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SOME ASPECTS OF DEVELOPMENT PLANNING IN UGANDA

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Some Aspects of Development Planning in Uganda

1. New-Type Planning

As the ECA paper "Development Planning in Africa" (E/CN.14/CAP/9) correctly states, Uganda can trace its development planning history to as far back as 1920. It is evidence enough of the complexity of planning that even after fifty years' experience of it we are still novices.

Our early efforts in development planning were a far cry from what is now generally understood by the term. They were exercises primarily designed to introduce elements of forward thinking in ordinary Government budgeting. Although it can legitimately be argued that even to-day's development plans are to a large extent statements of Government expenditure intentions, it would be unfair not to appreciate certain differences of substance between to-day's planning and that practised during the colonial era.

The very conception of what the exercise is about is different. The dominant questions, then, used to be:-

- (i) What total Government expenditure will be possible over, say, the coming three years? This would be determined solely through an examination of likely revenue.
- (ii) How is this expenditure to be allocated among the various Ministries. It is not always clear how this question was resolved but it would appear that the bargaining power of the various ministries and the whims of the Governor in office did count a great deal. In all fairness, it must be said that the process of allocating expenditure on some occasions involved the identification of important development projects, but, apparently, this was not an essential aspect of the process.

It is not suggested that these two questions are not pertinent to to-day's planning. However, to-day, they are posed not in their own right but only because answers to them (as to numerous other questions) are necessary for the resolution of a much larger and more important problem. To-day, we ask, "what level and distribution of public expenditure is necessary in order to attain the desired level of overall economic and social development"? The primary task is to determine and define the overall development goal. Once this is done, secondary questions concerning public finance and other matters are put and answered strictly in relation to the defined goal. Prospective revenue and the relative bargaining strengths of the different ministries are no longer the primary determinants of planned government expenditure and its distribution. This new conception of the aim of development planning has led to profound changes in the nature and scope of plans.

In order to realistically define development goals, as full an understanding as possible of the nature, problems, and potentialities of the economic and social structure is necessary. Thus, one of the salient differences between our plans to-day and those of yesteryear is the amount and detail of the supporting background analysis.

Since the development goals relate to the entire society, the activity of sectors other than Government has also now to be explicitly designed in the plan. Plans, to-day, endeavour, with varying success, to at least indicate desirable performance in the non-Government sector, and they incorporate policies to facilitate the realization of that performance.

The evolution of the economic and social structure is a slow process. Concrete results of actions taken now are likely to materialize only many years hence. The efficacy of planning action can, therefore, be fairly tested only against rather long-term goals. Thus, the new conception of a development plan as a body of measures for the attainment of specified overall social and economic development goals implies (from the very nature of economic and social development) that whatever short-term and medium-term programmes of action are laid down, these should be set in the context of a long-term view of the economy and society in general. This is what is referred to in planning jargon as "perspective" planning.

Thus, in four important respects, planning in Uganda (as in most other planning countries) differs from what it used to be in pre-independence times. General development, and not orderly government finance, is the primary aim of planning. Moreover, our current 5-year plan is only the first step in a 15-year perspective; it specifies the effort desired of the Government private, and parastatal sectors; and it is backed by the most extensive analysis of the Uganda economy that has ever been carried out.

One might add that the new and more ambitious view of planning has led to the establishment of a fairly large central organization for the elaboration of plans and overseeing their execution. We have moved from the stage of ad hoc development commissions, standing advisory committees, and individual economic advisors, to that of a full-blooded Ministry of Planning. The organization may not be perfect, but its mere existence is significative of the importance we attach to planning.

2. THE PERSPECTIVE PLAN

As in almost all other countries which practise perspective planning, long term targets were set by the political authorities on the advice of the Central Planning Organization. There would appear to be no satisfactory alternative to this procedure. Long-term goals are much more a political decision than medium-term goals, since the range of alternatives is so much wider. Further it does not seem desirable to involve too many organizations (such as local authorities, private organisations, etc) in the determination of very long-term targets. They normally would not have the requisite overall viewpoint to be of much useful assistance. It is assumed here, that, at least initially, perspective planning would be confined to basic objectives and policies.

