

PITFALLS OF DEVELOPMENT STRATEGY AND PLANNING

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Since their very emergence, development strategies and planning have become an extremely controversial issue. The main pitfall of planning as a practical strategic tool, is - apart from ideological and theoretical dissensions - its feasibility in the LDCs, under prevailing conditions of their social, institutional and political set-up and their standards of human capital, a factor which in the final analysis makes every kind of strategy successful, or, unfortunately, defunct. It seems, that to avoid a new international disorder, priority must be accorded to the national order.

My own preference, in the framework of both the international and national orders, would be to focus on full employment as a strategic target, able to optimise economic growth as well as equality.

INTRODUCTORY

This will be a controversial paper on a controversial issue. But it fits, I believe, into the long-run Turkish economic thinking and policies, which around the central Atatürkian étatist concept, widely fluctuated between laissez-faire doctrines, strong interventionist policies and mixed - economy concepts. These differential strategies led to differential planning concepts and methods, ranging from central comprehensive mandatory macro-planning to western-styled private entrepreneurship within a general framework of indicative planning.

The development concept underwent many transformations since World War II, but it has preserved continuously its strong political flavour, which intermittently has interfered with the intellectual integrity of analysts, strategists and planners. Natural differences in attitudes and concepts came to the fore between the aggregates of the camps of the first, second and third worlds.

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The less developed countries (the LDCs) believe that only rapid, economic advance and industrialisation will secure their political-national liberation and independence from the former colonial imperialist overlords.

The western developed countries have become convinced that poverty and destitution of whole nations are a fertile ground for subversive activities and unrest, concealing the potential danger of further global conflicts, and therefore imaginative assistance of the fight against poverty in all its forms deserves highest priority.

The socialist and communist world expected that the anti-imperialist character of the LDCs development drive will assume anti-capitalist dimensions and that close cooperation and solidarity with the handicapped majority of mankind will add strength to the international stature of the communist bloc vis-à-vis the capitalist camp in the first instance, and perhaps, finally, help in the erosion of capitalism at large.

In all three worlds, which meanwhile split into more and diversified camps, in particular among the LDCs,⁽¹⁾ genuine desires of economic progress and greater international and national equality have played an important role. Idealistic, altruistic and missionary incentives were and still are non-negligible factors in the promotion of international development.

Development theory after World War II focused on the inadequacy of national savings, on the need of capital formation to be expected mainly from industrialisation, and on the importance of foreign capital and technical aid. But already in the second half of the 1960s, and sporadically even earlier, that theory and the resulting strategy were put into doubt and emphasis was shifted to 'balanced growth', integrated rural development and particular care for lower income brackets. The inadequate 'absorptive capacity' of the LDCs has frequently served an excuse for further cuts in the diminishing official transfers as a proportion of the GNP in the richer countries.

Accordingly, criteria of development targets, which started with the simplest concept of maximisation of per capita product,⁽²⁾ have been later combined with the notion of greater

social equality, then assumed the now widespread concept of a New International Economic Order (NIEO), and finally landed in the 1980s yet clearly defined 'better quality' of life and environment, which, in general terms, aims at a combination of improved material conditions, avoidance of their adverse effects, such as environmental pollution, and preservation of cultural heritage and plurality, thus differentiating between growth and development.

This is not yet the end of the story. One of the more, recent targets set for international development strategies, has been the 'satisfaction of basic needs'. In its original, narrower definition it implies granting food and shelter to the poorest part of humanity. The Brandt Commission stresses that 'the elimination of hunger is the most basic of human needs', followed by health and literacy. It quotes UNICEF's findings that in 1978 alone, more than 12 million children died of hunger. Undoubtedly, a comprehensive crash programme is indispensable to meet this continued challenge. This, however, will not solve the long-term structural issues, nor even the expected demand for grain imports to LDCs of 145 million tons by 1990 (and 80 m.t. for the LLDOs alone) (North - South, 1980 : 18-18, 91). In its more recent concept, 'basic needs' also embrace health, education, social facilities and living standards at large, without spelling out exactly their quantitative' meaning⁽³⁾.

Development versus Growth

Two hundred years ago, Jeremy Bentham propounded two ideas, which, after years of controversy, have made a comeback as targets and criteria of human welfare. These are the notions of: 1. The greatest good, or happiness, for the greatest possible number as an optimum target for individuals and nations; 2. The concept of pleasure and pain as 'benefit' and 'cost' of human achievement and calculable magnitudes of degrees of welfare (Bentham, 1948; Mill, 1969 : Chs. I-V; Self, 1975 : 15).

These ideas are largely reflected in the concept of development. The differentiation between growth and development is not pure semantics. The distinction follows from the very def-

inition of underdevelopment as a structural phenomenon, which reflects not only low per capita income, but poor economic performance at large and a traditional social set-up. This economic and social structure consists of primary and low-level production sectors, involving lop-sided foreign trade, poor physical, social and cultural infrastructure, primitive technology, non-industrial attitudes and behaviour (sometimes wrongly referred to as irrational behaviour), managerial incompetence, and sets of social and individual values different from those in modern societies. An irreversible change in this whole framework means development (though some may take, legitimately, exception to the assumed superiority of western socio-cultural values to traditional ones).

Growth is defined as material improvement, usually expressed in the maximisation of per capita income, or product. In fact, even when differentiating between material growth and overall human and social development, the general prevailing tendency, and not only among Marxists, has been to accord preference to economic growth as a condition of development.

The focusing on economic growth can be justified on a number of grounds: it is quantifiable; the lack of material welfare and of adequate skills is an easily discernible phenomenon; economic disparities are a major reason for internal and international tensions; low economic standards reflect and result from inefficiency, incompetence and poor social and cultural conditions, while economically most developed countries are clearly among the socially and culturally most developed countries (Cf. Hansen, 1967: X & passim.), even though many would prefer the term 'cultural difference' to 'cultural superiority'.

However, even if 'economic standards' may represent to a large degree 'social standards', the distinction between growth and development is of particular importance for the analysis of the reasons of poverty, lack of advance, the direction of causality, and the strategy and process of development.

"Development is, one might say, growth plus change" (Singer, 1975: 36). Other definitions, which see an organic link between the two concepts, find that "economic growth implies changes in social structure, a redistribution of political power,

institutional and cultural transformation, and this is a dialectical process, full of conflict" (Sunkel, 1977). Even if one accepts the labour theory of value, surplus value does not disappear in a communist or socialist state, where it is appropriated by the state ('society') instead of by the capitalist in a class society. Its use and distribution there is generating new but nevertheless real and sometimes severe conflicts.

Against the background of painful experience, it is evident that the changes referred to are full of conflicts. But also within the more restricted notion of economic growth, distortions take place following the conflicting demands of private consumption, public expenditure and investment on limited domestic **plus** foreign resources. Moreover, in the development context, a statement that growth 'implies' socio-cultural changes does not spell out the **sequence** of correlated events, namely, whether one (and which one) is a pre-requisite of the other, or whether the 'implication' is their simultaneity.

