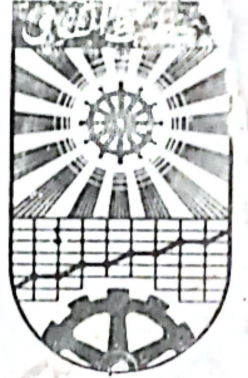


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SOCIAL PLANNING IN DEVELOPING COUNTRIES

Dr. Jozef Mihalik

Bratislava School of Economics
Czechoslovakia

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Dr. Jozef Mihelik

Bratislava School of Economics

Czechoslovakia

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1. Emerging a need for social planning

The need for planning for social development emerged in developing countries fairly recently because redistribution of wealth and protective legislation appeared to be insufficient means of social action. The major social problem became to raise the level of living of the population as a whole and not a relief program for a minority of purely protected action to defend the poor.

In developed market economies, where in the past social development has taken place without planning and in some of them continues to do so (USA, West Germany and others) planning has been introduced in the last decade mostly in sectoral concept, for example, of health, education, welfare, that rarely co-ordinated and very loosely or at all related to the economic investment, and economic development.

The centrally planned economies consider planning to be a very principle of guiding of socialist society having social aims as a ultimate goal of the process of economic and social development. A drive for classless society, for the nationalization and collectivization of

the means of production, extensive national guiding and controlling of employment, income distribution, education, health care, housing, social security and others reflects the meaning and substance of this process.

2. Integrated approach towards two processes having their own identity.

A fairly recent concept of development means that social development takes place side by side with economic development, being supported by that development and, in turn, supporting it. It may be as well to say that a fairly old concept recognized already an economic planning as a tool to guide an economic development. In this framework it would mean that once the case for economic planning is accepted, it follows that the similar position would be given to social planning. However this is not a case and social planning problems are veiled in a gown of controversy.

Social scientists used to lean on the conviction that social planning covers over-all social activity and economic planning is a part of social planning. "Social planning implies conscious direction of group or societal life along predetermined lines. It may be done co-operatively or by special interests. Economic planning is one type of social planning

and a great deal of social planning is not necessarily economic. Social planning may or may not be carried to the point implied by the term "a planned economy"¹⁾. Even mark between social planning and over-all social activity or development can be seen also in the other sources.

For example a Soviet author writes: "What is it a social planning?"

"Social planning means scientific determination of aims, indicators and targets (terms, rates, proportions) of the development of the social processes and elaboration of the principall means of their transformation into practice in favour of interests of the worker's class and all working people of the socialist society"²⁾.

Economists prefer a concepts according to which economic planning comprises also social problems and activities.

Authors Dr. B. Kubovic and V. Trichovic' describe the national economic planning in Yugoslavia as follows: "Economic planning is the basic method for guiding the economic development of socialist Yugoslavia, the main objective being the achievement of an optimum rate of economic growth accompanied by a proportionate increase in the material, cultural and other welfare

- 1) (Principles of Sociology, Edited by Alfred McClung Lee, Barnes & Moble, Inc. New York, 1966, pg. 60).
- 2) Z.T.Toschenko, Sossialnce Planirovanie v Sisteme Naocznovo Upravlenia Obschestuom (Social Planning in the System of the Scientific Management of Society) "Znanie", Moscow, 1967, p.9.

of the people. The characteristic features of the economic planning in Yugoslavia are closely related to the whole socioeconomic set up which has emerged in the course of building the socialist system in the country."¹⁾

Another group takes rather "compromising" approach and considers a development planning as a common base for social as well as economic planning.

Although the concept of the social planning in relation to economic planning and vice-versa has not been solved in theory, in practise there is generally recognition that planning should take place through unified economic and social development planning.

Except, perhaps in the case of Taiwan where there were drawn "The First Social Development Plan" and "The Second Social Development Plan" in parallel way with economic development plans (at the end of 1969 there was a drive for unified concept of development planning) some countries drew up economic plans comprising also

1) National and Regional Economic Planning in Yugoslavia, Federal Planning Bureau, Beograd 1961, pg. 1.

social development problems and many countries prepared economic AND social development plan. Some countries preferred to have only "development plans" embracing economic as well as social components of development.