A matter that immediately calls for elaboration is the nature of targets to set, or, indeed, the nature of the contents of a perspective plan. Uganda's "perspective plan" is about the simplest conceivable. Only one objective is considered to be firm in quantitative terms. This is the overriding objective of doubling per capita monetary income over 15 years. Two other objectives are quantified more in the nature of guide-lines rather than as definite commitments. These relate, first to the distribution of the national product between monetary and subsistence production, and, secondly, to the relative contribution of the various productive sectors to the total monetary product. Apart from these, only broad statements are given pertaining to income distribution, the Ugandanization of the Public Service and the economy, and the provision of social services (e.g. universal primary education). This is as far as we considered it safe to go.

It is of interest to consider to what extent one should go in elaborating targets and policies for the perspective plan. Even if the necessary statistics were available it is still to be wondered whether the degree of detail suggested in some of the papers submitted for this Conference is desirable. A perspective plan is essentially merely a guideline relating to a long period of time; to spell out such a document in minute detail is to give it a semblance of accuracy it can never really have and to take perhaps unnecessary risks of disappointment.

One elementary refinement we have tried to give to our perspective plan was to estimate the implied overall rates of growth during each of the three medium-term plans it covers. We envisage our economy as experiencing faster and faster growth over the period of the perspective plan. This appears to be the reasonable thing to expect, since growth during the later years is bound to be the cumulative effect of investments and other development measures undertaken during the early periods. Moreover, the anticipated structural change over the perspective plan period is such that the fast-growing sectors of the economy will increasingly gain in relative importance.

3. WORKING PARTIES:

The need to enlist the participation of the different important economic and social interests (both public and private) in the formulation of plans is now well recognized. In Uganda, we have tried to meet this requirement primarily through a system of Working Parties. After provisional sectoral output and investment targets had been derived on the basis of a statistical projection model and other studies, twelve Working Parties were set up to study more closely the various aspects of the economy and to make recommendations on desirable policies for the attainment of the specified targets in the particular fields. Several practical issues arise in the operation of a system of Working Parties of this sort.

First, there is the problem of composition and representation. In Uganda's case, the Working Parties included, in addition to civil servants from the relevant ministries and departments, university staff, businessmen, trade unionists, and professional men. An effort was made to achieve both expertise and adequate representation of the major interests in every field. This was not always easy especially in view of the desire to keep the groups within reasonable sizes. Two particular difficulties deserve to be mentioned:-

- (a) Effecting reasonable regional representation. It is not easy to ensure that regional interests are always adequately represented on Working Parties or that this representation is balanced as between the different regions.
- (b) Ensuring adequate representation for peasant activity which, in most African economies, is so vitally important in agriculture.

In general, however, in a simple society like Uganda's, problems of representation are minimized because of the small number of important agents operating in the various sectors. In Uganda, for instance, there are only three or four industrial groups whose opinions must certainly be taken into account in working out a plan for the industrial sector.

Secondly, some practical difficulty might be encountered in deciding whether to demarcate the fields of the Working Parties according to economic sectors or according to Ministerial responsibilities. In principle, the division should be along sectors of activity. In practice, however, since it is so important to identify Government Ministries with well-defined programmes of action some compromise solution has to be found. Related to this, is the need to have Working Parties to consider certain overall aspects of the economy. Such were the Working Parties we set up to study the finance and employment aspects of the Plan. Similar groups could be set up to study the regional aspects of the Plan, the structure of the Public Service, and parastatal organizations, and other matters of that general nature.