To avoid a possible clash between the two concepts, the term 'structural change' is employed. It embraces a wide range of economic and social variables, starting from the process of accumulation of physical and human capital, that would exceed the growth of labour force, **via** their allocation and the resulting structures of production and domestic and trade demands, access to advanced technology, till the demographic and income distribution processes (Cf. Chenery and Syrquin, 1975 : 9 - 10).

Since variables such as government, education, demographic changes and income distribution are among the component parts of this structural model, it satisfies to a large degree the requirements of a comprehensive development concept. The still missing links are mainly those which can be hardly quantified, although they decisively influence the quality of factors of production, labour and capital, and their respective productivity as reflected in the residual (R) in the production function ($Y = f(L, C, R)$). These largely qualitative (value) variables are - cultural and educational **levels** (as different from statistical numbers), entrepreneurship, management, development - mindedness, and even technological skills that can be only partly quantified and measured.

Though usually continuous and significant economic growth is accompanied by general development, both as a result and a cause - through lateral linkages-, the particular paradigm of most OPEC countries, rich but still underdeveloped, points to the major relevance of non-economic variables to development levels and criteria. The true development process results from the interaction of social institutions, social and individual values, behavioural norms, motivations and expectations, ability for competence and willingness for efficiency. "Development is, after all, a comprehensive process encompassing economic, social, environmental, political and institutional elements which cannot successfully be tackled except through integrated treatment." (U.N., 1975 b : 4). The definition is good. However the main difficulty consists not in defining the essence of development but in the ability to carry out the well-wishing designs and theoretical assumptions.

The confrontation of growth and development, though real by definition, is in fact perhaps less sharp than presented by single-minded attitudes and concepts. If by modern growth three major and widely accepted targets are meant, namely, real increase in per capita product, full employment, and more equal income distribution, many qualitative variables are, at least implicitly, included. In particular the growth target of employment, subject to certain conditions, should result in the maximisation of income and the optimisation of distribution, thus leading to a general enforcement of higher social and human standards⁽⁴⁾.

Diseconomies of Growth

The very differentiation between growth and development implies the danger that growth alone may generate substantial diseconomies, which may distort the expected benefits, or, in balance, even lead to net adverse effects.

Under conditions of rapid development, accompanied in most LDCs by shortage in capital resources, inflationary trends are a common phenomenon. Even where not only money printing but also net capital imports are channelled into spending and long-term investments, particularly in infrastructure, inflation is unavoidable. Three main effects come to the fore: 1. misal-

location of resources, attracted to high-profit ventures in the short run; 2. adverse impact on export prices, intermittently but hardly successfully mitigated by monetary policies, foreign exchange adjustments and devaluations; 3. distortions in income distribution, and polarisation of wealth, on the one hand, and poverty, on the other hand.

Another important by-product of rapid-growth efforts are the imbalances between requirements of modern technology, management, markets, the industrialisation process and available skills, and too slowly changing social structure, institutions, attitudes and mentality. It is another version the Marxian clash between the forces and modes of production, and the relations of production.

The notorious population issue proves to get extremely complicated in the development process. Even slightly improving living standards, health and sanitation result in a reduction of death rates before socio-cultural transformation has been able to take care of birth control. This amplifies the danger of population growth versus product growth, particularly under prevailing socio-economic systems, at least in the short and even medium run. In the longer run, development does reduce birth rates, but even then it is not a completely autonomous process. Family planning, which started quite successfully in a number of countries (China, Chile, Hong Kong, Singapore, Korea) (Cf. North-South, 1980 : 106), cannot register similar success in most LDCs. It still awaits more advanced economic and socio-cultural conditions.

Two additional issues result objectively from the process of change, namely, urbanisation and environmental effects.

The first is mainly known, as the 'push-pull' effect. It comes on the heels of the open and disguised unemployment in the village and agriculture, and the drain of the increasing population and labour force to the cities. The latter 'pull' or attract newcomers with real or frequently imaginary job opportunities, and, to a no lesser degree, with the modern, again real or imaginary, social and cultural facilities it is supposed to offer. In effect, the population of large cities has multiplied, with shantytowns often exceeding in numbers the cores of the cities, but

with housing and other living facilities falling behind those increasing numbers and needs. Still, the issue is not clear-cut, and decent research provides interesting findings in favour of the migration and urbanisation processes and their contribution to total welfare.

The environmental effects are stimulated by the inherent concept of growth, which implies the increase of secondary and tertiary sectors, at the expense of the primary sector, and generates new ecological problems. Modern transportation and communication facilities, electrification, or large-scale heavy industry necessarily change the environment, with, so far, inadequate counter-measures. The generation of nuclear power, for peaceful or military purposes, also proliferating to a growing number of LDCs, adds a completely new dimension to the possible effects of economic growth.

Energy, and modern technology at large, beginning with the steam engine (and, admittedly even earlier) presented from the early industrial revolution serious ecological problems, to the extent that it was among the issues that raised objections to modern industrialisation already 200 years ago. From rather primitive forms and effects, met by equally primitive measures, it developed into extremely sophisticated and dangerous devices, following exorbitant uses of fuels, which produced massive wastes, and the discovery of nuclear power and its military and civilian utilisation.

While a decade ago the use of nuclear energy for civilian purposes still raised objections on both economic and environmental grounds, the former kind of objections was obliterated by the dramatic surge in oil prices. The dependence of the LDCs on oil-source of energy (two-thirds of their total) is relatively higher than that of the industrial countries taken together; this, at the still comparatively low level of per capita energy consumption in the less developed countries. The sky-rocketing, four-to five-fold rise in oil prices, which in 1970 were only 25 % lower in relation to the prices of other goods as compared with 1955 (North-South, 1980 : 161-162), turned also the attention of the LDCs to alternative energy sources. Nuclear reactors started making inroads into the LDCs as well.

However, the ecological issue has remained alive and even gained in importance. With regard to the LDCs, the controversy has been enhanced by shortage of capital and high-level manpower, with employment considerations and cheap unskilled labour costs supporting the case of labour-intensive and intermediate technologies. The prevailing view is that the LDCs should economise in scarce resources, i.e. in capital, and adjust their technologies and R & D to their specific needs, with emphasis on employment opportunities⁽⁵⁾.

A U.N. study (U.N., 1976 : 16-19) intimates that the LDCs may have to "face the alternative of less pollution or faster development", but submits that though the problem is grave it is not insurmountable.

Singer (1975 : 137) doubts the availability of 'intermediate' technology. He assumes that the LDCs have no choice but to use the capital-intensive technology of the developed industrial countries even if they have to import it for quite some time to come.

The conference on human environment in 1972 admitted the possibility of a clash between environmental preservation, and industrial growth and development. The U.N. Environmental Programme (UNEP) was created to find a compromise between the two (Cf. Jackson, 1972). This approach is based on the view that environmental problems may result from economic development, but can also be an effect of poverty and underdevelopment, e.g., overgrazing, erosion, denuded forests, surface water pollution, etc. (World Bank, 1975).

The 'doomsday theory', chiefly attributed to Meadows (Meadows, et al., 1972: passim.), considers pollution as a separate important variable, menacing the future of mankind, but it abstains from analysing its comprehensive aspects; neither does it provide a clue to its measurement to render possible its inclusion in its own model.