The first category having the social development problems within the framework of "national plan" represents rather minority or the total countries with planning. (1)

The second category that is rather most numerous is characterised by explicit emphasis given to economic as well as to social aspects in development plans. (2)

(1) Some of them are: Gabon: économie et plan de développement (1959-1964); République du Mali; économie et plan de développement (1961-1965); A plan of economic development for Sierra Leone (1949-1953); République du Haute Volta: économie et plan du développement (1963-1967); The five-year economic development plan of Afghanistan (1956-1961), Iraq: The five-year detailed economic plan 1961/62 - 1965/1966; Two-year plan of economic development for Burma 1948 - 1949; Thiwan's third-four year economic plan (1961-1964); Thailand: Economic development plan 1961-1966; Plan de demarrollo economico de Guatemala, 1955-1960.

(2) These are the following countries in this category : Cameroon, plan du développement économique et social 1961-1965; Guinea; Plan Triennal de développement économique et social de la République de Guinée 1960-1963; Sudan. The ten-year plan of economic and social development 1961/62 - 1970/71. In the same category are countries as follows: Congo (Belgium) 1950-1959; Dahomey 1962-65; Ivory Coast 1958-1962; Madagascar 1954-1962; Muritania 1963-1966; Niger 1961-1963; Ruanda-Urundi 1950-1959; Sierra Leone 1961-62 - 1971/72; United Arab Republic 1960-1965; Laos 1954-1964; Philippines 1963-1967; Bolivia 1963-1964; Brasil 1963-1965; Colombia 1960-1970; Equador 1964-1973; Panama 1962-1966; Peru 1962-1971. France: with her Fifth economic and social development plan 1966-1970.

The third category of countries prefers more general term for planning avoiding explicit reference to both economic and social aspects of development plans. (1)

It may be as well to add that although the handlines of the national plans do not express entirely the substance of the plans, they represent some guideness of the way that particular country approaches to the drawing up of the plans. For example some countries even do not have a plan due to substituting of the planning by programme for economic development; Puerto Rico has an "Undécimo Programa económico de seis años, años fiscales 1956-1961. West Germany does not have any plan as well as the USA. However both countries have some economic and social programmes. Spain prepared "Economic and social development programmes for 1964-1967" stressing the word "programme" instead of "plan".

(1) For example here comes following countries: Aden, Development plan 1960-1964; Ethiopia: Five-year development plan 1957-1961; Ghana: Second development plan, 1959-1964; Tunis: Plan triennial, 1962 - 1964; Israel: Four year development plan 1950-1953; Turkey: Development plan, 1963-1967; Cambodia. Le plan quinquennal 1960-64; Ceylon: The ten-year plan 1958-1968; India: The first, The Second The third, five-year plans; Indonnesia: Broad outlines of the national overall development plan, 1961-1969; Malaya: Second five-year plan 1961-1965; Nepal: Three year plan 1962-1965; Pakistan The first, the second five years plan, Barbados, development plan for Jamaica 1957-1967. To this category can be counted also, one year, two-years, five-years plans of countries with centrally planned economy: Albania, Bulgaria, Czechoslovakia, Hungary, Eastern Germany, Hungary, Poland, Romania, Yugoslavia and USSR.

3. United Nations effort to develop a concept of planning of social development.

The United Nations approach to the social planning can be deduced from the balancing economic and social development concept. However, there is no accepted unified definition or doctrine and organizational structure for social planning as there is for economic planning. Nevertheless a need to study the interrelationship between social and economic sectors and among social sectors have called for intersectoral or cross-sectoral type of planning. The need for a cross-sectoral planning for social development was accentuated also by a requirement to contribute to the comprehensiveness of development policies taking into account social aims as ultimate objective of development, further to work out priorities in the social field related both the prerequisites for a consequences of development and finally to elaborate social questions related to the acceleration of growth and to the distribution of the benefits of growth, having in mind not economic but also humanitarian aspects.

Some United Nations documents explicitly refer to the subject and the scope of planning for social development, however there are many indirect references in many basic official documents about a need to plan social development. Central Assembly resolution, ⁽¹⁾ on Declaration on Social Progress and Development stated that the

(1) A/RES./2542 (xxiv) of 30 December 1969

achievement of the objectives of social progress and development requires the mobilization of the necessary resources by national and international action, with particular attention to such means and methods as "Planning for social progress and development, as an integrated part of balanced over-all development planning."

