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PUBLIC ADMINISTRATION FOR WHAT?

- A PRAGMATIC VIEW -

by

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I. GENERALIZATIONS

Introduction

1. The fundamental changes in the functions of governments in low-income countries and the changing environments in which they must work have enhanced the awareness of the need for administrative reform. Achievement of independence, sometimes followed by the replacement of inefficient independent governments by reform-oriented ones, the introduction of national planning for development, and enlargement of the scope of government to meet the mounting aspirations of peoples for more education, health facilities and the public services, as well as higher incomes, require far-reaching changes in public administrative systems to meet the new challenges. ^{1/}
2. In most of the ex-colonial countries, the main task is to re-orient administrative structures and procedures designed in a static era for the provision of routine government services to the requirements of a dynamic era concerned with development. This is a complex and difficult job. But the task is even more complicated in low-income countries which have been politically independent for a long time. These countries have frequently failed to build up efficient government administrations, even for the collection of taxes, the preservation of law and order or the provision of basic services. In these countries, therefore, administrative structures must not only be modernized to meet the new needs of political, social and economic development; they must also be made to function with tolerable efficiency to

^{1/} "The United Nations Programme in Public Administration" Report by the Secretariat. Meeting of Experts on the United Nations Programme in Public Administration. 16-24 January 1967. ST/SG/AC.6/L.3. 12 December 1966, p. 3

provide the usual government services. ^{1/}

The Tendency Toward Major Reform

3. Given the magnitude and scope of the public administration problem in low-income countries, there is an understandable tendency on the part of those aware of the needs to address themselves to major administrative reform, i.e., "towards a general improvement of public administration, or at least a strategic part of it, such as the Civil Service system, which may, in turn, become a source of stimulus for further reform throughout the system. ^{2/} Thus, in a Report to the Government of Malaysia in 1966, Professors John D. Montgomery of Harvard University and Milton J. Esman of the University of Pittsburgh recommended the creation of a Development Administration Unit in the Prime Minister's Department, which has since been established, to plan and guide major, government-wide, programs of administrative improvement in such areas as personnel and career development, budgeting and expenditure control, procurement, and contracting. In another (as yet unpublished) report prepared by Dr. John C. Honey of the Institute of Public Administration, a proposal is made for the creation of a National Council on the Public Service in Latin American countries which would act as the spearhead for improving each country's public service and administration. ^{3/}

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

^{2/} U.N. ST/SG/AC.6/L.3, op. cit., p. 37.

^{3/} "Toward Strategies For Public Administration Development in Latin America".

4. Such bodies might be able to perform useful service under appropriate conditions, but only when they are consistently and firmly supported by the political authority. This appears to be the situation in Malaysia, where the new Development Administration Unit is being sponsored by the Deputy Prime Minister of the country. For awhile, Venezuela's Public Service Commission, established to improve that country's public administration, enjoyed considerable prestige because of the support it received from the President of Venezuela. But with the passage of time, the Commission lost its former prestige and influence. Experience shows that the establishment of a new agency, however well conceived, frequently brings little or no improvement in the public administration because it proves not to be immune from the malaise which afflicts the rest of the body politic.

5. This is hardly surprising to anyone familiar with the history of attempts to initiate overall administrative reforms in low-income countries throughout the world. India, Pakistan, Iran and the Philippines in Asia; Venezuela, Colombia, Ecuador, Brazil, Argentina and Chile in Latin America; Ethiopia, Ghana and Libya in Africa; to name only examples, have for many years sought to improve the efficiency of their public services with only modest results to show for their efforts. Proposals for global administrative reforms, which in the abstract appeared desirable and reasonable, have frequently ended up as distorted, piece-meal solutions after implementation which bore little resemblance to what was originally intended. Or, where implementation of an advanced program of administrative reform was actually carried out in more or less the intended fashion, as in the case of the

performance budgeting system introduced in the Philippines with the help of foreign technical assistance, it proved to be beyond the absorptive capacity of a public service firmly committed to traditional procedures.

