AFR

PN-AAG-901

DEVELOPMENT STUDIES PROGRAM

Development Studies Program

Case Studies in Development Assistance No. 4

Planning, Budgeting, and Management Issues in Zambia, Malawi, and Swaziland

by

Coralie Bryant
Richard Blue
Tom DeGregori

for

The Southern African Development Analysis Program
Agency for International Development
October, 1978; Revised April, 1979

This paper reflects our views and not necessarily the views of the Agency for International Development.

TABLE OF CONTENTS

Introduction

No one can begin to consider the problems involved in planning, budgeting, and management in the countries of Zambia, Malawi, and Swaziland without first considering the nature of the political economy of those states, and the region of which they are a part. Hence, when the director of the Southern African Development Analysis Project first approached the Development Studies faculty to invite our participation in one aspect of the study, we wanted our perspectives about development and underdevelopment in the region to be clearly set out.* Much of the political economy of these states is determined by their dependency on foreign countries. While this dependency is complex and multi-faceted, and varies significantly with the contextual situations of each country, it cannot be countered easily with development assistance. It can even be exacerbated with some kinds of assistance. Unless development assistance is directed towards those projects which enhance these countries' capacities to direct their own futures, it may be part of the problem rather than part of the solution. There are, however, many different needs within each of these countries and one of these central to their controlling their own futures is greater organizational and institutional capacity. Marshalling resources, and directing those resources towards the needs of their people, requires bold and effective planning and management.

*See Appendix for Statement of Policy and Strategy Assumptions.

With these issues in mind, we decided that a small directed study of the organizational capacities of some ministries within some countries might be useful. A part of this analysis would be the interaction of recurrent budgets with capital development budgets. And throughout the whole of this endeavor, we would consider the manpower needs within these countries. We were severely constrained in that we had very limited time in the countries theselves to interview officials and gather primary data. While efforts were made to gather as many documents and reports in advance as possible, our report must be read as preliminary and tentative in its findings.*

Considerations for a strategy assessment

This report takes as its starting point that an assistance posture for the United States should be both timely and strategic. By strategic we mean that such assistance contains the outlines of a desired set of circumstances over the long run, and identifies the patterns of assistance which, in collaboration with host countries and other national and international resources, would provide key resources toward the attainment of long-term development goals. We have deliberately cast our own thinking in the direction of long-term goals and strategies--rather then detailed presentations of more immediate short-term activities.

*See Appendix for discussion of the limitations of this study.

A strategy assessment should focus on these major questions:

1. What are the social, political and economic conditions as they currently prevail in each of the countries which make up the region?

2. What are the future conditions and problems which are likely to emerge over the next twenty years as a result of presently known conditions?

3. Given these conditions and possible future problems, what should be the objectives and strategies of the United States assistance program in helping to find solutions to the developmental problems identified?

A long-term strategy for these countries necessarily involves their significant improvement in their own management capacities. By this we do not mean merely that they will no longer rely upon expatriates within their own government, but rather that they will have the whole array of technical and managerial skills and competencies with which to direct their major development strategies. Human resources with which they might do these tasks are currently very limited. The relationship between administrative and management development and underdevelopment is problematical; skilled managers are necessary but not sufficient to counter underdevelopment. Yet, ineffective management surely does increase underdevelopment. This issue will be discussed at length below.*

*See specifically Figures I, II, and III below, pp. 51-53.

Background to Countries Visited

There is a wealth of information concerning the social, economic, and political conditions in each of the countries visited.* Our intent here is not to deal with that voluminous material in detail; rather we will make some general observations about the context of country settings which conditioned the problems we had assigned ourselves to study.

Zambia

The prevailing feature of the Zambian economy in 1978 was its foreign exchange crisis. The crisis was triggered by declining copper prices and the rapidly escalating prices of capital imports and consumer goods. In addition, because of previously high copper prices and relatively stable import costs, the Zambian economy had been in a position to fund a rapid expansion of monetized public and private sector investments which had a long payoff horizon. The Zambian political decision to close the border with Zimbabwe also imposed a heavy economic burden on Zambia, especially with regard to the dependency on the Tazara railway. Events in Angola and Zaire made the western railway access equally problematical. Even at low copper prices, inefficiencies in the Tazara railway and at the Port of Dar-es-Salaam made Zambia's transport problems a nightmare.

These larger international trade and political factors combined to put the Zambian economy under severe pressure, ultimately leading to a very stringent IMF agreement which required a sharp reduction in

*A bibliography of the material consulted is appended.

current expenditures, and increase in Zambian attention to diversifying its economic base, particularly in regard to improving agricultural productivity to reduce a large food import bill.

This anti-inflationary policy was very difficult to implement politically, in part because of the rather special structural conditions of the Zambian economy and society. Briefly, the Zambian economy is one of economic dualism, with a fairly large and well organized urban industrial work force--combined with a bureaucratic class, also urban and relatively affluent, which had become used to a high level of consumer goods and cheap subsidized food. The balance of population with the exception of a relatively few large farms, is engaged in traditional agriculture which, because of governmental neglect, low incentives, and a high rural outmigration rate, was unproductive. With the closing of the border with Zimbabwe and with stringent anti-inflationary policies, the supply of consumer goods declined and their price increased.* Wage incomes in the private and public sectors declined relative to living costs, and with falling copper prices and continuing management problems in the public sector, capital investments fell off, productivity declined, and employment opportunities dried up. Low agricultural productivity and rising food prices put an additional heavy burden on urban working and service classes.

The effect of these factors was, and continues to be, to create a very tenuous political situation for the present Zambian leadership.

*This report was written before Zambia decided to reopen its border with Rhodesia.

Urban discontent is high, signs of social disorganization such as crime and alcoholism are increasing and political options are becoming polarized. The lack of both political and economic investment in the rural population in the past means that this large sector of the population cannot be easily mobilized as a basis of moderate political support.

With economic crises and potential political instability, Zambia faces a very difficult short-term future. Even as the Zimbabwe border is opened, the problem of low copper prices will persist. The long-run future of Zambia will probably rest in a diversified economy with much more attention paid to agriculture, combined with a political settlement in Namibia and Zimbabwe which will reduce some of the political and economic costs of being a "front line" state. In addition, the resolution of Zimbabwe and Namibia issues favorable to an acceptable black majority rule solution will shift the debate in Zambia away from foreign policy and ideological issues--reducing some of the present polarization and freeing up political energy to concentrate more effectively on developmental goals and strategies. Thus, while much can be done to assist Zambia in overcoming its short-term financial crises--long-term economic health will be dependent on solutions to problems only marginally within the control of Zambia.

Malawi

The Malawi economy reflects a pattern of growth which, while not a model of growth with equity, seems to be benefiting from a diversified growth strategy. Malawi's pattern of development reflects an early effort to timulate agricultural productivity, combined with transport infrastructure and investment in export oriented cash crops and industry. This strategy appears to be paying off, although Malawi remains poor.

Politically, the Malawian situation appears stable, and recent events have indicated some liberalization of the political process, although the country remains very much under the firm leadership of Dr. Banda. What is most impressive about Malawi's approach to development is the sense that development objectives are taken seriously, and that foreign policy choices have been made in the light of those objectives. In addition, one gets a strong sense of pragmatism with regard to development activities. Idealistic but unenforceable codes of public behavior are not promulgated. Public managers are permitted and encouraged to invest in the private sector. In general, one gets the impression of a country which is making real progress in controlling its own destiny.

<u>Swaziland</u>

From one perspective the Swaziland economy is the most impressive of the three we visited. Its performance in growth terms is excellent. Its currency is stable and there is no balance of payments problem. Much of this is a function of the country's relationship with the Republic of South Africa.

Yet there is a sense of unease about the Swaziland situation which is troubling. This unease stems from the very dependence of Swaziland on the Republic--and a consequent concern for the long range capacity of the Government to achieve a more self-reliant position and greater control over their economy. Swaziland's current prosperity very much depends on expatriate management, foreign capital and ownership. Little has been done to develop indigenous resources and to create programs which would broaden the distribution of benefits. Economic planning is very weak, and the civil bureaucracy demoralized by the absence of legal framework for governance. This malaise is compounded by the unusual situation of cultural and political dualism. While Swaziland's present economic situation is favorable, its long-term prospects for independent growth are quite limited--and could possibly be upset by an erosion of the present policy of the Republic of South Africa. Paradoxically, Swaziland benefits from the present political instability of the region--while Zambia pays a significant price--the question for the future of Swaziland may well be--what price majority rule in Southern Africa?

II. REGIONAL PLANNING

Institutional and Management Capacities

The following discussion will describe and analyze any major management bottlenecks in the planning processes in the three countries. There are very different management problems in each of the three countries, and in many respects, the planning and implementation problems are rooted in manpower problems. A brief analysis of the planning processes in each country is necessary, however, before one can turn to the manpower and management issues implicit in that process.

Planning in Zambia

The major planning problems in Zambia revolve around the 1978 IMF Standby Agreements necessitated by the export and recurrent budget crises of the past several years. The falling price of copper on world markets since 1975, concommitantly with the inability of Zambia to achieve significant enough agricultural productivity, and the closure of the border with Rhodesia, have resulted in a serious economic and financial crisis. It was the cumulative impact of these developments that resulted in the application of Zambia to the IMF for foreign financing.

The Third National Development Plan was still under preparation at the time of our visit, having been delayed to allow for a thorough re-appraisal of the draft plan. The paper circulated for the Consultative Group Meeting in June 1978, however, lays out the approach to the TNDP which will include a declining gross incremental capital output ratio, an increased rate of domestic savings and a budget stabilization fund intended to insulate the Government's development program from fluctuations in copper prices. Generally, the plan will represent a significant shift away from Zambia's earlier strategies to an emphasis on small and medium scale farmer's productivity.

The planning is done by the National Commission for Development Planning which was recently moved from the office of the Prime Minister to independent status. The Commission has, however, been repeatedly moved. It was once within the Ministry of Finance, and once a Ministry of Development Planning, and once a division with a Ministry of Planning. The search for organizational arrangements is symptomatic of uncertainty about support or function. While responsible for all coordination of all planning levels and arenas -- national, regional, and sectoral -- it is a small group with limited staff facilities and support.

The manpower limitations of the Planning Commission have had direct consequences for the design as well as implementation of the three national development plans. One student of planning processes in Zambia wrote of the Second National Development Plan that the SNDP had as a structural prerequisite "administrative capacity of the kind required by the strategy of balanced growth which hardly existed in Zambia then and cannot even be said to exist today..."*

The Planning Commission is also responsible for coordination between the ministries on all development projects. Communication flows both within ministries and between ministries and the National Commission, however, appear to be very weak. The Ministry of Finance administers the recurrent budget, while the National Commission administers the capital budget. The National Commission can veto a project proposed by a Ministry if it perceives that the recurrent budget implications are too costly. Disputed cases are resolved by the Cabinet. The Budget Office in the Ministry of Finance advises the National Commission on availability of recurrent financing of project.

*IBRD, Report No. 1586b-ZA Zambia: A Basic Economic Report, Oct. 3, 1977.

