

PN-AAL-319

e.2

ARDA

4-1-10-6

1/10/83

**PROJECT ON MANAGING  
DECENTRALIZATION**

ON STYLES  
OF  
NONCENTRALIZED PLANNING

Karen S. Christensen  
Melvin M. Webber

**INSTITUTE OF INTERNATIONAL STUDIES  
UNIVERSITY OF CALIFORNIA  
BERKELEY**

ON STYLES OF NONCENTRALIZED PLANNING

Karen S. Christensen

and

Melvin M. Webber

Institute of Urban and Regional Development  
University of California, Berkeley

Project on Managing Decentralization  
University of California, Berkeley

March 1981

The research reported herein was performed pursuant to Cooperative Agreement #AID-DSAN-CA-0199 between the University of California and the United States Agency for International Development. The opinions expressed herein are those of the author and should not be construed as representing the opinion or policy of the Project on Managing Decentralization, the Institute of International Studies, the University of California, or any agency of the United States Government.

## TABLE OF CONTENTS

	Page
I. PROBLEMS WITH PARADIGMS . . . . .	1
II. TWO CARTOONS: CENTRALIZED AND NONCENTRALIZED MODELS . . . . .	6
Centralized Planning in Knowland . . . . .	8
Noncentralized Planning in Atomistan . . . . .	11
Some Differences . . . . .	15
Limitations to Pure Forms of Planning . . . . .	16
III. EXPANDING THE MEANING OF PLANNING AND DECENTRALIZATION . . . . .	18
The Protologic of Planning . . . . .	19
Conventional Connotations of Planning . . . . .	22
The Plan . . . . .	22
Technical Exercise . . . . .	25
The Ministry of Planning . . . . .	26
The Subjects of Planning . . . . .	27
Project Planning . . . . .	28
Program Planning . . . . .	28
City and Regional Planning . . . . .	28
Sectoral Planning . . . . .	29
Economic Planning . . . . .	30
System-of-Governance Planning . . . . .	30
Controlling . . . . .	31
Summary . . . . .	36
Beyond Conventional Meanings of Decentralization . . . . .	37
The Conventional Connotation . . . . .	37
A Broader Notion of Decentralization . . . . .	39

	Page
Dispelling Potential Misunderstandings . . . . .	43
Not Every Collective Activity . . . . .	44
Not Laissez-Faire . . . . .	44
Not All of Governance . . . . .	46
Not All of Politics . . . . .	47
 IV. COMPLICATIONS IN REALITY . . . . .	 49
Mixed Loci of Information, Decision Authority, and Action	49
People May Know Preferences, But Have No Choice . . .	51
People Know Preferences But Don't Know Possibilities or Resources . . . . .	51
People Who Provide Information Are Not Decision Makers	51
Deciders Are Not Actors . . . . .	53
Timing of Centralized and Noncentralized Planning . . . .	54
Legacies of the Past . . . . .	57
 V. THE SPECIAL PROBLEM OF SECTORAL/MINISTERIAL DOMINANCE . . .	 61
Checking Ministerial Dominance . . . . .	64
Abolish Central Ministries . . . . .	65
Upward Linking--Ministerial Residue . . . . .	65
Nonlinked Low Level . . . . .	66
Ignoring Sectors . . . . .	67
Subservient Support Staff . . . . .	70
Parallel Systems--Dynamic Interaction . . . . .	71
The Multiple-Check System . . . . .	73
 VI. COORDINATION RECONSIDERED . . . . .	 76
Practical Difficulties . . . . .	77
The Problem of Dual Allegiance . . . . .	80
Problems in Accountability . . . . .	81

	Page
Problems of Uncertainty . . . . .	82
Uncertain Goals . . . . .	83
Uncertain Technologies . . . . .	84
Uncertain Resources and External Factors . . . . .	85
VII. DECENTRALIZED PLANNING RECONSIDERED . . . . .	87
Exploit Uncertainty . . . . .	88
Keep the Decision-Making System Open . . . . .	88
Change Through Interaction . . . . .	90
Decontrol to Learn While Doing . . . . .	91
Contextual Planning . . . . .	92
Concluding Note: Some Specific Suggestions for Noncentralized Planning . . . . .	93
Roster of Suggestions for Noncentralized Planning . . . . .	95
VIII. PLANNING IN PLANASIA . . . . .	97
FOOTNOTES . . . . .	112

## ACKNOWLEDGEMENTS

We are grateful to our colleagues who subjected this paper to the harsh criticism it deserves: John Friedmann, Martin Landau, and Michael B. Teitz. We are grateful, too, to Candice Wynne, who worked with us so closely in putting this essay into its present form, and to Dorothy Heydt, who helped us in the end. We would like to extend our gratitude to other readers who will send along their critical comments before we rewrite this draft essay into publishable form.

Karen S. Christensen

Melvin M. Webber

## I. PROBLEMS WITH PARADIGMS

Most efforts to promote decentralized planning in LDCs are unlikely to work. That's not because planning is inherently a system of centralized decision and control. It is not. It's not because LDC governments insist on concentrating authority in the national capitals. Many do not. It's rather because the concepts of decentralized planning that are current within the international community are fundamentally centralist.

Because the centralist paradigm so deeply shapes people's thoughtways, it is difficult to see patterns that are essentially noncentric. That is most unfortunate, we believe, for the centralist mindset blinds LDC policymakers to a wide range of options that might foster human betterment, especially among those groups that are least well off. Besides, the conceptual distortion generates all sorts of problems in practice--technical inadequacies, ministerial resistance, lack of coordination, inept implementation, and more.

An alternative model--a system of noncentralized planning--may eliminate many of those problems, permitting a greater degree of autonomy to persons and groups outside the governmental center. We shall want to try to clarify some important practical distinctions between the vernacular connotations of centralized planning, the kinds of localized modes promoted under the name "decentralized planning," and an emerging model that we here shall call "noncentralized planning."

The notion of decentralized planning must strike many people as something of a contradiction in terms. The very idea of planning today is widely understood to hang on a structure of concentrated power at the center of things. For many, planning is essentially an instrument of centralized decision, regulation, and control. If these people were right, how then could one possibly decentralize what's actually an integral instrument of central management or of centrally concentrated political power?

It's likely that some who advocate decentralized planning mean only to install planning agencies in local governments. They want the "subcentral" governments of provinces and municipalities to plan their activities in rather the way national governments plan theirs. In that sense, "decentralization" means localization.

Others may be advocating greater autonomy for nongovernmental groups. Decentralized planning for them is equivalent to greater self-determination for subgroups, such as village communities. In this sense, interest groups--including groups defined by interest in their locales--are

encouraged to organize themselves, then to assert their aims. There seems to be a presupposition in this model that nongovernmental groups can build the equivalent of central councils and central managements, hence the capacity for doing planning within the centralist idiom.

In these ways the seeming inconsistency within decentralized-planning is made out to be no inconsistency at all. Planning remains a central control apparatus of formal organizations--local public governments and either interest-based or locale-based nongovernmental groups.

To describe these alternatives to governance by the nation state as "decentralization" suggests that the structure of the governmental system is in some way concentric. Indeed, it does seem that the underlying model we carry in our heads is that of a circle, or, more likely the circle that lies at the base of a cone.

The dominant model of organizational structure and governing processes is a geometric cone whose spire points upward. That's as powerful an image in developing countries as in developed ones, in capitalist as in socialist countries, in democracies as in authoritarian regimes. The cone's vertical dimension stratifies all people according to social rank and to their relative power and authority. The horizontal dimension arrays everyone against degrees of access to the concentration of power at the center. Viewed from the side, the cone can be seen as a pyramid, another powerful model that denotes hierarchy. Viewed from above, it's a circle, whose center is the locus of power, wealth, control, and opportunity.

That image is so powerful that it dominates our thinking, forcing us all into a cognitive trap. It's as though we viewed the world through

fixed filters that distort vision into that metaphor; and so we see hierarchies and circles wherever we look, whether they're there or not. Even when we try to describe the complex sorts of mazes that interlace economic marketplaces, political webs, and friendship networks, we do so in the language of hierarchies and concentric circles. Even when public officials and scholars discuss potential open systems of governance, they are compelled to the conventional language of centralization and decentralization, as though politics and governments were built in circular molds. The images do not match this world. They might have fitted the autocratic societies of an earlier time. Today, another model is more useful.

We find the hierarchic and concentric models less than fitting to the world we observe and the one we wish to see in the future. We find the notion of planning as authoritarian decision and control to be far too constraining for the kind of open society of free people we seek. We reject the proposition that planning is inherently a choice-foreclosing activity that compels individuals to conform to a collective will. Instead, we are searching for a mode of planning that, by tapping the wills and resources of individuals, would foster wider ranges of choice and simultaneously expand the ranges of personal freedom.

To expose the conceptual trap of decentralized planning which is inherently centralized and accordingly constraining, we begin with two cartoons: pure centralized planning and pure noncentralized planning. The purpose is not to mock, but to expose the most salient features which become problematic in practice. We proceed in the third chapter to expand the meanings of planning and decentralization, moving beyond conventional connotations to offer policy makers and planners not only a broader and

more useful understanding of noncentralized planning, but also to suggest a range of options they might apply to their own country's unique constellation of political, economic, and social conditions. The fourth chapter brings these conceptions into the arena of real world, developing country complications. Next, we describe the origins and nature of ministerial dominance, a pervasive impediment to noncentralized planning, and a variety of strategies developing countries use to combat it. The sixth chapter reconsiders the problem of coordination in light of new approaches to planning. In Chapter VII we reconsider decentralized planning, offering our conclusions and five general strategies for noncentralized planning, as well as an appended roster of specific suggestions. We finish with another cartoon which poses one version of what noncentralized planning might become.

Throughout, our focus is upon planning as a mode of deciding and acting. We do not purport to deal with the wider contexts of governance and politics, although planning is obviously wrapped up in the affairs of government and is itself governed by the ways political power is distributed. By limiting this review so, we seek to direct readers' attention to a style of planning that promises greater autonomy to those persons who are least powerful. In that sense, noncentralized planning might effect some degree of redistribution of political power; but those considerations are for another essay. Here we seek to explore ways of diffusing capacities for deciding and acting in noncentralized planning modes.

## II. TWO CARTOONS: CENTRALIZED AND NONCENTRALIZED MODELS

Perhaps we can clarify one set of critical dimensions of the continuum of planning styles by drawing a couple of cartoons that, through exaggeration, may expose their extremes to view. They are almost comic in their caricature. They exaggerate selected features beyond realism, in the way a political cartoonist's inhumanly prominent teeth or flabby and wrinkled cheeks exceed plausibility. No nation's planning could match either of our cartoons in its pure form.

Imagine two virtually identical countries. For the sake of the cartoon's simplicity, imagine them with no history, no internal power inequities, and no connections to the rest of the world.\* Each has the same human and natural resources as the other, and they are at the same stage of

---

\*Note that the converses of these simplifying assumptions are, in the real world, critical determinants of planning styles, to be discussed in Chapters IV through VII.

development. They have the same illiteracy rate, the same geography, the same products. Moreover, each is dedicated to ensuring equity and to improving the welfare of its masses. They are identical twins.

The sole difference between these nations is that one believes it has the knowledge for delineating goals and for then attaining them. The other does not. Call the first Knowland and the second Atomistan. In quite the way Lindblom elaborates the theory behind these hypothetical alternatives,<sup>1</sup> Knowland's leaders and planners know what the citizens need, while Atomistan's know nothing of either collective or individual needs. Knowland has attained a state of harmony that derives from integrated theory. In contrast, because they have to rely on citizens' atomistic expressions of preferences and because those wants differ, Atomistan is marked by continuous conflict. It is considerably handicapped because the theory that supports it is incomplete, partial, and largely unsubstantiated. As a result, Knowland enjoys solid criteria for determining correctness. Because Atomistan has only individuals' preferences as its guides, it has no way of knowing what's right.

