution to the central operations room, the programming unit and to his own internal responsible department.

27. A central operations room is a handy device whereby the head of State, his cabinet and senior government officials can see how the implementation of the plan is progressing. By the use of strategic maps, bar charts, wall panels giving details of the progress of each operational ministry's and organization's projects, an up-to-date situation report can be presented. This will enable the rate of progress to be checked and decisions on corrective measures to be taken, where these become apparent. The keeping in the operations Room of control files containing the project data sheets described above on each project, which are constantly up-dated, is also a useful method of maintaining a check on progress.

28. Critical evaluation of progress and results of implementation are an important aspect of administrative activity, and a necessary supplement to the usual financial control procedures. Plans often need adjustment because of the adaptation of implementation measures to meet changed circumstances, and these running adjustments are distinct from revisions made because of the necessity to modify a plan's objectives. Revision implies the making of a political decision, perhaps by the highest political authority, as a result of information supplied through administrative procedures, whereas technical adjustments may be made at any time so as to achieve a planned objective. Evaluation reports should be submitted frequently by the central planning authority to the highest governmental level so as to provide a check on progress, a measure of administrative control, and enable decisions to be taken on necessary adjustments. In some countries, an annual evaluation report is submitted by the government to parliament and sometimes published, so as to provide a form of democratic control of the plan by public opinion.

29. The indiscriminate adoption of these techniques is not, however, advocated. The particular problems of individual countries must be taken into consideration, as must also the weaknesses which have become apparent in organizational structure, administrative linkages, supply of accurate data, or such forces as unresponsive groups within the country, shortages of trained manpower, etc. There is no overall panacea to cure these illnesses; only the application of appropriate techniques in the quantities required to obtain a balanced effort will achieve a lasting cure. And nothing more should be attempted than existing resources, particularly of trained manpower, will permit; genuine achievement and not ritualistic manoeuvring to produce a development plan document is what is required.

The necessity to provide adequate numbers of trained personnel

30. The adoption of any of the techniques described requires, for their proper working, the allocation of staff capable of performing the specialized tasks to be undertaken. Thus, if no special efforts are made to find suitably trained or experienced persons for the task forces or programming units, the mere creation of these units will not achieve the results expected. The results required to be achieved through these units can only be accomplished by specialists who have mastered their particular fields, so that special training in sector programming and project preparation is required by staff assigned to these tasks.

31. A critical factor is the selection of suitable persons from within the ranks of the civil service, and even from the private sector, who have been trained in other fields, as mentioned in paragraph 19 above, but who are capable of further training to fit them for the new and unusual tasks to be performed in these specialized units. The establishment of the units, the setting up of necessary procedures and training of staff may well mean the obtaining of outside technical assistance. But if a diligent search is made amongst the various sectors of national manpower, men should be able to be found

from within the nation to fill the posts in the new units, and training facilities, based mainly on the use of "in-service" techniques, supplemented by formal lectures and selected reading, should fit them to perform their functions efficiently. At this point, however, a word of warning is necessary. Where central planning agencies and other special units are created, there is a tendency to man them by stripping operational ministries of their key men. This can prove an expensive mistake, as unless ministries can implement the projects which comprise the development plans, these only remain interesting documents and not solid achievements. Planning and control machinery by itself cannot achieve economic and social advancement.

The creation of a special planning service.

32. The setting up of flexible planning, implementing and control machinery as described above, means the creation of a cadre of highly trained specialists, whose mobility within this machinery and ability to cope with specialized tasks would keep them apart from the ordinary civil servants who man the usual ministerial staff establishments. Whilst these specialists should be able to be transferred laterally from one programming unit to another, or to and from the central planning agency and the budget office, they would remain for long periods inside one or other of the units constituting the planning and implementation machinery. They should not be subject to transfer to fill normal civil service vacancies in the ministries, nor be out-posted, unless to a programming unit at a regional development authority headquarters, for instance. Owing to their specialized duties it has been recommended that these specialists constitute a new planning (or economic) service separate from but with ranks and prerequisites equal to those of the regular civil service.<sup>1/</sup>

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<sup>1/</sup> Waterson, Albert. "Public Administration for What? - A Pragmatic View ", page 27.