RIO attempts to improve on Meadows' pollution variable. While it submits that 'growth versus environment' is a false dilemma, it considers its solution as dependent on priorities and wise planning. Accordingly, environment should be a dimension of development planning, within the concept of ecodevelopment (Cf. RIO, 1976 : 162).

Kahn steps in with his radical technological attitudes and a deterministic position with regard to progress. This seems to resemble conceptually the deterministic view of the doomsday theory, but while the latter projects into the future extrapolated trends with regard to population and resources and is in a certain sense static by not introducing new factors and/or their radical transformation-Kahn adopts a dynamic determinism. He says that "civilisation has made a commitment to science, technology and industry - one that might be called a "Faustian bargain"." The alternatives, to him, are either to proceed or to be damned (Kahn, et al., 1976 : 184). This is actually what Singer says in a less frightening and more plausible way. In reference to the IDCs, Kahn remarks: "In much of the Third World, the greatest pollution is poverty, and it is worth making marginal sacrifices indeed to reduce that blight rapidly and effectively" (ibid.). Many would contest the 'marginality' of sacrifices required, but the potentially cheaper and significantly more secure nuclear fusion (instead of fission) energy might avoid most of environmental dangers, and make the process cheaper and simpler, e.g., by deriving deuterium from common sea water, as suggested in one of the Glub-of-Rome studies (Laszlo, 1977 : 287-288). All this apart from other, non-nuclear devices, mainly solar energy, which, when tecnologically developed, may serve differential uses, cheaper and safer than nuclear and even oil energy.

Solow (1977 : 50) offers an economic explanation and solution of the ecological issue, stating that "excessive pollution and degradation of environment accompany industrial growth mainly due to a flaw in the price system. All sorts of 'producers' of pollution are allowed to run away without carrying the burden and paying for keeping wastes away. Of course, it will go into the price" (to be paid by producers, consumers, or society). Solow's suggestion seems to fit perfectly well into the market mechanism and economic capacity of the developed North, where, in fact, it is already partly integrated in the system. However, it may encounter, sometimes insurmountable, difficulties in the poor South.

The last word on the subject has certainly not yet been said. But one cannot disagree with Johnson, who, in his criticism of Ricardo, submits that "man's whole history has been one of

transforming (our emphasis) his environment rather than accepting its limitations" (Johnson, 1975 : 121).

The question may be asked whether development, as different from growth, is able to cancel out at least some of these and other diseconomies. Or, if they are considered as an organic and inseparable part of the 'package' deal, would it not be advisable to dispose with the whole growth idea, or at least mitigate the process and make it more selective? To some, in particular to the environmentalists, the prospects of economic and technological development and their impact on humanity look so apocalyptic, that they put in doubt the whole idea of development and industrialisation, favour extreme cuts in resources utilisation, and even submit the superiority of the traditional, natural way of life.

This is certainly a minority. Most countries, political leaders, and economic and social experts are intent on minimising the diseconomies' effects of growth by amplifying the concept of development (versus growth), with all its economic, social, institutional and individual accessories.

The 'New Order' and the Development Strategies

Changes in concepts and strategies, which originated already in the 1960s, gathered momentum in the 1970s, particularly on the heels of the oil surge. While: in the 1950s and 1960s, and still following the Pearson Report of 1969, development philosophy still concentrated on various forms of aid to the LDCs, via international institutions and governments, later on a shift occurred to a pressure for changing the overall structure of the international economic system. That period, the 1970s, also registered a relatively diminished role of official and concessional financial assistance, and a growing dependence on commercial short-term lending, resulting in exorbitant and oppressive national debts and their service, which amounted to 60 % of many LDCs exports returns, following continuously growing deficits on current accounts, which rose in the short period 1977-1980, from \$ 21 billion to an estimated \$ 60 billion deficit (North-South, 1980 : 238).

Although on the international level the North-South relations came into focus, the impact of stagnation and even deterioration in the development process has been mainly felt in the lowest category, of the poverty-stricken countries and people. A comparative investigation of the international and national orders is required, to identify the salient issues, targets and strategies.

In 1974, the New International Economic Order was proclaimed by the United Nations. A series of international meetings and conferences, North-South Tables, Clubs, research and publications have busied themselves since then with the interpretation of NIEO and of the strategies required for the achievement of tangible results and targets which the 'development decades' failed to reach.

The developing countries, encouraged by the euphoria of OPEC's success, started employing terms of countervailing power, of penalising former colonial and imperialist powers, and urged compensation for past wrongdoings and exploitation. In positive terms they proclaimed the need for collective self-reliance of the third world.

The policies which were considered conducive to this self-reliance and pressed upon the North, seemed just and partly feasible, both economically and politically, but they were not exactly an expression of self-reliance. They chiefly made the NIEO a responsibility of the industrial countries. The contribution of the South was not clear, and national level has been largely detached from the concept.

In a nutshell, the demands focused on removal of import restrictions in industrial countries, without reciprocity, safeguards against fall in commodity prices, indexation, i.e., linking those prices to the (inflationary) prices of industrial goods, and stability in LDCs export returns (Stabex). Buffer stocks, also included in the NIEO concept, were welcomed by the North, but on different grounds. While the North favoured buffer stocks to protect industrial production and employment against possible upheavals in supply and/or prices, the LDCs did it for the exactly opposite purpose, namely to secure adequate market prices and higher returns for commodities exports⁽⁶⁾.

The concept of NIEO is mainly based on the assumption, that since partial measures adopted in the past, chiefly through financial and technical assistance, have not resulted in an accelerated sustained growth and narrowing the gap between the rich and the poor countries, only a radical transition to a new order may secure the change. A greater say of the South in international economic affairs, combined with real transfer of resources, should be a kind of a shock treatment to the North and the beginning of an era of international equality.

What is, however, mainly missing from the NIEO is a clear and focal development target, which has a meaning to the masses of people involved in the struggle for survival and for decent human life. Closely related to this is the, already referred to, issue of the 'national order', the actual stage for the relevant scenarios. It can be hardly expected that any meaningful new international order and narrowing the gap between the rich and poor countries may come into effect without serious economic and social transformation on the national level. 'Poor nations' (or, sometimes strangely called 'proletarian nations') are not synonymous with poor people; Nations may be or become rich, while the decisive majority of people may remain poor or even destitute. Although frequent and sometimes hectic internal changes take place in the developing countries, there is a large degree of disregard for new national orders as a condition for a successful strategy aiming at a new international order. So far, the very setting up of a revolutionary, socialist, progressive or other regimes in many LDCs has not yet paved the way for genuine absorption of the double-target strategy aiming at accelerated growth and greater equality.

The short history of the post-1973 OPEC countries indicates a possible co-existence of growing international equality in terms of average per capita income, excluding, of course, the MSA countries, and continued, perhaps even, increasing, internal inequality. To take just one example of a developing, though non-oil, country, Brazil, in one decade only, between 1960 and 1970, registered a fall in the share of the four lower quintiles in national income from 45.83 % to 37.76 %, which amounts to a loss of 17.3 %; while the upper quintile rose from 54.37 % to 62.24 %, a gain of 14.5 % (ILR, 1975 : Table 3.5).