With belief and disbelief in the adequacy of knowledge as the sole distinction, the two countries pursue extremely different styles of planning.

### Centralized Planning in Knowland

First, Big Chief tells his first flunky, Planner, the correct proportions for the major economic factors affecting the country's welfare. The proportions cover the rate of growth, allocation between consumption and investment, level of national defense, and distribution among regions of the country.

Next, Planner feeds the computer all the information on needs (e.g., amount of klob, Knowland's national beverage, to be consumed) and capacities (klob plants, people trained in klob production, and their location). Then Planner feeds the computer all the algorithms it needs to compute perfect input-output tables for the country. Some of these algorithms are production functions, for examples, the material inputs, equipment, fuel, and experienced workers to produce steel or wheat. Others might be scheduling programs, for example, linking people's vacation times with slack work demands and with recreational facilities' capacities. Still other formulas link demographic and economic shifts to required inputs, for examples, specifying increased health facilities required by an expanding elderly population, schools of various types needed to train people in various specialized skills.

The units specified are actual quantities of goods and services, not monetary figures. They might subsequently be translated into Knowland's money, according to yet another algorithm, which might weight certain commodities relative to the country's needs and capacities. But in Knowland prices have no meaning in themselves.<sup>2</sup> Since prices carry no information about demand, they are unimportant to the planning process. Moreover, the question of demand in itself is trivial. Since needs are known, people

demand what they need. Then too, Knowland suffers none of the price-information uncertainties accompanying black markets; with known response to known needs, no black market exists.

The computer uses all the algorithms to transform the information on needs and capacities into calculations of possible distribution of inputs and outputs. Through iterative calculations, it creates an input-output table that is internally consistent. Precisely the correct number of skilled miners and amounts of equipment are allocated to produce the exact amount of coal needed by steel and other industries, and so on. Within the constraints that Big Chief knows as correct (e.g., consumption-investment ratio), the computer can calculate a wide, but finite, array of such internally consistent input-output tables.

Next, Planner programs the computer to select the correct table, the one that maximizes the welfare of the country. Finally, Big Chief enacts the correct table as Knowland's official plan. Once it is distributed to the people, they have no trouble carrying it out: they know what to do, how and when to do it, and have the correct resources at the correct time to do so. ("Correct" is a word heard everywhere in Knowland, as, of course, is "incorrect.") With thorough and reliable theory, with full and accurate data, with accurately calibrated mathematical models, and with unquestioned assurance that good-and-evil is the same thing as right-and-wrong or correct-and-incorrect, Knowland's Planner is able to compute the optimal program plan, and the country is then able to implement it.

With gigantic faith in the powers of Science, Knowlanders believe they are heirs to the equally gigantic powers of Reason. Drawing upon factual knowledge and explanatory knowledge bred of scientific inquiry, then upon

the derivative instrumental knowledge that supports social engineering, Knowlanders believe they can design the future. Knowland planners see themselves as more than social engineers; they are also designers of societies. In an important sense, Knowland has become a utopian nation.

Its institutions, economy, spatial organization, indeed its patterns of daily life are all the result of deliberate and rational design. Virtually all the intricate analyses, simulations, tests, and follow-up monitoring studies were conducted in the national planning office. An elaborate apparatus of regulations and information feed-back loops was developed as an integral part of the initial designs, for they reasoned that the task of implementation must be integral to the social designs themselves. Knowland planners are genuine realists. They understand full-well that long-range goals are unreal except as they fit into an instrumentally feasible chain of ends-means links. The planners have devised the instruments of social change and the controls for bringing them about.

They have taught Knowlanders to think in the syntax of science and engineering, to demand rationality in all decisions--their own private decisions and those made by governments. The quinquennial national plans present the outlines for long-term development of the nation's history, economy, society, geography, and so on--even to include its ideology. The plans then focus in upon the detailed tactical measures that schedule investments, allocations, and deliberate actions; and the huge cadre of administrators turn those planned futures into the factual present. With superior knowledge of fact and theory, with superior intelligence, and with a population conditioned to think rationally in all matters, Knowland has become the very model of the centrally planned nation.

Noncentralized Planning in Atomistan

Planning in Atomistan is done at home--and in the multiple, small institutions which reflect its competitive, small-is-beautiful<sup>3</sup> orientation. Because Atomistani believe they cannot know anything about either individuals' welfares or the collective public welfare, they think each atomistic unit of the society has to decide what's right, on its own, as it were.

People do talk a lot about their personal preferences. Some caucus with others who have similar preferences. Others debate conflicting preferences, and there's a lively effort to persuade others to one's point of view. A few years ago, they discovered Buchanan and Tullock's calculus of consent<sup>4</sup> and variations such as Rawls's.<sup>5</sup> They concluded that, because they can't predict whether they'd win or lose from one or another future proposal, they must choose open decision rules, rather than fixed action-sets. They now recognize that the "infinitely complex jumble of individual and group-wise situations, volitions, interests, actions and reactions of their 'democratic process' . . . lacks not only rational unity but also rational sanction."<sup>6</sup> So they put their trust not in predesigned substantive outcomes, but in predesigned procedures.

Governmental planning in Atomistan explicitly focuses on the design of those procedures and upon the protection of atomistic decision-making processes. Because virtually all Atomistani fear the risks attached to large collective decisions, planning aims to prevent large concentrations of authority in either public governments or private corporations. Despairing over their inability to find either correct means or correct

ends, they concentrate over and over again on finding acceptable processes appropriate to these conditions of uncertainty. Noting the wide diversity of preferences in the absence of correctness, they seek processes which permit individuals to act in accordance with their preferences.

They develop a market to facilitate self-interested exchanges, using money as the medium and prices as the principal source of information. Then, drawing upon the market as a model, they commodify every collective action and social relationship they can. Water supply, food, health care, education, and housing are made responsive to consumer choice and provided by private suppliers and insurance schemes, rather than by Atomistan government. They count on these diverse suppliers, each to put its partial theories to the test and to invent improved ways of responding to a wide range of preferences.

They then look to predicatable distortions in their processes: hidden information and aggregation of interests and powers over time--whether monopoly, monopsony, or entrenched interests. As Cohen et al note,<sup>7</sup> in truly noncentralized systems the autonomous units will not tend to band together, because real decision costs may be perceived as outweighing potential benefits, and because units may opt out of cooperation whenever they please. Nonetheless, Atomistan protects against system-destructive collusion through such means as distribution of consumer information, enforcement of anti-trust laws, and a free press.

Next, they look ahead to potential abuses and inequities. Since they don't know what most of these might be, or what people will prefer in the future, they devise procedures that seem fair, rather than proscribing specific activities. Procedures, such as due process of law, are valued in

themselves. They establish multiple points in Atomistan government where complaints can be adjudicated and procedural revisions considered. Each point is limited in authority and checks the others; ". . . widespread diffusion both of authority and of other powers, as in voting . . . are safeguards because they make policymaking contingent on the cooperation of large numbers of participants."<sup>8</sup>

The people develop ways not only to keep decision-making in Atomistan atomistic and cooperative, but also to ensure that each individual retains the capacity to act in his own interests. The principal means is egalitarian income distribution. Individuals are guaranteed a minimum annual income via a negative income tax. In addition, a strict, progressive, no-loop-hole tax system, with adjustments for handicapped people, is instituted to maintain a degree of interpersonal equity while allowing incentives for savings and production. Equitable processes and income policies are intended to safeguard individual decision-making capabilities.

With all these procedures in place, planning has just begun. All society's atoms plan in their own interests. Individuals, suppliers, and government organizations all plan, as best they can in the face of uncertainty, in accord with their own preferences. Thus planning is partial and tactical. Methods may be indirect, discriminating, and incremental, as Lindblom suggests;<sup>9</sup> and approaches to implementation may take many forms. Planning is continuous, because it is propelled by interaction among units. Interactions stimulate new problems, opportunities, and learning for participants, who adjust their strategies accordingly.

Atomistani have a fundamentalist belief in the beneficent workings of Faith and of Adam Smith's hidden hand. They also share an abiding fear of

the workings of governmental power. Accordingly, they eschew proposals for governmental programs aimed at ameliorating social problems, and they have kept governmental influences upon the national economy to what must be the lowest level anywhere in the world. Businesses are encouraged to pursue their economic interests, and without direct aid from the government. Thus, there is scant regulation of industry, even in those industries that have sought it most enthusiastically. Government's major role in national economic stabilization policy is in modulating the supply of money through the national bank. Since there is very little public spending, there is little need for tax collection. (Tax revenues are mostly used for maintaining the symbolic army and equitable income floors.) The possibility for the government to shape the course of national development through fiscal means thus scarcely exists. If it did, it would of course be condemned by virtually everyone with any proper understanding of public policy.

Relying upon individual initiative and upon self-generating and self-governing market processes, Atomistan has realized the idea of a 19th century liberal state. Further, it stands as testimonial to the inherent virtues of the free market, to the growth gained from minimized regulation and control, and to the capacities of individuals acting in their own interests to generate a climate that is advantageous for everyone. Atomistan's patron saint is Professor Milton Friedman, who is also its proud promoter to nations elsewhere around the world. It survives and thrives by virtue of its reliance on a mode of planning that is itself as atomistic as the national credo and the national society.

### Some Differences

Opposite beliefs about the adequacy of knowledge generate very different styles of planning. Once we concede that we have imperfect knowledge of needs and imperfect theory, that the future is uncertain, and that plural publics hold to plural preferences, the classical notions of centralized planning become suspect. We are then compelled to search for alternative notions that might prove more workable.

Knowland's planning style is closed, because the leaders know what is needed. In contrast, Atomistan's style is open, because Atomistani are continuously discovering new issues while partially responding to currently perceived preferences. Thus change occurs in the knowledge-secure system through the application of thought or, more tightly, of science. Change occurs in the uncertain system through interactions among individuals and organized groups.<sup>10</sup> Similarly, in the former, coordination and integration are achieved through science and the management of known relations between inputs and outputs, whereas in the atomistic system administered coordination is eliminated altogether. Integration and coordination occur as by-products of interactive processes, working through linkages joined by common interests and expressed in market transactions, interpersonal associations, and political negotiations.

These competing organizing principles take different institutional forms. In the knowledge-secure nation planning is the application of known theory and science to serve the whole polity. Consequently it takes a technocratic form in a specialized planning ministry. In the unsure nation with a diversity of preferences, planning is partial and self-interested. Consequently, it occurs everywhere: in multiple public and private

institutions and in the heads of individuals. In the system where all means and ends are known, government is pervasive, but it is also purely administrative. In the uncertain system, governmental agencies are merely elements in the interaction, moving in their own interests and serving as media for competing interest groups. At the same time, because they are crucial to adjudication of competing interests and to adjusting procedures that guide interaction, they are essentially not administrative but political.<sup>11</sup> Although both systems aim for interpersonal equity, the knowledge-secure system does so by planning equitable distribution of outputs to meet known needs, whereas the unsure system does so on the input side--by providing equitable income and equitable processes whereby individuals choose in response to their own self-defined preferences.

#### Limitations to Pure Forms of Planning

We have caricatured purely centralized and purely noncentralized planning, the one closed and integrated, based on full knowledge; the other open and atomistic, based on uncertainty. The contrasting cartoons are useful in drawing out competing patterns and presumptions. Although they portray extreme types, which cannot be so easily perceived in messy reality, they do not present ideals. They are not merely unattainable, they are misguided.