Much of the power within Zambia resides within the large parastatal organizations. The Planning Commission can not achieve the command over data and information in order to control the crucial variables of development. Many of the crucial decisions about growth and investment in Zambia are made within the parastatal sector. The World Bank Study of this sector repeatedly cited the serious need for increased management capacity in order to exert control over these parastatals and bring them into accord with government objectives.*

In the current crisis, the IMF Stand-By Agreement has imposed a very stringent recurrent budget which has had far-reaching implications for all multilateral and bilateral development assistance. Both counterpart financing and counterpart personnel are very nearly impossible to identify. It is likely that while coordination and communication among ministries is more important than ever, it will also be more difficult to achieve as the Ministries become more deeply involved in the scramble over increasingly scarce resources such as trained manpower. At every level of government, the serious shortage of trained managers with administrative and technical skills is crippling efforts to cope with the deepening economic crisis. For example, while every observer points to the prime need for rural development in Zambia, even the World Bank, which tends not to focus on administrative needs within a country, has said:

*IBRD Annex 2: The Parastatal Sector.

"To improve the planning and executing of rural development projects, the Government must initiate a program to improve manpower in the Ministry of Rural Development. The lack of skilled manpower is a general problem in Zambia but is particularly acute in this Ministry. The Ministry lacks personnel to prepare, appraise and implement projects...technical staff urgently need retraining..."*

There have always been fairly serious quarrels among the Zambian administrators between what might be called, for lack of a better term, the technocrats versus the ideologues. The technocrats are often those trained in classical economics who are preoccupied with that which might be done using any kind of incentive structure to generate growth, versus idealogues, often UNIP party people, concerned with the further exposition of humanism as a UNIP party doctrine. An example of one area within which one hears this quarrel has to do with price subsidies for urban foodstuffs. Ideologues would argue that subsidies are essential in order to avoid exploitation of the urban poor. The technocrats would counter that with inadequate prices, rural agricultural productivity is not encouraged and the agricultural crisis is deepened. As with any dichotomy, over-drawing the dichotomy diminishes its explanatory power, but it is fair to say that within the administrative structure, there have been continuing dialogue and tension between the technocrat and the

*IBRD, Report No. 1586 b-ZA Zambia: A Basic Economic Report, Oct. 3, 1977.

UNIP party people. As long as there was any surplus within the Zambian system, or any liquidity and growth, there was room for compromise between these two groups. With the increased scarcity and economic problems, the tension between the two groups has also deepened.

While there seem to be some indications from Freedom House that President Kaunda is as strong as ever, it is also apparent that there is more reliance upon the military, especially the urban centers. The winter of 1978 was very bad -- the crops were hit by cumulative impact of rains that came too early and cold weather that set in with greater ferocity than usual. As a result, the food shortages the following fall were very real. One might anticipate a very strained and tense time in Zambian administrative, as well as political development in the near future.

Manpower Planning and Training

Every study, and everyone interviewed, cites manpower shortages as one of the leading constraints in Zambia's development. Yet very little is being done in the way of manpower planning and little attention focused on the kinds and nature of training which might alleviate the shortage. No one, for example, in the National Commission on Planning is tracking manpower use and future needs. Yet manpower planning is desperately needed.

The one major serious effort taken to date in this area was the managerial manpower and training needs survey undertaken by the Management Development and Advisory Service working under the broad policy direction of the Office of the Prime Minister. The survey, directed by Robert Abramson, covered, however, only the private and parastatal sectors. A comparable survey of the civil service and its needs has not been undertaken. Nevertheless, the data from the private and parastatal sector, so central to much of the administrative structure of Zambia, is illuminating. Some 601 organizations completed and returned the survey representing a hundred percent of the 113 parastatals and a high percentage of the private companies. Thirty-four percent of all the managers in all the companies surveyed were expatriate -- a figure which is higher for the mines (67 percent). The need for far more in-country training is further illustrated by the finding that 38 percent of the Zambians presently in management/supervisory posts in the companies surveyed are viewed by their own management as not yet qualified for the posts they occupy. By and large the companies identified in-company or on the job training as a priority. Very few of them, on the other hand, have management development policies, plans, or training programs in operation. The serious shortage of staff at the institutions which do exist in Zambia for this purpose proscribes their potential contribution to training. They cannot meet even a fraction of the existing need without outside resources. One such institution which the report singled out for increased government support was the Mendolo Ecumenical Foundation.

Short-term courses in experiential problem solving geared towards middle management needs are very much required if Zambia is to cope with the kinds of problems that it has ahead, irrespective of whether they decide to move towards greater centralization or decentralization in their planning. These courses could be developed at Mendolo or even at the University of Zambia. The Department of Political and Administrative Studies at the University is currently endeavoring to begin a new degree program -- an MPA program -- as soon as possible. This important step should be encouraged.

One of the other problems highlighted by the Report was the lack of technical competence of many Zambian managers and the lack of management competence among many technical trained supervisors. Technically trained people are often promoted before they have had the necessary experience to be considered a professional in their field. Further, it is significant that only 5 percent of employees in the private and parastatal sector are women. As a potential source of trained manpower, women are being overlooked, undertrained and underemployed. They apparently are not considered as a part of the solution to the management crisis in Zambia. The ILO came to this same conclusion in their study.

Other policy divisions have further abetted the manpower shortage. For example, the <u>Leadership Code</u> while intending only to avoid conflict of interest has had the effect of encouraging entrepreneurial talent to move out of needed administrative positions to the private sector and hence only deepens the shortage of talent available for planning and implementing development.

Planning in Malawi

Planning in Malawi is quite a contrast to that process in Zambia. The nature of control and direction within the ministries is much more established. There appears to be greater coordination between the relevant ministries involved in the planning exercise and a very sophisticated awareness of the relationship between recurrent and development budgets. It appears that the few skilled managers and economists that the Malawians have are strategically deployed in order to guide and monitor the planning process. In Malawi there is no tension between technocrats and ideologues for technocracy is the ideology.

The planning is undertaken in the Economic Planning Division in the Office of the President. The plan is not a plan in that it does not include a macro analysis of the economy but rather is a Statement of Development Policies listing projects of various sectors, and their goals and objectives. The process begins within the Ministries which prepare project submissions which are sent in the first instance to the Development Department. The Development Department compiles the projects and undertakes preliminary analyses and routes them on up to the Economic Planning Division. The Economic Planning Division looks at the project functions and does evaluation and appraisal, including an analysis of the recurrent cost implications of capital development projects. This Division also monitors overall performance of the economy, trade relations and changes in productivity in the various sectors. The Malawian strategy from the outset has been to encourage estate production using external finance and then, in turn, to use the income from that increased productivity to encourage small-holder agricultural schemes.

Manpower Planning and Training

Malawi is as short of middle level managers as the other countries surveyed. The major difference in Malawi is that the few skilled people available are in key positions. Nevertheless the Malawians are in real need of many more administrators with more highly developed problem-solving skills.

There has been some rudimentary manpower planning within Malawi; it is a component to which they intend to pay more attention in the future. As yet, however, the Department of Establishments and Training has no concerted program for in-country, short-term training. Nor do they have the staff available to begin to mount such a program.

The last Malawian manpower survey was completed in 1971. That survey, based on a mail questionnaire, covered both the private and public sectors. The survey focused on high and intermediate level manpower and was to provide guidelines for educational planning to meet future demands of the labor market.

The localization policy at that time was seen in relation to the economic development strategy. As the report said, "It must be emphasized here again that an over-rapid rate of localization can be expensive in terms of its adverse effects on economic expansion...it can significantly reduce the flow of private foreign investment so crucial to Malawi at this stage of her development".* The manpower survey itself was

*Malawi Government, Manpower Survey 1971: Results of the Survey and Analysis of Requirements 1971-1980. Government Press, Zambia (p. 18).

somewhat more analytically sophisticated than others in similar developing countries; it recognized that the manpower mix would need to change over the decade given differential rates of growth in various sectors. It was estimated that total demand for high and intermediate level manpower, however, would rise at just over 1-1/2 times the rate of growth in total GDP during the first part of the decade and double the rate of growth in the second part. Since Malawi has experienced a very rapid growth rate in comparision with other countries, the demand for high and intermediate manpower, has kept up with these expectations. It can be concluded that the manpower shortage now acts as a brake on Malawian development. The Department of Establishments and Training does have in hand a proposal for an Institute of Public Administration so that they might undertake far more in-country training. It may well be that that kind of project could be strengthened and reinforced in order to have more input into Malawian management in the future.

Planning in Swaziland

The institutional apparatus for planning in Swaziland was changed in June 1978, when the Department of Economic Planning was moved from the Ministry of Finance to the Office of the Prime Minister. The re-organization was intended to bring home the need for a fresh effort at planning and more independence from the conservative influence of the Ministry of Finance. The Department is to have a coordinating role and to bring ministries into compliance with the Third National Development Plan.* Agricultural development is to be a major priority in the TNDP

*The Third National Development Plan had not been published when this monograph was written. Projected date for publication is September, 1980.

but most officials admit that to date projects have been approved which bore little relationship to this objective. The most obvious example is the recently purchased Royal Swazi Airline. That decision was clearly a political one and taken in disregard of other projects or even programs which were pending.

Swaziland institutional and planning problems are of a different order because of the much more extensive traditional political system which operates in parallel with the civil administrative system. The traditional hierarchy headed by the King has added strength given the growth in the financial resources it controls. The problems with the civil ministries are the discipline and control problems that flow from this parallel structure. For example, one hears frequently the plaintive complaint of the permanent secretaries of the ministries that a clear line of control is impossible to maintain when those in line can appeal from without the ministry up to the Swazi National Council, and hence to the King, and even be overruled on decisions made within the ministry. The Swazi traditional system is more complex, more articulated, and more involved in financial investment decisions given the two traditional funds than one finds in other parts of Africa.

There is also the ambivalent feeling among many Swazis of their "development trap"; as Swaziland grows, as it has, and the Swazi middle class increases, the dependency of that class on South Africa also deepens. Swaziland is heavily dependent upon revenue from the customs union which comes from its exports; its middle class is employed in export generating activities. Exports flow through South Africa, and fifty percent of but most officials admit that to date projects have been approved which bore little relationship to this objective. The most obvious example is the recently purchased Royal Swazi Airline. That decision was clearly a political one and taken in disregard of other projects or even programs which were pending.

Swaziland institutional and planning problems are of a different order because of the much more extensive traditional political system which operates in parallel with the civil administrative system. The traditional hierarchy headed by the King has added strength given the growth in the financial resources it controls. The problems with the civil ministries are the discipline and control problems that flow from this parallel structure. For example, one hears frequently the plaintive complaint of the permanent secretaries of the ministries that a clear line of control is impossible to maintain when those in line can appeal from without the ministry up to the Swazi National Council, and hence to the King, and even be overruled on decisions made within the ministry. The Swazi traditional system is more complex, more articulated, and more involved in financial investment decisions given the two traditional funds than one finds in other parts of Africa.

There is also the ambivalent feeling among many Swazis of their "development trap"; as Swaziland grows, as it has, and the Swazi middle class increases, the dependency of that class on South Africa also deepens. Swaziland is heavily dependent upon revenue from the customs union which comes from its exports; its middle class is employed in export generating activities. Exports flow through South Africa, and fifty percent of government revenues come from the Southern African customs union.