The resolution calls also for "The establishment, where necessary, of national systems for framing and carrying out social policies and programmes".

Other relevant UN Documents relating to the need to develop planning for social development issued in past years are as follows: Methods of Determining Social Allocation (E/CH.5/387), Administrative Aspects of Social Planning (E/CN.5/393), Report on Targets on Social Development (E/CN.5/394), the 1961 Report on the World Social Situation, supplemented by a report on "Problems of Planning for Balanced Economic and Social Development" (E/CN.5/365) and also supplemented over the years by a number of country studies (E/CN.5/346/Add.1-16) as well as a document (E/CN.5/346/Rev.1).

There were three experts' group meetings and a seminar dealing with problem of social planning. Expert Group on the "Problem and Methods of Social Planning convened in 1963 ⁽¹⁾ found that : "It was

(1) Document (SOA/ESWP.20/Rep. 4 - 1964

agreed that social planning was more than the traditional formulation of social policy"but" it was the explicit allowance for the interaction of social measures that was the characteristic of planning". Emphasizing the close built-in relation between economic and social planning it stated: "The two are part of a general plan and are integrated one with another". It was felt that "social planning not only comprises a set of analytical relations but is concerned also with the provision of information and with persuasion".

The European Seminar on Problems and Methods of Social Planning⁽¹⁾ discussed to a limited extent the applicability of the techniques of cost-benefit analysis in the social field.

A Study Group convened in 1967 by UNRISD, was considering an over-all view on social planning based on recent experience and developed the following definition on social planning. "Social planning is an integral aspect of the concept of development planning. As such, social planning is a rational process of formulating final aims of development by taking into account social variables and by providing for relevant structural, "ideational" and remedial programmes in development plan."⁽²⁾

(1) Document SOA/ESWP/1964/3

(2) UNRISD - Scope and Methods of Social Planning. Preliminary Report, page 33.

A Meeting of Experts on Social Policy and Planning convened by the United Nations at Stockholm in 1969 was to clarify further the role of social factors in development with a view to ensuring their adequate inclusion in development plans. The meeting of Experts reaffirmed the need for giving greater consideration in development planning and programming to factors which were often neglected by economists, and inappropriately labelled "Social" while stressing a need for more unified "developmental" concept comprising social and economic aspects.⁽¹⁾ Nevertheless, the clarification of the concept of the social planning remains still to be done.

A great effort to introduce a concept of planning for social development has been done by the Commission for Social Development. As a point of departure is considered to be the ninth session of the Social Commission in 1953 when in discussing the world social situation,, the Commission paid great attention to the relationship between economic and social progress. Broadly speaking until 1959 Commission's work programs was continued to be concentrated to areas concerned with basic social policy, community development, social aspects of economic and social development. A new situation appeared at the beginning of 1960 when the Commission was confronted with

(1) See document Social Policy and Planning in National Development, E/CN.5/445 and Summary.

the movement of emancipation and liberation going through the world namely in Africa when a special attention should be given to the social aspects of over-all development.

In 1961 fundamental importance was given to projects on balanced social and economic development and work programme of the Commission for the first time introduced into the United Nations terminology "social planning" or "social development planning" used under the project on balanced social and economic growth. Since then, and namely after the General Assembly Resolution (1916 (XVIII)) and ECOBOC resolution 1139 (XLI) in 1966 calling for "Reappraisal of the role of Social Development" there has been intensifying effort for a recognition of planning for social development, stressing the need for a clearer recognition of the developmental role of social programmes and indicating as the areas of major emphasis social policy and research, social planning, social reform and institutional change and social questions relating to the major sectors of development such as education, health, nutrition, employment, income distribution and housing. In the five year programme of work proposed at this time social planning was one of the main headings.

The Commission at its twentieth session in 1968 approved a new five-year work programme leading to the more detailed elaboration of the scope of planning for social development particularly in the field of setting up of social goals.

4. Common and Specific between Social and Economic Planning

Common to both parts of development planning is that both social and economic planning are aimed to meet the central objective of development-namely higher standards of living. However, the category of standards of living is not an exclusive phenomenon of either activity. There are other activities such as, technological development, scientific research, cultural development and others leading also to the achievement of the higher standards of living. Moreover the standard of living concept does not cover whole complex of life of a society.