In 83 less developed countries, 3 percent of agricultural producers still hold some 80 percent of all arable area. The huge and increasing underemployed bureaucracy, largely incompetent and inefficient, constitutes one of the weakest elements in the development attempts. The constantly growing shantytowns, the result of demographic trends and of the 'push-pull' effect, reflect the persistent gap in urban standards of living and contains the, perhaps, greatest, though still latent menace to disrupt the social and political old order without any clear indication of the direction of change.

The income distribution show much larger gaps in the LDCs than in the rich countries. In a number of selected countries, the income proportions between upper 20 % of population and the bottom 40 %, were estimated in the middle 1970s, as follows (RIO, 1976 : 212; ILO, 1977 : 4):

U.S.A., U.K., and Canada	2 : 1
Tunisia, The Ivory Coast	5 : 1
Brazil, Mexico	6 : 1
Jamaica	7 : 1
Venezuela	8 : 1

The 'trickling down' theory of growth, which assumed a kind of an automatic infiltration of growth benefits to the poorer strata of population, was not borne out by realities. National narrow élites in the LDCs, sometimes in collusion with partners in industrial countries and in transnational, interpreted the NIEO in terms of North-South relations, and neglected, whether intentionally or not, the national level. Thus in many poorer countries destitution remained or even increased among the lower strata,

The difficult question is, of course, how to establish a new national order which would be harmonised with the new international one. To a certain degree national decision making is easier, it is largely, though not completely, endogenous. A nation is a more concrete and binding entity, even among the new, more: loosely-knit nations.

The U.N. Charter of Economic Rights and Duties of the States of 1974 implies that governments should substitute for

the Invisible hand' and intimates that governments always do the right things if well advised and inspired (U.N., 1975a; Donges, 1977: 236). Apart from the fundamental issue of government **versus** private entrepreneurship, a more practical question is how the government, which itself is a product of a 'developing' society, is going to proceed. How to start? By the government reforming itself? which government is able to do it? By a revolution? which revolution did it in a satisfactory way, in Asia, in Latin America, in Africa? By a **fiat**, by persuasion, by controls, by compulsory savings, by market mechanism, by other forms of distribution and re-distribution, by death penalty for corruption and waste?

The difficulty to answer these questions leads to the easier way out - to shift the whole burden of anxieties, frustrations and hopes to NIEO.

It is easy to formulate programmes; their **feasibility** often looks awkward. This is, for instance, what Goulet suggests: "Effective **solidarity** will need to become the operative value; **this means institutionalising the principle that the world's wealth belongs to all its inhabitants, on the basis of priority needs, not on geographical accident or on differing technological abilities to extract or exploit resources that some groups enjoy over others**" (Goulet, 1976 : 20; emphasis in original).

The chances of response to this sincere appeal are very dim. Even within the communist countries, the 'priority needs', or, in the Marxist wording, the **communist** principle of 'from everybody according to his capacity, to everybody according to his needs' is still substituted by the more modest **socialist** principle - 'from everybody according to his capacity, to everybody according to his work'. In the developing countries, even those termed 'socialist', also the socialist principle is still a dream. On the international level, OPEC's attitude to its sister - developing countries is not a very encouraging example.

And, last not least, how will the productivity of transferred resources fare, at the prevailing efficiencies gap, without adequate economic, social, technological and managerial pre-conditions?

The popular philosophy, which sees the corner-stone in NIEO as a panacea to all ills, poverty and destitution, has been proved neither empirically nor conceptually in the framework of an analysis of strategic targets and variables of economic progress.

In view of the NIEO stress of a countervailing power and one-way traffic of responsibilities, there is a danger that the in principle well conceived idea will not result in a truly internationalised, monopoly-free and monopsony-free order. It may lead instead to a new disorder of either new cartels and monopolies system, and/or tightening the already strong (not necessarily efficient) control of individual governments, in accordance with their individual, not exactly converging and harmonised interests.

The issues, mentioned, regarding the national level, lead to a lop-sided tendency, legitimate in itself but hardly helpful as a comprehensive strategy, to 'reform the rich (countries)' and to eliminate their conspicuous or extravagant consumption habits, while neglecting the need to reform the behavioural attitudes in the developing societies. This can be hardly considered a realistic development strategy. In particular, the recently emerged concept of 'zero growth' (ZEG) for the industrial bloc raises many doubts and threatens the future of both the developed economies and the LDCs, even if it suits the last of Rostow's development stages, or Keynes's vision of the developed society. With ZEG, or near-ZEG, also the LDCs must be adversely affected, even if funds released from the rich countries are redirected to the poor ones. There is a number of reasons for difficulties: the long gestation period, due to necessary investment in deficient infrastructure, skills and management; inadequate domestic markets, at least in the shorter run; shrinking foreign markets, both for primary and forthcoming industrial goods from the LDCs, due to zero growth and possible unemployment in the industrial economies. This is supported by statistical evidence showing that LDCs' exports in 1961-71 to the industrialized West increased, on an annual average, by 8.4 %, i.e. more than to the centrally planned economies (by 7.8 %), and to the LDCs (by 6.8 %). This trend of western-oriented trade grew even stronger after the oil-surge (Cf. U.N., Yearbooks of International

Trade Statistics). At ZEG in the West, this dependence of LDCs may become crucial and precarious and act like a boomerang.

Consequently, even if the strategy of focusing on LDCs welfare rather than global welfare sounds appealing, the danger of the ZEG strategy - if at all feasible - to the LDCs welfare is a real one due to the counter-welfare impact of stagnation in the North. Theoretically, this could be counter-balanced by increased effective demand in the South. Meanwhile, there is clear empirical evidence of the beneficial impact of boom, and adverse effects of recession in the industrial countries on the LDCs and their economic growth (OECD, 1975 : passim.; North-South, 1980: 41 - 42). A case in point is the repercussion of 18 million unemployed in the OECD countries by 1980 on demand and on the attitude to migrant labour from developing countries.

The Strategies and Representative Target

Many slogans have been coined regarding development strategies, which look attractive, palatable and non-controversial. "The optimal technology is the one which offers best prospects of growth, employment and income distribution" - goes one of the sayings (Balkenhol, 1977). But these model targets are not necessarily consistent with each other. In particular so as the choice of development strategies is not dictated by purely economic considerations. The possible inconsistency in a multi-target model undermines the balance equation and resulting corrective measures may defeat each of the desired targets.

There is wide disagreement on positive correlation between growth and equality. Kuznets suggests an inverted U curvilinear relationship between the two (Kuznets, 1955, 1963: passim.) Available empirical evidence for the recent decades is not encouraging with regard to the harmonious symbiosis of the two⁽⁸⁾.

The neo-utilitarian philosophy (see section Development versus Growth, above) is still on serious trial.

Three main single-target-oriented strategies can be selected :

1. Conventional high-growth-oriented;

2. Poverty-eradication-, or, basic-needs-oriented;
3. Employment-oriented.

The growth-oriented strategy involves-implicitly or explicitly-the trickling-down theory, based on rapid industrialisation, as the imperative condition of development (Cf. Leontief, 1976 : passim.), on tactically associated transfer of technology, know-how and resources, and on giving up, if lip-service is discounted, income re-distribution, at least in the shorter run.