One of the problems in Swaziland is that the preoccupation with an industry-lead, export-lead development model has truncated any thinking about the equity or redistributive questions with which AID is concerned. Few civil servants have given much consideration to the issues of equity or the distribution of the benefits of growth. Nor is there much data generated which raises this issue. The ILO Study on Reducing Dependency in Swaziland has not been widely circulated or read among those administrators for whom it is most salient.

To understand the Swazi administrative and institutional problems, a political anthropological approach to administrative behavior is necessary. Not only is there tension between traditionalism and modernization in the Swazi civil service, but tension between degrees of public orientation versus self-aggrandizing behavior. The following typology suggests itself:

Public-oriented Traditionalist	Public-oriented Modernizer
Self-oriented Traditionalist	Self-oriented Modernizer

The working of the tibiyo and kibuyo funds and the rate of private foreign investment and growth in Swaziland has encouraged a coalition built on coalescing interests between self-oriented traditionalists and self-oriented modernizers. The coalition has closed out much discussion about alternative models of development as opposed to modernization -- the ready adoption of Western lifestyles without a concern for equity and social values. This coalition is abetted by the insularity of Swazi politics from the development debates which have gone on in other parts of Africa. Later, as we consider the political role for an expanded research facility in Swaziland, we will return to that point. A research capacity could begin the data formation essential for such a discussion to begin.

Within the traditional Swazi system, power flows to, from and around the person of the King, Sobhuza II. The King has been preoccupied since independence with the acquisition of Swazi Nation land, buying it back from the expatriates to whom it had been alienated under his predecessor. The two traditional Funds grew out of an earlier fund and have as part of their sources of revenue, the Havelock Mine, mineral production, the Royal Swazi Hotel and Spa, as well as other mainline commercial investments. The point of the Funds was to have a pattern of commercial investments which would give resources to the King, which he then would use for the benefit of the Swazis. Some of these commercial investments have fared well, and some ill, and the relationship between the funds and the regular civil recurrent budget and development is problematical. A not uncommon problem within some ministries is that an undertaking financed initially by the traditional funds may not fare well and then pressure comes for it to be taken over by the relevant ministry which resents having to assume responsibility for projects not planned for adequately within the traditional system.

While the two systems -- traditional and modern -- are in parallel, there are points of intersection, and sometimes they intersect in ways that undermine authority, causing greater problems within the modern civil sphere. Conversely, it should be recognized that the traditionalists feel themselves to be the last bulwark in a situation of very real dominance from South Africa; that part of identity comes from enriching and enhancing that which it means to be Swazi. There seems, on the other hand, little awareness that with an industry, and export-led development model, the dependence on South Africa is increased and the leverage to choose an alternative route later may gradually be eroded. The planners within the traditional system are thinking along 1950 style development lines -- growth will trickle down -- and that growth alone was a good part of the answer. That was their strategy; it was not a redistributive strategy.

This particular traditional system has some values which are recombinable with some modern management approaches. The problem is the ambivalence about the traditional system and the modern system mean that sometimes even that which is useful in the traditional system is not used. A prime example of a recombinable value is consensus decision-making. Consensus decision-making is part of the traditional system. One reason for the great length of time and time lags in traditional planning is that everything is talked through at such length. The constitution which was abandoned in 1973 has been under review, consultation, rewriting, and redrafting continuously for the past five years. Many from the West are curious at the length of time it has taken, but a consensus decision-making process, talking through all aspects of dissent, is part of the reason for the delay. Yet without more clarity about the constitutional situation, management can lose its footing.

Manpower Planning and Training

The last manpower survey in Swaziland was completed in 1976. It unfortunately has not been used as the basis for manpower planning and as an incentive for undertaking new initiatives in manpower training. Little is done in the way of manpower training except for some use of the IDM courses and a few courses at the nearly defunct Institute of Public Administration. Yet, manpower, especially skilled middle level management manpower, is one of the most pressing constraints on Swaziland's development. None of the courses at the Staff Training Center are focused on experimental problem solving. The University is placing all of its graduates but it is not undertaking management training. The regional problems of the Institute of Development Management have handicapped the potential of that program to meet the manpower shortage. Hence the shortage continues, crippling the administrative capacity of the country and adding to the already acute dependence on expatriates in operational as well as advisory roles in ministries.

III. RECURRENT BUDGETS AND CAPITAL BUDGETS

One of the purposes of planning is to understand and control the interrelationship between current actions and future commitments. In any economy, decisions made today change the scope and range of decision-making possibilities tomorrow and on into the future. In the process of budgeting, capital expenditures are rarely, if ever, a once and for all action, though they are frequently treated in that manner. Building a school or hospital on the capital budget, if it is to be effective, will require an indefinite claim on the recurrent budget for teachers or doctors, supplies, building maintenance, etc.

A central focus of our original scope of work was to study this relationship between capital and recurrent budgets. Our endeavor in this regard can best be described in terms of the type of questions that we asked. What mechanisms exist so that the recurrent budgeting implications of capital development projects can be evaluated and included in a project proposal? Within the political process, if there is a conflict between a development planning agency that wishes to create a program or structure and an agency of ministry that would have to operate it, which agency tends to predominate in the final decision? How effective are your costing procedures for projects? Are you willing to refuse desirable donor assistance for project creation if the recurrent sustaining costs are a potential threat to future budgetary stability? Are there any contingency plans on which capital or recurrent expenditures should be most readily cut back in times of financial stringency?

These questions are fundamental to economic development. International and national banks and monetary authorities ask them as increasingly as aid dispensing agencies. Development and finance ministries are becoming increasingly aware of them, even if they have been lax in this regard in the past. And, of course, in times of financial crisis and forced retrenchment, these questions come to the forefront. It is important to recognize this because sometimes they are too narrowly conceived and we would not wish this report, even in a small way, to overstress the significance of recurrent benefits. It is true that in some development projects, such as primary education, the benefits are so long-term (and even then it is nearly impossible to calculate their favorable budgetary impact) that for short-term budgeting purposes they must be considered as non-existent. However, it is also the case that some capital expenditures can generate fairly rapid short-term as well as long-term benefits and not to include these potential benefits would distort the planning and budgetary processes. Development economists have always looked for those proverbial bottlenecks in the economy where a modest expenditure can generate substantial economic advancement. To say that these are frequently will-o'-the-wisps is not to deny, however, that bottlenecks do occasionally exist. They are more likely to exist in an economy in a crisis where there is a lack of ability to fund most any project than in an economy that has discretionary funding available. In our section on technological training (below), we will in fact attempt to distinguish between forms of training that have the potential for immediate benefit and those whose primary justification is for development over the long-term with only indirect favorable budgetary consequences.

Too narrow a view of capital and recurrent costs can have other adverse consequences. Capital budgets are frequently the first to suffer in financial stringency. In essence, then, a downturn in the economy is met by actions that do little to alleviate the conditions (other than vulnerability to international price fluctuations or political instability in neighboring countries) that brought on the difficulties. Most developing countries cannot afford to mark time in their economic development. The highest priority project or expenditure in expansion may not be the most critical for retention or contraction. Priorities change with economic conditions, though the political determinants of them may not. Contingency planning for periods of economic crisis is more than merely a cliche. For it is in the non-crisis periods that appropriate policies for contraction can best be conceived with a minimum of external influences. Intellectual guidelines of prior planning can greatly assist decisionmaking in crisis even though political influences will undoubtedly alter the final outcome.

Zambia

Zambia is almost a classic case of the difficulties that can emerge because of a failure to monitor carefully the growth of recurrent budgetary commitments. It was also the one country of the three where we received the least satisfactory answers to our questions. In one interview the question was asked whether at the cabinet level, if a conflict arose between advocacy of a capital proposal and opposition based upon recurrent costs, who would win? The answer given was that the development project would normally win. In other ministries we were told that the Zambian government does take recurrent costs into consideration in assessing capital projects. The mechanisms for coordination between ministries on budgeting, or the methods used for building recurrent costs were not made clear to us. Nor was there even any mention made of assessing recurrent benefits.

The discipline that the Zambian government has lacked in the past is now being imposed upon it by the IMF accord. Historically, such agreements, when carried out, have been reasonably successful (in some cases spectacularly so) in restraining inflation and solving balance of payments difficulties. Frequently, such measures have also been associated with rising unemployment, falling, or even negative rates of economic growth and political instability. Our stay was not long enough to pursue this point in detail, out it did appear that outside of government, there was considerable resentment over the nature of the IMF agreement. In the Zambian case, however, some of the historically more undesirable outcomes of IMF promoted policies may be avoided. In other areas, such as Latin America, IMF advocacy of wage restraint and removal of food subsidies have tended to hurt those in the country who could least afford it and had the impact of shifting real income distribution upward. In Zambia, it would be difficult to argue that the urban working class, particularly in mining, are the underprivileged members of that society. If properly carried out, the accords would shift effort towards increasing agricultural output, expanding the income of the rural poor and alleviating some of the balance of payments pressures from the high rates of food imports. The centrality of mining in the urban economy would likely mean that levels of urban employment would be more closely related to the physical ability to get mineral exports out of Africa than to any monetary policy of the government.

The very severity of the cutbacks in the Zambian economy brought about by the war related disruptions in its external transportation outlets, by the fall in the price of copper, and by errors in economic policies, has created more obvious areas where economic bottlenecks exist. The past record of economic performance in Zambia also raises greater doubts as to whether external existence, even if directly focused on these areas, would, in fact, receive the kind of internal implementation needed to be effective.

Transportation (being considered in detail in another SADAP study), is a cogent example of an economic bottleneck. When large numbers of locomotives and diesel trucks are not operating, and when railroad cars are being used as warehouses, then capital shortage is not entirely (if it were a part) the cause of the physical difficulties in export. (Some of our recommendations for training in the section below relate directly to this problem.) Because Zambia is landlocked and surrounded on many sides by areas experiencing political disruptions and military encounters, it is politically and economically important that they maintain multiple routes for exports and imports. However, the selection of the modes of transportation impinge directly on the issue of capital and recurrent costs. For example, the rail line from Nacalla, Mozambique through Malawi is scheduled to be completed to the Zambian border in a year or so. There is talk in Zambia of extending to Chipati, where imports and exports could be off-loaded rather than creating special facilities and a new population center at the border. This idea is clearly a simple proposal both economically and politically. There was also talk, however, of building the rail line on into Lusaka. In the short run this might be justified, or it might not, depending upon the finding of the SADAP transportation team. But railroads take time to build and political situations change.

While we were in Southern Africa, agreements were reached that gave some hope that the line through Zaire and Angola might be reopened. The conflict in Zambabwe might be resolved in a manner satisfactory to Zambia. Difficulties on the Tazara might be overcome before a rail line was completed. Even with generous capital assistance from as yet unidentified donors, to build a rail line would place long-term burdens on the recurrent budget. Further, a larger portion of railway maintenance is not as directly related to use as are highway maintenance costs.

