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MANPOWER PLANNING

Specialized Course - Second Semester 1965-1966

Background Paper No. 1

1. Ends and means of development.

Generalizations are risky, especially in present-day Africa: it has been said that an attempt to describe conditions in almost any of the independent countries of the continent is like taking a photograph of a galloping horse. That was in 1963, when the author in question was revisiting East Africa.⁽¹⁾ What would she say in 1966?

However, the peoples of these countries have important aims in common, and common features in their recent history and present environment. Their governments have recorded intentions of achieving the highest feasible rate of increase in production, greater equality of opportunity and incomes, and higher standards of education and cultural achievement. These aims are set out, almost invariably, in legislation which has made provision for economic planning⁽²⁾. Pledges to work together for their achievement are contained in many international agreements and in the constitutions of a number of supra-national African organizations⁽³⁾.

(1) Elsie Huxley, Forks and Hope, London, 1964.

(2) E.g., Tanganyika Five Year Plan 1964-1969, Vol. 1, Dar es-Salaam, 1964; United Arab Republic National Planning Committee, Perspectives 1960-1970, Cairo, 1959; Tunisian Government, Perspectives Decennales de Développement Tunis 1962, etc.

(3) E.g., Charter of the Organization for African Unity, Addis Ababa, May 1963; Traité Instituant une organisation de coopération Africano-Malgache, Yaoundé, 28th March, 1961.

In such documents governments have generally made reservations: in particular they will not sacrifice national independence to other aims (4).

More significant than such general expressions of intent are national economic plans which convert development aims into specific policy objectives related explicitly to means of achieving them. Still more important are measures undertaken to create a mechanism for planned development and set it working.

On this subject Paul Borel (5) has said:

(4) National independence has a special significance here. It means independence of non-African powers and does not rule out regional unification of African nations.

(5) Paul Borel and E.F. Jackson, "Some Experiences of Planning in Africa", O.E.C.D. Development Plans and Programmes, 1964, p.168.

" these African plans have an original character which springs from deeper sources than differences in economic situation: born of independence, they have a marked political significance. They are a means for uniting to a common end the active forces of a newborn nation; they are an act of faith, sometimes tinged with exaltation in the nation's ability to build its own future; they are an answer to those who are disturbed by the withdrawal of the protecting power; they aim at doing away with the last traces of that political and economic dependence which it is desired to abolish. In the eyes of the world they claim to be an assertion of the existence and permanence of the new state. They are deliberately ambitious, even at the risk of being Utopian.

"These plans are strongly imbued with ideology. Their ideology is an original one : it refutes communism as much as capital liberalism. It takes a middle road between the two but claims to be much more spiritual than either - the road of African Socialism. The preponderance given to the State is compensated by an acute sense of humanity and social betterment..... "

"To counterbalance this ideology, the Plan itself is drawn up in a spirit of realism and objectivity what is missing is a doctrine and experience in carrying out the plans and in training men who are to implement them."

2. Employment and Production

Now manpower planning has special significance for these aims, because all other means of supplying "what is missing" (in Borel's terms) are found wanting. It is not simply a matter of gaining experience and training people, but of creating a mechanism which works for the development of production - which progressively transfers unemployed and latent resources to productive employment. Such a mechanism is required to provide a growing base for investment and innovation not only for material ends but also for the realisation of the full measure of independence and cultural progress on which the African socialists are intent.

To create the required mechanism for production planning and the execution of plans, and to make it work, appropriate manpower skills are the first requirement. Obviously it is also necessary for the organization of planned development (or making the mechanism work) to have skilled manpower services applied where and when they are required. Similarly at the level of production operations in agriculture, industry and the services, the man on the job must in effect direct his efforts skilfully to the achievement of plan objectives. These manpower requirements will not be fulfilled automatically, not even if the population is 100 per cent behind the government and its plan. They call for effective manpower planning from the level of the production operation up to that of the central planning office.