6. One can only agree with the conclusion of the Public Administration Branch of the United Nations Secretariat, made after a review of the U.N. projects related to major administrative reform that "Administrative improvement is a long-range and difficult process". Nor can there be any quarrel concerning the accuracy of the Branch's contention "that far-reaching changes of a fundamental nature are essential in political and social spheres as the first step in administrative reform".^{1/}

7. Thus, a question arises whether the trouble with most efforts to improve public administration has not been that too much has been attempted at once. Given the right political and social environment, comprehensive efforts at administrative reform can undoubtedly succeed "if pursued consistently and with full realization of the complexity of the task and the nature and magnitude of the resources required."^{2/}

Inadequacy of the "Wholistic" Approach

8. But what is the appropriate strategy when "the right political and social environment" does not exist and where governments are unwilling, or as is more likely, unable to make the far-reaching and fundamental changes which the U.N. correctly considers to be the first step in major administrative reform? Is the prescription still to be "wholistic", as Kleber

^{1/} U.N. ST/SG/AC.6/L.3, op. cit., p. 45.

^{2/} Ibid.

Nascimento of Brazil has called attempts at administrative reform in his country, rather than partial; ^{1/}sudden rather than gradual; general rather than specific? Is it sensible to continue with this approach although little has been accomplished by it in the past and there is no valid reason for believing that the "right political and social environment" is closer to realization in most low-income countries?

9. Anyone with experience in low-income countries in early stages of development soon comes to know that attempts at fundamental, across-the-board reform to create ideal systems in any field of activity are likely to be premature and self-defeating. The necessary pre-conditions for the success of such efforts, however justifiable in terms of need or desire to do the right thing, simply do not exist. Professor Albert Hirschman has called this approach "the motivation-outruns-understanding style of problem-solving", characterized by "endlessly repeated calls for a full, integrated, definitive, and rapid solution to the difficulties that are being encountered". ^{2/}

10. On the other hand, the evidence shows that partial administrative reform, or at least improvement, is feasible in selected instances - be it in connection with projects, programs, economic or social sectors, or geographic areas or whole regions - where the required preconditions for successful comprehensive reform do not

^{1/} Cited in Bell, Peter D., "Public Administration Development in Brazil" (1966). Unpublished.

^{2/} Ibid.

exist. Where the need to get something important done arouses in political or other authorities an awareness that administrative change is essential to the success of the venture, where the venture is backed by a powerful person, group or entity which is likely to stay powerful and interested long enough to allow reforms to be institutionalized, and where the proposed reforms are not beyond the capacity of the governmental unit(s) concerned, the prospects for administrative reform are good. These prerequisites to reform may of course exist in some less developed countries in some periods in sufficient strength to permit global reforms to be instituted; but if experience counts it would be much more realistic to assume that in most low-income countries, the lack or insufficiency of one or more of the preconditions dooms most attempts at global reform. It is not defeatism, therefore, but prudence, nurtured by experience, that counsels the necessity for the courage and patience to think small.

11. For most less developed countries, the comprehensive approach to administrative reform may not be so much wrong as it is premature. Partial administrative change may not be as neat and satisfying as a global overhaul of the civil service or a fundamental revision of a major segment of public administration, like the budget or procurement, but the choice between global and partial reform may not be a real one. Albert Hirschman effectively demolished the theory of balanced growth by pointing out, among other things, that it required huge amounts of precisely those attributes - entrepreneurship, the ability to make decisions and managerial skills - which are in very limited supply in less developed countries. It was altogether inconceivable, he pointed out, that a less developed country

could with its own forces, or even with limited help from abroad, mount the kind of balanced, comprehensive investment program envisioned by protagonists of the balanced growth theory. Indeed, said Hirschman, if a country were able to apply the doctrine of balanced growth, it would not be an underdeveloped country. Hirschman went on to elaborate his theory of unbalanced growth and showed that not only has growth moved in see-saw fashion over the years in the now developed countries, but that the disequilibrium created by one investment induced a second disequilibrium which induced a second investment, and so on.

12. Similar arguments can be marshalled against the view that overall administrative reform is preferable to partial reform. The many failures of attempts at global administrative reform have made it clear that the governments of most less developed countries are not equipped with the managerial skills and decision-making powers, or for that matter, with the political stability and commitment required, to effectively carry out global administrative reforms. If the evidence accumulated thus far were to be examined objectively and dispassionately, it probably would show that in most less developed countries, most administrative changes (whether proposed originally as global or partial reforms) have really been piece-meal in nature. If effective, they may well have served as models in other parts of government; if ineffective, they may well have made it clear that further reform is required. In either case, partial reforms may have induced further reforms and have prepared the way for a more fundamental, across-the-board, advance. This is not hypothetical. It describes what has happened in some countries. It would not be surprising if research showed

that it has happened in many or most low-income countries.