Over-development of railway transit systems would also add recurrent costs and more favorable circumstances would reduce net revenues from the system. The road from Chipati to Lusaka exists and even if it had to be improved, would cost far less than a rail line. Further, roads tend to be a stimulus to small scale enterprises and local agriculture and commercial development. Consequently, while one recognizes the Zambian government's legitimate concern to have available multiple outlets to the sea, it was also disturbing to have, in the same session in which we discussed capital and recurrent budgets, casual discussion of desired (or possibily even "planned") high capital and recurrent cost railroad construction projects.

Malawi

Our stay in each of the three countries was all too brief and Malawi was the shortest of all; yet in that brief moment, it was difficult not to be impressed with the efficiency and determination of the Malawi government. Apart from any visit, the factual evidence that was accumulated on rate of economic growth in Malawi since independence supports these impressions. There also was a consensus among those working on development in Southern Africa, that the Malawians were effective in the mobilization and utilization of their own resources and were judicious both in accepting and using external donor assistance. We were told categorically (outside of Malawi) that Malawi has turned down donor projects because the projected recurrent costs were too high. The Malawians seemed to have a clearer concept of the relationship between capital and recurrent costs and were in the process of developing more sophisticated techniques for assessing the recurrent implications of capital projects. In this issue, they are moving in the right direction, seem to need no further stimulus and it would take a far more detailed study than ours to indicate whether they even could use some technical assistance (in the scale of a couple of economists) in refining their techniques.

In a way it is a tribute to the effectiveness of Malawi's planning that there were no obvious bottlenecks in the economy. Therefore, there are no obvious projects with a potential for spectacular results. However, in projects that Malawi and U.S. AID were willing to enter, there does seem to be a high probability that anticipated results will be realized, or at least approximated. We must at this juncture note one element that helped to bias the team favorably toward Malawi. Often developing countries lack a particular type of technological training (see below). It was evident in Zambia, for example, that if bottlenecks were breakable (and that is not certain) then a certain training in technology was necessary. Almost precisely this kind of training was being advocated in Malawi and a project towards this end by Malawi and the U.S. was under consideration.

Malawi has put 30 to 40% or more of its development budget into agriculture and agriculture related projects. It has succeeded in developing its exports, substantially meeting its domestic food needs and even engaging in food exports. Other than Lilongwe (which is a major and important exception) Malawi does not seem to engage in high cost, conspicuous expenditures. For these reasons Malawi is one of the least likely of the Southern African countries to have serious budgeting or balance of payment difficulties.

Swaziland

Financial prudence is a consideration that no one needs to preach to the Swazi government. In fact, quite the contrary is the case. The expatriate de facto head of their central bank indicated that he had the enviable position of virutally always being able to say yes. In his judgement, the Finance Ministry was so extremely cautious that they were unwilling to realize some of the expansionary capabilities of the banking system. In fact, one of the chief roles of a central banker is to say 'no,' and it is the role of other segments of government to ask enough development questions so that the nays define the limits of development opportunities. When a central banker is consistently arguing for more activity, there is a strong likelihood that development opportunities are being missed.

It does seem that this extremely conservative budgeting (along with other factors discussed below) has prevented any serious financial crisis. The question on capital and recurrent budgets arose in several interviews. It was explored in some detail in an interview in which only one member of the team was present. It was indicated in this session that careful procedure for the recurrent implications of capital budgets was begun only within the last year or so. The current techniques used were not highly sophisticated, but probably more than adequate given budgetary practices. They are being improved. They essentially consist of a sheet of paper on which projected salary, maintenance and other yearly costs are entered in the appropriate places on the form. One can, by combining these, obtain a layering effect as new projects reach completion and thereby obtain estimates of future budgetary commitments. There was also some recognition and inclusion of recurrent benefits from projects though they came from the circumstances of being in the South African Customs Union (see below). In building a sugar mill, the cost of the machinery included the tariff charge of the Customs Union. These tariff charges (plus a premium) are rebated to the member countries by the Republic of South Africa. The anticipated rebated tariffs were counted as a recurrent benefit of the sugar mill project. Revenues derived from its operation would not begin within the current planning period.

The Customs Union with Botswana, Lesotho, and the Republic of South Africa (as the predominant partner, of course) and with Transkei and Bophutatswana as unofficial members, is an overriding factor in considering economic development in Swaziland.* Free trade within this area means that the urban elite (and any others with sufficient income) have access

*See Paul Mosley, "The Southern African Customs Union: A Reappraisal" World Development, Vol. 6, No. 1 (January 1978) and Peter Robson, "Reappraising the Southern African Customs Union: A Comment" World Development, Vol. 6, No. 4 (April 1978).

to virtually the same array of consumer goods and foodstuffs that are available within South Africa. Since consumer prices are generally lower in South Africa than elsewhere in Africa, the Swazi money consumer and expatriate has access to processed and manufactured prices remarkably low for a developing country. For Swaziland economic development though, it does involve some constraints. When one government official was asked about increasing maize production, he responded that it was impossible to compete with the more efficient large scale African farms across the border. When another was asked why cotton seed was not crushed for edible oil with cattle feed as a by-product, the answer given was that there was not enough cotton seed to warrant crushing because much of the cotton output was ginned in the Republic of South Africa. One could not, without an extensive study, determine whether South Africa was a genuine barrier to development in these areas, or an excuse for inaction. It is true under the terms of the Customs Union, a member country can protect an industry, but the more powerful member, South Africa also has the power to retaliate. A rapid series of such actions would at worst create local disruptions in the Republic of South Africa's economy; it would undoubtedly create severe dislocations in a smaller member's economy.

The very existence of a Customs Union expands the market for all members and normally favors the growth of larger more efficient manufacturers and agriculturalists. They are predominantly in the Republic of South Africa. The tariff for the entire area helps to keep out foreign goods that might be cheaper though it must be admitted (as noted above) that South Africa is an efficient competitor in Southern Africa even in non Customs Union countries. It also prevents government from limiting the consumption of certain non-essential products by high tariffs, thereby freeing foreign exchange for capital imports and from the tariff revenue for domestic expenditures. It also prevents the use of tariffs to protect nascent enterprises that government may wish to foster as import institutions. This latter argument for a tariff is one that would be contested by many economists. It is mentioned here strictly in the context of a policy option that is not even debatable.

Recent changes in the formula for the distribution of Customs Union revenue have brought a windfall gain to the Swaziland economy. These have largely been committed to major capital projects such as the railroad link to the Republic of South Africa and the third sugar refinery. The new airplane for Royal Swazi Airways and much discussed improvement of the airport or the new International Airport (if either of these airport plans is brought to fruition) should further commit this increment in future years. From the point of view of capital costs, there might not be a strain on the budget, though there are clearly lost development opportunities. From the perspective of recurrent budgets, it remains to be seen whether a new jet plane (or airport) earns foreign exchange or becomes a budgetary liability.

Swaziland is also part of a monetary union similar to the Customs Union only this time excluding Botswana. The Rand and the Swazi currency both circulate freely in Swaziland and are both legal tender there. The Emalangeni is 100 percent backed by the South African Rand. In fact, they have had excess reserves in the past which they are now spending. They are paid a rate of interest between 7 and 9-1/2 percent interest on both their Rand holdings and the estimate of the Rand in circulation in the Swaziland economy. Officials in the Republic of South Africa claim that their estimate of Rand in circulation is generous thereby making part of their payment a subsidy. A similar argument is made for the Customs Union. Obviously, before any final assessment is made on this issue, a more detailed empirical inquiry is needed. At first glance, this would seem highly generous and beneficial to the economy of Swaziland. The Republic of South Africa goes to the expense of printing (or coining) and circulating the Rand and thereby provides a stable currency. It guarantees to foreign exports to Swaziland, the existence of the desired foreign exchange. And it provides a rate of return on the Rand holdings.

There are, however, contrary arguments. Operating in similar circumstances, the government of Botswana withdrew from the monetary area, established its own central bank and currency and thereby its authority to engage in discretionary monetary policy. It did this after a careful economic study of the economic gains and losses from such actions. Since then, its currency has appreciated 15 percent against the Rand.

Allowing a foreign currency to circulate within an economy or having one's currency 100 percent backed by another, means that the economy is paying for its currency with exports. During the British colonial period in Africa, the colonies' currencies were covered 100 percent (in most cases more) by sterling. The analogy to the colonial situation is more than apt. For 100 percent currency cover (or its functional equivalents) limits the extent of economic policy. Expansions in the domestic economy are limited by the economy's ability to export and generate funds for a domestic circulating medium of exchange. It further means that their funds in foreign exchange could, in part, be used to import capital goods for development. A currency does have to have some cover, frequently considered in terms of a given number of months worth of imports, and a small surplus to protect against fluctuations.

South Africa's guarantee of Swaziland's foreign exchange capability is, in reality, merely certifying their own currency. They have no incentive to do otherwise though obviously they prefer that Swaziland imports come from South Africa rather than abroad. This conserves their foreign exchange. But in either case, Swaziland Rand holdings are a claim against the South African economy for which they could reasonably demand gold or other currencies. The interest payment is nominal and not real. Inflation reduces it considerably. Given current rates of appreciation of gold, it is possible that the conservative and traditional policy of holding gold might have brought Swaziland a higher rate of return. Rand for Rand, it is most likely that the Reserve Bank of South Africa receives a far higher return on its holdings though there is still the question as to whether there is in fact a generous overestimate and covert subsidy.*

The free circulation of the Rand reinforces, for good or for evil, the effects of the Customs Union. With a common currency, even without a Customs Union, it would be difficult to control the flow of goods back and forth across the border. For those who earn income in the Swaziland economy, it gives them access, to the extent of their ability, to travel (limited by their income) and to the goods and services of the Republic of South Africa. Of course, South Africans have the same rights in Swaziland (and other countries in the monetary area) which they exercise in tourism and gambling. A South African is legally limited in the amount of foreign currency he or she may obtain. Presumably, so is a Swazi. However, open and free access to the goods and services of South Africa is quite a privilege to the Swazi income earners and one that would be looked upon with envy by a Zambian and citizens of most other developing countries.

*DeGregori interviewed the deputy governor of the South African Reserve Bank. They were interrupted by a call indicating that the price of gold had passed $200 per ounce. It is ironic that this "historic moment," as he described it, may have undermined his argument concerning the benefits of the Rand monetary area. He did indicate, however, that the area was changing and new monetary arrangements would inevitably emerge.

The economy of Swaziland is closely tied (dependent might be a more accurate term) to the Republic of South Africa. Its economic policies seem to be strengthening these ties rather than cautiously, carefully and slowly building options as a hedge against future political uncertainties. It is true that several people interviewed said that Swaziland was completely surrounded by two countries, the Republic of South Africa and Mozambique, that they had their policy and perceptual differences with them, and that it was therefore necessary to have options making them potentially independent of both. But in practical terms, the symmetry of language was not matched by policy. The new airplane (and airport) was mentioned (and it and participation in the Lomé convention were the only actions mentioned) as a mechanism for independence from South Africa since it would allow visitors from black Africa to fly to Swaziland without having to transit in Johannesburg. This may be significant for elites in Swaziland and other parts of Africa. However, it is a very short hop to Maputo manageable by the current aircraft. This would provide an ideological choice for those who have strong preferences for where they transit. If South African plans can fly to Maputo, certainly Royal Swazi planes could also. And it would be a lot cheaper than current programs.

