

D R A F T

PROPOSED PROGRAM FOR DETERMINATION OF REQUIREMENTS OF SUSTAINED NATIONAL PLANNING REQUIRED FOR ECONOMIC AND SOCIAL DEVELOPMENT

Problem

It is dramatically apparent that effective mobilization of internal and external resources for <sup>national</sup> economic and social development requires sustained planning effort at the national level. Four elements are required for this: suitable technicians, adequate data, proper institutional resources, and strong governmental support.

Most countries in Latin America have had a plethora of technical studies, many of which have been of limited value. Based upon such studies and other data countries have prepared national economic development plans but, in most cases, they are deficient even as economic plans and lack altogether a necessary social component for national development. The institutional framework necessary for continuous accumulation of data for consistent and sustained economic and social planning does not exist on an organized basis in most countries, hence, the production of plans is sporadic and variable as to quality. The need for strong government support of a national planning effort has not been clearly recognized in most countries except in limited aspects of economic development.

It is becoming increasingly clear that every underdeveloped country seeking foreign aid assistance on a continuing basis, as well as the investment of external capital in its productive enterprises and in its social and economic infrastructure, must be in a position to demonstrate its need for such aid and capital. It will be necessary to demonstrate how such aid and capital is necessary to attain defined goals in national development as well as the amount of internal resources which the country itself will devote to those ends. Available foreign aid and external capital for investment are

limited and are insufficient to cover all known requirements. Increasingly, such available resources will be devoted to countries which can demonstrate the ability to plan their development on a comprehensive national basis, establish recognizable and attainable goals to measure their development, and thus prove that the scarce resources are being devoted to productive ends on a priority basis within the context of a logical plan of development.

National development planning on an overall, comprehensive basis with definable and measurable goals projected for a period of years has not been carried out in Latin America, which has particular governmental and cultural aspects. Although, in general, the requirements of such planning are known, their application to specific countries in Latin America may require adjustments and considerations which have not been defined as yet. A start needs to be made so that the experience gained in one country of the area might be applied in others. This start should be made soon.

#### Proposal

That one country, neither the smallest nor the largest, in Latin America be selected to work out the requirements for national development planning as a pilot operation for the other countries of the area. The country selected should be one which has been well studied economically, both recently and over a long period of time. It should be a country with pressing social problems capable of being alleviated by application of national resources with outside help if necessary. It should be a country with a necessary minimum group of trained technicians and good institutions capable of training the balance required. Lastly, it should have an interested representative government with a proper institutional framework on which a continuing planning complex could be built. It is believed that Colombia has the best combination of the foregoing factors.

Specifically, Colombia has several points which weigh the balance in its favor:

1. It has an outstanding national leader personally familiar with the operation of international organizations and the Government of the United States.
2. It has urgent national pressures threatening to upset a precarious equilibrium.
3. It has a good intellectual climate.
4. ECLA is just completing a comprehensive economic study.
5. Techniques developed in Colombia would have a ready application in several countries.

The project should be in the form of an Advisory Mission to Colombia which would have, as its objective, a review of existing national plans and pertinent studies for the following purposes:

1. A determination as to what plans and projects are ready for immediate implementation.
2. A determination as to what gaps exist in information or in plans that are needed to serve as a basis for making a national plan for economic and social development.
3. Recommendations on the institutional requirements for sustained national planning necessary for economic and social development.
4. Indicated preliminary goals toward which the country should strive in the coming decade, both in social and economic fields.

The Advisory Mission should be composed of the most outstanding technicians in the world in the following fields who are available for the Mission:

1. General economics, with emphasis on economic planning and industrial development.



2. Agrarian problems with a broad comparative experience in various parts of the world.
3. Education, with emphasis on the relationship of education to a development<sup>ing</sup> society.
4. Social welfare, with emphasis on the social welfare services required by a closely-knit civilized society.
5. Urban development, with emphasis on housing and urban planning.

The Advisory Mission should be scheduled for a minimum of three months,  
should write its report while in the field and submit it directly to the Colombian Government. Following the specific report on Colombia, the Mission should consider what elements in the Colombian situation in respect of national planning requirements might be applicable to other countries and write a monograph about these for use by the sponsoring agencies.

The nature of this proposal should be discussed with the President of Colombia by a responsible official to determine if the President would be interested in requesting an Advisory Mission of this type for Colombia. Such discussion should be held soon.

#### Agency Responsibility and Cooperation

If the heads of the agencies concerned view with favor the project proposed herein, it could receive early consideration (during the Board of Governors' Meeting in Rio) by the Ad Hoc Committee of Cooperation OAS-FDB-ECLA. If the decision of the Ad Hoc Committee is favorable, there could be determination and division of responsibility on the steps necessary, including discussion of the project with the President of Colombia. Following such a determination, representatives of the agencies in the Ad Hoc Committee could meet again with those of ICA and the Ford Foundation as to their participation in the project.

3 mos.