As for economic development and economic planning, improvement in the level of living is invariably one of the aims, but this may be thought of in the first place in terms of the economic growth to mean volume of goods and services available per person, stressing the economic tools, means and interests such as productivity, efficiency, profitability, etc. Nevertheless, provisions for higher level of gainful employment, a higher income, a greater security, a more solid infrastructure have social ends as well.

An approach of social development and social planning proves also to have the improvement of the level of living as one of the

aims, but this may be thought of not only in terms of improvement of the standard of living in general but first of all in terms of equality of opportunity in development effort for all (human resources development) in terms of equal distribution of wealth and income and in terms of social security in sharing the results of the wealth-creating process (pensions, housing, etc.) in order to promote over-all growth process and to enhance human dignity and promote more thoroughly human life.

When the improving of the level of living can be considered as a common objective for both economic and social planning, there will be many other specific objectives pertaining to each part of the development planning.

Planning for social development should have as its object a goal to improve society's social structure and to promote progressive socio-economic changes, which conditions the rational and effective use of available human and physical resources.

To meet the needs of social development in its broadest sense, with particular relation to improving social structure and promoting social changes, three groups of problems are of particular interest to social planning:

(i) Human resources development covering broader areas of human development, such as population, education and employment (including unemployment, underemployment): The main idea to be followed is attainment of social justice in terms of opportunity given to human beings in development. An additional idea is how education and employment contribute to the growth and development of man, how it makes for a more equitable distribution of income, how it provides more people with the opportunity for acquiring skills and how it may contribute to a reduction of social tensions.

(ii) Income distribution embracing all forms of income distribution and redistribution (taxation, price intervention, subsidies, redistribution in the regional dimension, etc.) having in mind attainment of a reasonable level of social equality and related consequences for and pre-conditions of material incentives and efficiency.

(iii) Social security aimed to meet the basic social needs at the beginning and later higher social needs of the population in the field of education, health and medical care, pensions (all kinds of pension schemes, e.g. old-age pensions, disabled, widows orphan's pensions, etc.), child care (children's allowances, benefits etc.) housing nutrition and social welfare services.

(iv) "Social modernization of democratization" embracing institutional and structural changes as land tenure reform, modernization of institutions (political, social and cultural framework with a view to determine their suitability to development including popular participation in development) and human environment development.

Foregoing concept of social development planning should serve as a working definition to be completed and applied according to the needs of certain country. Nevertheless it may be said the definition expresses at some extent a general trend in the recognition of the scope for social development planning.

The Preparatory Committee for the Second United Nations Development Decade in the draft report on its fifth session state:
"As the ultimative of development is to provide increasing opportunities to all people for a better life, it is essential to bring about a more equitable distribution of income and welath for promoting both social justice and efficiency of production, to raise substantially the level of employment and to expand and improve facilities for education, health nutrition and housing. These objectives are both the determining factors and the end-results of development."

(Document A/AC.141/L.24/Add.1, p.5)

The demand for inclusion of development of human resource, income distribution, social equity and structural changes into development was voiced also by the Social Development Commission at its 21 st session adopted a resolution on social policy and planning in national development ⁽¹⁾ stressing the following components in development:

- (i) to leave no important section of the population outside the scope of change and development;
- (ii) to effect structural change, and to activate all sectors of the population and social organization, to ensure their participation in the development process;
- (iii) to aim at social equity, including the achievement of equitable distribution of income in the nation; and
- (iv) to give high priority to the development of human potentials including the provision of employment opportunities and the needs of children.

There are many national plans of developing countries indicating that the concept of social development planning includes not only the raising of material levels of living but also other components conducive to social progress.

(1) Document E/CN.5/L.365/Rev.1 and 2 of 19 March 1970.

The Government of the Philippines, for example, describes the scope of social development planning as follows:

.... planned social development in the Philippines includes such aims as the promotion of social and institutional change, income distribution and employment promotion, as well as the improvement of levels of health, nutrition, education and housing.⁽¹⁾

Some countries in their plans incorporated the following social objectives: Restriction of the concentration of wealth; equalization of income distribution and social welfare facilities, full development and utilization of human resources and improvement in the living standards of the people. In many countries also social and institutional changes are being gradually built into the process of planned development. As a case in point is Iran, where the series of reform programmes was laid down in the Sixth Bahman Mandate. The Mandate provides for the following social reforms:

land reforms; workers's sharing in profits in industrial undertakings; nationalization of forests and water resources; formation of a literacy corps, a health corps, and extension and development corps; administrative reforms; reform of the education system; grant of female suffrage and formation of equity courts.