The vision of centralized planning is misguided in its reduction of human diversity, complexity, and opportunity into mathematical formulae. As the United Nations guidelines put it, there are at least six crucial

defects to mathematical planning in itself: (1) inordinate simplification of objectives; (2) no variation in consumption; (3) inadequacy of linear input-output systems to describe production interrelationships; (4) limitation on either time periods or production sectors; (5) no capability to deal with export policies; and (6) omission of saving and foreign exchange constraints, therefore preclusion of integrating fiscal and monetary policies.<sup>12</sup>

The vision of noncentralized planning is misguided in its reduction of human societies and nations to atomistic, autonomous entities. Cultures and historic circumstances are bonding. People's preferences are not independent but interdependent and socially conditioned. Moreover, many values are shared, if not collective. Some things can not be commodified without violating such principles.

In a sense neither model is acceptable because each is extreme. On the centralized end, too much is unknown and so cannot be contained in the model. On the noncentralized end, much more is known about both goals and technologies which the model refuses to accept. Nations operate between these extremes, in compromised models, which often harbor competing assumptions. Although countries vary in the styles and degrees of centralization and noncentralization in their planning, overall the convergence and the confusion of the models is beneficial. "If a question is asked what economic order--that is, what set of institutions--will maximize welfare under the constraints imposed on us by nature--that is the laws of technology and psychology--the answer is a mixed order."<sup>13</sup>

### III. EXPANDING THE MEANING OF PLANNING AND DECENTRALIZATION

The core concept of planning, deliberately applying knowledge to improve future prospects, carries many special meanings to diverse scholars and practitioners. Although most planners would subscribe to the basic notion, they tend to interpret and apply the ideas in such different ways that they acquire startlingly different connotations. But, because the competing interpretations tend to be tacit and because all are labeled "planning," one might reach Wildavsky's conclusion that "If planning is everything, maybe it's nothing."<sup>14</sup> To avoid such a reduction, we wish to make the various connotations explicit, aiming to expand the meaning of planning to provide policy-makers and planners with wider options. But before doing so, we must first be clear about the core meaning of planning.

### The Protologic of Planning

The idea of planning became universally popular in the years following World War II, especially in the new nations. Or, more accurately, it was the forms and symbols of planning that won acceptance; the essence of the planning idea is still a stranger in most lands.

In country after country, agencies bearing the planning name have been charged with bringing order into the processes of modernization--charged with guiding the course of national and local development. In retrospect it is apparent that most countries adopted planning as a formalized governmental task within their new public administration structure. Seldom was planning accepted as a different way of thinking--as a different approach to decision-making and governing. It is apparent now that a planning bureau can be inserted into a government's organization chart without notably affecting processes of politics and governance. It is also apparent that, where these new planning agencies have been effective, they have tended to perpetuate centralized organizational systems inherited from colonial times or imposed by newly established authoritarian governments. Indeed, for many people, the notion of planning is equivalent to the notion of centralized decision-making and control, rather as it is in Knowland. As we shall seek to demonstrate, that represents an unfortunately narrow interpretation of the planning idea.

It's not clear where that image of central control stems from, but perhaps it derives at least in part from widespread press coverage of the Soviet Union's administrative style. The Soviets adopted highly centralized governmental and economic structures, then used planning as an instrument for reinforcing that centralization and as an alternative to market

determinations. GOSPLAN indeed proved to be a powerful medium for imposing authoritarian will. But central economic management is only one of many planning models available to nations.

Where plans are made by a small core of officials--whether in a corporation, an army, or a government--and where those plans then acquire the force of mandate, they can indeed help to perpetuate and reinforce centralized authoritarian rule. Wherever planning produces unitary designs that lay out sequenced future actions, and wherever authorities then compel conformity, planning can become an instrument of oppression as well as an instrument for development. Wherever a unitary goal-set is promulgated, individuals' preferences may be overridden in favor of a declared collective purpose. However, in its essential character, planning is neither centralized nor noncentralized. Like most technological developments, planning can be turned to varied ends. In some of its modes, it can serve as a powerful instrument for personal freedom and personal autonomy.

So many meanings have gotten attached to the term "planning," that it's become virtually impossible to know what a person means without some kind of prior clarification. Most of the time, discussions of planning find the discussants talking past each other, exactly as though they were speaking in different tongues. It is therefore important that we be explicit about our usage, lest our readers find us as inscrutable as we have found others.

However various the meanings, a few notions seem to be common to all of them--comprising something like a protologic, as our colleague Horst Rittel has framed it. A number of seemingly simple propositions are shared by planners in Knowland, Atomistan, GOSPLAN, BAPPENAS, Cordiplan, TRW, and

the Reagan Administration's OMB alike.

Virtually all of them see planning as an instrument for changing the present state of affairs to an improved state, and they believe that knowledge is instrumentally useful in that endeavor. They believe they can know enough about current conditions and, more significantly, that they can know what future conditions ought to be. Further, they believe they can acquire sufficiently good theory--i.e., to understand enough about cause-effect relations--so that they can, in turn, design actions that would induce desired outcomes, yet with few unintended side- and after-effects. Most of them (the Atomistani are an exception) are confident that it is possible to say where collective societal interests lie, so a collective rationality can be found that can properly and effectively be substituted for individual rationality. At the core of the planning idea is the question, "what if . . . ?" One must explore available alternatives and trace potential repercussions before deciding what to do. Thus, in several senses, planning implies rationality.

Beyond these general points of consensus, approaches to planning differ widely. In some countries, identification of a collective rationality leads to the design of unitary national goals that, in turn, compel sacrifices by individuals in favor of the larger public interest. That sort of conception calls for centralized target-setting by those who are most knowledgeable and hold the holistic overview. These best-informed planners must then also control to assure that all parts of the social system conform to the grand design.

Other countries have been more pluralistic in their approaches, permitting subgroups of various kinds to specify their own purposes, so long

as they do not conflict with those of the national leadership. Thus, local governments are frequently encouraged to confront local problems to accord with the preferences and styles of the dominant local polities, and national governments may even provide resources to permit a degree of local autonomy. In similar ways, nongovernmental organizations--parastatals, private industrial corporations, professional groups, tribes, religious sects, etc.--are commonly permitted some latitudes of action, so long as they do not unduly distort movement toward nationally specified goals. Under some circumstances, these sorts of nongovernmental agencies are seen as instrumental to achieving the national goals and are integral to the national plans.

### Beyond Conventional Connotations of Planning

#### The Plan

The conventional understanding comes close to Knowland's approach with its emphasis on the product--the plan.

Whether contained within the national central planning agency or whether dispersed among numerous local governments in the so-called "decentralized" manner, the typical style around the world has called for a unitary plan--a unitary statement of objectives and a unitary set of projects and programs to be constructed. The underlying model derives from classical engineering, the metaphor of effective use of scientifically derived knowledge applied to efficient solution of problems. Drawing upon the best available explanatory knowledge, the best available factual knowledge, and the best available instrumental knowledge, a master plan is prepared that says what the future should be like and what must be done to attain that

desired end state. In this format of social engineering, planning in most countries is intrinsically technocratic. It is based on dubious assumptions about the availability and adequacy of knowledge, especially knowledge of values, and about degrees of certainty in the future.

The classical model of centralized planning in the style of social engineering is seriously flawed--whether done in the national planning office or in a local government. We shall want to examine some of these flaws in search of a more promising approach to planning.

Long-range planning is especially problematic for developing countries, which face not only insurmountable internal forecasting difficulties, but also dependencies on unforeseeable external events. A host of uncertainties (to be discussed more systematically in Chapter VI) compound as they cumulate into the future. The longer its range, the more the plan is in jeopardy.

Comprehensiveness is equally suspect as a planning criterion. To incorporate everything is to boggle the mind. What planner--what interdisciplinary, politically sensitive team of planners--could think of everything? How could all interdependencies and competing aspects of all elements be coordinated into a comprehensive whole? Problems of uncertainty, lack of knowledge, and differing time-frames intrude. For example, the planners might discover unanticipated consequences of a development project seven years underway which disrupt another, presumably discrete scheme, already four years into its development.

The characteristic of generality seems at odds with that of comprehensiveness. If a plan is general, however, it is bound to be vague, often in

response to legitimate political compromise. But should such a general plan be put to the task of guiding real activities, vague goals must be converted into operational objectives. At that point they will be exposed as harboring conflicts.

To go beyond the notion that planning produces a long-term, comprehensive, general plan is to suggest short, partial, and specific planning. At the least such planning offers greater promise that the intended activity will in fact be conducted. In addition, some conclude that incrementalism<sup>15</sup> (partial, serial, remedial, fragmented, and partisan decision-making) is less risky. A short-term, disjointed approach can correct problems more easily and can try more diverse, interest-responsive activities at the same time. In contrast, the long-term, comprehensive, general plan puts all its eggs in one basket.

These comments seem to indict The Plan, as commonly understood. For all the criticism, though, the alternatives suggested are intended not to supplant but to supplement this connotation of planning. The Plan surely serves important symbolic and political purposes. Especially in places like Knowland, it serves as an instrument for expressing aspirations and as the medium for presenting designs for a better future. In some sense, the more visionary the plan, the greater its heuristic utility--even if the visions are not wholly attainable.

In some countries the two seemingly incompatible understandings might be applied in tandem. The long-range, comprehensive, general plan might serve symbolic, political, and inspiring functions. At the same time it could provide a loose framework and legitimation for day-to-day planning and budgeting which followed an incremental process.

Technical Exercise

One widely held conception of the planner is as a skilled technician. In this view the planner applies specialized expertise to prescribed goals, fashioning efficient means to known ends. Associated skills include measuring, stimulating, scheduling, optimizing, analyzing inputs and outputs, exposing costs and benefits programming, analyzing, programming, and the like.

In this view, planners bring skills, experience, and a predilection for examining alternatives, anticipating consequences, and searching for better ways. But this conception does not go far enough. It hides the inherently valuative aspects of planning. Even if the polity or its leader assigns the planner a clear, specific goal, the techniques the planner devises have normative implications and distributional effects. Still further, even with prespecified alternatives, the choice of the technical method and its particular application are far from neutral in their results.

Viewing planning as technical exercise and relying on the planner as expert are troubling in another way. Many public problems that planning addresses lack dependable theory. Indeed if knowledge were secure, many problems could be resolved relatively easily. When issues and possible technologies are uncertain, however, planning is no mere technical exercise. Consequences of alternatives cannot be traced, and mathematical methods cannot derive the best course. In such uncertain circumstances, planners' technical skills are a mirage. Where the content of expertise is irrelevant, relying on the planner as expert is not only fallacious but foolhardy. Where pluralities of values are in conflict, the planner is no

more expert than anyone else,<sup>16</sup> and it is then wise to seek the insights of all interested parties in the search for consequences and better ways.

In sum, while planning is sometimes partially a technical exercise, it is also always valuative. Moreover, in uncertain conditions reliance on a technical exercise is not only deceptive and vacuous, but also ignores other sources of knowledge which could help to resolve problems.

### The Ministry of Planning

Perhaps because of the confounding array of planning connotations, many observers conclude that planning is whatever professionals calling themselves planners do. Still the label scarcely specifies the action, since planners do many quite different kinds of things. (For examples, planners seek to inform, stimulate, optimize, regulate, analyze, organize, map, schedule, zone, design, invent, bargain, monitor, evaluate, and program.)

On a similar tack a conventional connotation describes planning as whatever occurs in a particular institution titled planning. Thus the Planning Ministry or Department or Commission is conventionally understood to be the prime locus of planning.