The growth-and-industry strategy can be justified on two important grounds : a. historical experience of the presently developed economies; b. the rapid process of urbanisation in many LDCs, with millions of shanty - town - proletariat (or **lumpen**-proletariat) awaiting industrial or service-employment.

One must, however, be careful with historical lessons, with ostensible similarities and interpretations of phenomena such as urbanisation. Also with Marx and Schumpeter (1962: passim.), technology and capital accumulation were strategic variables of growth. But then, more with Schumpeter than with Marx, it was rather an endogenous process of invention, innovation and 'new combinations of production'. Also, agricultural and industrial modern growth went actually, as twins, together. No Williams-type emergency measures (Williams, 1976 : 4-7) had to be relied upon. And still, the industrial 'revolution' has been a long, two- or even three-stages process, with a long preceding pre-take-off period and it involved deep social transformation (North-South, 1980 : 173).

Attempts to improve on the industry-first model through a 'balanced growth' theory, with simultaneous agricultural and infrastructural growth introduced into the model - radically change the original concept, give rise to methodological controversies and bring us back to the issue of priorities under scarce resources and to the skepticism about maximisation of two or more functions at once.

The poverty-oriented, or, basic-needs-oriented strategy, which sounds very appealing, has already been referred to above. The satisfaction of basic needs approach underwent rather rapidly a transformation. Initially the emphasis was put on food, with

intermittent addition of shelter, to salvage lives, but very soon components considered not less vital have been appended, such as clothing, household equipment and essential services, e.g., drinking water, sanitation, health and education facilities, public transportation, etc. To achieve an optimisation of all these variables, the 'basic needs' concept **in** extenso must be, in fact, identified with the comprehensive development concept, involving growth, adequate living standards for all, and structural economic and institutional changes. Even the 'modest' target of eliminating the hunger calamity alone as the strategic aim (and not by intermittent food assistance) is interrelated with other growth variables and social and institutional reforms on the international and national levels. In this case, the growth-oriented, industrial 'trickling down' theory must be substituted by a strategy which will integrate a new international economic order with a national transformation. If, consequently, a retreat is made to the original, 'narrower' meaning of basic needs, namely, food and shelter, this will lead to foreign emergency assistance, in food mainly, and/or radical domestic re-distribution of whatever the domestic economy possesses and earns. Neither of these proves the autonomous case of the 'basic needs' approach as a development concept.

On the other hand, the poverty-centred approach (nearly identical with the 'basic needs paradigm') actually pervades all development strategies and does not lose its importance and centrality even if the catch-word 'basic needs' is criticised or deserted. "No concept of development can be accepted which continues to condemn hundreds of millions to starvation and despair." (North-South, 1980 : 50). An estimated figure of 700-800 million people, overwhelmingly rural, suffer from this extreme poverty. The issue is what are the strategies most appropriate for structural (and not temporary, for instance via food grants only) elimination of poverty.

Here we encounter the **employment-oriented** strategy, within which the salient variables can be optimised, but subject to one major target.

A concentration on this **one major target**, which seems to us focal in the context of the LDCs, namely, **employment**, may

secure optimisation of growth and equality, and avoid the pitfalls of a multi-target strategy and planning.

Unemployment and underemployment are the most destitute attributes of human life (with underemployment as the underlying cause of low efficiency), widely characteristic of most LDCs. It is difficult to give detailed statistical evidence of unemployment in the LDCs. But estimates based on available national accounts and on international investigations, refer to hundreds of millions under- and unemployed (Cf. North-South, 1980: 40-41). Both economically and humanly they have devastating effects. Various welfare measures, adopted in the LDCs, attempting to emulate those in the rich countries, are a farce under prevailing economic and socio-political conditions. There is, in fact, nowhere any economic and social substitute for employment.

To avoid pitfalls of two - or more target models, full employment, conditioned by at least constant real wages, should be a representative target for both economic growth and redistribution of income. In a dynamic society, the Ricardian or Lassallian 'iron law of wages' becomes obsolete and can be substituted by an iron law of secured and gradually increasing wages in every society, no matter to whom the 'surplus value' accrues. Increased human self-esteem and a growing feeling of participation, as 'by-products', may exceed in importance even growth itself.

Nobody should be deluded that the attainment of such a target is easier than, for instance, of a growth target. The latter can be easily achieved by windfalls, such as oil rents, or by massive sophisticated capital-intensive investments, usually involving transnationals, foreign experts, sometimes external military-political considerations. But the social target will remain an orphan, to be taken care by a flood of literature, well-wishing international bodies and conferences, market-mechanism-preachers, and, eventually, despair and bloodshed.

The employment target does not necessarily imply primitive or even intermediate technology and does not make null and void the discussion and controversies on energy and ecology. There is certain misuse of 'labour intensity' as an alternative exclusive of 'capital intensity'. Intensive modern agriculture,

with new lands, new crops and crop rotation, irrigation and fertiliser, as well as a wide spectrum of industry and modern services, including transportation, tourism, banking - offer large opportunities for employing efficiently human resources. The only qualification is that the technology adopted should serve first of all the clear targets of generation of employment.

The employment-, and the whole development- and welfare-complex are closely related to one of the most outstanding features of the LDCs in this generation, namely, 'population explosion'. Though chiefly confronted with the menacing food shortage, its implications are wider, as reflected in labour supply, **per capita** growth, strangled metropolies, or required capital resources for employment generating investments. Forecasts must be taken with great reservations and caution. For instance, some demographic projections forecast, at the prevailing rate of **2 % per annum**, an increase from the present over 4 billion people, to **6-6.5 billion** by the year **2000**, **48 billion** by **2100**, and **344 billion** by **2200**. On the other hand, the prevailing **per capita** growth of GNP, of 3.1 % per annum, would result in a rise from the present average annual **p/c** GNP of US \$ **900**, to \$ **2,000** by the year **2000**, \$ **42,000** by **2100**, and \$ **900,000** by **2200** (all in end-**1960** prices). However, even simple extrapolation of past trends clearly show that "in a sufficiently long-term perspective, the logistic or S-shaped curve is a far more likely growth than either exponential or linear projections" (Gordon, **1976**). Cyclical patterns, demographic changes as a function of socio - economic transformation, and other parameters make both the doomsday theories with traumatic prospects and the euphoric prophecies unconvincing.

Pitfalls of Development Planning

For many years development and planning were considered twins. Already during World War I, military considerations ^resulting from shortages vs. civilian and security demands, generated planning via allocation of resources and even shaping of products (e.g. dresses). The Great Depression between the two Wars, with its massive unemployment, has been largely attributed to the breakdown of capitalism, either of the laissez-faire, 'invisible hand' kind, or of the monopolistic nature. While the

West launched attempts at quasi-planning of Keynesian or New Deal character, and Soviet Russia embarked on radical central planning via 5-year plans, Atatürk's Turkey engaged in statistical planning with emphasis on industrialisation and infrastructure. After World War II, despite the revival of liberalism, hardly anybody believed that, in particular in the LDCs, serious accelerated development can be achieved without planning, in fact central planning. Neat models have been suggested, which almost everybody with a limited knowledge of statistics or mathematics seemed to be able to solve. With the spreading of the computer, even the multiplicity of variables and targets appeared not to present major difficulties.