Special training requirements

33. To meet the requirements for qualified officials in planning and plan administration, systematic education and training focused directly on related fields of development planning must be undertaken. This means adjustments must be undertaken in the programmes of teaching institutions at the secondary, graduate and post-graduate levels.<sup>1/</sup> It will take some time to produce the number of different categories of personnel required for the numerous tasks involved in planning and plan administration and, therefore, countries should lose no opportunity to operate special courses for persons with qualifications related to these subjects, so that they can qualify for the tasks now at hand and fill the gap which will exist until trained planners and plan administrators become available. It is reiterated that the setting up of planning and implementing machinery without the trained staff necessary to operate it achieves nothing, except perhaps the dissipation of civil servants from their ministries and a weakening of the ability of these ministries to fully perform all the tasks required of them.

The role of regional and local administrations in the development process

34. Why is it that development activities at the regional and local levels often give the impression of vagueness and irresolution? Before answering this question it would appear necessary to clarify the position in regard to the situation of development administration within regions and rural areas. A common characteristic amongst developing nations is that whilst they have been able, in most cases, to achieve advancement in the industrial sector and in urban areas, there has been a persistent backwardness in the rural areas where the majority of people in African countries live, and a failure to achieve any marked advances in the agricultural sector.

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<sup>1/</sup> United Nations Document ST/TAO/M/27 "Administration of Development Planning", page 36, and ECA document No. E/CN.14/CAP/14.

35. The reason for the apparent failure in agricultural development is that unlike industrial or infrastructure development, which depends largely on the injection of capital and expertise, advances in agriculture are dependent upon the injection into peoples' minds of new ideas and concepts. In addition it means the harnessing of the potential capital represented by the under-employed masses, and the utilization of unoccupied land or that which is not **rationally farmed**. These objectives are not easy to attain.

36. It is for these rather intangible and intractable reasons that governments have had to undertake measures such as: regionalization of development plans; obtain the participation of the people by such devices as the creation of nominated or elected bodies at local levels which are charged with responsibilities for development functions; develop techniques of sectoral and area analysis, which can be utilized in conjunction with methods of community development and animation rurale; and devise administrative organisms which will harness all these forces into a coherent machinery dedicated to social and economic development.

37. There is no need here to enter into the controversy between the merits and de-merits of deconcentration, (internal decentralization by delegation to the territorial services of the State), and decentralization, (external decentralization by devolution of powers to local authorities which are autonomous), since generally speaking all States resort to both types of decentralization, which they combine in various degrees. What can be noted is the tendency to increase the number of bodies which operate at regional or local levels and note especially the various mixed types of these bodies, e.g., territorial administrations, (usually of the traditional type), technical departments, regional development authorities, local authorities, community development units, semi-public corporations, co-operative unions, and so on.

38. This proliferation, whilst not a bad thing in itself can, however, cause complications in the implementation of development plans, make co-ordination difficult, and introduce new elements which may not fit into any administrative pattern, or be capable of control by an established hierarchy. All this means that traditional methods of administration at regional and local levels are not enough to provide effective collaboration and co-operation between these respective elements and the situation calls for new forms of administrative machinery so that all these representatives of economic and social forces may play their part in development.

39. It appears necessary, therefore, as a prime factor in the co-ordination process, to make provision for close association in the field of development between political representatives and territorial administration. Failure to do this may result in contradictory statements of policy by political leaders, or in development projects being encouraged by the administration which are politically unacceptable.<sup>1/</sup> There must also be unity in the approaches towards the local people expressed both in the proposals for development programmes and in the attitudes adopted by officials of the various agencies. This means that there must be adequate communication and co-ordination between these agencies and the people they are there to serve.

40. Any development plan must assume certain standards of efficiency and the obtaining of certain results from the investments made in men, materials, land and equipment. Unless the plan is operated as a co-ordinated whole, these results will not be achieved, and co-ordination between these different elements is very important, if waste and inefficiency is not to result. Of particular importance and as a prime objective in the plan, should be the creation of

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<sup>1/</sup> Heseltine, Nigel "Administrative Structures and the implementation of Development Plans" Journal of Administration Overseas, Vol. VI, Number 2, April 1967, page 79.

opportunities for the individuals at the rural level, and it is this which governments find most difficult. One of the reasons for this is the paucity of educated and entrepreneurial persons amongst the rural communities. The gathering together of technical skills, commercial experience and agricultural know-how in the rural areas can only be achieved by careful planning and co-ordinated effort amongst the diverse levels of governmental authority and the various agencies operating within the regions and district areas.