Undoubtedly, people in these institutions plan. But people in many other agencies also plan. Moreover they plan in what they, too, purport to be the collective interest. Thus, the Ministry of Finance, the Office of the President, the Parliament, the Board of Coffee Producers, the Agency for Public Works, all contribute to a nation's planning efforts.

Limiting the perception of planning activities to those of an

institution titled planning would miss a great deal of planning deliberation and decision. Such a narrow interpretation would preclude a view of a nation's system of planning--a view of how the multiple institutions, their perspectives on the collective interest, and their choices for public activities interact. A wider view reveals multiple agencies, acting sometimes in concert, sometimes at odds, sometimes quite independently, collectively working toward their respective images of national advantage. In a sense the multiple agencies and their patterns of interaction constitute a framework which constrains and channels the planning of the formally titled planning institution.

The perception that planning occurs in the officially designated planning office not only overlooks a great deal of pertinent planning, it also blinds the decision-makers to the larger planning system. A nation's larger system of planning sets the limits and the opportunities for the types of planning that can be effective within it.

#### The Subjects of Planning

Different decision-makers carry different notions about the nature of planning. Until recently, the more conventionally accepted subjects of planning were either the economy of a developing country or a particular development project. These are obviously of very different orders in scale and complexity. Yet scholars, officials, and practitioners might easily talk past each other, labelling both activities as planning, while holding competing connotations in their heads. The shift towards decentralization has recently brought more subjects under the planning umbrella. But problems occur when the connotations are left inexplicit and planning styles suited to one order of subject are applied to another. The following

subjects of planning are presented in a loose hierarchy from the least to the greatest complexity.

Project Planning means developing and carrying out a single, discrete, one-time intervention, and, usually, although not necessarily, at one place. The project may be a large dam or a simple rope bridge, a national scheme to promote literacy or a program in one local school. It may be dispersed but nonetheless distinct, such as an inoculation project.

Projects are politically appealing as visible demonstrations of commitment and results; their inauguration and completion can justify much fanfare. Moreover, as single, discrete undertakings, they make just one demand on the budget, freeing capital for future political glory. (As Ralston et al note, however, the less glamorous task and recurring expense of project maintenance are both substantively and politically problematic.)

Program Planning means developing a set of procedures, actions, and inputs which are expected to produce predictable benefits in different places and over time. Programming aims at replicability, in contrast to the one time specificity of project planning. Thus a country may have a cattle-dip program or a rural roads-surfacing program. The on-going nature of effective programs tends to develop and entrench constituencies for them and to entail recurring expenditure.

City and Regional Planning are place-specific and intentionally responsive to the unique problems, conditions, and opportunities of a particular geographical area. Yet, because they attempt to allocate land uses and physical development territorially, they are more complex than projects. By taking multiple factors into account, undertaking a range of

concerted activities, and making choices among alternative locations of physical improvements (such as transport, water, and marketing facilities), city and regional planning tends to extend over time. Even if a city or regional plan is produced, it is apt to evolve or to be amended as land uses change and develop.

Sectoral Planning is not place-specific but function-specific, encompassing all the activities related to a particular sector in a country. Sectors, "a subdivision of...a system...as an area of responsibility,"<sup>17</sup> take on a range of meanings. In the broadest economic division, sectors are: agriculture, manufacturing, and services. (The last is a residual category and so includes such diverse activities as health care, education, legal processes, domestic labor.) Sometimes sectors are delineated more finely into policy areas, which may correspond to a nation's ministries. Accordingly, they represent a meshing of economic and political interests. Such sectoral divisions would necessarily vary by country; but typically they would include agriculture, rural development, transportation, health, education, housing, natural resources, commerce and industry, and defense.

Sectoral planning incorporates complex actions at national, provincial, and district levels within the policy area. Furthermore such planning coordinates (either explicitly or informally through political and market-like channels) governmental activities with semi-autonomous agencies and private interest groups operating in the same sectors. Thus sectoral planning crosses all territorial divisions and bridges private and public arenas within its functional purview.

Economic Planning for a country addresses yet another order of complexity, as it aims at allocating and spurring development among sectors of the economy. Thus it links not only across territorial and public-private divisions, but also across functions. Such cross-functional planning confronts the interdependence issues noted in city and regional planning. But they are even more complicated, because economic planning usually operates nationally and allocates more types of inputs than just physical improvements and spatial arrangements. Moreover, differing technologies, sectors, and markets develop along widely varying time frames. For all of these reasons, economic planning is necessarily an ongoing activity. Although a country may produce an economic development plan, it will be adjusted within its specified time period and will spill over into the next.

System-of-Governance Planning brings together all the collective interests of a nation. It tends to be more than the sum of the political and economic sectors. Broadly it may be understood as constitution writing--setting the rules of the game, and clarifying which activities are classified as private and public, which as individual, and which collective. In addition to arranging rights and obligations of individuals, groups, interests, officials, and institutions, system-of-governance planning concerns the relationships among them. Thus checks and balances, and other devices for bargaining, protecting, unifying, and stabilizing are adjusted in the perceived interests of the whole and its constituents.

System-of-governance planning is not so rare as it may seem. At the moment this is written El Salvador has just changed its system of governance into martial law in the name of democracy. Aside from the military coups d'etat and upheavals of Latin America and elsewhere, nations plan

their systems of governance through explicit constitution writing. Notable examples are African nations when they gained independence and Yugoslavia's chain of constitutions which brought it to its present form of republican socialism.

Other countries may alter their systems of governance substantially without explicit constitutional amendment. Poland's unions seem a case in point. More gradual and subtle adjustments occur frequently in the United States, which has transformed itself from a system of territorial redundancy to a system of functional redundancy<sup>18</sup> over the last two hundred years.

In this light the topic of this inquiry--decentralization--may well be a vehicle for transforming nations' systems of governance. And, as Cohen et al point out, "the link between motive and outcome is not always clear...a decentralization policy can result in a shift of power without this being an explicitly or implicitly defined goal."<sup>19</sup> Such unconscious, de facto change in a country's system of governance is not planning, but must be taken into account if planning in any part of the system is to be effective.

This loose hierarchy of planning subjects ascends from the simplest project planning to the most complex system-of-governance planning. All types are valid. To go beyond the connotations of any particular subject is merely to be explicit about the subject at hand and to recognize the others.

Controlling

Planning tends to connote control aimed at ensuring desired outcomes, thus evoking an image of Big Brother encroaching on every aspect of life, checking freedom. This connotation has surely contributed to planning's bad name.

On the other side of the coin, planning has earned a bad reputation precisely because of its frequent failure to control future events. When planning does not achieve the desired goals, it is seen as inept. Moreover, it is seen as a wasted exercise. From this perspective, planning is a dream-world activity, producing plans which collect dust on shelves, irrelevant to on-going public decisions.

To move beyond the connotation--that planning is control--involves some consideration of the relation between planning and implementing. Both theorists and practitioners are troubled about a relationship which on the surface seems so tidy: first one develops a plan; then one carries it out. Problems arise because in the public sector multiple people plan; and different, multiple people carry out plans. Implementors are apt to have different (if any) understandings of the problem and goal from the planners, and they then respond to contingencies in ways that can diverge from original intentions. Although there is a growing literature on implementation (including such issues as goal displacement, bureaucratic games, and the role of pressure groups) and a continuing controversy over whether planning and implementing are the same or distinct processes, the crux of the matter here is simply to ensure that people will act in accord with the plan. Enter control.

But control is not the only means for resolving the problem. Other means may be more palatable, feasible, and probably more effective.

Alternative ways of carrying out a plan are more expansive of choice, more permissive than directly controlling. One type is a variation of traditional regulation. In the place of conventional regulations, which specify the inputs and procedures to be followed to reach a desired end, it substitutes performance standards, which specify the end itself. Then individuals and groups may reach the standard in whatever ways suit their preferences and capacities. Performance standards have an important fringe benefit: they encourage innovation. Thus the open process might uncover better ways of achieving the goal than traditional regulations would have specified.

Another approach is providing information. New information would permit individuals and groups to make better choices in their own interests which could then further the plan's goal. The French style of indicative planning formalizes this approach by ensuring that business leaders know the government's planned expenditures and policies. Then the corporations, acting in their own interests, align their actions with those of the state; the plan becomes a self-fulfilling prophesy.

Yugoslavia uses such information, coupled with reiterative consultation to guide its planning and to reconcile what is often perceived as a contradiction between planning and the market. The economic chamber ensures that enterprises not only know about anticipated demand, but also know about each other's investment plans. Thus, although all plans are independent, they are not mutually ignorant. This planning process is said by Horvat to enlarge the enterprise's autonomy by reducing uncertainty, a restriction on free decision-making.<sup>20</sup> While Yugoslavian social planning is not command planning, but rather a pluralist political process, it

nonetheless guides action. "The preferences shown for indirect controls [make] Yugoslavian planning seem highly 'indicative', if not actually 'permissive'; and in comparison French indicative planning seems 'frightfully authoritarian' and 'directive.'"<sup>21</sup>

Plans can also be implemented through incentives, rather than direct controls. Most individuals and groups will find it in their interests to respond to the incentives and thereby achieve the plan. But others, with overriding special circumstances or unusual preferences, will be free to refuse. If most behavior is at odds with the goal, the planners can re-examine causes for that behavior and then either direct public action towards the causes, or devise more powerful incentives, or abandon the goal as unpopular. A side benefit of the incentives approach to implementation is thus that it reveals rather than constrains preferences.

Still another approach to noncontrolling implementation is providing inputs which can be used in nearly infinite combinations. Thus standard inputs can result not in prespecified outputs, but rather in expanding varieties of outputs which can respond to diverse conditions and preferences. One conceptual model for this idea of standards that destandardize<sup>22</sup> is the alphabet. The individual letters are standard, but their combinations permit a virtually infinitely varied literature and day-to-day communication in millions of different circumstances. Applications for development planning are promising. For examples, the Mexican and Korean governments provided villages with bags of cement which the villagers then used for constructing whatever they judged was most needed. To remedy its appalling policy of providing standard houses in totally different environments, the Nigerian government instituted a credit program so people could

build houses appropriate to their preferences and to local environmental conditions.

These choice-expanding styles of implementation suggest two more approaches. One is to devise ways to substitute self-control for directive, external control. In this manner people and groups see it in their own interests to act in the public interest, for example, by building housing that is not wastefully inappropriate but rather environmentally suited.

The second and related noncontrolling approach to implementation is to eliminate the original dilemma altogether. Merging the planners and the implementors, the planners and the plannees, simplifies implementation and erases the problem of control. People will plan in their own and collective interests. Therefore they will be committed to effective implementation in accordance with their perceived needs and conditions. Moreover they will be quick to detect and correct errors, and to respond to unforeseen consequences by adjusting actions and, if necessary, the goals themselves.

This range of noncontrolling approaches to carrying out plans suggests that planning can mean more than controlling--sometimes even decontrolling to achieve a desired end. Political, cultural, and other contextual conditions, as well as the planning substance, will necessarily constrain the choice of the implementing approach. But at the least these alternatives free the decision-maker from the misapprehension that the only way to implement is to control.

Moreover, these choice-expanding approaches tend to respect human dignity and diversity. They encourage people's and groups' responsibility

for, creativity in, and knowledge about solving their own problems. Thus the options are potentially not only more humane but also more effective than is controlling. Noncontrolling forms of implementation make use of self-interest and contextual knowledge to create solutions that are responsive to diverse needs and preferences. As we will discuss later, such noncontrolling processes are all the more important under conditions of uncertainty.