The idea looked appealing, simple, logical, promising - and it didn't work. Not much progress was achieved even when methods were found to quantify a large number of qualitative variables, in areas such as education, culture, health, social behaviour, etc. People grew frustrated in some planned and quasi-planned societies, while, at the same time, hectically booming non-planned oil-producing countries, on the one hand, and certain solid, hard-working, both planned and unplanned economies, on the other hand, took the lion's share in international development, leaving small or even negative growth for the rest.

Is it a case of von Mises-Hayek-Friedman versus Frisch-Lange-Tinbergen? Hardly. The intellectual record and open-mindedness for the complicated working of an economy and society of the latter certainly does not lag behind those of the former. Non-planned African economies have not shown a better performance than the planned ones. On the other hand, planned China is quoted as a country which "has developed efficient small sweatshops, and inefficient large factories" (Nacrae, 1977).

The explanation is not simple. There are certain economic, social and human forces (or, weaknesses) which make the mix with either planned or free investment working better or worse, or defunct.

"A plan is many things : it is a charter; it is in some contexts a discussion document; it is also a directive. Usually it attempts to achieve multiple goals." (IDS, 1976 : 41).

This sounds convincing and leaves many doors open to let diverse quantitative magnitudes, value judgements, and even **imponderabilia**, in. Not good enough for detailed, strict and definitive planning? The alternative, drawing on experience, does not seem more attractive.

Frequently national economic planning has been presented as a rational, higher and more comprehensive stage of man's daily planning, family budget planning, or the annual public (government) budget planning. If these are legitimate and feasible, why not a development plan? The implied positive answer can be supported by a touching note in the Brandt Report: "One should not give up the hope that problems created by men can also be solved by men." (North-South, 1980 : 10). Some of the problems, however, have been created by nature. It is also difficult to conclude from experience, which ones are easier to solve - those created by man or by nature.

Coming back to comparative budgeting-planning issue, apart from the short-term character of the 'budgets' and the longer-term character of the 'planning' (which itself makes sometimes the whole difference), the comparison can be made on condition that the concept of the area of manoeuvring is introduced into the scheme. In the three first instances (man, family, public annual budget), the area of manoeuvring is very limited. The man's day-under normal conditions-is actually prescribed **ex ante**; while the family and government budgets are nearly defined in revenues (except windfalls, or, to a certain degree, inflation), and the expenses are to a great extent earmarked. An area of manoeuvring does exist, but it is rather limited as are limited even **imponderabilia**.

A development plan has admittedly a large area of manoeuvring in allocation of resources, but its dependence on the availability and quality of the resources themselves, and still more on their adequate utilisation radically restrict the ability to control the process. As already referred to above, empirical evidence proves that ingenuity, self-discipline, good management and diligence have been capital-generating and productive assets, while their absence led to capital waste and even destruction.

Ideal and feasible planning would be one which envisages and integrates all relevant: and important, quantitative and qualitative, variables discovered, and which would be put into the hands of efficient and conscientious leadership. Both conditions seem to be unrealistic. Presumably, the alternative is to conceive planning as a programme of action, flexible and responsive to new ideas or new factors, though with a clear target considered to be focal to the concept of development. Both alternative concepts of planning, generally defined as mandatory and indicative, require daring, open-minded, conscientious and competent social and economic leadership.

Leadership, Escapism and Taboos

The 'revolution of rising expectations' of the Third World has not produced charismatic and truly idealistic, or, alternatively, conscientious, competent, strong and viable leadership. If ideologues, theoreticians, or, to use the widely accepted term, 'representatives' of depressed areas and people are considered—these are mainly well-wishing western economists, social scientists and statesmen, or self-appointed official and unofficial élites of the less developed nations, or groups and individuals frequently residing outside their own countries and living comfortably in foreign universities, embassies and international institutions.

It is not surprising that, under these circumstances, the theory and strategies of change have focused mainly on a 'new international order', and, apart from paying lip-service, have created certain taboos and have tended to avoid the crucial issues of the national orders and disorders (if the frequent, bloody and socio-economically defunct revolutions and counter-revolutions of cliques, juntas and various 'élites' are discounted).

Only gradually and rather intermittently and hesitantly are more comprehensive and daring views gaining ground. Some writings of Mishan, Myrdal, Tinbergen and Galtung are cases in point. Interesting is Mahbub ul-Haq's, of the Third World camp himself, unequivocal statement: "We cannot very well ask for equality of opportunity internationally if we in the Third World deny the same equality of opportunity to our own

people." (ul-Haq, 1976: 49), This is not good enough, because the widely used, and often misused, term 'equality of opportunity' is frequently a substitution for continued inequality, under conditions of non-availability of 'opportunities'. But still it sounds better than Samir Amin's position, who despite, and maybe because of his radical Marxist approach, focuses attention on the external 'centre' rather than on the internal 'peripheral' élite. Even ul-Haq's stand misses a whole chain of economic, managerial, institutional and moral deficiencies, which counter both growth and equality in most of the LDCs.

Myrdal puts it in strong terms with regard to one particular **phenomenon** : "**Most of the newly independent countries in Africa are reported to have lapsed rapidly into a spreading pattern of corruption** (emphasis in source) with the tiny new upper-class groups of "educated" not able to withstand the temptation to exploit their power in the era of independence My demand for the taboo (our emphasis) to be broken and for comprehensive and intensive **research to be** directed at **the** reality of the soft state and corruption also in other parts of the underdeveloped world stands equally motivated." (Myrdal, 1970 : 239).

We emphasised the word **taboo**, because it excellently illustrates the widespread silent agreement to cover up or avoid unpleasant issues. (Cf. **i.a.**, UNCTAD, 1976: 1). The national order and disorder in the LDCs is one and a major example of escapism and taboos. Apart from vested interests and pressure groups, which avert attention from not only 'inconvenient' issues, such as land reform, genuine progressive taxation, etc., but, even more from demands for sharing political and economic power - also scientists frequently prefer escapism to intellectual integrity. In Myrdal's words: "There is a tendency for all knowledge, like all ingorance to deviate from truth in an opportunistic direction." (Myrdal, 1970 ; 3).

There are many historical and contemporary examples of this deviation from the truth. Linked to the 'national order' issue, referred to above, is the very essence of North-South relation in the historical perspective. Half - truths are not only misrepresenting ev'ents or processes, they are also misleading in working out strategies and policies. It is to the credit of the

Brandt Commission, that it states politely but clearly, that "focussing on questions of historical guilt will not provide answers to crucial problems of self-responsibility on which alone mutual respect can build. Self-righteousness will neither create jobs nor feed hungry mouths." (North-South, 1970 : 25).

However, the issue cannot be closed or elegantly omitted, because controversy continues, legends are taken at their face value, and misinterpreted historical events are being projected into misleading concepts and strategies.