Regional planning unit and development authorities

41. In the formulation of development plans, the use of regional development authorities or regional development committees and district development committees at district levels is being widely adopted. At the regional level these authorities or committees are usually composed of representatives of: field officers of the operating ministries; important local politicians, co-operatives, local authorities, chambers of commerce and agriculture, professional associations and perhaps also individuals who are important in the local economic or social spheres. The chairman is usually the senior government representative in the region, i.e., the regional or provincial commissioner or the prefect. At the district level these development committees reflect the same type of representation, on a smaller scale, and are chaired usually by the senior government representative at this level.

42. Two major difficulties often beset the successful operation of these development committees in the sphere of planning. These are: (i) the difficulty of formulating clear out, feasible development projects which are capable of being implemented within the existing resources; and (ii) the absence of reliable data at regional and district level or, where data exists and should be able to be obtained, the difficulty of collecting and presenting it in usable form.<sup>1/</sup>

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<sup>1/</sup> Cf. ECA document No. E/CN.14/CAF/24.

43. It is often the case that projects put forward by local development committees relate rather to the provision of infrastructure requirements or additional services, than to social and economic development. It must be expected that educative processes are necessary to arouse a realization in the local people, officials as well as private persons of the conditions necessary for and the objectives of the planning process. In the same way the collection and submission of accurate data can be achieved through local sources, but only if the local officials are trained in the basic procedures, conditioned not to submit inflated figures for prestige or career purposes and at the same time the local populace is educated in the need to supply the necessary information; this often means breaking down the suspicion that its collection is meant solely for purposes of taxation.

44. The difficulty of communicating correct and accurate information upwards is sometimes paralleled by a failure on the part of the central planning agency to keep lower levels informed of its intentions and objectives. Sometimes the effect of a project on the administrative machinery of the area for which it is planned, and also the social and economic consequences, are not assessed. This can result in a breakdown of the machinery of government at local administration level because of an unexpected increased workload, or mean that an increase in the numbers of the working population due to the introduction of a project into the area cannot be catered for by the normal educational, health or transportation services, etc.

#### Problems of co-ordination

45. It is essential, therefore, that co-ordination between the different levels of government operation be given its due importance. A two-way flow of information is essential, but so is a realization that effective working of the machinery of government at the lower levels is just as dependent upon the provision of adequate manpower, financial and technical resources as is the machinery at the centre.

46. The implementation of the regional and district parts of the overall development plan and the co-ordination of effort is often accomplished by the use of hierarchical control, i.e. the placing of one officer in a position over all officials and administrative and technical bodies in the area. This has advantages in that effective centralized control can be maintained and all important communications from and to headquarters of all agencies pass through his office so that there is little chance of lower tiers of administration ignoring instructions. However, there is a great danger of a "bottleneck" being created and also frictions developing between this powerful co-ordinator and technical agencies.

47. Sometimes co-ordination can be better affected by a corporate body, such as an areal committee or board. The effective operation of such a body depends upon the existence of laws or regulations which require compliance with its decisions by all participating agencies. Inevitably, conflicts will arise between vertical and horizontal lines of control; the areal body may decide upon policies which are in conflict with the policy of a technical department, and in such cases there must be an appeal procedure either to respective ministers, or the supreme executive body. Where the objectives which are aimed at in the development plan, or that part of it being implemented at local level, are clear to all, both at central and field levels, and where the programmes to put the planning policies into effect are exactly delineated and the boundaries of local initiative and action are obvious to all, then the chance of differences arising are greatly lessened. But differences will arise, whatever measures are devised to avoid them, so there must be a point in the organization which can resolve such differences quickly and with as little friction as possible.

48. Whatever means are used to achieve co-ordination, the machinery so structured must be sensitive to the requirements of central government, as expressed in the directives setting out objectives and detailing methods of implementation. On the other hand these lower levels must not gain the impression that they are only "the receiving end".