### Summary

In sum, we intend to expand the meaning of planning beyond its conventional connotations. The expanded version recognizes that planning need not be long-range, comprehensive, and general. It is also incremental, partial, and specific, a process that may produce no plan. The process is not just a technical exercise; it is also essentially a valuative one. The planning process is not confined to a designated planning institution, but rather is carried on virtually everywhere in government--and elsewhere. Interagency interactions contribute to a nation's system of planning. Planning is practised on several generic subjects which range in complexity from a project to a system-of-governance. Planning does not require controlling; it can achieve its aims through expanding choice and in the process respond more effectively to diverse conditions and preferences.

This expanded interpretation of planning offers decision-makers more options than the conventional connotations. The wider lens may permit a vision of planning that better suits a country's social, economic, and political circumstances. Going beyond the conventional interpretation also has begun to suggest new ways of understanding decentralized planning.

Beyond Conventional Meanings of Decentralization

"Decentralization" carries a core concept that is undisputed: division and distribution of whatever has been centralized. But, as with the term planning, scholars and administrators load the concept with special meanings, which tend to be tacit and so make for confusion. Our discussion here relies on the clarification of alternative meanings of decentralization in Cohen et al; it focuses instead on distinctions between the conventional connotation and a wider understanding.

The Conventional Connotation

Decentralization implies that something was once centralized and is now diffused. A conventional interpretation of this diffusion is geographic. In this meaning, parts of the system of governance, once centralized in the capital, are dispersed to multiple regions, provinces, and districts of a country.

Another prevailing interpretation is that decentralization is administrative. Consequently the conventional connotation assigns certain administrative tasks, hitherto of the central government, to offices in the geographically dispersed areas. (Presumably every area has the same kinds of offices performing the same kinds of tasks.) Because the center was previously responsible for the tasks and maintains an interest for political and economic reasons, it tends to maintain an interest in how they are performed. Therefore the conventional connotation of decentralization is deconcentration, that is, shifting administrative authority along the central line to offices in the field. The extent to which power is shifted depends on the tasks and authorities which are deconcentrated.

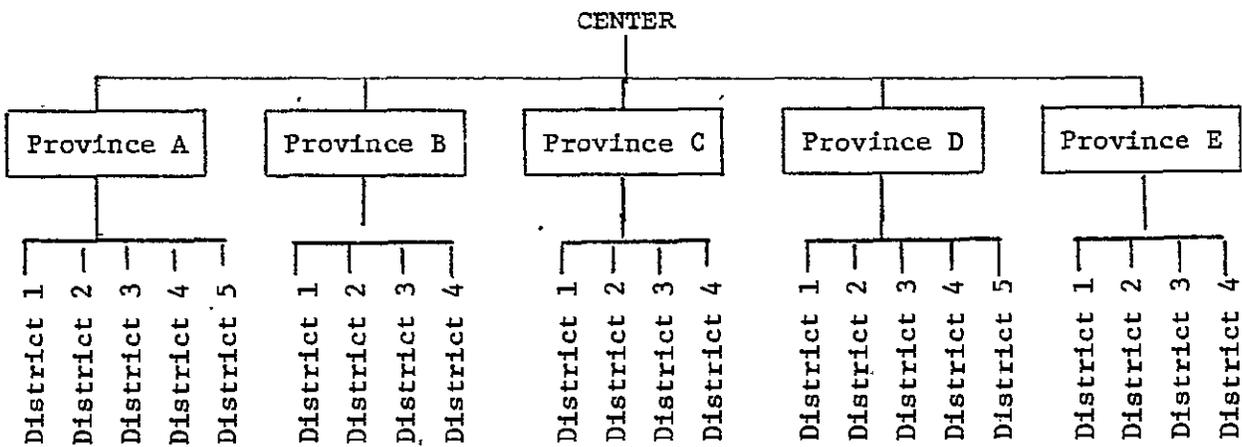
Nevertheless, the administrative line protects the center's control and capacity to recapture whatever it deconcentrates.

In this conventional view, when the center decentralizes tasks to local governments instead of its own field offices, it nonetheless retains interest in task performance. Thus the center tends to treat lower-level governments like service stations. It may guide the decentralized activities obliquely and encourage participation, but still keep a rein on the lower governments. Consequently this perspective on decentralization is concerned with linkages.

In sum, the conventional connotation of decentralization is one of administrative tasks deconcentrated to field offices or lower level governments in geographically dispersed areas which are tied to the center through either direct channels or other relatively compelling linkages such as funding. This connotation amounts to a multi-institution hierarchy, which looks like the diagram on the following page.

This conceptual pattern is simplified to make its point sharply. Actually the prevailing idea is elaborated by sectoral specialization. The various ministries provide another layer in the hierarchy and multiply the institutions by creating their separate field offices or specialized counterpart agencies of provincial and district government. A bigger but still entirely hierarchical organization chart might be drawn.

This interpretation of decentralization moves away from the center, but in a curiously center-oriented fashion. This new understanding sheds some light on the concern and problems administrators have with linkages, coordination, and integration.



### A Broader Notion of Decentralization

A broader notion of decentralization, like a broader notion of planning, may offer decision-makers a wider range of organizational options for response to different nations' conditions. Decentralization can diffuse from the center in a variety of ways. In this sense decentralization means noncontrol.

Some interpret this as "multicentric," that is with multiple points of decision-making authority. Relations among the organizations are coordinative rather than subordinative. Such a system "requires mutuality, not hierarchy, multiple rather than single causation, a sharing instead of a monopoly of power."<sup>23</sup>

This kind of diffusion of central authority may occur on a territorial basis. If so, it involves devolution, the transfer of power off the central line to another level. As Cohen et al note, devolution is associated with de jure or de facto federalism and, if successful, can result in a fair degree of autonomy. As many developing nations are composed of distinct tribes with different languages, religions, and cultures, de facto federalism is not rare. Such territorial decentralization is quite different from the conventional connotation. In this model, authority, rather than extending along a line, is dispersed to many decision points.

Noncentralization need not be limited to territorial divisions. Power and authority may be diffused throughout various ministries and agencies. Although not conventionally understood as decentralization, the number of specialized agencies in a nation offers a clue about its dispersion of authority. As Hyden notes, the fairly large number of ministries in Kenya

reflects its politics of pluralism and patronage.<sup>24</sup> Cohen makes a related point: Colombia's 100 agencies, each tied to a particular professional or interest group, are the institutional manifestation of a delicate balance of factions.<sup>25</sup>

Moreover government authority may be decentralized by moving certain functions out of the state altogether. Cohen et al offer three approaches. First, decentralization may take the form of delegation to parallel organizations. Perhaps the most common examples are ceding regulation to certain professions and vesting certain policy functions in the political party. Second, transferring functions out of the state may be achieved through reprivatization, or to use their better term, commodification. In this case, what was previously a public good is moved to the market in expectation of market efficiencies, innovation, and consumer sovereignty. Third, the shift can occur through what the Yugoslavs call debureaucratization, meaning a function is no longer the state's. In application it tends to mean worker self-management, but the idea offers wide potential.

Going beyond the conventional meaning of decentralization opens a range of organizational options. In composite the options convey an alternative model for decentralization: noncentralization. By divesting itself of assorted functions and authorities, the center creates a variety of relatively autonomous decision points. This brief discussion has mentioned a number: lower levels of government, specialized agencies, professional groups, special interest groups, workers, political parties, and individuals. Approaching the issue from a different tack, Ralston et al. have expanded the assortment still further.

As a whole, this model of multicentered decentralization has useful implications. In the process of divesting its functions and authorities to these various groups, the center is bound to fragment its authority. The effects of fragmentation are not necessarily beneficial, as other papers in this series discuss. For example, devolution to a repressive local government might well have more tyrannical consequences than retaining authority in a progressive center. Nonetheless, to the extent that multiple authorities are dispersed to multiple groups, institutions, and so on, and to the extent that an individual has access to multiple points of authority, the fragmentation will have yielded "multiple cracks."<sup>26</sup> They provide citizens with access to different decision makers, so if one fails to respond, redress may be sought at another level or another agency. The cracks may thus collectively check the potential for abuse within the system as a whole.

The multiple cracks suggest that fragmenting authority may yield redundancy. Landau has shown elsewhere that redundancy reduces government risks and induces stability.<sup>27</sup> These effects are important for advanced countries and seem all the more important for developing countries which are especially vulnerable to a host of uncertainties.

Redundancy permits partial failure while protecting the whole system from collapse. Exploiting one of Hirschman's concepts,<sup>28</sup> Peterson shows how redundancy, and its concomitant of accepting failure, can benefit developing countries. Having alternatives gives the peasant the choice of exit and the government the opportunity to let institutions fail, rather than to continue to pour good money and credibility after bad.<sup>29</sup>

Yet another potential benefit of redundant, fragmented authorities is diversity, which Cohen et al note is the true prerequisite for innovation.

This multicentered model of decentralization, composed of multiple, self-governing organizations, is quite different from the hierarchical structure of the conventional connotation. In the conventional view, the center retains its authority, whereas in the polycentered model the center divests its authority.

The channels of conventional decentralization, used to guide actions of organizations in outlying areas, not only tend to control those organizations but also to standardize them. The extent of the standardization depends on the degree of specificity and routinization. If the tasks are not routine and field offices or specialized agencies are given wide discretion and reliable funding, then they may become less standardized. Nonetheless the general argument that they will be doing more or less the same things in more or less the same ways still stands, because the center continues to hold the reins. The essential standardization inherent in the hierarchical form of decentralization precludes many of the potential benefits of multiplicity discussed above.

In addition, the lines of control or regulation interfere with potential processes of self-regulation. If altering procedures to respond to some environmental demand, opportunity, or institutional request requires appeal up the channels (and then probable delays and potential revision of guidance to all field offices), self-regulation is less likely to occur. In contrast multiple autonomous organizations work independently; they link not through control but through interaction bred of mutual interests. In their self-regulating processes they may encounter each other, bargaining,

adjusting, cooperating in their self-interests. They are loosely coupled in reciprocal relations,\* which fluctuate over time and place in response to diverse conditions and contingencies.

It is difficult to diagram such a process, the antithesis of a tidy hierarchy. Instead, it is a changing network of relations. The generic model might be the elaborate and complex sea-fan coral, the interlaced skeleton resulting from interactions among thousands of tiny, independent, but related creatures.

Such an understanding of a multicentered system resulting from decentralization which divests authorities to multiple groups, institutions, and interests goes beyond the conventional connotation. It offers decision-makers a range of particular organizational options. The expanded interpretation also provides opportunities for responding to different nations' unique historically derived constellations of interests, social classes, and pre-existing organizations in ways that can work best for them.

#### Dispelling Potential Misunderstandings

Taken together these expanded meanings of planning and decentralization suggest kinds of decentralized planning which seem all encompassing. The argument may have reached Wildavsky's conclusion after all. The following caveats are offered to dispel such apprehensions. In the process

---

\*The relations are rarely symmetrical. Some organizations are more powerful than others. But the fluctuations and the multiple cracks offer some checks against tyranny.

they should further clarify and bound the arena of noncentralized planning.

#### Not Every Collective Activity

As the core idea of planning specifies, even in its broadest interpretation planning excludes a great deal of activity in the collective interest. Because it is self-consciously deliberative, it excludes all activity that is habitual, all that is traditional, and all that is spontaneous. Because planning aims at shaping a future condition, it excludes all routine activity. Because it is oriented to both problems and consequences, planning excludes the many activities that are not problematic. Thus while planning includes much collective activity, it excludes much more.