The Case for Partial Administrative Reform

13. Even if it could be shown that ineffectual global administrative changes eventually stimulated broader reforms than might otherwise have been possible, it would not constitute an adequate defense of such change. There is a school of thought which holds that things must get worse before they can get better in some low-income countries. But this is not the point of view espoused here. The situation is bad enough as it is in many of these countries for a planned approach at unbalancing it further. Rather, the view advanced here is that partial improvements in public administration need not be haphazard, piece-meal and ineffectual; if carefully conceived and planned, they can produce substantial immediate results in dealing with urgent problems and, in addition, lay a basis for overall administrative reform later.

14. It has been shown, for example, that in countries where drastic, across-the-board changes in personnel practices, administrative procedures and organization on an "all or nothing" basis were unfeasible, important administrative improvements were nevertheless possible if they were related to the need to carry out important development projects and programs. ^{1/} It would be desirable in all cases to relate such "nuclei" of reform to a comprehensive program for improving public administration. But where this is not practicable, and it is contended here that it is in fact impracticable in many low-income countries at their present stage of development, the

^{1/} Waterston, Albert. Development Planning: Lessons of Experience, op. cit., p. 285.

"nuclei" approach may constitute a feasible alternative.

15. This is not to say that attempts should not be made whenever appropriate to introduce overall reforms based on comprehensive programs for major improvements in public administration. Indeed, it is probable that in some countries, the "nuclei" and the comprehensive approaches can constitute two components in a coordinated approach to administrative betterment. But whereas the comprehensive approach may prove to be feasible in some countries where conditions are propitious, the "nuclei" approach is likely to be applicable in all. Moreover, whenever "nuclei" of administrative improvement had been established, efforts at eventual global reform would surely be aided.

16. Public administration covers every aspect of government activity. It is inextricably interwoven in the warp and woof of the fabric of government. But just as it is impossible to envisage a substantive task of the state whose execution does not involve the administrative apparatus in some way, it is impossible to conceive of public administration as something which is in fact separated, or apart from, the substance of government. It is true, of course, that principles of public administration may be treated as a separate subject. But this is an abstraction from reality, defensible under some circumstances as a pedagogical device. It must never be confused with the reality itself.

17. Hence, neither public administration nor administrative reform should be an end in itself. Improved public administration may be a necessary condition for bettering government services, but it is not a sufficient one. For example, a major reform like the installation of the modern system

of performance budgeting in the Philippines may have set the stage for improvements in government services at some later time, but it has had little impact on government procedures thus far. For the time being, it is a costly innovation because it employed resources that might have been put to more immediately remunerative use elsewhere.

Planned Development and Public Administration

18. The dire effects of maladministration are likely to be great in almost every field in which government operates in low-income countries. It would be easy to justify widespread administrative reform in these governments on the basis of need. But given the scarcity of human skills and financial availabilities, it makes economic sense to allocate resources in a way which promises the highest yields quickly, taking into account what is politically and administratively feasible. In recent years, planned development has assumed well-nigh unchallenged ascendancy as a national objective in most low-income countries. Since most public savings, as well as external aid and loans, are invested for development, improvements in public administration for development could greatly increase the speed and efficiency of investment efforts, in the private as well as the public sector.

19. Because of this, many practitioners in the field of public administration have sought to make a major shift in the emphasis of their subject toward the requirements of planned development. Some have even advocated and introduced a new name, "Development Administration", either as a substitute for, or as a branch of, public administration. Whatever the virtues of the name in emphasizing the new dimensions which planned development has added to public administration, it provides little guidance for dealing more

effectively with the problems and inadequacies of public administration in low-income countries. For the fact is that the success of planned development depends on the capacity of the administrative structure to implement development plans, programs and projects in virtually every sphere of national activity. ^{1/} If, therefore, points within the public administration are to be selected for partial improvement where global reform appears unfeasible, the question is: which points are most suitable for the purpose? If partial improvements are to lay a basis for future global reform, they must conform to the requirements of sound principles of public administration as well as to those of planned development.

20. But this is not easy to achieve. There is usually a lack of communication between planners and public administration experts. Planners and public administration specialists are both keenly aware that ineffective administration seriously limits implementation of plans, but there is no meeting of minds about what should be done about it. The practitioners in each field tend to adopt parochial views about their own specialties.

21. Planners often do not grasp the importance of including as a part of their development plans a detailed and systematic set of measures for improving administrative procedures and building new institutional frameworks as necessary means for achieving plan targets. They often consider their obligations fulfilled when they list administrative shortcomings in their plans and advise their removal. Their approach is generally prescriptive rather than evaluative, and almost never goes to the point of describing

^{1/} U.N. ST/SG/AC.6/I.3, p. 40.

exactly how administrative shortcomings should be ameliorated or eliminated, and who should have the responsibility for the task.