Even those who take exception to Marx must admit that he put an end to the legend of capital accumulation and development being an exclusive result of the thrift of the rich. On the other hand, some of the proponents of the new international economic order, intentionally or not, have shifted the whole blame and responsibility for the LDCs' ('periphery's) past and present misfortunes to the shoulders of the colonialists and capitalists at the 'centre' (Marx himself preferred to accuse them of self-interest rather than of mischief), who fed the spoils from the south into their own industrial revolution.

A historical analysis of the industrialisation process in the West does prove that on the heels of the second industrial revolution, when rubber, copper, bauxite and oil were in demand, towards the end of the nineteenth and early twentieth centuries, for innovations such as electricity and electrical equipment or motor cars, (Lewis, 1977: *passim*.) Europe and the United States did use their powers to acquire the needed raw material commodities from the South, with little or no benefit to the latter. Therefore, one must take exception to contentions that "... the rich nations owe their wealth not to the poverty of the poor nations, but to generations of capital formation and the human capital of education and skills. And the poor nations aren't poor because they have been exploited by the rich ones, but because of various combinations of meager natural endowment, adverse climate, natural impediments, and inappropriate policies." (Fortune, 1976 : 115). Parts of this statement, regarding both the rich and the poor countries, are true, but it is again the generalisations and the apodictic exclusiveness of the explanation that weaken its validity.

There is a real need to put the historical account straight, no matter whether it gives rise to immediate accusations of 'siding with the villain'. It is important for the unbiased understanding of the interests of the developing countries to get rid of misconceptions, deviation from truth and taboos. If Lewis is right, as can be proved, that "the first (our emphasis) industrial revolution in the West was not (emphasis in source) dependent on raw materials from the Third World," (Lewis, 1977) then one must ask the inevitable question 'on what **was** it dependent' and whether the relevant conditions exist or can be created in present-day LDCs, the poorest of which, at least, are still in the pre-industrial state.

The answer, though it may be given in a much more complicated and elaborated way, is rather simple. It was a combination of: 1. physical resources then needed and domestically available (in any case in the North as one complex, including the United States' cotton); 2. human ingenuity, organisational capacity, steadily improving public order and administration, and (Schumpeterian) entrepreneurship; 3. cheap, exploited domestic labour⁽⁹⁾.

The contemporary LDCs possess two of the conditions mentioned :

1. domestic raw materials (physical resources - 60 % or major agricultural and mineral resources, other than oil, originate from the Third World (North-South, 1980 : 72);
2. cheap, unfortunately also exploited labour. They lack the third condition, which can be defined as the **quality** of human resources. In addition, the LDCs' attempted plunge into development occurs in a modern world, with modern technology, fierce competition, and, at the same time, an open eye on conditions of labour. Still, the major bottleneck consists in the missing link of standards of **human** resources, their individual, social and institutional quality.

True, economic newcomers need not necessarily lag behind their predecessors in growth, the already established and developed economies. The United States outdistanced in productivity, and economically at large, Great Britain after World War I; Japan and West Germany have done it to the United States

after World War II. The main reason of the gaps in productivity and competitiveness has been the spirit of industrious innovation defeating economies chained to obsolete methods and equipment. This innovation impact depends on vitality; dynamism, self-discipline, management, and hard work, i.e., on human rather than on physical capital.

The unavoidable conclusion is that with all the importance of availability of capital, physical technology and required goods, either via adequate and secure export returns or capital influx in various forms, the main strategic parameter remains the quality of domestic human resources in the widest sense—education, training, skills, government, administration, competence, economic and social participation, physical and mental ability. This can be defined as the national **order**, without which the international order is a nonsense to the masses and without which the latter has poor chances of success. Frustrations with earlier attempts at national development planning, do not justify presently prevailing escapism to the nearly exclusive international level.

Before coming to concluding remarks regarding salient issues of national development of the LDCs and the feasible strategies and targets, let us turn to a third example of escapism and taboo, the oil issue and OPEC.

Even in international forums, such as I.M.F. and I.B.R.D., which usually abstain from reprimanding sensitive and influential camps, voices have been raised against the devastating role of OPEC with regard to the least developed countries. Perhaps soon OPEC will be asked inconvenient questions by their own people. But meanwhile, OPEC still enjoys a kind of immunity, either due to outright interests of Western banks, some governments, transnationals, or due to sheer cowardness and lack of intellectual integrity, or, on the LDCs level, feelings of solidarity against the North mixed with, by propaganda supported, belief in OPEC being a source of assistance to the LDCs development, on the one hand, and a pioneering and countervailing power of the Third World at large, on the other hand.

The main adverse effect of the oil boom is reflected in the balance of payments. The average favourable balances in the oil

countries in 1967-72, were \$ 0.7 billion, p/a, in 1976 they reached \$ 41 b. and in 1977, \$ 37 b. For the same periods, the deficits of the non-oil developed countries stood at-\$ 0.7 b., -\$ 14.0 b., and-\$ 12 b., respectively. In the non-oil developing countries, the balance deficits amounted to - \$ 8.1 b., - \$ 26.0 b., and - \$ 25 b., respectively (IMF, 1977 : 13). Although not all the losses should be attributed to oil, the estimate for 1977 assesses the LDCs oil losses due to the exorbitant price surge at \$ 13 billion, while OPEC's reimbursement (assistance) stood at \$ 5 billion (Resources, 1977 : 4 ; The U.S. and the Third World, 1976 : 4 ; OECD, 1975 : 37), a net loss of \$ 8 billion (if the OPEC's assistance figure is accepted as actual disbursement, and not an allocation).

Also the political East tends to cover up the true impact of OPEC's policies and to forego the immense damage to the MSA⁽¹⁰⁾. It is therefore refreshing to find objective evaluations in some studies carried out in East European countries, e.g., the following: "In the wake of the oil - and energy crisis, the differentiation among the developing countries has been sped up: the separation of the wealthy oil-and raw material exporters ("Third World"), the nations most needing assistance ("Fourth World"), and the poorest developing countries ("Fifth World") has taken place". And then "... the aid provided by the OPEC countries (3,400 million dollars in 1974) did not cover 30 % of the loss incurred through oil price rises." (Farkas, 1976 : 114-114).

The elimination of taboos and an end to escapism are pre - conditions of a renewed serious heart searching and discussion leading to feasible and desirable international and national orders.

Concluding remarks

In the context of desirable and feasible strategies, what Williams (1976 : 4-7) calls "7 broadly agreed points of strategy" on the international level, should be considered as model variables whose compatibility with each other and with the final target will be reflected in their parameters. These, admittedly agreed, points are: 1. stabilisation of export earnings; 2. transfer of real resources; 3. special assistance to the poorest countries; 4. comprehensive food programmes; 5. transfer of managerial

skills and technology ; 6. preferential treatment for LDCs in world trade negotiations; 7. structural adjustments in production, employment and trade relationship.

All these issues, which may constitute, individually, important strategy targets (if accorded priority), or, collectively, vital instruments of a comprehensive development model, are in principle consistent with our one-target development model. Still, their feasibility under prevailing international and national conditions, and the interpretation of their exact meaning for the parties concerned require their re-consideration within the broader context of the selected strategy.