#### Not Laissez-Faire

Similarly our expanded meanings of planning and decentralization may have conveyed a sense that anything goes. In embracing the idea of multiple groups planning in their self-interests, and in embracing the concept of decentralization as one of divesting the state's authority, the multi-centered model may have conveyed a notion that we seek to rediscover laissez-faire. Both impressions are understandable but mistaken. Planning, as emphasized early on, is inherently normative. Moreover, it aims at improved future conditions without unforeseen and undesired side- and after-effects.<sup>30</sup> Therefore, no planning--even system-of-governance planning of the most Friedmanesque variety--can tolerate "anything goes" or "let it go" or "leave it alone." (It would, though, only if it predicted results approaching nirvana.) In real-world planning situations, laissez-faire is both inappropriate and unconscionable.

Decentralized planning can be choice-expanding rather than choice-foreclosing. Planning can change the rules of the game and, alert to the redistributive effects of public actions, change the ways existing structures constrain the poor. This approach is diametrically opposite that of laissez-faire, which accepts the existing rules and structures as beneficial just the way they are. To use Peterson's example again, a farmer may be forced to market through a government-controlled cooperative because there is no alternative. Consequently the farmer is dependent on and virtually subservient to the cooperative. But, if he may market through a cooperative or through private agents, he may choose among the intermediaries to serve his own interest and is beholden to none of them.

Choice-expansion is valued in itself, because it is equivalent to expanded personal freedom. Choice-expansion is also a means toward other ends, such as governmental efficiency and responsiveness to diverse conditions and preferences. Most important, expansion-of-choice can be a key instrument for improving the lot of the poor majority--expanding options for the disadvantaged, giving them voices in decision-making, and expanding their capacities to act in their own interests. To gain material and political benefits is fundamentally redistributive.

Such an expansion of choice includes the option of people's banding together to empower their shared interests. Thus workers might form unions, and consumers might form lobbies to make their demands more effective. Expanding choices implies a wide array of such actions to give diverse individuals access to diverse preferences.

Devising planning processes to make such redistribution possible in a particular political and economic context requires inordinate care.

Leonard, Ralston, and others have made this point clear in both principle and example. Designs for ways of altering institutions to give the disadvantaged genuine improved options is a far cry from laissez-faire. Moreover, once a strategy is adopted, its consequences must be monitored and evaluated to ensure that the advantaged have not, once again, expropriated the benefits and constrained the poor's choices. Ralston et al's example of self-help projects with coercive "voluntary" labor illustrates the need for feedback and adjustment after facilitating self-interested behavior among the poor. Such careful and continuing planning is essential to effective redistribution and expansion of choice. Although it aims at decontrol, it scarcely can be equated with laissez-faire.

#### Not All of Governance

Revising the rules and structures which constrain choices for the poor is a form of planning that operates on systems of governance. Yet just because planning can be applied to the subject does not equate it with governance.

Planning is not all of governance. Planning is but one function of governance. Although planning may be used to develop effective representation schemes, planning is not representation. Indeed planning usually is advisory to the representatives.

Thus planning may contribute to the design of laws, but planning is not legislating. Further, planning may employ a great deal of evaluating in its practice, but it is not adjudicating. Similarly planning probably was necessary to develop many governmental programs, but it is not administration, which is the day-to-day application of the prescribed program.

Indeed much of governance is stable and not problematic. Judgments are reached about whether an action conformed or failed to conform to a pre-existing law. Similarly, governmental agencies perform many routine tasks. Planning is not adjudication, administration, legislation, or representation. Any of these may play a larger role in governance than planning.

#### Not All of Politics

As Dyckman notes elsewhere, "planning is in politics and cannot escape politics but it is not politics".<sup>31</sup>

Because planning concerns the application of intelligence to problems, seeking public policy that might serve the collective interest, it is always a political activity in its broadest sense. Moreover, to be effective planning must be politically sensitive and astute. Without such perceptivity planning would fail on two counts. First, the plans would be infeasible (perhaps by upsetting vested interests). Second, the plan would not garner the affirmative political support necessary to secure funding and popular enthusiasm required for implementation. While some planners work through politicians and others act politically themselves, the successful ones are all strategic in tailoring plans to political realities.

In summary, we find it important to expand the meanings of planning and decentralization beyond their conventional connotations. In doing so we look towards expanded options for decision-makers trying to develop a type of noncentralized planning that can work in a particular social, political, and economic context. Moreover, noncentralized planning then

becomes a vehicle for expanding the choices for individuals and groups as well.

#### IV. COMPLICATIONS IN REALITY

The preceding chapters have argued that neither purely centralized nor purely decentralized planning can or ought to work in practice, and that actual forms and styles of planning go well beyond the conventional connotations of "planning" and "decentralization." This chapter explores how complications in reality shape the mix of, timing of, opportunities for, and constraints on centralized and decentralized planning.

##### Mixed Loci of Information, Decision Authority, and Action

Margolis and Trzeciakowski<sup>32</sup> present a fine framework for multilevel planning and decision making in the contexts of different economies. Their structure and classification can be extended beyond enterprises to encompass all types of centralized and decentralized planning. With slight modification of their typology, we identify the critical factors as:

	Information	Decision-Making Authority	Action
centralized			
decentralized			

In the pure forms described in the cartoons, all factors are aligned. Thus in Knowland the central decision-maker has perfect information of needs and capacities, of means and ends. The same decision-maker has the authority to decide and to enact the plans, which are carried out not only by mandate, but also by the self-fulfilling nature of perfectly known processes.

In Atomistan, the perfect alignment is reversed. Each decentralized individual knows his own preferences and the available choices, makes the decision himself, and acts through a mutually agreed upon exchange with another self-motivated individual.

What is remarkable about these pure forms of centralized and decentralized planning is that they are self-contained. The same actor--central or individual--is fully in control of all three factors that are crucial to effective planning. They exhibit perfect correspondence among knowledge, means, ends, choice, and implementation. Such happy coincidence never occurs in the complexity of real-world conditions. The steps are necessarily mixed because: (1) markets are imperfect, (2) people do things together, (3) governments make political choices on behalf of others, and (4) nobody knows enough. The disjunctures give rise to a range of generic

scenarios which planners confront in everyday practice. Each will be described briefly.

People May Know Preferences, But Have No Choice

In this situation of no exit, monopoly, and the like, the planner may resort to market simulations to give citizens a means for exercising preferences. Examples include vouchers or other commodification schemes, redundancy in public providers, or formation of interest unions, as in Yugoslavia, to buy services for consumers.

People Know Preferences But Don't Know Possibilities or Resources

In this case the technological and resource opportunities may be known to some experts. If so, the planner's task may be simply to connect the knowledge with the people. For example, a technician may be detailed to advise a peasant group, or a set percentage of the gross domestic product may be provided each region to give known, reliable resources.

If no one knows the technological opportunities, the planner may structure experimentation through expert research or through open-ended planning of the sort discussed on page 35 to encourage popular innovation. Similarly, if resources are uncertain, the planner may try to structure activities such that the people uncover latent resources or generate new ones for themselves.

People Who Provide Information Are Not Decision Makers

Although structurally similar to the preceding scenario, in this case the decider is not merely an individual or group acting in its own interest, but is authorized to decide on behalf of others. But the decider

depends on information provided by self-interested individuals or groups.

Students of bureaucracy--and bureaucrats--are well aware of the power that may go with limited information. Under conditions of uncertainty and limited information, it will typically be difficult for a supervisor (or organizer) to determine whether a particular decision-maker is providing correct information or is following the prescribed decision-rules, since to achieve this would require the supervisor to have all the information that is available to the subordinate decision-maker. In other words, informational decentralization leads to de facto decentralization of authority.<sup>33</sup>

The situation presents problems in misrepresentation, bias, interpretation, and aggregation of information. These problems plague countries which aim at centralized planning. Typical complaints are that subordinate units underestimate their production and overestimate the resources they need. Even more decentralized systems, such as the United States, encounter the same behavior in the preparation of budgets at various levels within the system and in project proposals for grants. As Caiden and Wil-davsky point out, such behavior is all the more prevalent in poor countries where it is a rational defense against extreme uncertainties in funding.<sup>34</sup>

In response planners may invent incentives and reciprocities between the information providers and decision-makers to encourage accuracy of information. In effect such devices are institutional recognitions that decision authority is de facto noncentralized.

Another issue in the split between information and authority is the decider's biases. Political incentives, cultural, class and other factors may distinguish to greater or lesser degree between the mind set of the decider and of those for whom he is deciding. The rift may be acute, as in some of the medical relations Steinmo reports,<sup>35</sup> where urban physicians were disinclined to and incapable of talking to ill peasants. In other

situations differences are minor. In France and Japan, for examples, the planners and enterprise leaders are so similar in culture and outlook that they communicate easily and frequently. Indeed their interactive consultation approaches collaboration, another form of recognizing decentralized authority. Some developing countries are also spared the sharp class and cultural divisions which inhibit the decider's understanding of those he will be affecting.

In the situation where the people who provide information and will be affected are not the one who decides, the planner may try to facilitate communication. While formalized review and comment on draft plans is a method a number of countries employ, it is often considered onerous and time-consuming. Another common approach is out-stationing civil servants with the center's mindset, a strategy which leads to bureaucratic disaffection, high turn-over, and consequently very weak bridges of understanding between center and periphery.

Countries with adequate infrastructure may encourage much more direct and interactive communication, and even joint planning, through conferences, workshops, and discussion. An anecdote from the 1950s reports that when a Yugoslav official was asked how they plan there, he replied "by phone."

#### Deciders Are Not Actors

This situation prompts a host of implementation problems. Those who are acting are unlikely to share the motives and understandings of the decision-maker, and consequently may not carry out the actions as planned. Even if they should, when they encounter inevitable uncertainties and

contingencies they are apt to respond in ways that can diverge from the decision-maker's original intent.

In response to this situation the planner may employ coercion or a range of less-controlling strategies, as discussed on pages 33 to 35. To the extent that the implementors adapt actions to real conditions and preferences, they are actively participating in the planning. In such cases decision authority becomes de facto noncentralized.

This discussion of the complications that arise from mixed loci of information, decision authority, and action thus reaches a counter-intuitive conclusion. Because the points are mixed, regardless of the formal location, each point informally becomes noncentralized in operation.

#### Timing of Centralized and Noncentralized Planning

Some countries have major barriers to development which may be intransigent against modest change. Most often they are forged by historical circumstances and concentrations of power. Other papers in this series make the point repeatedly, for example, that local elites predictably expropriate benefits of development projects and maintain their positions over the local poor, precisely because they know how to work the existing system. Other countries may have equally tough obstacles forged not from such stability, but from havoc, notably war. In these or other circumstances leaders may decide radical change is necessary.

Major shifts in the system tend to demand centralized planning at their inception.

The relation between central planning and planning for separate groups or areas proved to be an extremely important issue in Poland, usually discussed in terms of centralized versus decentralized planning. Polish planning experience has shown that the more active macroeconomic planning becomes (that is, the more that radical changes in existing structures and trends are required and designed), the more centralized planning becomes. Therefore when the country achieved the basic structural conditions for a more balanced steady development, the predominance of central planning began to diminish.<sup>36</sup>

Similarly Japan, a good candidate for the paragon of development, employed extremely centralized planning to lay the ground for modernization. After the Meiji Restoration in 1868, Japan embarked on aggressive development. One crucial step involved the destruction of feudal society and:

the deliberate effort by the central government authorities to penetrate down to the lowest levels of social organization with a new, highly-centralized administrative superstructure . . . It exercised control through extensive mechanisms for inspection, sanctions, suspension of local ordinances, and directives . . . [so that] "it was no longer possible for the interests of the landlords and the interests of their hamlets to be simply equated."<sup>37</sup>

In short, nations may employ centralized planning in order to disrupt entrenched patterns which deter development. But the changes may be designed to facilitate noncentralized planning. In establishing the preconditions centrally, both socialist Poland and capitalist Japan developed their economies. In the process they evolved remarkably stable styles of planning which are dependent on adjustments to preceding planning. Thus after the original, radical, centrally planned change, the countries moved to a more modest adjustment kind of planning.