22. Those in public administration also tend to go their own way. Few are development-minded or adequately informed about substantive problems of development. They sometimes think of public administration as a separate matter - something in and of itself. Reports by public administration experts, with their urgent recommendations for revising public administration from top to bottom, have an unspecific eloquence with which it is hard to find fault, but which often seems wide of requirements for development. ^{1/}

23. Clearly, new initiatives are required to bring planned development and public administration together. It is not a problem of exhorting one or the other group of practitioners to cooperate with the other; it is late, if not too late, for that after their respective periods of training are over. Rather, it seems essential that training programs in development planning include courses of instruction in public administration, and that training programs in public administration include courses of instruction in the substantive problems of development. There is also need to revise or replace principles of public administration made obsolete by the necessities of development. What may be good for developed nations, may not be applicable, at least without major adaptation, to less developed nations. General theoretical principles taught in universities must be supplemented, and tested, by case studies grounded on field experience in developing countries. This type of training will make it clear to planners and public administration

^{1/} Waterston, Albert, Development Planning: Lessons of Experience, pp. 283-4.

specialists alike that planning and administrative reform not only must be directed to the same ends, but must be carried on side by side in the continuous process that is planned development.

II. APPLICATIONS

The Planning Record

24. Experience shows that a great deal can be accomplished when partial structural-functional improvements in administrative procedures and organization are purposively fitted to requirements of planned development. The considerable potentialities of this approach have now become apparent after a series of visits which the writer recently made to about a dozen countries in Africa, Asia and Latin America in his capacity as Adviser for Planning Organization in the World Bank. Almost all the countries visited have been or are committed to planned development through the use of conventional, aggregative development plans with periods ranging from four to ten years. With few exceptions, the countries concerned have failed to achieve the targets in their development plans. Indeed in several of the countries, development plans have been abandoned before their period has terminated because they were deemed to be beyond hope of fulfillment.

25. Studies completed in the World Bank have revealed that many, if not most, low-income countries in early stages of development are unable to plan their overall development with reasonable accuracy for periods of much more than a year. The same studies have also provided evidence that growth and development are not so much dependent on elegantly-integrated, aggregative plans as they are on the ability of governments to prepare and execute soundly-conceived projects in the public sector, control the allocations and expenditures of financial resources for these projects with reasonable efficiency through the budgets, and allow reasonable economic incentives to operate so as to stimulate investment in the private sector.

26. But in most low-income countries, there are serious deficiencies in one or more of these areas. Because of this, there is almost always a wide gap between what is called for, on the one hand, in medium-term, aggregative plans prepared by a central planning agency and, on the other hand, what goes on in operating ministries, departments and agencies, and in the budget office.

A Pragmatic Planning Approach

27. To bridge the gap which frequently exists between medium-term, aggregative plans, on the one hand, and projects, budgeting and economic policy, on the other hand, the writer advised governments in the countries he visited, to adopt a pragmatic approach to planning which comprises two main elements:

- a. Annual, aggregative planning tied to budgets, which focuses attention of decision-makers on what needs to be done immediately for development of the public and private sectors; and
- b. multiannual programming of strategic sectors of the economy which focuses attention on basic long-term policies and the systematic accumulation of a shelf of bankable projects for each sector.

28. It would be going too far afield to present the rationale for this approach to planned development. Suffice it to say, that it requires, firstly, a reorientation of planning procedures and organization in existing central planning agencies; secondly, the institution of a systematic and close relationship between plans and budgets; and

thirdly, the establishment of machinery for sector programming and project preparation in operating ministries, departments and agencies.

29. Since the planning system outlined above represents a considerable departure from the conventional one, the ideal approach would have been to overhaul all major administrative procedures and the organizational structure to conform to the new system. But given the circumstances in the countries visited, the chances of achieving major administrative changes were considered small, despite the willingness of most governments concerned to adopt the new system.

30. A more modest approach was therefore adopted which was more in line with the political realities and power relationships within the governments concerned, as well as within what was believed to be the limits of administrative capacity. In fact, taking a leaf from medicine, where conservative practice dictates the administration of only the minimum dose of a drug required to produce a cure, the writer chose to eschew the temptation to propose more than minimal changes in administration required to insure reasonably effective operation of the new planning system. Consensus of those who would be most involved in carrying out the reforms was considered of much greater importance than maintenance of the purity of a principle, except for the very few principles with which compromise was impossible without jeopardizing the entire planning system.