The ties to the South African economy are strong. Clearly, some segments of the Swaziland population benefit from them and are a force to perpetuate and strengthen them. Obviously, given Swaziland's location and the strength of the South African economy, some ties are going to be necessary for the foreseeable future and quite possibly beneficial. As noted above, any precipitous breaking of these ties for whatever reason (an unlikely event) would be highly damaging (if not disastrous) to Swaziland. However, some of these ties would appear to be restrictive. Economic options are possible and could be explored for their developmental possibilities even within the context of close political relations with South Africa. Limited though they may be, it is not at all clear that Swaziland has exploited the potential for economic growth offered by access to the regional economy.

The critical tone of this section on Swaziland is not meant to deny the fact that Swaziland economy has demonstrated a capacity for economic growth and has posted rather respectable rates of economic expansion. The questions raised here concern whether there has been development that has spread to the larger population, whether some of these figures or growth reflect gains disproportionately to a non-Swazi population (like those who own the sugar plantations and are the primary beneficiaries of the new sugar mills) and whether even with respectable growth rates, there have not been substantial lost potentials for even higher rates of growth. There are questions of concern to aid giving organizations, particularly those that seek to promote equitable growth. It does mean that a donor organization can find areas of developmental possibilities provided that it and the recipient government can work out compatible understanding as to the nature and direction of the specific donor activities.

IV. TECHNOLOGICAL ISSUES

Technological training is a vital part of most any realistic development effort. Most U.S.A.I.D. officials with whom we had contact, repeatedly stressed that training was built into every A.I.D. project. Similarly, in the three countries that were visited, in every ministry or agency where we raised the question of the need for technological training, the question was always answered strongly in the affirmative, namely, that there were critical shortages of some categories of trained personnel. This virtually unanimous consensus can reduce the issue to a cliche unless, of course, specific areas and types of training can be identified and a rationale developed justifying a greater than usual benefit to a particular training program.

As colonial nations emerged into independence after World War II, with few exceptions, it was recognized that there were critical shortages of college trained personnel. There is no need here to repeat the litany of the pitifully small numbers of college graduates in some African territories at the time of independence. Sending students abroad, bringing in expatriate teachers and starting or expanding institutions of higher learning became a standard practice of most developing nations. In addition, establishing or continuing national and regional institutions for adaptation of recent technologies (particularly in the area of agriculture and plant genetics) to local conditions, was commonplace. Many enthusiasts of "intermediate technology" consider some of this investment in "high technology" to have been misplaced but most have considered it at least in conception to be a wise investment. For the best promise of breaking the chains of poverty lie in developing the linkage from the advanced technologies and science that have transformed the developing world directly to the problems of poor countries. Some of the miracle grains are an example of this type of linkage.

Aid to universities was a prestige endeavor and colonial powers tended towards this investment in creating elites during the process of independence and after. Support was also forthcoming from other donors. And there was no significant shortage of academics and researchers who were willing to teach abroad. There have been criticisms against some African and Third World universities because of too great an emphasis by students and faculty upon law and other studies that prepare one for political careers and not enough on agriculture and engineering.

On the other end of the technological spectrum is training in the basic trade of crafts skills. Many of these skills, such as carpentry or basic metalworking, were long established crafts in Southern Africa and other societies. For others, directly related to modern technology, such as the electrical trades, there were of course, no traditional practices. For those African and Southern African economies where there are few settlers, training in these basic skills became necessary in order to keep the economy and colonial administration operating. (Even in those areas with a miniscule number of expatriates and settlers, higher administration and scientific posts were a monopoly for a European or European-derived elite). In areas with significant numbers of settlers, in Southern Africa, European unions kept many of these trades as their exclusive preserve. In some instances, the indigenous population learned and carried out the trade though they were officially designated as apprentices to a European craftsman. This has been noted to be the case in the Republic of South Africa. However, one team member did visit some government training centers in Soweto and found them woefully inadequate, reflecting an official and union policy that has severely restricted the skill development of the majority black African population.

In general, basic skill or craft training was not a problem in the areas that we visited. In Zambia, officials at a school for carpenters, plumbers, auto mechanics, informed one of the team members that they had not found employment for a single one of their graduates in carpentry from the previous session. The indication was that this was the prevailing experience in their programs. In Malawi, we found that they had no difficulty placing their graduates. The differences in these two instances reflect the basic state of the economies and the level of instruction in them. In neither case though, was craft training a problem.

Between these two types of training, formal education through the university level, and basic craft skill acquisition, there was an <u>intermediate</u> type of training that seemed to be lacking in the economies that we studied. That is training in the use, maintenance, and management of modern technology. On paper, of course, there were formal training programs in the operation and repair of technology. But judged from the actual performance in the use of these technologies, or from the uncertainty as to the location and extent of such training (other than automobile repair) that problem inevitably emerged when we questioned people in Education Ministries or those involved in other forms of training -- technological training was virtually non-existent.

Technological training in its larger aspects is frequently taken for granted in industrial countries because so many aspects of it are informally learned. Those raised in mass consumption industrial economies grow up with modern technology omnipresent in their environment. Electric lights and appliances, automobiles, various home and car repair tools, and even toys such as electric trains, form the staple of childhood learning. The education systems also use a variety of technologies and add a formal component to scientific and technological learning. Thus when persons from this background enter a workshop, they may be classified unskilled, but in fact the very character of their experience makes them more technologically aware than their counterparts in poorer countries. Should one or more of their number, after several years on the job, be promoted to foreman or some other managerial type position, it is likely that they will have some degree of literacy and general formal education, again making them more trainable in their new tasks. Thus, at this level, it is possible in industrial countries to have managers who know something about management of people and about the technology that they are overseeing.

In the training of personnel for the maintenance and management of technology in nonindustrial countries, the assumptions as to background, and attitudes, of American or other industrial countries, cannot be carried over. What was informally learned in one circumstance must be formally learned in another. And managerial training must come to terms with attitudes that define some forms of work with technology as demeaning or least likely to lower one's status.

The absence of a system of training in the use, maintenance and management of technology would explain some of the economic difficulties of Southern African countries. As other Southern African countries come to black majority rule, with an anticipated but as yet undetermined outflow of those who have dominated these positions, there will be structures in industry and agriculture that call for such capabilities. Thus an appropriately conceived program for this kind of training can be a response to current needs of independent countries, can provide training opportunities for those in exile, and be capable of responding to a priority need of newly emerging countries.

We will be suggesting below some types of training institutes that A.I.D. in Southern Africa might consider. It would be wise to build on established institutions where they exist, however rudimentary.

A series of training institutions should have some flexibility. Preferably there should be national training institutions that service regional needs. Thus, for example, country A would have a regional institute. To achieve any degree of excellence, the enrollment would have to be regional. Aid donors could provide scholarships to countries B, C and D, etc. (as part of those countries' AID projects and not as part of country A's assistance). Such institutes provide further flexibilities particularly for multi-donor participation. PVO's or other donors might provide instructors. In some cases, manufacturers might be requested to supply instructors, instruction materials or scholarships. Donors could provide scholarships, to bring locals to their countries to be trained as instructors. Donors that are more intensely involved with one country can provide scholarships for them even though another donor may not be providing them aid at this time. And, as noted above, donors could provide aid to exiles from not yet independent countries.

One of the curses of modern society is that studies always seem to establish as first priority further study. Recognizing this, we still suggest that insofar as already commissioned studies do not contain the necessary data, a detailed, overall study of the training capacities and needs of Southern Africa be carried out. Such a study should include the identification of existing training capacities that could be expanded, or improved, to meet regional needs. Such study would have to consider political factors which might limit some countries' participation in national training programs that are regional in enrollment. In the three countries which we studied, the answer on the question of participation was affirmative (almost always with the qualification that for an institution in their country, foreign students should not displace their own students) but they were but a sample. Verbal responses and practice do not always coincide.

V. REGIONAL ISSUES AND REGIONALISM

Any effort at premature regional integration in the Southern Africa area would be futile and probably fruitless. Experiences with the East African Community, among others, have generated considerable skepticism on approaches to regional integration. So long as fundamental political issues of sovereignty, territoriality, and political organization persist, movement toward integration will be difficult.

Nevertheless, we did find some awareness that some fundamental development problems -- particularly with regard to transport networks, water development and management training -- will require bilateral and multilateral cooperation. Presently, there is very little sharing of knowledge or information about development programs, projects and strategies between friendly states except on an ad hoc basis. The creation of a regional development information clearinghouse might assist governments of the region in developing better information on which to base national development policies. Other opportunities for regional meetings, seminars, and joint research collaboration exist which are non-threatening in the present political context, and might well provide a skeletal framework for regional cooperation for the future.

VI. A HUMAN RESOURCE/INFRASTRUCTURE STRATEGY FOR THE SOUTHERN AFRICAN REGION

In this section of our report, we move from description and analysis to discussion of a strategy for A.I.D., working collaboratively with host countries, which will permit us to assist in the long term development of the countries which make up this region. We hope to identify a range of activities and goals which could alleviate some of the severe constraints on development identified in this report. "A Human Resource Infrastructure Strategy" is needed as a central focus for development assistance in these countries.

Our mandate for analysis focused on three interrelated issues: the manpower and management capacities for planning, the relationship between recurrent and development budgets, and the interest in regional cooperation and coordination. In the course of our inquiry, we found several underlying problems, which severely constrained the ability of the government to deal effectively with development issues. These problems are:

- chronic shortages of trained personnel in management and in technological areas.
- inappropriate, uncoordinated, poorly managed public sector planning and budgeting.
- weak institutions for coordinating development programs and projects.
- lack of data, data analysis, and conceptual and knowledge skills which would permit government decision makers to choose between a broad range of development options.

lack of institutional capacity to identify public and private sector personnel training needs, shortages, and skill requirements.

These problems are by no means new to developing countries, and considerable effort is being made to address them, particularly the problem of trained personnel, by both host countries and donor agencies. We found, however, that these efforts were often fragmented, based largely on what donors were prepared to do, and lacked effective mechanisms for linking educational and training programs to expected personnel requirements. Further, we perceived a tendency to attribute all problems of planning and coordination to lack of trained personnel, when it may also be the case that even with trained personnel, organizational structures and institutions are making inefficient use of the personnel they have available. The conclusion often drawn is that if we had highly trained people, we could do a more effective job of planning and implementing projects and programs without ever examining seriously the possibility of improving organizational structures, incentives, work processes and procedures, so that existing personnel can be more fully utilized. One consequence of this approach is heavy pressure for overseas long term training and for too little attention paid to in-service and in-country training. A contributing factor to this syndrome is the pressure, emanating in part from donor agencies, to have well designed development projects. While we recognize that programs and project analysis and design skills are in short supply, we question whether or not the level of sophistication required by donor agencies is necessary for the conditions and purposes of LDC development.

It is not shortage of skilled manpower alone which constitutes administrative incapacity. Lack of responsiveness to needs conveyed by clients and cumbersome formalistic procedures which delay rather than expedite delivery of services, are common ailments even in systems with highly skilled manpower. Yet they are also ailments exacerbated in these systems with very limited manpower. The debate over the causes of administrative weakness or maladministration is the development debate itself. Dependency theorists argue about external constraints; Weberian modernizers argue about internal constraints. It is an epistomological as well as a normative debate. One can argue that there is a symbiotic relationship between internal and external causes of administrative weakness.