Central organs of government must equally be sensitive to the limitations of the lower tiers of government and not impose impossible tasks upon them; the needs of the local people, as well as their likes, dislikes and prejudices must also be taken into account. Above all the central organs must not demand complete loyalty from its outposted officials to the exclusion of identification with the area and the people these officials serve. An official who fails to identify himself with the problems of the people of the area in which he works cannot carry out his functions efficiently.

#### Financial administration and control

49. In the drafting of any overall plan for economic development or in formulating individual development projects there must be taken into consideration the financial aspects. Whether a project involves an element of foreign exchange, or can be implemented by the utilization of local currency and material resources, by its implied use of any resources, a relationship is created between those people responsible for economic planning and those whose responsibilities are concerned with a country's finances. Economic planning and financial planning of necessity go hand in hand, so that the relationship between economic planners and financial planners is extremely important. Whether the central economic planning agency also includes that of financial planning, or whether the latter is a separate agency, that there exists an interrelation between the two is essential. Sound economic planning without at the same time co-ordination of financial planning is not possible.

50. Government budgeting in many African countries, whilst it is still the key factor in converting development plans into realities, suffers from a number of defects, perhaps the most important of which is that it is still tied to the budgeting techniques formulated for the financial administration of a colonial régime. The financial administration has probably not been re-oriented to cope with the additional tasks imposed by the demands of economic and social development. Where

a look may have been taken at budgetary reform this, again in the words of Professor Bertram M. Gross, "has (probably) been concerned primarily with budget fadism".<sup>1/</sup> New techniques based on such principles as performance or programme budgeting have been introduced, often without ascertaining whether the basic information needed is available to gauge what inputs are necessary to provide the services and facilities required, or whether the existing budgetary machinery and staff can cope with these new techniques.

51. There are a number of other factors which make the budgetary process in African countries a weak instrument for development. Amongst these can be cited such items as: (a) an adherence to the out-moded concept that the budget is a passive mechanism, merely reflecting a list of receipts and expenditures; (b) maintaining outmoded accounting processes; (c) long time-lags between the end of a financial year and the completion of the accounts, (in some countries up to three and four years), which make control and accurate economic evaluation of achievements very difficult; (d) using budget classifications which are not suitable for economic analysis and designed only for accounting purposes; and (e) the failure of governments to utilize the budget process as a multi-purpose tool of the administration for executing development plans, i.e. the failure to use annual operational plans, (the budget) as an instrument for the execution of long-term perspective plans.

52. It is not the purpose of this part of the paper to go into the intricacies of budgetary formulation and programming techniques, but to draw attention, very briefly, to the need for utilizing the system of budgeting so as to enable proper allocation to be made of available resources to specific sectors, programmes and projects inside a development strategy established in national development plans. It is also

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<sup>1/</sup> United Nations document No. ST/TAO/M/32 "The Administration of Economic Development Planning: Principles and Fallacies", page 32.

intended to point to organizational arrangements which are necessary if adequate financial follow-up and control of expenditures are to be achieved.

53. As the operational ministries are usually responsible for the formulation of projects in their fields, as well as the compilation of their draft annual budget estimates, it is considered essential that they should have budgetary planning offices within their organizations (as part of the programming units described earlier), which should be responsible for the preparation and implementation of the budget in the fields concerned. As the programming unit serves as the permanent link with the central planning agency, so the budget planning office would serve as the link with the central budget agency. Taking the situation that the central budget agency is situated in the ministry of finance, as is most usually, although not always the case, then there are no obstacles for close co-ordination between that office and the central planning office. Where, as in some countries, there exists a division between the offices dealing with the recurrent budget and the capital budget, e.g., the central budget office dealing with the former and the central planning office dealing with the latter, close co-ordination between these two is essential to ensure that the recurrent and capital expenditures are linked positively inside the national strategy for development. In some countries a budgetary Co-ordination committee has been established to achieve the liaison so necessary if a proper distribution of financial resources is to be made as between ministries and within the priorities of the overall development plan.

54. Whatever is the budgetary system adopted, it should ensure: that it provides a medium for the best use of available finances; prevents disequilibrium in the financial structure of the country; enables efficient execution of the budget to be carried out; provides adequate information to members of the government and legislature on financial activities; and also provides a timely analysis of achievements in relation to the financial resources being expended.

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