Special conditions, which most independent African countries have in common, dictate this need:

1. At the level of the enterprise, managerial, technical, and ordinary process-level skills, are deficient: the illusion of "unlimited supplies of labour" conceals an acute shortage of the types of manpower services required for development planned⁽⁶⁾.
2. Underutilised capacity in industry and agriculture, and the prevalence of a low return on investment, refute the idea that the problem is primarily a matter of a shortage of capital. In fact as Little shows there is not a general capital shortage, except by standards which are not relevant to present conditions⁽⁷⁾.
3. Land is under-utilised: even where there are unexploited areas of fertile land, water resources, and minerals, the apparent return on investment to develop them is low and still - after a century of (peripheral) contact with world markets which elsewhere have put a high value on such resources - surplus land is a common feature of countries south of the Sahara⁽⁸⁾.

(6) See J.I. Roper, Labour Problem in West Africa, ch.4.

(7) I.M.D. Little, Aid to Africa, Overseas Development Institute, London, 1964.

(8) Samir Amin, Trois Experiences Africaines de Developpement: Le Mali, La Guinée, et Le Ghana, Etudes "Tiers Monde", Paris, 1965.

4. The organization of production, so far as it affects the majority of the population, is close to that of a subsistence economy. In most of these countries a peripheral market economy, based on the use of money and credit, is import-export orientated, and has little impact on the majority of the population⁽⁹⁾.

5. Monopolistic tendencies (involving the small groups of wage and salary earners and industrial entrepreneurs who, with the army, commonly support a ruling élite) limit the expansion of the peripheral market economy. Urbanization and increase in formal education increase numbers attached to the market economy, while the proportion of the population absorbed into it tends to fall (i.e., open unemployment increases).

6. These tendencies have been reinforced by:

- a) worsening terms of trade and
- b) withdrawal of expatriate manpower involved in government and business.

3. Conditions for manpower planning

Under these conditions, Marxist doctrines often fall on receptive ears. So far they have made little headway at the level of the administration, partly because at this level aid from non-communist sources has had a strong impact, and partly because they are alien to African traditions. African socialism is closer to tradition - and it leaves the door open to aid from both the East and West. The greatest danger appears to be a rejection of all development - orientated doctrines, including Marxism, and a retreat to Malthusian defeatism in the face of the economic problems of the mass of the population.

(9) Samir Amin, op. cit.

As Borel suggests, African Socialism may have an answer. It gives a great deal of scope for idealism and oratory - and the "verbalisme gauchissant" so disparaged by President Senghor⁽¹⁰⁾. But the application of techniques of economic planning at least brings it in touch with reality. Then the planners face the hard facts which we have summarily described as the lack of a mechanism for transferring unemployed and underemployed resources to productive employment.

In the face of all the difficulties inherent in the present situation the way of the planners is full of pitfalls. The alleged shortage of capital turns their intention to foreign aid and investment; often this is limited in its effects to the peripheral market economy, or creates surplus capacity and little or no positive yield - or has both of these features.

Probably the second most important attraction is the expansion of formal education: the extension of literacy promises to break the hold of custom and create receptiveness to available techniques which can increase the division of labour, productivity, and the market orientation of production. At higher levels education and formal training can supply the basis for skills in science, technology, and management. Therefore, expanded education programmes, aimed at universal literacy, replacement of expatriate manpower, and the increasing supply of manpower skills required for development, have been pushed ahead.

(10) Léopold Sédar Senghor, "Rapport de Politique Générale" (speech to the 5th Congress of the Union Progressiste Senegalaise, reported in full in supplement of Dakar Matin, 30th January, 1966.

(11) See above, points 1 to 6.

However, there is no system of formal education which turns out ready-made administrators, industrial scientists, technicians, or skilled workers for the factory or for the land. In an industrial or scientific environment (up to a point) this may not matter: opportunities and incentives for the development and application of skills are there; the school leaver or university graduate may have had his ear turned to career opportunities from a very early age.

But where are the career opportunities for the sons of the African village or for the thousands of children in the bidonvilles of the African city?

In some cases these opportunities are extending but in general they are narrowly limited. A complex of manpower skills in operation at production level is required to provide the basis for the required expansion of production-and-employment opportunities. This is the basis of the challenge which has been taken up by manpower planning.