FOOTNOTES

- (1) Currently, the following sub-division of LDCs is widely accepted: 1. OPEC countries; 2. Newly industrialising countries (NIC), or developing market economies; 3. The least developed countries (LLDCs), or the poorest and stagnant economies., including the MSA, namely the 'most seriously affected' (by the surge in oil prices). The relative situation of these latter countries deteriorated to the point that whereas by 1073/4 the U.N. drew up a list of 33 MSA, it increased their number in 1975 by 9 more, i.e., to 42. If average per capita income is rejected as the only, or even chief, criterion of underdevelopment, all three categories would respond to the comprehensive definition of the LDCs. Cf. North-South (1980: 40-41), The U.S. and the Third World (1976:11).
- (2) Even this singular, apparently quantifiable and measurable magnitude, must be treated with caution for a number of reasons: 1. the poor national accounts in the LDCs; 2. the differential patterns of consumption and differential purchasing power of the accounting unit adopted for the sake of inter-temporal and international comparisons (usually the US dollar); 3. the issue of non-included imputed values, which, while existing also in the developed economies, are of relatively greater importance in the LDCs.-Cf., i.a., Hesse (1977:9-10).
- (3) Also the French concept of basic needs exceeds the notion of physical subsistence: "les coûts du statut humain de la vie ("coût de l'homme") étaient posés comme prioritaires; on les définit comme ceux qui assurent à chaque être humain la subsistance physique, l'équilibre physico-mental et la capacité de choisir son mode de vie." (Perroux, 1980 : 79).
- (4) For the discussion of employment as the representative target of development, see the text below.
- (5) Cf., i.a., Herman (1975 : 133); U.N, (1969). On the other hand, some LDCs suspect that labour-intensive and/or intermediate technology are a trap and an anti-developmental device to keep them permanently inferior. - Cf. Balkenhol (1977).
- (6) Food (mainly grain) buffer stocks are, in principle, a completely different matter, as being designed chiefly for counteracting seasonal fluctuations and the danger of starvation or excessive, and expensive food imports following crop failures. What adds particular flair to the food, chiefly grain, issue is the deep involvement of farmers' pressure groups in developed areas as well as of governments subsidising agricultural commodities prices.
- (7) Keynes did not accord much importance to rate of growth in developed countries, but rather-apart from equilibrium-to more leisure, equal distribution, social services, arts and culture. Cf. Keynes (1931).

- (8) See our discussion below in the text.
- (9) Under the impact of an impasse in development efforts and failures in many LDCs, the adopted procedure has become to analyse the empirical evidence of bottlenecks and adverse factors responsible for shortcomings, and try to integrate them in the development model (e.g. excessive population growth, illiteracy, scarce capital, etc.), as boundary conditions, or, eventually, targets to be optimised. So far, this procedure did not fare well. Perhaps a more promising line would be to analyse the causes of success (of Japan, Israel, Hong Kong, Taiwan, Singapore) and to investigate their applicability to other areas with differential endowments and conditions.
- (10) When accused of insufficient aid to the LDCs, the political East counters that its first duty is to reconstruct its own society and to help its own poor. It consequently closes ranks with OPEC in putting the whole blame and shifting responsibility to the West formally 'retired' from but practically pursuing colonial overlordship. It escapes East's attention that the West can easily, even if admitting past and present exploitation, make the same claim of 'our people first.'

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Ö Z E T

GELİŞME STRATEJİSİ VE PLANLAMANIN TUZAKLARI

Az gelişmiş ülkelerde gelişme ve planlamanın aynı anda gündeme gelmesi, II. Dünya Savaşı sonrası döneme rastlar. Daha önceleri de —1930' larda— bu iki kavramın birlikte ortaya çıkışları, Sovyet Rusya ve Kemalist Türkiye örneklerinde görülebilir.

Ortaya çıkışlarından bu yana, gelişme stratejileri ve planlama son derece tartışmalı konular olmuştur. Bu tartışmalar, niceliksel ekonometrik modellerden analitik niteliksel paradigmalara ve merkezi zorunlu planlamadan, deneme - yanılma stratejileri içeren yol gösterici planlamaya kadar çeşitli kavramlar üzerinde gelişmiştir. Model ve stratejilerin inandırıcı olmayan ampirik sonuçları da tartışmaları sertleştirmiştir. Bu tartışmalar ayrıca,

planlama amaç, deęişken ve parametre seçiminden etkilenen kaynak eşitliğindeki çarpılmalar ve niteliksel deęer parametrelerinin hesaplanmayan etkileri nedeniyle de artmıştır.

Tüm stratejiler ve planlama denemeleri gelişme kavramının odak noktası olarak tek ya da çok amaçlı modeli uygulamak durumundaydı. İlk olarak ortaya çıkan, görel olarak basit, kişi başına ürünün maksimizasyonunu içeren tek-amaçlı modelden çift-ya da çok-amaçlı modeller gelişti. Bu modeller, büyüme ile birlikte eşitlik, temel gereksinimlerin karşılanması, ekoloji, yaşam düzeyinin yükseltilmesi, dengeli büyüme ile öncelikler çelişkisi, ulusal ve evrensel refah çelişkisi gibi konularla dikkatle alıyordu. Tek-amaçlı modelin sakıncası, kaynaklar dengesinin bozulması tehlikesi idi. Çok-amaçlı model ise iki ya da daha fazla amacın aynı anda gerçekleştirilmesi, birden çok fonksiyonun aynı anda maksimize edilmesi güçlüğü ile karşı karşıyaydı.

'Stabex', Endekslleme, Tampon stoklar, kaynak transferi, R-D ve teknolojinin uygulanması ve dengeleyici güçler gibi düşünceleri içeren ve üzerinde görünüşte anlaşmaya varılmış olan Yeni Uluslararası Ekonomik Düzen kavramı bile ulusal ve uluslararası düzeyde çelişki ve anlaşmazlığa konu olmaktadır Her ne kadar çevre kirlenmesi/yoksulluğa karşı savaş ikilemi oldukça abartmalı ise de, bu konunun göz ardı edilmesi düşünülemez. İdeolojik ve teorik görüş ayrılıkları dışında, planlamanın, pratik stratejik bir araç olarak temel açmazları, az gelişmiş ülkelerin varolan toplumsal, kuramsal ve siyasal koşulları ve beşeri sermaye standartları altında bu ülkelerdeki uygulanabilirliğindedir. Beşeri sermaye faktörü, son tahlilde, her türlü stratejiyi başarıya ulaştırabilen ancak aynı biçimde tüm etkinliğini de durdurabilen bir faktördür. Görünen şudur ki, eğer yeni uluslararası düzen-sizlik önlenemezse ulusal düzene öncelik tanınmalıdır. Bu, yeniden ortaya çıkmakta olan "komşum yoksullaşm" yanlışlığını ve "uluslar zenginleşirken, insanların yoksullaşması" tehlikesini önleyebilir. Yazarın tercihi ekonomik büyümeyle birlikte eşitliğin de maksimize edilebilmesi için, gerek uluslararası, gerekse ulusal düzende, dikkatin tam istihdamın sağlanmasına yöneltilmesi gerektiğidir.