(1) Economic Bulletin for Asia and the Far East, Volume XX, No.1, June 1969, p.8.

Social development objectives and policies applying a wide concept of social development can be seen also from the third five-year plan of Pakistan which includes for instance provision of employment opportunities, arrest of population growth, provision of improved and increased housing, health services and education facilities, especially for lower income groups, progress towards the reduction of inequities of income, wealth and economic power and towards social and cultural change conducive to accelerated economic expansion.

However, some countries appear to maintain a relatively narrow definition of the scope and content of social development and in many cases it is interpreted in relation to traditional economic criteria. Report of the Special Rapporteurs appointed to review technical co-operation activities in social development in this connection stated: "with certain exception, the concept of social development remains very narrow in most developing countries. Development need generally are still to be interpreted mainly in relation to traditional economic criteria." (1) To bring an example, the Government of the Republic of Korea, for instance, does not make any reference to income redistribution or to the promotion of social and institutional changes in defining the scope of its planned social development. The

(1) Document E/CN.5/432, p. 13.

current development plan concentrates on solving economic problems.

Bearing in mind the comprehension of social planning in terms of elaboration of aims, objectives and methods, machinery and techniques to meet these objectives of social development there are many related planning activities dealing with specific sectors of functions within the process of social development. Thus there is educational planning, planning for housing and other "sectoral social planning" as well as social welfare planning concerned with planning for the needs of the more vulnerable groups, social welfare services planning directed towards meeting the needs of handicapped people, groups, families in need etc; community and regional development planning directed towards meeting social development progress at the regional level. It is only natural that this kind of planning activity calls for specialized social sectors' planners who function in close relation with generalist social development planners.

5. Integrative and Sectoral Approaches in Social Development Planning

The scope and objectives of social development as they are defined in national plan documents are usually broad in concept. It includes not only the improvement of levels of living through ordinary social programmes,

but also such organic aims as redistribution of income and wealth, democratization of social structures and institutional reform. On the other hand in most of the countries the actual machinery set up to deal with the social development planning problems appears to bear little relationship, either in scale or in scope, to the broad concepts mentioned above.

In most cases social development planning is rather every where equated simply with the planning of social programmes or sectors such as education, public health, etc. That is why, central planning organizations lack adequate means of focussing on fundamental integrative aspects of socio-economic development as for instance income distribution, institutional change, etc., so these aspects tend to receive insufficient attention in the ^{social} ~~chnical co-~~ planning process.

The machinery for the consideration and formulation of social policies hardly exists comparing with well developed and institutional machinery for economic policy. The main problem rests not so much with shortage of personnel in the social sectors' units of the

central planning machinery which have fairly large staffs but, in an almost total absence of generalist (cross-sectoral) social planners. This appears to be a particular obstacle to the closer integration of the social with economic aspects of development planning. In many countries there have been few systematic attempts to define the scope and content of social development planning within the framework of over-all development planning. The lack of generalist social planners contributes to the vagueness of the concept of social development planning that in turn contribute to a general failure to integrate social approaches into over-all development planning.

(1)
In the view of the survey performed by ECAFE the background of the social planning personnel in the various central planning agencies is rather sectoral than general oriented. No country in the region (except Pakistan) has established a cadre of generalist social planners as distinct from specialized social planners in such fields as education, health and social welfare - to provide advice to policy-makers on over-all social planning and important social policy issues, and to draft the basic social policies and guidelines of the national plan.

(1) Economic Bulletin for Asia and the Far East, Volume XX, No.1, June 1969, p. 4.

Thus social planning is interpreted mostly either in social sectors or in economic terms. Similar conclusions were drawn by the Special Rapporteurs who stated: "Social development as a term is usually equated with certain social welfare functions or certain forms of social assistance or with sectoral programmes in education and health. Even in countries where the developmental role of social factors is recognized in principle, very little attention to the social aspects of development is reflected in the national plan, which usually contains simply a collection of sectoral programmes in the social field."⁽¹⁾

In some cases social planning units are staffed mostly by economists. The substitution for social planners by planning personnel trained more or less exclusively in economics is unsatisfactory. Total exclusion of trained social planners carries the risk of serious shortcomings in integrating the social with economic aspects in over-all development planning.