4. Manpower development and return on investment

What is still lacking (as it appears from another point of view) is a mechanism which can initiate and sustain capital development (including innovation) in agriculture and industry. Without the requisite skills in organisation and in the processes of production, for which formal education and vocational training only provide a basis, the production opportunities latent in the social complex remain latent. The return on investment remains low. Then formal education often leads to frustration for the individual, and among social groups it can lead to conflict in which common interests are sacrificed to transitory or even illusionary sectional advantages.

Now manpower planning comes into the picture, in the first place as an imported idea. It is applied first, on an ad hoc basis, to the organisation of education and high level training mainly to supply administrators and teachers.⁽¹²⁾ The idea is extended (as quite recently in America⁽¹³⁾ and over a longer period in the U.S.S.R.) to the provision of formally qualified scientific, technical, and managerial personnel for industry. Then the idea goes a step further towards coordination of manpower planning and production planning, so that the educational and training programme may provide a more appropriate basis for a skill-man match the developing capital structure, and the capital structure may be better designed for the purpose of making productive use of the developed supply of qualified manpower.

In some exceptional cases this extended application of manpower analysis in the African environment has gone beyond formal abstractions and hopeful backroom analysis of manpower development possibilities in relation to aims of development. As a rule, however, it has not extended beyond the "modern sector" and it has not been more than an attempt to adapt education and training programmes to match more closely a pre-conceived pattern of production opportunities.

This falls far short of the key role proposed for manpower planning, as a means of creating production opportunities and implementing their realisation - by raising the level of returns on investment and by creating a mechanism by which unemployed resources are transferred to productive employment.

(12) As in the Tanganyika Five Year Plan 1964-1970

(13) More commonly restricted to "Manpower Programming" in the United States, although U.S.A.I.D. is a strong pro-tagonist of Manpower Planning for developing countries.

The course sets out to develop the potentialities of manpower planning in this role, i.e., it treats the subject as an approach to production planning; it is concerned with an environment in which Malthusian defeatism is a ^{danger} and in which the mobilisation of domestic savings, the extension of foreign aid, and the development of formal education and training will make little progress unless the development and application of appropriate technical and organisational skills have their impact at job level.

5. C O N C L U S I O N

Much of the theory which has gone into national planning in the past has taken this manpower aspect for granted. This is partly a legacy of laissez-faire political doctrines commonly associated with fundamental economic theory, and partly a result of the application of a system of analysis in which the factor labour is undifferentiated. Even in countries which have a highly developed, integrated economic system based either on regulated competition or long-established systems for central planning and control, these ideas are found wanting. But even if these countries had fully efficient built-in systems of pressures and incentives for manpower development aligned with opportunities for the development of production, there would still be little excuse for the uncritical transfer of conclusions which fit their circumstances to the African environment.

Now in African countries we find that we cannot take for granted forces making for the division of labour, specialization in production, innovation, and the achievement of economies of scale associated with the extension of markets and of the use of money and credit.

Economic development in these terms can occur, and has occurred in African countries, where men have had the ability and the incentive to arrive at the necessary decisions to specialize, invest and innovate and to act effectively on their decisions. But neither such abilities nor such incentives have developed far in the absence of a social environment favourable to manpower development.

Moreover African peoples, with surplus labour and unexploited natural resources, and with access to modern, science-based technology, are not satisfied to wait for generations in the hope that "market forces" will initiate and sustain the kind of development to which they aspire. They want accelerated development which will yield results in this generation.

Now the evidence for a manpower approach to the planning of investment and production, as a response to the challenge which modern technology offers African peoples, lies in (1) Historical studies and (2) International comparisons,⁽¹⁴⁾ but mainly in (3) Analysis which relates means for development to aims of development in the African environment⁽¹⁵⁾.

(14) Walter Gellenson and Graham Pyatt, The Quality of Labour and Economic Development in certain Countries, I.L.O. Studies and Reports, New Series, No. 68, Geneva, 1964.

(15) Guy Hunter, The New Societies of Tropical Africa, 1964; K.A. Blake, "The Scope for Manpower Analysis in Planning Production in certain African Countries", I.L.R., November, 1965; etc.