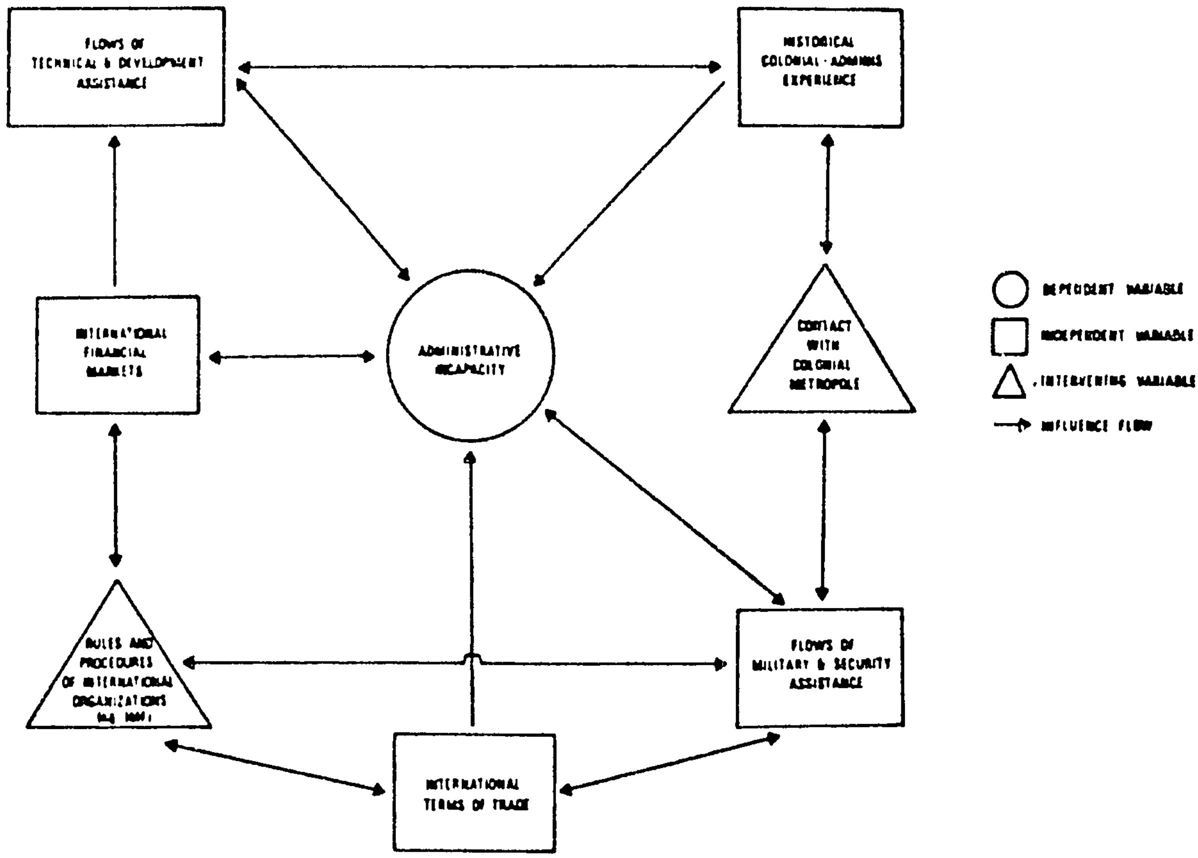
The relationships between these factors can be diagrammed following the rudimentary guidelines for oval diagramming.* To do this most clearly, we need three diagrams at least. First one might look at the relationship between and among the external factors frequently discussed in the dependency literature. (See Figure 1 below**).

*See Delp, Thesen, Motiwalla, and Seshadri, <u>Systems Tools for Project Planning</u>, PASITAM 1977.

**We would like to thank Barbara Sutton for her assistance with the graphics in these models.

FIGURE I

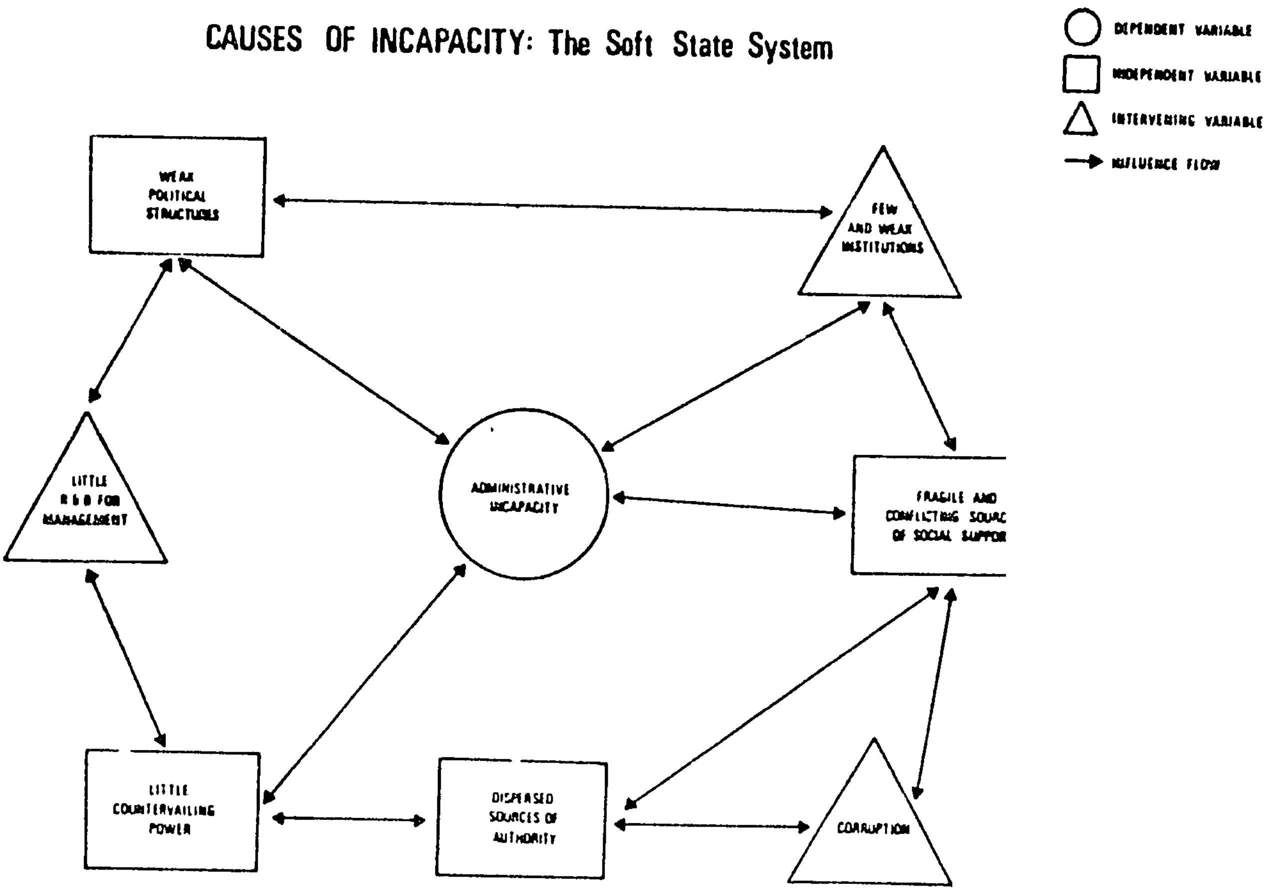
CAUSES OF INCAPACITY: The Dependency System



For example, Zambia's problems, given dependency upon the export price of copper, led, in part, to the need for the IMF stabilization policies. Both of these phenomena had repercussions for the administrative capacity of the country. Yet they were interrelated to many internal factors as well. The relationships between and among the internal factors can be similarly diagrammed. (See Figure II below)

FIGURE II:

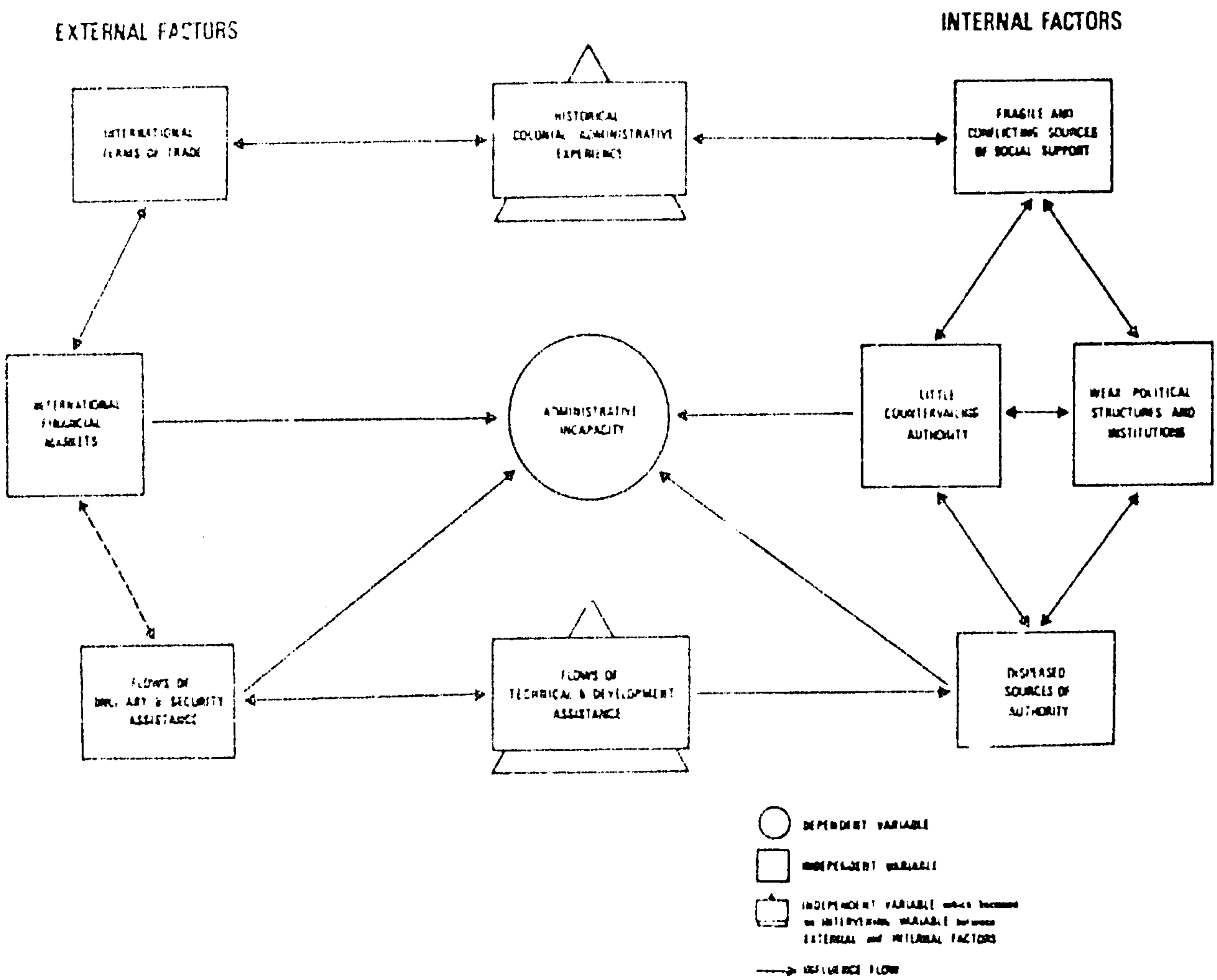
CAUSES OF INCAPACITY: The Soft State System



For example, we have discussed in this report some of the ways in which administrative incapacity is worsened by weak institutions and the relative absence of countervailing power to that of the state administration. Clientele groups are relatively unorganized and hence raise few questions about the nature of decisions. Few alternatives are suggested for public policies; inadequate information often means poorly designed public programs. Yet the crucial point is that there is interdependence among the external and exogeneous, and internal, or endogenous, factors. Each problem feeds into the other and the cumulative impact is the resulting administrative weakness which we have often discussed in this report. (See Figure III below).