We all know what such parties should do, but the problem is to set it forth on paper in a way which, at once, covers your needs and is meaningful to the members of the Working Parties. / In virtually all cases these went unheeded largely because they conveyed no meaning to the members of the Working Parties. There was also confusion regarding the precise meaning of the investment targets. Did these represent resources that Government would deploy in the sector, maximum sums permissible for investment in the sector, or simply desirable levels of investments? Needless to add, the very definition of investment was the subject of wide misunderstanding. Further, were the Working Parties supposed to recommend general policies or to work out concrete projects? In an attempt to cope with such problems we resorted to the technique of attaching to each Working Party Economists from the Central Planning organisation to serve as Secretaries. This relieved the situation somewhat, but still, next time we undertake the exercise, we intend to devote more care to the definition, and drafting of the Working Parties terms of reference.

Before we leave this topic, it is perhaps as well to mention one other device we have tried in order to secure the participation of the community at large in the formulation of the Plan. This is the National Economic and Social Council. This Council, whose composition represents a very wide range of activity fields, meets from time to time to discuss and make recommendations on any aspect of the Plan. The Staff of the Central Planning organisation do sit in on these meetings in order to take note of the views aired. A device of this type could be useful, provided care is taken to focus discussion on specific issues of not too technical a nature.

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4. Regional Planning

We understand this in two related senses. One refers to the practice of drawing up plans for particular regions of the country. Such plans are usually drawn up by local or regional authorities. This is normally done in order to provide a way through which local interests may participate in the overall planning effort, and to enable the central planning authorities to know (and, where possible, to cater for) the aspirations of the different local communities. Sometimes special agencies are set up to plan the development of areas with peculiar problems.

We have had, in Uganda, considerable experience of this type of regional planning. During the early stages of the elaboration of the current Plan, an all-out effort was made to reinvigorate the District Planning Committees. The functions of these Committees were reformulated as follows:-

- (a) On the basis of the general projection and allocation of national resources received from the Ministry of Planning and Economic Development, and within the scope of available local financial resources, to prepare programmes and plans for the development of their districts;
- (b) To influence the Land Boards and to devise such land policy which will support and be in concordance with the requirements of the implementation of national development plans (a component part of which are all the district development plans prepared by them);
- (c) To prepare medium and short-term (annual) estimates of the local financial resources and to submit them to the Ministry of Regional Administrations and the Ministry of Planning and Economic Development;
- (d) To prepare annual progress reports on the implementation of their plans and on the general economic performance in their Districts.

The central planning organisation extended all possible technical advice to these Committees. Apart from circulating frameworks for the preparation of plans, the central planning organisation also provided technical advice to the various districts. The District Planning Committees were also encouraged to submit their plans to the central planning organisation for review and comment. The central planning organisation also provided technical advice to the various districts. The District Planning Committees were also encouraged to submit their plans to the central planning organisation for review and comment.

The first task in the development of a regional plan is the identification of the region. This is done by the Regional Planning Commission, which is a body of experts in the field of regional planning. The Commission is responsible for the preparation of the regional plan, which is then submitted to the Government for approval. The plan is then implemented by the Regional Planning Commission, which is responsible for the coordination of the various agencies involved in the development of the region.

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(d) To prepare annual progress reports on the implementation of their plans and on the general economic performance in their districts.

The central planning organization extended all possible technical advice to these Committees. Apart from circulating memoranda for the preparation of District Plans, officials of the central planning authority frequently went round the various districts to attend District Planning Committee meetings and to provide guidance on the spot. Not only that, but an intensive course in planning (with special stress on regional planning) was organized for local government officials.

In the end, almost every district did produce some sort of development plan. Because of well-known and often repeated reasons, the plans were not all given up to the mark. The District Planning Committees often failed to keep the national development priorities and targets in mind.

All in all, however, the district plans were of use in the preparation of the national plan. Without going out of our way to incorporate any specific proposals they contained, we derived from them a "feel" for what people desired. Certainly, they gave us a good idea of the level of total local government investment to provide for in the Plan, and, therefore, of the amount of finance that the Central Government might plan to make available to these local authorities. Perhaps because our District Planning Committees are still very young, we have not yet encountered any serious conflicts of jurisdiction between local planning organs and the central planning organization.