The dynamics of centralized and noncentralized planning are probably driven more by a country's political and economic forces than by donor preferences, although of course these interact. (The Philippines seems an

apt example.) Thus at times planning may be centralized to permit noncentralized planning later. Or some aspects may be centralized so that others may be noncentralized (see Cohen et al on these and related points). Then too, some styles of noncentralized planning may be so specified by and tied to the center that they are instruments of central penetration.<sup>38</sup>

The timing and mix of centralized and noncentralized planning in a country depends on the stage of its development, the state of barriers in development, and its political and economic forces. Although some make cases for sequence in decentralization,<sup>39</sup> it is not at all clear that the same steps would be appropriate in different contexts. A gradual development of institutions and subsequent, gradual transfer of authority to local elected officials could work for some nations, but other strategies can be quite effective. In the reverse, for example, as Peterson<sup>40</sup> shows, Ethiopia instituted a radical decentralization using peasant unions as the basic unit which developed upward aiding reform at the center.

When the direction of a country's problems and opportunities are uncertain, a cautious, incremental approach may be appropriate. Compare for example three different socialist countries' approaches to collectivizing agriculture.

In China in 1955, free markets for peasant produce were closed. The next year they were opened, while cooperatives were formed. Two years later cooperatives, averaging 160 households, were combined into communes of almost 5,000 each, when free markets were again curbed. One year after that, free markets and private plots were reintroduced.<sup>41</sup>

In Tanzania, the President adhered to the Ujamaa policy for more than

a decade in spite of its poor fit with peasant culture, production declines, and ensuing overall economic hardship.<sup>42</sup>

In Poland officials felt they knew little about how to transform peasant agriculture into modern collective agroecology, and so instituted a few experiments in differing regions. Thirty years later food supplies remained problematic and 80% of its farms remained still under private operation.

Thus the timing and mix of centralization and decentralization are not easily prescribed. The dynamics derive from a complex amalgam of a particular country's state of development, uncertainty, political and economic conditions, and ideological propensities.

### Legacies of the Past

These conditions are shaped to a great degree by historic circumstances. As implied above, some of these historically rooted institutions and relations may be the key barriers to development. Whether or not they are appropriate to a country's current conditions, or offer a means of transformation, is an open question. The issue deserves analysis in the particular country's context; but it remains, at bottom, political.

Tribal, racial, and religious distinctions in a country may dictate particular types of decentralization. In Sudan, for example, the African south had virtual autonomy, the only means of insuring some national stability in a culturally and regionally divided country. Perhaps more interesting though, the south, with its self-governing regional assembly, offered an extremely progressive model for decentralization of the entire

country, adopted some six years later.<sup>43</sup> Other past arrangements, necessitated by prior political conditions, may deter rather than prompt transformation. For example, Colombia's 100 agencies and aligned interest groups (noted above) bog down government activities and are so entrenched that they resist reform.

The colonial heritage of many developing nations tends to influence their style of decentralization. The prefectorial system, for example, was largely in place, understood, and consequently adopted by many nations as they gained independence. Thus in Ghana, for example, the colonial structure was recreated even to the point of the regional administration officer living in the old colonial compound.<sup>44</sup> In Kenya the speedy Africanization of the colonial structure also, unfortunately, adopted it. Class divisions also persisted as the new bureaucrats formed an elite, like their British predecessors, and became nearly as alienated from popular politicians.<sup>45</sup>

Perhaps the most pervasive legacy from the past, though, is centralized planning--even when countries are actively pursuing decentralization strategies. The past curtails the present in a variety of ways, some more obvious than others. First, and most insidiously, the populace may be conditioned through both centralized planning and colonialism to look to the center for governmental action. This orientation is accompanied by passivity, which is antithetical to participatory noncentralized planning, and by a certain blindness to--or disinclination to employ--latent local resources. As Ralston et al note, such behavior, seemingly at odds with self-interest, could stem from fear that the government would usurp indigenous efforts. A colonial and centralized planning past can thus dampen present opportunities.

The center is apt to be actively bound by the legacy of centralized planning. The attitude, and even ideology, of the cartoon colors reality. Planners believe they have the knowlege to put together sets of activities and projects in the national interest. They are encouraged by a combination of belief in knowledge and of practical experience in creating input-output tables. Their expectations of decentralized planning tend to fit the same model, simply replicated at provincial and district levels.

Then, too, the planners and administrators are bound by the past because they quite understandably want to protect their careers and responsibilities. This turf-protecting bureaucratic resistance to noncentralized planning is widely reported.<sup>46</sup> In Liberia, for example, where President Tolbert was politically committed to and dependent on decentralization, highly centralized ministries presented active opposition.<sup>47</sup>

This self-protection, melded with expectations of replicating their planning model, leads central planners and administrators to the problem of skills. Their model of planning relies heavily on specialized skills and technical manipulation. They appropriately doubt that people in the field have professional training and expertise equal to their own. And, since they hold the legacy of centralized planning in theory, professional indoctrination, and practice, they cannot perceive that unskilled people can plan.

More generally this notion of professional, specialized expertise pervades the centralized ministries. As noted throughout the development literature the professionals in the capitals of developing countries prize the high technology kinds of interventions which make use of their elite skills. They may have been trained in advanced countries and usually have

been educated in the most advanced methods at the forefronts of their fields. They cannot be criticized for wanting the "best" for their nations, or for advocating what they have been educated, indeed socialized, to believe by their professions. Further their beliefs are reinforced by their professional peers and often by expatriate advisors as well. In their view decentralized planning and practice of their specialty must follow the norms of their profession. The implications are not only high technology projects, but also supervision and indoctrination of field officials according to these norms.

This particular legacy of centralized planning, the dominance of specialized sectors, institutionalized in the ministries, creates a critical problem for noncentralized planning and development, the subject of the next chapter.

## V. THE SPECIAL PROBLEM OF SECTORAL/MINISTERIAL DOMINANCE

In capsule, sectoral dominance derives from the legacy of centralized planning, the widespread belief in the efficacy of advanced, specialized knowledge, its professionalization (which both reinforces these beliefs and provides an externally validated reference group), its institutionalization in ministries, and its informal but often powerful bonds to vested interests.

When sectors decentralize through deconcentration they maintain their dominance in two principal ways. First, their technology remains the same. The professionally inculcated correct way to build roads, for example, follows the same methods and standards in the field as in the center, allowing for professionally defined classes. Second, deconcentration to field offices along the ministerial line ensures continuing supervision--and hiring and firing--consonant with the same norms. Consequently virtually all agents of influence, subtle and direct, reinforce the sectoral, ministerial view.

The ministries make their choices and apply their technologies according to the best guides of their professions. From the perspective of a province or district, however, the applications may appear less than optimal (Cohen et al and Ralston et al describe related situations.) Moreover, the different ministries apply their assorted technologies without particular regard to each other. Collectively their activities may be disjointed, or even counter-productive, at the district or area level.

A number of countries have tried to meet this problem by complementing sectoral deconcentration with another form of decentralization which emphasizes territorially based interests. These divisions may respond not only to genuinely differentiated geographical conditions, but also, and probably more importantly, they may be gerry-rigged to conform to political, tribal, religious, or ethnic division within the populace. Such a territorial division is more than a product of politics. If sufficiently grounded on differential cultures, attitudes, and preferences, the division may take on traits of a very different sort of decentralization than the field networks established for administrative convenience.

Kenya and Sudan, for examples, have created territorial divisions consonant with cultural and political differences. Forged with tribal and religious alignments, such politically meaningful areal units appear to have the potential for influencing ministerial decisions toward territorially based preferences.

The problems, however, are twofold. First, in the absence of meaningfully organized areal interests, ministerial dominance will surely prevail.

But even with politically based areal government the strength of the ministries is so great, and areal dependence on central governments goods and services is also so great that ministerial preferences are still likely to dominate.

Second, in most developing countries, the ideal-type of centralized planning, or its legacy, is still the prevailing model in the mind's eye of the planners. Thus what is frequently envisaged is a district or provincial plan that conveys these territorially based problems, opportunities, and preferences, and, at the same time, incorporates the activities of the various ministries in the area. This is the character of Kenya's district development plans, which in broad outline are similar in intent to those in a number of developing countries.

A more general model is Rural Integrated Development or Area Integrated Development. The plans are generally project- and capital-oriented, technical, tightly integrated, time-bounded, and work-programmed. Moreover, they are intended to be comprehensive, that is extending beyond physical, spatial arrangements to cover multiple sectors and their interrelationships. At the extreme it is a remarkable approximation of the ideal centralized type, simply transferred to provinces and districts.

The dilemma here is not so much inadequate knowledge to create such plans, although that remains a crucial flaw. Rather it is areal government's inability to control ministerial decisions, resources, and action. Even in Ghana, where the administrators of decentralized field offices are required by law to work for district councils, ministerial dominance asserts itself through its hierarchical control of hiring and salaries.

In sum, the power of the ministries is built on a legacy of centralized planning, specialization, vested interests, territorial dependence, and other important factors. Their dominance undercuts the authority of politically meaningful territorial governments. Moreover, sectors' dominance permits them severally to be relatively independent. Consequently, attempts at territorially decentralized but functionally integrated planning are frustrating.

Such plans are prone to failure on both counts. On the one hand they may not be territorially based and responsive after all, if ministry policy depends on a hierarchical chain ending in the capital. On the other hand, they may not be integrated either, if ministries, acting independently, decide on the allocation of activities and resources on the basis of criteria other than the Territorial Plan.

#### Checking Ministerial Dominance

Various nations or groups within them have developed means for checking or circumventing sectoral dominance. In doing so, they have evolved means for going beyond--or perhaps "under" is more appropriate--the prevailing model. In escaping ministerial dominance, these approaches generate the preconditions for styles of planning which allow response to diversity and expansion of choice.

Several approaches to reducing sectoral dominance are loosely categorized and briefly described below. While some may seem quite modest and others quite radical, they nonetheless offer potential options for decision-makers trying to decentralize in a context of strong ministries.

### Abolish Central Ministries

This seems by far the most radical, and certainly the most direct approach to curbing sectoral dominance. Countries which can adopt such a policy seem to require strong political support, since ministries are apt to resist and are customarily tied to vested interests. Nonetheless, when conditions permit, the strategy is bound to be effective.

Sudan has abolished several ministries, devolving responsibility to the provinces.<sup>48</sup> Yugoslavia has gone even further. The national government takes responsibility only for defense, foreign affairs, and fiscal policy. All conventionally understood sectoral decisions are the responsibility of the republics.<sup>49</sup>

### Upward Linking--Ministerial Residual

In such new, fundamentally noncentralized systems, decision-making links upward. Thus in Yugoslavia's more recent efforts to integrate its economy, basic units, notably enterprises and communes, link upward through trade unions and through economic, social, and political chambers at the republic and federal levels.

One remarkable device for checking ministerial dominance is Sudan's new bottom-up budgeting:

Beginning in the next fiscal year [1978] the provincial budgets would be the basis of the national budget and residual funds from the consolidated province budgets would be allocated for central operations and development. Thus, province rather than central ministry expenditures would become the basis for national budgeting.<sup>50</sup>

Nonlinked Low Level

This kind of undercutting of ministeries is more subtle, by making every attempt not to link with ministerial decision-making. The approach is characterized by small group consciousness-raising. The very poor are encouraged to gather together, discover common wants, work with their own resources for their self-identified goals, and to disband whenever it suits them. This sort of organizational development is the antithesis of institution-building to link peasants into ministerial lines. Instead it uses modest, existing technology and small, partial approaches, aimed at people discovering their own needs, developing learning, and applying indigenous knowledge.

