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PLANNING IN AFRICA: DIFFICULTIES AND PROSPECTS

(Presented by the Government of the Republic of Senegal)

Perusal and analysis of the documents provided [especially the document prepared by the secretariat on the results of planning in Africa since the beginning of the United Nations Development Decade (E/CN.14/CAP/9) and the article by Mr. Albert Waterston] constitute a valuable contribution to the common fund of planning as practised in Africa.

We should, therefore, like to dwell for a little time here on the observations contained in these two documents, seen in the light of Senegalese experience.

Planning of the national economy has, of course, ceased to be regarded as a "totalitarian method of organization"; and A. Waterston, with full justice, observes that nowadays "the national plan appears to have joined the national anthem and the national flag as a symbol of sovereignty and modernity."

Today, therefore, every country with scarcely an exception - at any rate in Africa - has its development plan or is preparing one.

The question thus arises as to why such tremendous enthusiasm for planning exists. Is it because planning has become such a necessity that a country is unable to develop its resources, or to achieve and maintain a high rate of development, without a national plan? Is it necessary, and is it sufficient, as everything leads us to believe, to have a plan in order to enable a country to develop its resources and to achieve and maintain a high rate of development over a prolonged period?

In our young States, one of the most important tasks is to seek a means whereby we may be enabled, within a historically short period of time, to overcome our socio-economic backwardness. Now in this complicated and difficult process, planning of the national economy assumes

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capital importance because of the indubitable successes that it has achieved: the backwardness of our countries, that has lasted for centuries, and the low standard of living of our toiling masses, make it certain that no African country, at the present time, can afford the luxury of developing its economy by following the path of eighteenth century capitalism. Thus, recourse to planning becomes understandable.

It does not by any means follow that we mean to assert here that only planning can allow an economy to develop at high rates of growth. It has been demonstrated in practice that countries such as the Federal Republic of Germany, Italy and Japan have recorded a spectacular economic upsurge without having a plan, and have developed during the post-war years at rates of growth that were sometimes even comparable with those experienced in certain countries with planned economies. In other words, therefore, and in contradiction to an opinion that is relatively widely held, it is by no means necessary for an economy to be planned in order to develop.

Nevertheless, although an economy may develop, and may even do so at a high rate of growth, experience shows convincingly that no country can develop in a harmonious fashion, with a high and stable rate of growth, without national planning.

In the countries with a market economy, growth is always uneven and irregular, even when it is exceptionally high; and the rates of growth achieved over various periods are merely averages that are calculated for a whole series of years, marked by considerable variations and recessions. Thus, even during a period of expansion by the countries with market economies, and even though the average annual rate of growth may have attained 6 to 7 per cent, that growth rate has fallen subsequently during periods of crisis to a negative figure.

By way of contrast, it may be observed that since the end of the Second World War, the countries with planned economies (including China) have witnessed their industrial production increase in accordance with their planned targets at an average rate of 13 per cent annually, which represents nearly double the figure achieved by the countries with market economies during the years of expansion. We may note incidentally that the USSR has fixed the targets for its Twenty-Year Perspective Plan on the basis of a stable average annual growth rate of 10 per cent.

These successes of the planned economy, and the innumerable difficult and urgent tasks that we have to resolve, demonstrate why planning is gaining ground in Africa. Planning alone can enable us to achieve not only accelerated development, but also harmonious and constant development designed to encourage a fuller and more rational utilization of our potential resources, whether these be material and human resources, or financial resources.

This initial observation leads to a second that is equally important, but which, because it is a priori obvious, is still not properly appreciated. It is a fact that this misapprehension lies at the root of the disappointments and difficulties experienced during the implementation of our plans.

The fact remains that it is not enough to plan an economy, to have a plan, for everything to turn out immediately for the best in the best of all possible worlds. The plan is far from being a magical device, or the panacea for all our ills. Too many technicians - far too many, in fact - persist in considering planning as being a simple "administrative technique", which it is merely necessary to master in order to use it subsequently with success. Now planning, if it fails to analyse the social relations in production, is thereby deprived of its very spirit. For planning is not a mere technique, in the same way that it is not, and must not be, an end in itself. Planning, being a system of specific branches of knowledge concerning the forms and methods of organizing and determining the tempo and proportions of social production, is a science based on the application of economic laws, and covers equally the working out and drawing up of plans, and also their supervision and the guarantee of their implementation.