FIGURE III: A Linkage Model of Administrative Incapacity

CAUSES OF INCAPACITY: Interdependence of External & Internal Factors



A major reason for laying out this system of factors is to underscore the importance of remembering that no one project or intervention is likely to redress a problem with such complex roots. The malaise can be treated; it can be alleviated, but it cannot be eliminated easily. It cannot even be alleviated without a serious commitment to a far reaching human resource strategy encompassing a range of educational and training programs for human development in these countries.

One underlying premise of the strategy, therefore, is the need to create an institutional capacity in Southern African countries to identify personnel needs, set standards, and carry out training activities which are appropriate to the conditions of the country's requirements. Once such capacity is initially created, and oriented toward solving personnel problems in Zambia, for example, it will then evolve the succeeding levels of sophistication in training and personnel use in tandem with the overall level of development in that country. Without such an institutional capacity, the present deplorable state of dependency on expatriate personnel filling regular public service jobs will continue and the distortions introduced into the system will persist long after the departure of the present cadre of expatriate personnel.

The goals of a US assisted Human Resource Infrastructure Strategy should be, therefore, as follows:

a. to assist governments in the preparation of skilled personnel and workforce data collection and analysis

b. to achieve greater institutional capacity on the part of host governments to identify, develop and use present and future streams of skilled personnel

c. to expand government capacity to monitor and improve planning and implementation procedures

d. to assist in the design and specification of training programs in three areas:

1. public sector management
2. project analysis and design
3. technical supervision

Again, we emphasize that a good deal of effort would be required to create institutions which have this capacity - while at the same time recognizing that a direct investment in education and training programs already in place would continue and no doubt expand. What we seek in proposing this strategy is that A.I.D. address the issue of developing a system of personnel planning and use geared to country needs which would ensure more effective use of present and future training programs.

A second major weakness which was observed which affects capacity to make intelligent investment and allocation decisions is the lack of information and the ability to use it. Most of the data now being generated is highly suspect, produced largely for foreigners, and seems to have little effect on decision making processes above the level of technical decision making. Policy decisions appear to be made in a data vacuum. Where data does exist on the status of small holder agriculture for example, it seems to have been prepared for and used by donor experts and expatriates rather than for LDC decision makers. The image which emerges in at least one country we visited is that host country decision makers were content to let a combination of foreign experts define and implement the development strategies of their country. Add to this the large share of economic activity in the private sector controlled by foreign interests, and one concludes with the depressing view that sovereignty in the real sense of the word is an empty phrase. In its place is a set of elites who parcel out resources and activities to a variety of exogenous owners and managers in return for a share in the profits. Under these conditions, the development of country goals, strategies, programs of implementation and the like, becomes a meaningless ritual.

It is small wonder, then, that very little initiative has been generated by host country governments to fundamentally revamp and improve their own ability to generate and use information. We are not arguing that by improving the quality and supply of data that host country planners and decisionmakers will use this resource. Again, building an institutional capacity for planning means developing a demand for more complete and actual information about the economic and social resources and processes as well. Neither good data nor a technocratic demand for it will solve the problem of the absence of a political motivation to use information to gain control over a country's future -- but without it, a government's capacity to make intelligent decisions is severely constrainted. We argue, therefore, that these countries require not only trained personnel and an organizing system of personnel development and use, but also an ongoing capacity to create and use knowledge for development planning. Both are interconnected; either will atrophy without the other.

By arguing for a strategy of investment in Human Resource Infrastructure, we clearly do not mean to imply the strengthening of central decisionmaking and implementation structures and processes. Certainly one of the major concerns in all three countries is how to develop a better integration of the citizenry with the development goals and processes of government. Swaziland and Zambia, and to a lesser extent Malawi, are all marked by a high degree of structural dualism in their societies generally, a dualism which is crosscut by economic dualism. To oversimplify, these societies are characterized by the social gap between the largely urban literate elite, filling relatively modern jobs in the private and public sector, and rural peasantry. In addition, severe cleavages exist between the policial elites, whose power base may still be in the rural areas, and the more technocratic elements of the society who, formally at least, adhere to contemporary standards of rationality and pragmatism. Within the rural population, structures of cleavage also exist between traditional power holders and others who, because of a variety of factors, do not share power. These dimensions of power distribution may further be complicated by lineage affiliations and other forms of traditional bonding. All of these factors of cleavage and inequality in the distribution of wealth and power combine to delineate and constrain the possibilities for citizen participation in the process of development. Nevertheless, AID may be able to expand possibilities of citizen participation by providing training and model programs of participatory research.

Specific proposals regarding training assistance

A. Short-term, Incountry Management Training Programs

Given the severe shortage of trained, capable public servants to design, plan and implement development strategies, our first recommendation is that this need be directly and immediately addressed. Training officials by sending limited numbers abroad has many serious shortcomings. There is also a great deal of leakage since many of them will not return to their countries to work. Further, the training is not always immediately relevant to the administrative problems they will confront within their own countries. Past training programs have been generally only for a select handful -- and of a long-term nature. This training gap needs desperately to be redressed. Classes and training materials also need to be developed which are of relevance to their particular problem.

B. Maintenance and Management Institutes

1. Transportation Maintenance and Managerial Institutes (railroads, ports, and highways)

The rationale for these institutes is obvious. When half of the locomotives in a railroad system are out of use, and when cars are being used as warehouses, then quite clearly there is both a technology and managerial problem. Technical skills are integral to the transportation system.

2. Basic Needs Institutes

a. Self-Help Construction Institutes

Imaginative self-help programs are needed to address the range of urban and rural problems. Such institutes could impart skills of construction and managerial and social techniques of creating self-help projects. Integration of skills and management is as vital (if not more so) here as in other institutes.

b. Rural Appropriate Technology Institutes

These institutes would involve basic training in the use and adaption of whatever new (or old) technologies become part of a rural way of life and livelihood. The construction of a variety of simple devices used in some parts of the world could be taught. Better and cheaper ways to build tray driers for grains or fruits could be taught as well as appropriate and simple storage techniques. Such an institute could be training, in part, but also part of rural technological extension.

A separate institute or subsection of a Rural Appropriate Technology Institute might be a Rural Small Industries and By-Products Institute. The need for rural small industries is beyond question. When asked about the uses of by-products (such as cotton seed which can be crushed for edible oil and animal feed), it was being used for export or being shipped to urban centers for processing and then returned to the rural areas, representing an unused potential for an efficient village industry. Another Institute, or a section of one, might be a Rural Renewable Energy Institute. All of these institutes could alternatively be programs since there might not be a permanent fixed structure but instead a series of instructional programs that are offered periodically in different locations.

In conclusion, we are arguing that development assistance programs should give far more serious attention than they have to a very revised and different manpower strategy. Rather than the old and deficient training programs funded to date, far more should be done _within_ the countries themselves to develop internal research capacities, and internal training programs. Yet, for all that, training is obviously not enough. Indeed, done without sensitivity to the structural implications, it is exacerbating the countries' underdevelopment. Real administrative skill, on the other hand, is a pivotal technology. One rarely encounters real technology transfers. A human resource infrastructure strategy would be a real technology transfer enhancing the capacities of Zambians, Swazis, and Malawians to control their own futures.

VII. Appendix

1) Scope of Work and Policy Assumptions

2) Bibliography of Sources Consulted

3) List of those Interviewed within the Countries

I. Scope of Work -- Southern Africa Project

Project: Assessment of Organizational Capacity of Planning and Financial Institutions in the Southern African Region: Zambia, Malawi, and Swaziland.

Objectives:

1. To assess and analyze the organizational and institutional capacities of some ministries in the Southern African region, specifically those ministries with general support, planning and coordinate functions whose activities affect overall development and recurrent expenditures. To study not specific ministries per se, but to seek out functions involved in planning and coordination process wherever they are housed. To analyze central and regional planning, and finance.

2. To assess the current as well as probable future interactions between government's recurrent budgets and their development budgets.

3. To assess the managerial competencies and manpower needs to deal with probable contingencies as the region undergoes a period of significant change.

Working Assumptions:

In undertaking the assessments described, the team began with the following working assumptions as well as assumptions of a broader policy nature.

1. The countries in the region will experience fluctuations in income from both internal and external sources (e.g., domestic revenue, debt servicing, as well as ex/import earnings and foreign assistance).

2. Change in political power in the region is likely to begin a process of some redistribution (e.g. greater access to land, etc.). These redistributive changes will have implications for the demand for public services ordinarily considered under the recurrent budget. Development budgets might well thereby be drained of resources. Secondly, to the extent that there are interdependent trade and investment flows in the region, there will be second order consequences for neighboring countries of these changes. Land redistribution will probably initially lower agricultural output. Secondly, a larger portion of that output will be consumed by the growers. These changes in the amount of foodstuffs available for sale in local markets and for export can have a dramatic impact upon the entire region, particularly if one considers possible variations in climate.

3. There will be significant demographic shifts as a result of both internal and external decisions. Development projects themselves can result in, inter alia, demographic shifts (such as the Tribal Land Grazing Law in Botswana and its impact on Urbanization). External changes - both developmental and political - can also result in both displacement and migration (refugee movements).

All of these factors have systemic linkages with one another and all of them are also likely to impact upon recurrent as well as development budgets. It seems plausible to hypothesize that demands for public services are likely to increase well beyond current levels of demand. Recurrent budgets tend to be the most difficult for retrenchment. Consequently, even minor decreases in income can bring a disproportionately large decline in development spending. Zambia is a case of a country that has had to cut back its recurrent expenditures under pressure of IMF.

Urbanization brings greater demand for services without necessarily increasing the capacity for development. The nature of the development process and political reform will change the structure of recurrent budgets, i.e., land redistribution will increase demand for agricultural extension and political change may increase educational expenditures.

Different ministries will have differing capabilities for responding to and coordinating with, these demands. The current state of contingency planning must be identified, and the coordinative institutions identified, assessed, and possibly later strengthened. Along with any such assessment must come analysis of the communication flows coming into these various ministries -- Ministry of Education, Local Government, and Finance in particular.