In many countries it can be also observed that social development planning staff (numbering in some countries to several dozen professionals, for instance in Japan 69, in India 33, in Iran 27, in Indonesia 24) located in social development planning wing (composed of various social sectoral planning units) consists of experts in various disciplines, including economists, sociologists and specialists on education, health, urban development and others. In a situation like this it is not an easy task to suggest what kind of expert should be to meet a job description for generalist social development planner combining as a rule knowledge of economics, sociology and individual social sectors altogether.

(1) Document E/CN.5/432, pp. 13-14

6. Plan Formulation and Implementation

The process of social development plan formulation consists of: preparatory research and study; assessment of needs; determination of objectives and priorities; definition of the general plan framework including assessment of available resources, and policy orientation; elaboration of basic policies and integrative strategies; sectoral programming and project formulation; co-ordination of sectoral programmes and allocation of resources and final co-ordination and integration.

The more sophisticated process in social planning takes place at the level of setting up of objectives, goals and determination of priorities. At this level a social planner should be preoccupied with a problem such as the measurement of social development. While economic development can be defined and measured by a single "macro" indicator-- namely, increase in per capita national income, social development can be defined and measured only in a pluralistic fashion, that is through a series of separate and not translatable indicators of the different components of social development -- mostly in the framework of the four areas mentioned above on the subject of social planning. (The level of living index and minimum level of adequacy is recommended by some authors to measure social development in a "synthetic" way).

Problems of measurement of social development in its broad sense, including also an evaluation of "social factors" as prerequisites for a

consequences of development, or "interrelations", do not cover all fields of planning process at the "concept setting" level of social development. Closely related to this work is the allocation of resources for social development and criteria for the allocation. There are several approaches that should be studied to provide a guidance on how much amounts or percentages of the national budget or of the national income should be allocated to social programmes.¹⁾

The central planning body has basic responsibility for this process. Also preparation for social development planning is undertaken as a part of general process of over-all developing planning and may include both integration and sectoral approaches .

In general, problems of plan formulation in the social development field are as follows: lack of reliable statistical and other informations on research facilities for processing this information; want of clear-cut guiding policies as distinct from general statements of aims and aspirations; inadequate participation by the general public, and by government at subnational and local levels in the process of policy making and planning organizational shortcomings in the planning machinery for consideration and formulation of the social policy.

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- (1) Some of these are as follows: analysis of the economic returns of human investment; comparative cost analysis (costs of future slum clearance in comparison with town planning); analysis of resources and requirements or "balancing methods"; projections - extrapolations into the future based on past experience, current trends and anticipated forces; comparative analysis of public expenditures for specific social factors, e.g. education, health, etc; comparative analysis of development patterns among countries.

The major difficulties in planned development arise at the stage of implementation, rather than that of formulation. Three major categories of bottlenecks may be envisaged in relation to the plan implementation. They are usually related to decision-making by government leaders, implementation by government agencies, and implementation by private agencies and the general public.

Problems of implementing and evaluating plans in the social field relate to: insufficient local and popular participation in programme implementation; unsatisfactory co-ordination of development plans with development budgets, so that funds may not be promptly forthcoming when they are needed for timely programme execution; inadequate administrative co-ordination and co-operation between government agencies having overlapping responsibilities; shortages of properly-trained and motivated operational personnel.

7. Planning Machinery

As for planning organization the central planning agency is normally divorced from the substantive work of plan implementation, which is performed by functional ministries and local authorities with government framework, however the implementing agencies play a decisive part in the formulation of practical plans as well as in its implementation.

Social developing planning organization in principle, in most countries is a part of overall planning machinery. Perhaps no country has a separate central agency for social development planning or considers such an agency necessary. There is a common recognition among planners that social development planning is an integral part of national development planning and in view of this the planning machinery is built up. When considering five components of which within the government organization, the planning machinery normally consists (the chief executive and the cabinet, the central planning body, central operational agencies, local planning bodies and local operational agencies) the central planning agency in most countries has a wing made up of units preparing draft of segments of social development plan as integrated part of national development plan.