Re-Organizing the Central Planning Agency

31. The setting up of an appropriate organizational form within central planning agencies to permit it to prepare the annual plans

which constituted one of the two important elements in the new planning system, as outlined in paragraph 27, proved to be a relatively simple task. Without exception, each central planning agency had an overall shortage of well-trained and experienced planning technicians. The shortage was often exacerbated by the way in which the technicians were distributed in the various units set up by the agency's organization chart. As a general matter, these organization charts followed a familiar arrangement of units along functional and sectoral lines. Some units were well-staffed or even over-staffed; most were not. In some units, only low-level jobs had been filled and existing personnel were inadequately supervised; in others, only a head constituted the entire staff and, because of the lack of assistants, he had to do clerical as well as analytical work. Thus, over-staffing and under-staffing of units existed side by side although, taken as a whole, central planning agencies almost always had fewer planners than they needed.

32. To make the most effective use of the available staff for annual planning, a two-pronged approach was adopted. Firstly, wherever possible, central planning agencies were advised to contract out or otherwise farm out planning tasks, especially long-term studies, which could be done elsewhere. For example, in Ghana, it was found possible to have the Economics Department of the University of Ghana conduct some manpower, economic criteria and other studies for the Ministry of Economic Affairs. In other countries, possibilities existed for farming out work on national income to the central bank or to research organizations.

33. Secondly, central planning organizations were advised to employ a technique for deploying their manpower which has been used with excellent results in other countries which were short of planning technicians. In these countries, it has been found convenient to set up a small number of task forces, each with a work program arranged according to priorities. While each country has its peculiar requirements, it was generally found useful to recommend the establishment of three task forces which would be concerned with the following problems:

a. Resources

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

b. Co-ordination

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

c. Implementation

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

34. It was recommended that available staff be assigned to each task force in accordance with their respective functions and work load. From time to time, as required, the work loads and task forces would be reviewed and revised and staff reassigned to meet the new circumstances. By shifting planners from one task force to another, planning technicians would receive training in a broad range of subjects which would add to their knowledge and make them valuable in more than one planning specialty. Each task force would be headed by the best available person for the job in the central planning agency. Foreign advisers would be assigned to the heads of each task force. The heads of the task forces would constitute the membership of an Internal Co-ordinating Committee chaired by the head of the central planning agency. They would meet regularly or as required to co-ordinate task force activities and to review work programs, staff assignments, and so forth. The task force approach was suggested not only because it mobilizes available personnel for more concentrated effort on priority tasks than is possible when the staff is dispersed in small groups over a large number of organizational units; it also has the virtue of maintaining the flexible administrative arrangements essential to the changing environment characteristic of developing countries.

The Relation Between Plans and Budgets

35. Unless the budget reflects the corresponding items in an annual plan, the probabilities are that the public sector portion of the plan will not be implemented. To insure the close relationships between plan and budget which is essential for effective plan implementation, requires a budget classification system and budgetary

procedures which permit easy translation of the plan into budgetary terms, as well as budgetary expenditure controls which allow timely and accurate preparation of quarterly, semi-annual and annual reports of plan progress.

36. But in many less developed countries classification systems in budgets make it difficult to relate projects and programs in annual plans with budgetary allocations. Good planning also requires that recurrent expenditures, e.g., for training personnel, be related to, and phased with, capital outlays for construction of a project so that all parts of a development project move forward at appropriate speeds. In addition, it is useful in planning to be able to extract from the recurrent side of a budget development items which, when added to capital items for development, constitute a comprehensive statement of budgetary outlays for development. But in many countries it is impossible to do these things.

37. Another impediment to effective planning relates to the way in which development and recurrent budgetary estimates are prepared in many countries. The development estimates are generally prepared in the central planning agency, while the recurrent estimates are prepared in the ministry of finance. There is often an inadequate system for insuring regular and early communication between the central planning office and the ministry of finance while each is preparing its estimates, with the result that neither may be aware of the details of the estimates the other is preparing until after they have been completed. In one Asian country, capital estimates are prepared after the recurrent

estimates. These procedures not only do not allow proper phasing of capital estimates and recurrent estimates for development; they make it difficult to measure the impact of current investment outlays on future recurrent expenditures. This is a serious shortcoming, since capital expenditures almost always increase future recurrent expenditures. Unless this is borne in mind, the rise in the recurrent budget can greatly reduce the surplus on current account available for development. A final shortcoming of the system employed in many countries, is that operating ministries are required to make two budgetary presentations, one for capital estimates to the central planning agency, the other for recurrent estimates to the ministry of finance.