The preparation of plans on the local level is only one aspect of regional planning. Effective regional planning, however takes more than just that. It entails the conscious orientation of the national plan towards the solution of regional development problems. Local authority plans may surely be helpful in identifying these problems, and, for areas where the problems are particularly intractable, special development plans may be absolutely necessary. Regional planning, however, should truly be a feature of the national plan. Regional development problems are normally problems of disparity in the development of the different regions - the particular planning issue being how to minimize these disparities with the least jeopardy to overall growth.

In Uganda, we certainly do have regional development problems. We have the usual disparity between the prosperity of the rural and urban communities. One region of the country shows disproportionately higher material well-being than the others. Industrial development is confined to one narrow area of the country. Population density is particularly high in two districts while other perfectly habitable areas are virtually empty. A similar maldistribution of the livestock population constitutes yet another problem. Then, of course, there is the special problem of Karamoja District whose state of development relatively to other areas is so low that it calls for emergency action.

Up to now, we have done very little regional planning in this latter sense. True, when the national plan was being elaborated frequent assessment was made of the regional incidence of the various development proposals. It is also true that special development measures have been instituted for Karamoja District. Nevertheless, there has, so far, been insufficient systematic study of regional economies to provide the basis of a well-thought out fact-backed, coordinated approach to regional problems. For that reason, it is not, for instance, quite certain that the development envisaged in the current Plan will not lead to a widening of the disparities which effective regional planning should go to eliminate.

We are quite aware of this deficiency in our planning and we are already taking steps to remedy the situation. The exercise, already described, of drawing up District Plans was a useful first step if only because it took us to the local scene for the first time. Our inhibitions in the past were largely due to lack of staff and data. This is being tackled by the setting up of a full-fledged Regional Planning Branch in the Ministry of Planning. The first task of the Branch will be to undertake a full-scale collection of data and other information relevant to at least those regional develop-

ment problems that are already known to exist. Subsequently, the work of the Branch will be directed to the identification of other regional development problems - always working very closely with local administrations. Indeed this Branch will be the main liaison between the local authorities, the Ministry of Regional Administrations, and the Ministry of Planning. Some of the staff of the Branch will be seconded to the District Administration to serve as secretaries to the local Development Committees.

It is hoped that by the time we come to draw up our next national development plan, a pool of expertise and factual knowledge will have been assembled to enable us to take a more intelligent account of regional development problems.

5. Project Identification and Preparation

As is the case with most other planning countries, this constitutes for us perhaps the most difficult aspect in the whole process of elaborating plans. It is not necessary to restate all the general problems involved as this has been admirably done in the background papers presented for this Conference.

In the nature of things, the Central Planning Organization can be only a limited source of concrete development proposals in the form of projects. For the public sector, the task of identifying projects rests primarily with the operative Ministries, local authorities and public corporations, although the role of the Central Planning Organization in suggesting desirable fields always remains. These same organization might identify projects for implementation by the private sector, especially in conditions where that sector has not yet developed the dynamism that characterizes it in some of the development countries. As this sector develops, however, it might be expected to increasingly identify the projects for its own execution.

Our experience with project identification and elaboration has not been a very happy one. We have to publish our Plan before we could establish a complete support for it in terms of projects. In some sectors, the sum of identified projects falls far below the sector investment targets. Even where projects were identified and mentioned in the Plan, they were not, in most cases, worked out in any detail, let alone evaluated.

Once it was realized that the detailed study of projects was going to be a lengthy process, a decision was made to prepare and present the Plan in two volumes. The first volume would cover the macro-economic aspects of the Plan and general development policies in the different sectors. It would also mention some of the more important projects envisaged. This is the Plan that has been published. Meanwhile the preparation of the second volume is in progress. This volume will essentially be a catalogue of planned projects in the various sectors. Certainly, at the very least, it is intended to include in this volume enough public sector projects to meet that sector's overall investment targets. All such projects will be studied in detail and many of them will have been evaluated in a preliminary fashion. The volume will also cover known projects in the private sector, although here the amount of detail will necessarily be limited.