Following are some examples as how central planning agencies in some countries are responsible for social development planning: In Ceylon within the Ministry of Planning and Economic Affairs there is the Social Overheads Unit dealing with social development planning. In India the central planning body is National Development Council and Planning Commission within which there are Divisions of Education, Health, Social Planning, Housing and Labour and Employment covering social development planning problems. In Japan social development planning is attached to the Senior Planning Officer (Social Development) of the Social Affairs Bureau which is a part of central planning body. In Pakistan for this purpose serve Sections for Manpower, Social Welfare, Health Education,

and Physical Planning and Housing. In the Philippines there is a Social Development Branch and in Thailand Social Projects Division.

Nevertheless in some countries there is no specific social planning unit at the central planning agencies and planning functions are performed by operational agencies in the social field as it is for instance in Afghanistan or in some countries there is no central planning body at all, as for example in Australia, Singapore and Hong Kong.

The central planning agency however does not carry entire work relating to plan formulation. In the social development especially in sectoral programming and planning in the social field, central planning organizations rely heavily on functional ministries and agencies. This is evident particularly in such fields as education, health, labour, social welfare and some others, where each ministry drafts proposals for the sectoral plan in its own field, in accordance with the basic framework and directives already laid down by the government. The ministries are invited to submit proposals for development programme, in their own field of interest, for inclusion into national plan and to make suggestions on broader development policies. In this respect specialists in individual social sectors are of great importance for each sector although some generalist social development planners for cross-sectoral planning activities may be useful in each sector.

The similar point of view can be applied as far as regional and subregional planning process is concerned. Nevertheless generalist social development planners are at these levels in much greater demand than that of sectoral levels.

8. Plan implementation problems

The level of social planning that might be called an operational planning process implies mostly the problems of the plan implementation. Putting aside the problems concerning the creation of the planning machinery including planning institutions and bureaucratic framework, as well as the planning techniques, the main problem in the field of the plan implementation seems to be a problem of a plan versus market mechanism in the plan execution.

There are three main trends in applying plan and market mechanism. The first can be seen in market economies of Western countries, where market mechanism plays a decisive role in implementation of economic and social programmes. The second is found in centrally planned economics where the central plan is considered as a principal category, and the market is seen as a instrumental category for strengthening the efficiency and effectiveness of the plan. The third trend can be found in developing countries where the mixture of the plan and the market applied in economy creates a "mixed economy" pattern of development.

In the market economies of Western types the experience with planning within market economy is too short and the circumstances prevailing during plan periods too diverse to permit some definitive conclusions. The main difficulties stem from the fact that governments possess a limited array of instruments with which to induce the private sector to conform and that these self-same instruments are the regular means of managing the economy on a day-to-day basis so as to maintain or restore stability. Moreover, the USA, a leading economic power,

does not have national planning and a national plan (as is the case of West Germany) which implies that the means applied to achieve and maintain the greater balance and stability in the USA economy are also important for development of economies of the rest of the western countries.

While market mechanism takes care not only of economic factors but, to a great degree, also of social factors (as for example employment, income distribution, training, housing, and in some countries health, social insurance and some others) the State budget seems to remain a main tool in plan implementation and in correcting some excesses due to market forces. Budget, or fiscal policy, along with monetary policy are two major weapons of governing economic and social policy.

In the course of making budget requests, examining and negotiations for reconsidering budget appropriations, various programmes laid down in the current economic and social plan gradually take definite forms in the budget. The budget seems with limited fiscal resources available to improve and strengthen the economic structure, promote social development and carry out other important national programmes. An effort is made to balance, rationalize and reduce revenue and expenditures. What is most important is whether or not the policy and process of budget compilation corresponds to the basic fiscal policy and other economic and social policy as outlined in economic and social plan. In addition to this there is a question as how to align the annual budget compilation with long-range economic and social plan.

It appears that there are three problems hardly to be solved in the process of implementation of a plan. The first is responsibility of the planning agency for formulating and pushing the implementation of economic and social plan and for laying down the basic policies for over-all economic and social management at the national level as well as for the preparation of the annual outlook. The second rests with financial agency with the responsibility for budget compilation and for the keeping in line with economic and social plan. And finally there is a problem of a degree of participation of the government in influencing activity in economic and social fields or shortly "government-market" responsibilities.