38. Although serious, the problems outlined can be resolved with relatively simple administrative changes. To obtain a classification system which permits development expenditures, whether on recurrent or capital account, to be identified in budgets by projects and programs requires only a functional-economic cross-classification system. The preparation of such a classification system involves some problems, but they are surmountable if a committee composed of representatives of a country's central planning agency, the ministry of finance and other interested bodies (e.g., representatives of autonomous public agencies) is set up with appropriate technical assistance to iron out problems.

39. Ideally, the unity of the budget should not be endangered, as it is in practice in many countries, with one agency preparing capital and another preparing recurrent estimates. But a delicate problem confronts anyone who advises that the two parts of the budget

be prepared by one agency when two are engaged in the task. The adviser who recommends this may have principle on his side, but he is unlikely to convince one agency to relinquish its prerogatives to the other. Given the political and administrative realities in many countries, another course generally has to be found for accomplishing the same result.

40. Fortunately, a simpler and proven method already exists, and the countries visited were advised to adopt it, where there were dual budgets. In Nigeria, and in some other countries, it has been found possible to deal effectively with the problems raised by dual budgets through a Budgetary Coordinating Committee. Top officials representing the budget office and the central planning agency act as permanent members of the Committee, and a high official of each operating ministry, department or agency presenting budgetary proposals, acts as a temporary member when his organization presents proposals for inclusion in the budget. Each operating organization presents its capital and recurrent estimates simultaneously. The estimates are considered and discussed by the Committee, which reconciles development and recurrent estimates and brings total budget estimates into line with available financial resources. The procedure outlined not only permits realistic estimates to be made of the impact of capital outlays on recurrent expenditures, but also reduces from two to one the number of budgetary presentations which operating organizations have to make.

Programming Units in Operating Organizations

41. There is general agreement that a central planning agency prepares overall plans and that operating ministries, departments and agencies prepare sector (or subsector) programs and projects in their respective fields of interest. Sometimes, central planning agencies take over project and sector program preparation as a temporary expedient when operating ministries, departments and agencies are unable to carry out these tasks as efficiently or as quickly as planners wish. Experience shows that when a planning agency takes over work which properly belongs to operating organizations, friction almost invariably develops. Moreover, what starts as a temporary expedient, often ends up in a long-term arrangement which is hard to change. When this happens, many operating organizations are virtually outside the sphere of planning, with pernicious results for planned development.

42. Under the proposed pragmatic system of planning advocated by the writer, central planning agencies were expected to prepare annual development plans, a task which involves a considerable amount of work in a variety of fields, and follow-up on plan implementation. It was therefore recommended that the central planning agencies not attempt to prepare sector programs and projects. These tasks are properly those of operating organizations, and it is they which must learn to carry them out effectively if a country is to make the most of its manpower for development.

43. But experience has shown that most ministries, departments and agencies do not know how to prepare soundly-conceived projects and

programs, carry them out according to a well-devised cost and time schedule, and operate (or maintain) them efficiently after completion. Experience has also demonstrated that the most effective way of getting personnel in operating ministries, departments and agencies to perform these tasks properly is to establish programming units in these organizations. The governments visited were accordingly advised to create such units, at least in the most important operating organizations or, where such units had been established, to make them more effective than they were.

44. Since programming units would constitute a vital link in tying projects and sector programs to annual plans and budgets, and in addition, would constitute a relatively new administrative concept for many of the countries visited, much time was spent explaining its nature, form, functions and procedures. The programming unit was described as the virtual equivalent for its organization of a central planning agency for a national government. Its functions were defined to include (a) the setting of standards and criteria for operating departments or other units to follow in preparing and carrying out projects; (b) the formulation of the overall development program and the recurrent budget for its organization, on the basis of directives from the organization's head; (c) the preparation of alternative development policies for the consideration of the organization's head, after consultation with the various operating heads of departments or other units; (d) the setting of standards for operating departments and units to follow in reporting on the progress of projects and, on the basis of

reports from operating units, the preparation of regular, timely and reasonably complete reports and evaluations of its organization's over-all program; (e) the coordination of the technical assistance program for its organization; and (f) liaison for its organization with the central planning agency.