It is not yet decided whether the second volume of the Plan will be published. However, whether published or not, it will form the basis of the implementation programme. The preparation of this volume is considered to be the essential first step in setting up a plan control system. Although the volume will be completed two years after the launching of the Plan, it will relate to the entire 5-year period of the Plan. Specific account will, therefore have to be taken of actual work accomplished on projects during the first two years. For this reason, the volume will also have the features of a progress report. Moreover, we shall take the opportunity provided by our more intimate knowledge of projects to alter, as necessary, even the macro-economic framework of the Plan.

Early in our work of drafting the Plan, an attempt was made to standardize the presentation of projects by Ministries and other public and semi-public organizations. A standard project presentation form was designed by the central planning organization, and all public sector projects were required to be prepared along the pattern laid out in that form. Moreover, an intensive course was organised for senior officials of Ministries and other public bodies in order to acquaint them with the project form and with problems of project preparation and evaluation in general.

Although the officials had shown great enthusiasm about the course, they went away slightly disappointed. The general feeling, after the course, was that the whole matter was too complex for administrators and technical officers. In fact, practically no Ministry or other organization undertook to present projects according to the standard form. To some extent, the blame must be laid on the designers of the form. It did not take sufficient recognition of the very wide variety in the nature of projects. In particular it was distinctly unsuitable for projects in the social sectors. Still, the poor response to the standard form was mainly due to its very exacting demands (in terms of data) on Ministry officials. A less detailed form would certainly have caught on more effectively.

All things said, however, the exercise was not entirely fruitless. The central planning organisation made use of the project form in analysing projects. Also it can be said that, after the project preparation course, whatever the immediate reaction of officials was, the general quality of projects emanating from Ministries has shown some definite improvements.

As we assemble projects for the second volume of our Plan, we are, at the same time, taking steps to permanently uplift our project preparation and evaluation to a higher level of sophistication. The Government has now approved the setting up of a "National Project Preparation Unit". The functions of this Unit will be :-

- (a) to identify development opportunities and conduct the necessary feasibility studies;
- (b) to appraise feasibility studies submitted by other organisations;
- (c) to prepare projects for presentation to foreign and international sources of finance; and
- (d) to train Uganda staff in all aspects of project preparation and evaluation.

The detailed nature of the proposed Unit, as well as other issues relating to project preparation in Uganda are treated more fully in another paper presented to this Conference.

PLAN IMPLEMENTATION

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The effectiveness with which a development plan can be implemented depends much (though not solely) on the quality of the Plan itself. Thus plan formulation and plan implementation are intimately linked processes. (Some writers, in fact, prefer to see the two as one process - a view we do not entirely subscribe to, there being a clear conceptional distinction to be respected). The dependence of implementation on formulation hardly needs demonstration. If the plan targets are too high, then they will not be achieved. Similarly, if all sections of the community were not involved in the elaboration of the plan, then its execution is likely to encounter non-support or even positive resistance. More important still, if only a few projects were identified or if projects were not prepared with sufficient care, to that extent the very basis for carrying out the Plan is either non-existent or defective.

There are a number of basic factors that work to frustrate the implementation of development plans in economies like Uganda's. First, the economy is subject to externally induced fluctuations which are generally unpredictable and uncontrollable. The effect of such fluctuations are magnified when the external sector constitutes the primary source of government revenue and income generally. Secondly, a mixed economy always poses difficulties in planning. The difficulties, however, are compounded where this sector comprises large numbers of peasant farmers and small businessmen, and where the few large enterprises that exist are externally controlled. There is, of course, also the common lack of a system for the continuous flow of reliable information on the operation of the economy. There are also the well-documented problems connected with the utilization of foreign aid for development projects. Perhaps the most important set of factors adversely affecting the implementation of plans are those pertaining to the traditions, structure, procedures, and competence of the public service.