Policy Assumptions and Limits to Study

We agreed to undertake this study with certain assumptions about U.S. foreign policy interests in Southern Africa, and about the nature of strategic considerations which should guide this report. We also recognized two severe limitations. We shall deal first with policy assumptions and secondly with limitations.

Our assumptions about U.S. goals in Southern Africa are as follows:

1. The U.S. has a continuing interest in the evolution of majority rule regimes which involve the possibility of active participation of all people in that society; and the legitimate power to revise the legal framework of that society.

2. The U.S. has a strong but country-specific interest in access to basic mineral resources in the region through international markets.

3. The U.S. has an interest in expanding political and economic policy alternatives for Southern African states, and thereby reducing the dependency of the Black Southern Africa region on the Republic of South Africa. In the long run, the U.S. has an interest in assisting in the redirection of the economies of the region towards greater integration and interaction with central Africa.

4. The U.S. has an interest in maintaining our commitment to equitable growth directed at ameliorating basic needs of all peoples within the region.

Assistance Strategy Assumptions

1. That one principal strategy for achieving these goals should be a major U.S. political commitment to an expanded bilateral and multi-lateral economic assistance program which should be regionally focused wherever possible, but which recognizes the immediacy of pressing issues of national economies. The issue is how to use U.S. assistance to solve national development problems in such a way as to facilitate, certainly not foreclose, regional cooperation in the future.

2. A second principal strategy for achieving these goals should be a commitment to components of the New International Economic Order. Insofar as development assistance programs can be helpful in supplementing NIEO goals, they ought to be so designed.

3. That any bilateral program of assistance would be consistent with the goals and objectives of the New Directions strategy of AID - even if not limited to the specific program sectors within which AID normally must program. That the development objectives of a Southern African economic assistance strategy should:

   a. focus on achieving growth with equity;

   b. involve participation of host governments and, whenever possible, citizens;

   c. increase host country government institutional capacity to identify a range of development options, make rational development choices, and implement programs of action consistent with long-term development needs.

Limitations to this Report

There are limitations to this report which affect both its validity and its comprehensiveness. The team was in Africa a total of three weeks, and therefore was unable to carry out in depth analysis of specific problems in the areas mandated to us in the scope of work. Therefore, much of what we say will depend on experienced judgment combined with necessarily superficial observations. This limitation also means that the generalizations which are derived from our analysis have limited replicability. The extent to which the recommendations of the report to apply to conditions in other countries will depend on the judgment of other expert observers.

Some Sources Consulted for this Report

Bates, Robert H. (1977) Rural Responses to Industrialization. Connecticut: Yale University Press.

Blair, Harry W. (1978) "Rural Development, Class Structure and Bureaucracy in Bangladesh", World Development, 6, 1 (January) pp. 65-82.

Bryant, Coralie. (1976) Participation, Planning and Administrative Development in Urban Development Programs. Washington: Office of Urban Development, Agency for International Development, U.S. Department of State.

_, with Shaik Ismail. (1977) "Urban Administration in Transition." Paper presented at the Annual Conference of the American Society for Public Administration, Atlanta, (March).

Colclough, Christopher and Peter Digby. (1978) Skills for the Future. Ministry of Finance and Economic Planning. Mbabane, Swaziland: Government Printer.

Collier, David. (1976) Squatters and Oligarchs. Baltimore: Johns Hopkins University Press.

DeGregori, Thomas R. (1969) Technology and the Economic Development of the Tropical African Frontier. Cleveland: Press of Case Western Reserve.

Delp, Thesen, Motiwalla, and Seshadri. (1977) Systems Tools for Project Planning. Bloomington: Program of Advanced Studies in Institution Building and Technical Assistance Methodology.

Downs, Anthony. (1967) Inside Bureaucracy. Boston: Little, Brown and Co.

Elliott, Charles. (1975) Patterns of Poverty in the Third World. New York: Praeger Publishers.

Gould, David. (1977) "From Development Administration to Underdevelopment Administration: A Study of Zairian Administration in the Light of the Current Paradigmatic Crisis". Paper presented at the Annual Conference of the American Society for Public Administration. Atlanta, Georgia, (April).

Grundy, Kenneth. (1973) Confrontation and Accommodation in Southern Africa. Berkeley: University of California Press.

Heady, Ferrel. (1978) "Comparative Administration: A Sojourner's Outlook". Public Administration Review, 38,4 (July/August), pp. 358-366.

Hirsch, Fred. (1976) Social Limits to Growth, Cambridge: Harvard University Press.

Hummel, Ralph. (1977) The Bureaucratic Experience.

Huntington, Samuel and Jean Nelson. (1977) No Easy Choice. Cambridge: Harvard University Press.

______, and Clement H. Moore. (1970) Authoritarian Politics in Modern Society. New York: Basic Books.

Hyden, Goran and Robert Jackson and John Okumu. (1970) Development Administration: The Kenyan Experience. Nairobi: Oxford University Press.

International Bank for Reconstruction and Development. (1977) Zambia: Main Report. Annexes on Sectors. Washington, D. C.

International Labour Office. (1977) Reducing Dependency, A Strategy for Productive Employment and Development in Swaziland. Addis Ababa.

Jones, David. (1977) Aid and Development in Southern Africa. London: Overseas Development Institute.

Korten, David C. (1978) "Toward a Technology for Managing Social Development" (Unpublished Manuscript).

Leonard, David. (1977) Reaching the Peasant Farmer. University of Chicago Press.

Leys, Colin. (1976) The Politics of Underdevelopment in Kenya.

Loveman, Brian. (1976) "The Comparative Administration Group, Development Administration and Antidevelopment," Public Administration Review, 36,6 (November/December), pp. 616-620.

Lowi, Theodore. (1965) The End of Liberalism.

Malawi, (1972) Economic Planning Division, Office of the President and Cabinet. Manpower Survey 1971 - Results of the Survey and Analysis of Requirements, 1971-1980. Zomba: Government Press.

Manchester, Guardian, (article by Richard Gott). "Legacy of the IMF - Unemployment, Stagnation, Misery, Hunger". May 7, 1978.

Olson, Mancur. (1965) The Logic of Collective Action. New York: Schocken Books.

Perlman, Janice. (1977), The Myth of Marginality, Berkeley: University of California Press.

Riggs, Fred. (1963) "Bureaucrats and Political Development: A Paradoxical View" in Bureaucracy and Political Development, Princeton: Princeton University Press.

Sanyal, Bikas C., et al. Higher Education and the Labour Market in Zambia: Expectations and Performance. Lusaka: The Unesco Press, The University of Zambia, 1976.

Scott, James. (1977), The Moral Economy of the Peasant.

Siffin, William. (1976) "Two Decades of Public Administration in Developing Countries", Public Administration Review 31, 1 (January/February).

Steinbruner, John. (1972) A Cybernetic Theory of Decision Making, Cambridge: Harvard University Press.

Swaziland Government. A Financial and Statistical Analysis of Swaziland's Educational System with Projections to 1985. Mbabane: GOS, 1977.

Swaziland Government. Annual Statistical Bulletin, 1976. Mbabane: GOS, 1976.

Swaziland Government. Recurrent Estimates of Public Expenditures for the Financial Year 1977/78, Part I and II. Mbabane: GOS, n.d.

Swaziland Government. Employment and Wages, 1976. Mbabane: GOS, n.d.

Swaziland Government. Education Statistics, 1977. Mbabane: GOS, June 1978.

Swaziland Government. Training Report, 1976-1977. Mbabane: GOS, December 1976.

UNDP/ILO Management Development and Advisory Service (1977), Final Report of the Zambian Managerial Manpower and Training Needs Survey, Lusaka: Government Printer.

Uphoff, Norman and Ilchman, Warren. (1970). The Political Economy of Change.

Uphoff, Norman. (1973) "Assessing Political Constraints and Advantages in Planning for Income Distribution and Employment Measures". Paper prepared for Conference on Planning Models for Income Distribution and Employment IDS, University of Sussex and IBRD, Billagis, Italy (April).

Waldo, Dwight. (1976), "Symposium on Comparative and Development Administration Review" 36,6 (November/December), pp. 615-654.

Interviews: Zambia

Mr. Musonda - P.S. Min. of Econ. and Tech. Coop.

Mr. Jerry Burke - UNDP Director

Dr. Robert Abramson - ILO Manpower Program

Mr. Jalil - IBRD County Director

Mr. Luke Mwanashiku - Head of Central Bank

Mr. Libankeni - Deputy Sec., National Commission on DW Planning

Mr. Kazimki - National Commission on Development Planning

Mr. Mulela - National Commission on Development Planning

Mr. Sichelango - P.S. Ministry of Finance

Mr. Wayne Primeau - Canadian High Commission

Mr. S. Muelenga - Lusaka Housing Project Unit

Mr. FRancis Walasiku - Ministry of Finance

Dr. George Simwenga - UNZA, Dean of Humanities

Dr. Roger Tangri - Acting Director, PAS, UNZA

Interviews: Malawi

Mr. W. K. Banda - Chairman (Deputy Secretary)

Mr. C. L. Mphande - Treasury

Mr. J. A. K. Munthali - Treasury

Mr. T. A. V. Chande - Treasury

Mr. E. I. Chiweve - Development Division (OPC)

Mr. M. M. Chikonde - Development Division (OPC)

Mr. K. E. J. Nsanja - Development Division (OPC)

Mr. A. Y. Bobe - Economic Planning Division (OPC)

(OPC = Office of President and Cabinet)

Mr. Peter Mbisa - Chief, Economic Planning Division, OPC

National Research Council

LLDP (Lilongwe Land Dev. Project) - Mr. Standen

Ministry of Education

Mr. Pwele - Dep. Secy. for Personnel, Management and Training, OPC

Mr. G. Kalinga - Principal Economist (Dept. of Economics)

Mr. Z. Soko - Senior Economist (Dept. of Economics)

Mr. J. C. Malawezi - Acting Chief Education Office

Mr. J. Oulton - Senior Education Officer (Technical)

Mr. C. Golosi - Senior Technical Officer

Mr. J. D. Msanbama - Senior Industrial Training Officer (Labour)

Mr. E. Y. J. Ngaye - Education Planning Officer

Mr. R. N. Nyironga - Education Planning Officer

Interviews: Swaziland

Mr. E. Bhembe - Dept. of Economic Planning and Statistics

Mr. V. E. Sikhondze - P.S. Finance

Mr. A. E. Adewole - Government Statistician

Mr. B. Oliver - Governor, Monetary Authority

Mr. M. B. Nsibande - Director of Education

Mr. E. V. Dlamini - P.S. Dept. of Establishments and Training

Mr. M. Shongwe - Mbabana Town Council

Mr. J. D. Mngomezulu - Under Secretary, Dept. of Establishments & Training

Mr. E. P. Shabalala - Principal Swaziland Institute of Development Management and Public Administration (SIMPA)

Mr. M. A. Khumalo - Under Secretary, Industry, Mines and Tourism

Mr. S. J. Magagula - Acting P.S. Commerce and Cooperatives

Mr. Husain - UNDP

Mr. Mulligan - IMD

Mr. A. Khosa - P.S. Agriculture

Dr. F. deVletter - Department of Economics

Mr. R. Paytor - Statistics Officer, Foreign Trade