45. In order to institutionalize liaison between programming units and the central planning agency, it was recommended that an Inter-Ministry Planning Committee be created with the heads of all programming units as members and a high official of the central planning agency as chairman. It was suggested that a representative of the budget office be included as a member to assure that that office was kept informed of the Committee's activities. The functions of the Committee were defined to include the formulation of uniform criteria and standards for preparing projects, sector programs and plans, and for reporting on their progress in consistent form.

46. Experience has shown that programming units, to be successful, had to be located administratively at a high level. In the British-type government administration, this meant that the programming unit ought to be located immediately under the permanent secretary. In the French-type government administration, it/^{also} meant that the programming unit ought to be placed immediately below the highest permanent official in an organization. Indeed, if these officials were not as busy as they were with day-to-day tasks, they would have been the logical heads of the programming units in their organizations. But given the prevailing circumstances in the governments of the countries visited, it seemed

more practical to suggest that the head of each programming unit be the second in rank in each operating organization.

47. It was considered desirable that the head of each programming unit outrank the operating heads of units within each organization because experience has shown that officials do not easily yield their prerogatives to other officials of the same or lower rank. In the countries visited which had established programming units, almost all were ineffectual because, in part, they had been placed at too low a level in their organizations; in part, because they had been assigned duties extraneous to programming; and in part, because there was little understanding of the special staffing requirements of programming units.

48. Thus, no special efforts had been made to find suitably trained or experienced persons for the programming units. It was not understood that programming in an operating ministry, like planning in a central planning agency, is a highly specialized field which generally requires technicians like engineers, agronomists, etc., who have mastered enough economics and accounting to make cost-benefit analyses for projects and to evaluate projects economically for the purpose of combining them into sound sector and subsector programs on the basis of general economic and other criteria. Of course, even less thought had been given to staffing requirements for programming units in countries which had none.

49. In dealing with staffing requirements, the writer advised that persons assigned to programming units receive special training in sector programming and project preparation; and that since they would

then constitute a scarce resource, they should then be allowed to remain for long periods in programming units or, interchangeably, in the central planning agency or the budget office. At the same time, it was recognized that it would be desirable to have regular civil servants rotate in and out of programming units, to bring to these units their varied experience and to diffuse planning and programming "know-how" throughout the public service when they transferred to other operating posts after a period of service in programming units, the central planning agency or the budget office.

50. To meet these apparently conflicting requirements, it was recommended that a new Planning (or Economic) Service, with ranks and perquisites equal to those of the regular civil service, be created. Qualified personnel transferred from technical or administrative services, or individuals entering the Planning Service from outside, would constitute the hard core of the staffs in programming units, the central planning agency and the budget office. Members of the Planning Service would be posted to a position in any of these three areas for long periods. They would be transferred "laterally", from one programming unit to another, or to and from the central planning agency and the budget office. Regular civil servants could then move in and out of programming units, the central planning agency and the budget office, from or to "non-planning", "non-programming" or "non-budgeting" posts in the usual way. In this way, the Planning Service and the regular civil service could together provide the continuity required in programming units, the central planning agency and the budget office without sacrificing the time-proven flexibility in the prevailing civil service system.

51. Since experience throughout the world had demonstrated that the establishment of viable programming units required specialized outside technical assistance which could concentrate on the task of creating the programming units, setting up appropriate procedures, and training staffs for the units, it was recommended that steps be taken to obtain suitable technical assistance for this purpose.

Implementation of the Recommendations

52. Most of the countries concerned were visited in 1966. It would therefore be premature in January 1967, when this is being written, to expect definitive results. However, the steps taken to implement recommendations have been encouraging. In some countries, only a few recommendations are being implemented, but in more than half of the countries visited, implementation of recommendations has meant that important changes in past administrative organization and procedures have been introduced.

53. Many are adopting the system of annual comprehensive planning-cum-multiannual sectoral programming which was recommended (although some combine this with medium-term aggregative plans). In Thailand and Colombia, task forces were set up in central planning agencies to deploy personnel efficiently for planning; in Ceylon, Malaysia and Ghana, budgetary coordinating committees will consider recurrent and capital estimates simultaneously; in Ceylon, Ethiopia, Ghana, the Ivory Coast, Malaysia and Thailand, steps are being taken to establish programming units in operating organizations; and in Ceylon and Ghana plans are being made to set up a special Planning Service

alongside the regular civil service administrations. One major difficulty has been encountered: an unusual scarcity of foreign technical assistance for sectoral programming and project preparation. Consideration is now being given to dealing with this problem, but it is apparent that until a solution can be found, viable programming units cannot be widely established soon in low-income countries. But taken as a whole, it seems fair to say that the outlook for carefully-considered partial administrative betterment, when tied to planned development innovations, is good.