In Uganda, we have run across a number of additional problems which have constituted real bottlenecks. Two of these are, first the limited capacity of the construction industry and, secondly, difficulties (legal and other) in acquiring sites for projects.

departments and especially of the central planning agency the plan. Here the close co-operation of the government and means to activate the undertake all practical steps is more important during the plan preparation procedure. What is elaborated during the financial scheme of the plan, and has to be called the financial programme. This statement is sometimes investment programme which it is hoped to finance.

order without jeopardising the entire programme, the prepared set of projects will not by itself become an investment programme. It would represent merely a shopping list of programmes and projects.

There is no doubt that the investment programme, elaborated into as detailed a list of projects as possible, plays a crucial role in the design and implementation of the development strategy. Still, it would be an exaggeration to say, as it has been said on some occasions, that the first requirement, without which an economic strategy can have little meaning, is that government departments, local authorities and state agencies should have a complete stock of adequately prepared projects ready to put into operation. From a theoretical point of view this is quite a logical requirement consistent with the image of the planning process. However, it is of a somewhat static nature and in practice it cannot work as it is expressed. It is hard to imagine that any government can satisfy such a requirement. Namely, development plans in the developing countries, and in fact in all the mixed economies, have to be very flexible instruments for the implementation of the accepted economic strategies, providing ways and means for facing/circumstances.

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For this reason, it cannot be expected that every aspect of every single project which will be carried out in a five-year plan could, or should, be planned, costed and evaluated in advance during the plan preparation. Much of this work is better done as the plan progresses, not only because it takes a great deal of time but also because many details have to be changed to suit changing circumstances. Furthermore, the economic strategy in a mixed economy cannot be designed so as to rely on the public sector exclusively. It has to take due account of the development of the private sector, which nowadays has a predominant role in many developing countries. Since this sector has to be counted for in the design of the economic strategy, it would be unrealistic to expect it to have, at the outset of the plan, a complete set of projects, fully costed and evaluated, and ready to be put into operation.

Changes in the world market, developments in other economies, technological progress, and other relevant events can easily make some projects uneconomic though they may have been originally found economically viable and feasible. What is important here is not so much a detailed programme of costed and evaluated projects to be undertaken in the course of the whole planning period, but a reasonable assurance that the trend and direction of development anticipated by the economic strategy will be achieved according to the existing internal and external circumstances.

Another important issue, actually the most important feature of any plan, is a statement of the means both

and the Ministry of Finance, is of vital importance. It is well justified to say that the burden of financing the development programmes and projects falls on the Ministry of Finance which has to prepare programmes of taxation and loans (domestic and foreign) which are consistent with the strategy and are realistic administratively, financially and politically. While it would be too weak and inadequate to say that it is advisable for the Ministry of Finance to co-operate closely with the central planning agency, it is very doubtful whether any government has achieved this co-operation without joining these two important institutions in a single Ministry.

This issue brings us to the very important question of the establishment of an adequate administrative set-up for planning, and particularly to the question of overcoming the frequent rivalry between the central planning agency and the Ministry of Finance, which in all the traditional government structures played the role of the central economic Ministry.

The fact is that the administrative set-up in developing countries, and to a certain extent in all other countries, embarking upon the development planning is not well suited to the needs for planning. A general innovation in this respect has been the establishment of the central agency responsible for planning matters. Rather than say that the co-ordination of different aspects of government policy, aiming at the concentration of administrative efforts on certain national objectives, can hardly be achieved unless individual ministries give up in some degree their traditional autonomy, we would say that by the introduction of planning all the individual Ministries have to assume new responsibilities and - though it may sound paradoxical - in a sense extend the area of their autonomy. The logic of planning and the successful practice of planning, require that the central planning agency acts not as a competing, but as a complementary body to all the other departments. If practice actually shows a divergence from this, then it is a clear sign of a wrongly instituted planning organisation.

A related question is the division of responsibilities for plan implementation - i.e. for the execution of projects. This problem is especially important in mixed economies. There is no doubt that the central authorities have to play a decisive role, but it is equally important that government does not overload itself. For a number of projects there is no question as to who should implement them. For others, however, government has to take a deliberate decision whether to undertake their execution, and it is here that due consideration must be given to the capacity of the government organisation.