It therefore follows that, although planning is necessary for the development of our countries' economies, however that planning may be described (as indicative or mandatory), and however long it may last (whether it be a rolling plan with a specific projection period or a plan of optimal duration), it is only possible - that is to say, it can only be effective and bring us the results looked for - if the conditions for accelerated growth of the economy exist in combination. These conditions include the existence of an independent democratic State, that encourages and stimulates education and the concrete participation of the masses in the country's activities (the socio-political condition); the socialization of the main levers of power controlling economic life (the economic condition); and finally the establishment and strengthening of special state machinery (the Ministry of Planning, for example) with efficient and dedicated nationals, who will be capable, in concert with the producers themselves, of organizing, managing, directing and controlling the whole range of social production, with the sole aim of meeting the material and cultural needs of the people in the most favourable circumstances, and as speedily and inexpensively as possible.

There are other causes for our failures, and these are manifold. Let us take, as a case in point, the actual technique that is used in the preparation of plans. Very frequently, the methods employed are experimental methods, which totally disregard the true possibilities and needs of the country. Thus, very often planned targets are settled upon, whose basis is purely fictitious, although a truthful analysis of the development of the country's economy and of external conditions would have shown us that these targets were unattainable. Examples in this connexion are so numerous that there is no need to mention them here. Similarly, in our plans there is all too often a lack of strictness. For instance, projects are evolved to decentralize our industries or to open up deprived areas, without, by the same token, proper consideration being given, when the plan is being drawn up, to these objectives, not only through working out projects on the basis of

the national plan, and of regional and sub-regional plans, but also through creating conditions designed to encourage such decentralization or such an openingup operation. The result is that, on completion of implementation of the plan, astonishment is expressed that the task is not proving so easy, and that the gap between the developed capital city and the remainder of the country is widening, so that the drift from the country-side increases, owing to the fact that adequate resources have not been deployed.

Difficulties also arise in planning investment, and these often render the fulfilment of projections envisaged by the planners very hazardous. In such planning, indeed, two obstacles arise: the first obstacle, which is of a domestic character, consists in the fact that, in the African countries as a whole, private capital - and especially industrial capital - plays a role of the first importance. Now, to the extent that private investment is conditioned by the economic circumstances prevailing in the country and its political situation, such investment remains difficult to plan with accuracy, either by sector, by branch or globally, because projections are based exclusively on the statements of entrepreneurs, who invest in a sector where economic conditions are favourable more readily than in another, which may be considered a priority sector by the Plan, but which seems uneconomic in the eyes of the private investor. What is more, it frequently occurs that, when a plan is being worked-out, an investor will agree to expand his production or to establish such and such a production unit, and then, subsequently, because the situation is unfavourable, he leaves the target unfulfilled, despite the fact that it has been fixed by the Plan. As a result, a failure to attain the objectives occurs in the branch under consideration, which will have repercussions upon the whole range of planned targets, as the development of a national economy represents a whole complicated range of interdependent activities, each of which influences the others and is in turn influenced by them. The same obstacle is encountered in the planning of investments using foreign governmental funds. Here, however, the difficulty is of a different order. As aid to the developing countries is primarily and above all commensurate with the domestic potentialities of the donor countries, such aid can in consequence only be variable in its extent. Moreover, and this is the main factor here, as the amount of aid to be allocated is conditioned by the budgetary receipts of the donor countries, it is only after their budgets have been voted that it is possible to ascertain (and even then in relatively vague terms) the amount of assistance that France, for example, will allocate to Senegal in the subsequent year (and not for the entire period of the Senegalese Plan).

Furthermore, planning of investment in which foreign governmental funds are employed, has to contend with the difficulty that those dispensing such aid will all too frequently only agree to finance a project, even when provided for under a plan, if that project is deemed by them to be economically viable; and this is not to mention the delays that occur in negotiating foreign assistance, which are often unduly prolonged, nor yet the conditions of such aid, which made their influence felt on the servicing of our national debt.

All these circumstances explain why some planned projects, that were expected to be carried out through utilizing governmental funds from foreign sources, were abandoned owing to non-availability of financial resources, although provision had been made in our plans for their fulfilment. Would it not therefore be expedient, in working out our plans, to achieve a speedier preparation of projects for submission to less niggling sources of foreign aid, and to confine ourselves exclusively, to planning targets whose financing is assured? Admittedly, this would be less ambitious; but it would be more realistic, because then we should have the certainty of seeing our projects financed.

These, briefly summarized, are the main difficulties with which all planning in Africa has to contend. It was necessary, as the documents presented point out, to indicate the point we have reached by examining our problems in depth, whilst at the same time opening up the way that leads to efficient use of planning. Only then will planning cease to be a ruinously expensive and disappointing adornment, and enable us, in the interests of our peoples, to raise ourselves to the ranks of those peoples that enjoy prosperity and are completely masters of their own destiny.

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