Addendum to the paper,
"Public Administration for What?"
- A Pragmatic View -

The more than three years which have elapsed since preparation of the paper, "Public Administration for What? - A Pragmatic View" have provided the time needed to evaluate the applicability of the proposals in the paper to developing countries. Since the paper was written, many developing countries have awakened to the importance of sector programming as a bridge between projects and national development plans. Many countries have also begun to give increased emphasis to annual planning, either as a means of making medium-term plans operational by tying them more closely to government budgets, or as a substitute for medium-term plans when (for reasons of political instability, economic uncertainty, administrative friction, or the inability to arrive at a national consensus on development objectives) it seems unlikely that multi-annual plans can be implemented.

These changes have had repercussions in organization and administration. In particular, many countries are now spending much more time than before in establishing programming units, or in strengthening them where they exist. In addition, more attention is being given to improvement of budgetary organization, administration and procedures for linking annual plans with budgets; relating investment and recurrent budgets; controlling expenditures; and reporting on the progress of project and program execution.

In attempting to institutionalize the system of annual planning closely linked to budgets cum sector programming described in the paper, I found that it was fruitless only to diagnose the problem and prescribe improvement, even when government officials appeared to be sincere in the readiness to adopt the prescription. Nor did it prove to be sufficient to detail the administrative and procedural reforms required to implement the recommendations made, or even to itemize the technical assistance needed to carry out the recommendations.

/My experience

My experience has made it clear that in addition to detailing procedures required to carry out recommendations, it is essential to provide assistance which can help get reforms started. For example, in three countries where the government accepted virtually all the recommendations made, officials did not know how to deal effectively with the heads of the new programming units which had been established at my recommendation. An this was true despite detailed descriptions spelled out in the reports presented to each Government.

Until I returned to each country and assisted officials in organizing the first meetings of the programming unit heads into a coordination committee, helped prepare agenda for the meetings and laid out work programs for the programming units, etc., officials appeared to be at a loss about exactly how to proceed. My experience has convinced me that this kind of initial assistance from the one who prescribes reforms is of critical importance for institutionalizing reforms.

In conclusion, it may be worth-while to summarize briefly the five steps I found it necessary to take to make my recommendations operational. I believe they are applicable to other aspects of public administrative reform:

- A. Diagnose the planning and programming situation in each country, describing the main bottle-necks and problems. (This often involved exposing the extent to which plan formulation was largely divorced from plan implementation.)
- B. Prescribe the improvements to be made to correct the problems disclosed in the diagnosis. (This usually involved proposals for giving greater emphasis to annual planning, improved budgeting and sector programming.)
- C. Describe in detail the administrative and procedural changes required to carry out the prescribed recommendations. (In general, I proposed only minimal changes in structure and procedure required to insure reasonably effective operation of the improved planning approach recommended. I also sought to adapt my proposals to the political realities, power relationships, civil service customs and other traditions within each country, as well as
/to each

to each government's administrative capacity. This approach turned out to be more effective than the "wholistic" approach commonly advocated by public administration experts, a conclusion I come to because I encountered virtually no opposition from vested interests to the changes in planning machinery proposed.

D. Prepare a program of technical assistance required to improve overall planning (whether medium-term or annual, as required), start or advance sector programming (including the setting up of programming units in technical ministries, departments and agencies), and improve budgeting (for this, a phased program of betterment is the most practical approach. The technical assistance programs included job descriptions and listed the qualifications of the technicians required. With technical assistance authorities in the country concerned, I approached prospective national and international donors and gave support to the country requests for technical assistance by explaining the program of planning improvement and the specific part which the technicians requested of the donor would play in carrying out the program as a whole).

E. Finally, I helped start the proposed innovations in planning, sometimes by returning to the country one or two times for this purpose. (To help make my recommendations operational, I worked with officials to set up first meetings of new bodies (e.g., Inter-Ministerial Programming Coordination Committees, Budget Review Committees, Agricultural Councils); held briefing sessions with officials appointed to head programming units in technical ministries; gave talks to top officials to explain the planning process and their role in implementing plans and projects; visited every important ministry, department or agency to discuss its own planning or programming problems; met with central planning agency personal to improve their planning work; etc.).