The participation of the government in the economic and social activities or the degree of centralization varies from country to country. Higher degree of centralization can be seen in some European countries, for example in France, lower in the USA. In the USA the announcement in the Nixon Administration's first annual Economic Report to Congress reflected the Administration's intention of reducing and revising the role of the Government in the economy.

It is pretty difficult to make a prediction of the trends in the development of governmental participation in economic and social activity. Nevertheless some European governments tend to assume more responsibilities perhaps with a greater centralization in control over national resources. Experiences show that the higher degree of participation of the governments with higher centralization in managing of national resources

substantially make easier not only to plan but also to implement plans and programmes in the field of social development in the centrally planned economy. Central planning decide the direction of the countrys social and economic growth.

While the central plan is considered as principle category, the market is seen as a instrumental category for strengthening the efficiency and effectiveness of the plan. The market functions within the framework of decisions contained in the plan. This means that a tendency to enrich the centrally planned economy with elements of market mechanism is understood that plan supremacy over market is being maintained. Thus central plan indicates growth directions, market mechanism should accurately stimulate production, adjusting it to perceived needs or those foreseen by the plan in the near future. It is felt that the market may not dictate economic development trends because market phenomena fail to provide a basis for long-range evaluation of social needs.

Social aspects of development is considered to be of utmost importance while considering plan and market functioning. An unfavourable effect of functioning of market mechanism is seen when market requires for its effectiveness strong material incentives criteria, as it may have, although not necessarily so a harmful impact contrary to the idea of social equality and justice, what perhaps may lead to a new form of social stratification. Another negative outcome of excessive utilization of market mechanism is believed to cause periodic unemployment, waste due to stagnation and another negative social consequences that are avoided through planning. That is why the plan rather than the market constitutes also the principal mechanism regulating production and distribution in an economy.

To determine what demand and needs should be like it is believed that the solutions are not in market occurrences alone, but in the sphere of realizable proportions under determined conditions, of various production branches, and of the relationships between GNP together with its distribution among various social groups. When planned economy makes use of the market and of prices, the prices for many commodities is decided by all - social priorities, while lower purchasing power of determined social groups is taken into consideration (low prices for bread, milk and so on). In the case where the state determines prices (for reasons mentioned above) the price level of particular goods and services may not be exclusively determined by market mechanism - supply and demand - for the reason of considering the social aspects of plan implementation.

In developing countries, mostly having mixed economies there are much more limitations in the implementation of comprehensive economic and social plan than in other patterns of planning. Sometimes even the best laid plans fail for reasons that have little or nothing to do with planning. In some cases, political upheaval has rendered national planning largely irrelevant; or an unexpected deterioration in world market conditions, or the level of external aid for development programmes substantially effected a plan. In most developing countries, the bulk of the economy is in private hands so the plan must rest at least on social assumptions regarding private decisions and actions. There are two main problems relating to plan implementation. The first relates to plan

implementation of the public development programme, the second concerns the plan implementation problems in the private sectors.

The fiscal budget is a principal instrument of plan implementation. Several aspects of the relation between planning and the fiscal budget relate to annual planning, the programming and execution of public development expenditure, the control and rationalization of current expenditure, mobilization of domestic resources for public sectors programmes etc.

It may be stated that in most developing countries one of the initial functions of planning has been to bring greater order and coherence into public expenditure. Before the composition of expenditure could be considered, the resources likely to become available for implementation of annual programme have to be determined in annual planning.

To bring greater order in public expenditure programmes, there is a need to devise arrangements for ensuring that projects and schemes included in the annual budget are consistent with the public expenditure programme for social development outlined in the medium-term plan. As for control and rationalization of current expenditure there is a need to study how current expenditure response to social objectives. In many cases the scale of priorities among objectives has not been actively translated into expenditure programmes. In some instances the social welfare programmes have been expanded while plans have called for restraints on growth of consumption to raise investment and future output or vice versa.

More difficult is to define a policy which would suggest for the governments policy instruments in the field of implementation of social development programmes to encourage or impeded the desired pattern of behaviour of the private sectors. The governments have only limited scope of instruments with which to induce the private sector to adopt governmental social policy and to interfere into the game played by market forces to avoid undesirable consequences for social development.