Examples include the peasant leadership training programs in the north of Haiti, where, through peasant facilitators, people attain functional literacy and in the process discover mutual interests and a larger understanding of their socio-economic conditions. They may band together to share tools.<sup>51</sup> In the process of self-development they may undertake projects, for example, a storage facility; but projects in themselves are not the purpose. They are rather by-products of growing self-interested awareness and action.

Similarly, through teaching functional literacy and consciousness raising, the Bangladesh Rural Advancement Committee helps to organize the poorest of the poor to initiate efforts in their own interests. The poorest groups, defined by particular socio-economic conditions, are encouraged to act in their own interests. Thus, for example, the landless organize to acquire land, or the fishermen to buy a boat.<sup>52</sup> Although local elites are formally excluded from this particular program, it is worth noting that in general the strategy is unattractive to elites since it

provides no handouts and often entails manual labor. Maguire notes, however, that as the strategy takes hold over time and successfully alters socio-economic conditions, it is likely to threaten local elites.<sup>53</sup>

The Fundacion Del Centravo model Peterson describes<sup>54</sup> is similar in approach, helping people to organize in their self-interest around small tasks using existing technology and little, if any, external funds. It, too, is characterized by no links to ministerial institutions. Indeed the approach emphasizes task and process orientation over institution-building and -linking to ensure that groups are independent of paternalism.

#### Ignoring Sectors

This approach to checking sectoral dominance is quite similar to the nonlinked strategy mentioned above. That nonlinked approach, however, uses outside-trained agents to act as catalysts or facilitators to help the disadvantaged form groups in their own interests. In contrast this alternative approach suggests that groups can identify and act on their interests on their own and outside of ministerial dominance. The only thing they need is access to resources which are not controlled by the ministries.

The redundant resources may be relatively minor in terms of a country's gross national product. For example, prior to Kenya's most recent reorganization of Kenyan district planning, Harambee (translated "pull-together") projects were self-help activities outside ministerial purview. Peasants--mostly women--would decide what they needed, often a school or clinic; and they then built it. In addition to their own labor and materials, Harambee workers garnered donations from urban kin and from

politicians and local "big men" who were buying goodwill.

Such modest, self-initiating activities may be beneath the interests of the ministries, and yet they can be very responsive to locally felt needs. Jordan has formally instituted just such a system. As described by Dajani<sup>55</sup> the process of growth and development is tiered. At the lowest and smallest levels, villages\* are entirely protected from ministerial dominance and at the same time are given the opportunities and resources to act in their own interests. Upon incorporation they are granted the right to tax and a share of a national trust fund, which constitute constant sources of funding against which they can borrow. The villages then apply for loans from the Municipal Village Loan Fund for the projects they judge to be in their own interests.

The small villages tend to be homogenous and

there seems to be very little debate as to the top needs and priorities of the rural communities which are not endowed with many of the basic services. These are invariably water supply, education, health services, and electricity, in that order.<sup>56</sup>

As they succeed in meeting some of their basic needs, the villages move to a second stage, improving the quality of life. Projects tend to be those Ralston et al have associated with community pride. In Jordan they invariably take the form of mosques, street grading, village halls, and community centers, the latter three again funded by loans.

The board of the Municipal Village Loan Fund seems never to turn down an application, although some may be delayed if they are inconsistent with

---

\*Actually the still-lower level of unincorporated villages subsist on their own and through ad hoc grants from the village improvement fund.

the board's two basic policies. First, its priorities are basic needs. Second, it will not fund large projects. Consequently it is extremely responsive to the locally derived applications. (It is important to note that the board contracts for the projects on behalf of the villagers, who are usually uneducated.)

As villages develop to the third stage, focusing on economic and social opportunities, such as irrigation, farm-to-market roads, and public transportation, they then begin to engage with the ministries. Typically the ministries are unresponsive to small projects, but the villages get some leverage with their own resources and self-help.

The Jordan system has been sketched a little more fully (although still incompletely<sup>57</sup>) than other examples because it seems to offer an unusual and promising model. Small villages are given the capacity to act in their own interests. They need no special skills or training. Yet they choose and fund their own projects, and thus they own them and are responsible for them. Moreover, in the process they learn more about both self-initiating, self-interested planning and development.

Key features of this approach are not just small project, low-technology, and local orientation, which many are beginning to advocate. In addition the model incorporates two key principles: reliable, independent sources of funding and reliable credit. In concert they provide communities with autonomy and choice. In such a system ministries cannot dictate what and how something should be done, and they cannot disrupt or distort local activities with funding uncertainties and shifting priorities.

Bolivia's regional planning system<sup>58</sup> offers yet another variation on

circumventing ministries through alternative resources. Somewhat simplified, the country has the usual ministries, some more active than others, all of which concentrate their activities along the major axis of spontaneous growth, leaving the rest of the country with short shrift. Regional development corporations serve the regions outside the ministerial lines. They may do anything to benefit the region: agricultural, small industrial, infrastructural, educational, or health projects are examples. Their funding sources are diverse, ranging from oil taxes in Santa Cruz to import taxes. There are no fixed formulae or guarantees, however. Amounts must be negotiated with the central government President, Treasury, and Ministry of Planning and Coordination, which in practice do not interfere with the corporations. It is reportedly easier to obtain an increased allocation from the center than to persuade the ministries to respond to needs of less-developed regions. In addition the corporations apply directly for foreign aid. Thus the development corporations act entirely outside the ministries and are substantially autonomous. Since they cannot afford major projects, they rarely generate national controversy.

The Harambee, Jordan, and Bolivia examples indicate how groups at quite different levels, conditions, and technological capacities can plan and act in their own interests outside ministerial lines of authority and resources.

#### Subservient Support Staff

Self-supporting or independently supported groups can extend their own capacities to plan in their self-interests by hiring their own staffs. Peterson gives a good example in the Taiwan fertilization program.<sup>59</sup> The U.S. model cities program used this strategy: planners were hired by,

accountable to, and responsive to community groups.

This approach reverses the conventional relationship between the disadvantaged and the experts. It not only redistributes their power relations, but also makes use of indigenous knowledge. Korten tells the story of local peasants advising visiting technicians that the materials they chose would not withstand local flood waters; eventually the technicians prevailed, and the project literally collapsed.<sup>60</sup> Where technicians are hired by community groups, such fiascos may be less likely.

Even when community groups do not hold the purse-strings, technical assistance can sometimes be sensitive and subservient to community interests. Simpas, Carino and Pacho<sup>61</sup> call this "following," rather than leading, technician styles. The authors found the villagers believed they owned, and so were proud of and maintained a project in which the technician followed peasant guidance, whereas they ignored a similar project imposed by outside experts.

The key in this strategy is expert accountability to his client, the community, rather than to the ministry. Such a reversal is easier to promote when the community hires the expert.

#### Parallel Systems--Dynamic Interaction

Cohen et al. discuss parallel structures. Therefore the points here are limited to the ways parallel structures can curb ministerial dominance. First, by their mere existence they may offer alternative channels to decision-making. To the extent the parallel structures are exclusive or highly specialized, however, they will offer alternative access to a relatively narrow constituency. Second, if they have an independent power-

base, parallel structures may provide indirect or even direct checks on the ministries.

Advanced Western-style systems of governance normally provide parallel structures by separating administrative and political channels. When such systems function well, the political structure can exert formal and informal pressure on the ministries, as necessary; but customarily it does not interfere with their bureaucratic routines. As Chauham makes clear, however, in many developing countries new arrangements for democratic decentralization exist in "societies where politics are pervasive and social forces operate through a complex pattern of undifferentiated and unautonomous structures. They do not approximate a case to fit in the traditional politics-administration dichotomy."<sup>62</sup>

Ensuing problems are threefold. First, such undifferentiated and unautonomous structures are difficult for Westerners to analyze. Accordingly expatriates may advise courses of action with counter-productive results, as suggested by other papers in this series. Second, ". . . modernization is hampered by the existence of highly undifferentiated roles which the existing political-administrative units are called upon to perform."<sup>63</sup> Politics is so invasive that administration becomes contorted. Third, because the institutions are both undifferentiated and nonautonomous, they lack external means to check their actions.

Some developing countries have instituted parallel structures which are relatively autonomous and differentiated. Consequently they offer alternative channels of access and means for checking institutional actions, particularly that of the ministries.

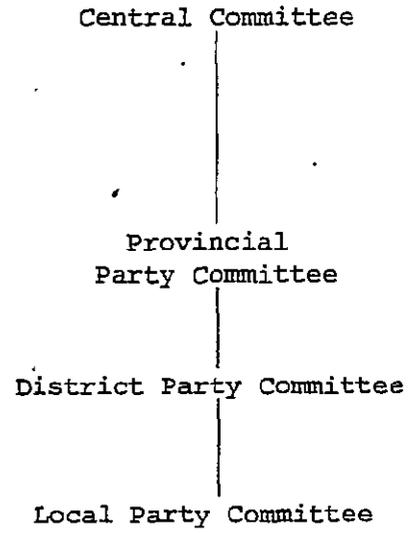
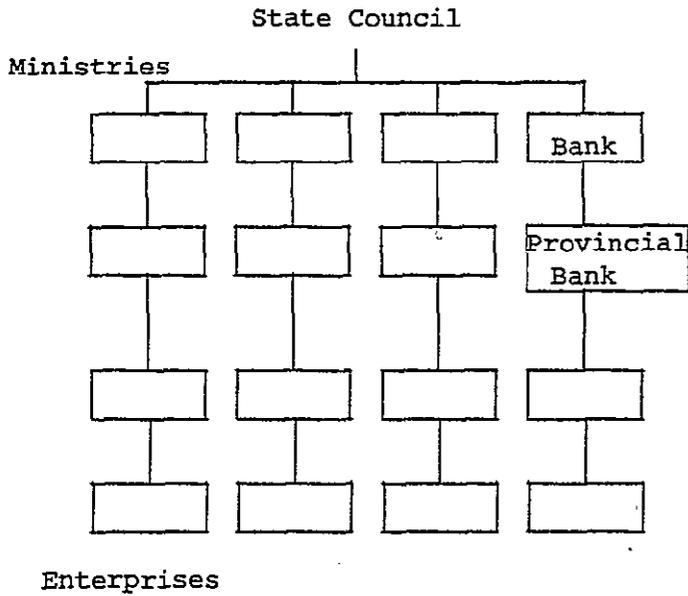
Peterson describes the case of Ethiopia, where strong, upwardly linked, peasant associations provide a parallel structure to the ministries. The associations are independently and politically based, and so they could generate autonomous pressure to reform the ministries and to hold them accountable. Moreover, since peasant representatives serve along with government-agency representatives on the administration and development committees, they have a formal, direct, and ongoing vehicle for curbing ministerial dominance.

China's party structure is clearly and explicitly parallel to its ministerial structure, as shown on the diagram. After a period of tension between the parallel structures, great turbulence, and incredible pressure to double production, the party was held accountable for production in its geographic area. The decentralization was so complete that local parties gained control of personnel in the ministerial branch offices and enterprises. Accordingly, in this extreme case, the parallel structure not merely checked ministerial dominance but totally destroyed it. Subsequently not technical, but political criteria manage production.<sup>64</sup>

The general model of wide independently based parallel structures and the Ethiopian and Chinese illustrations suggest a dynamic process of interactions and checks between the structures. When one absorbs the other, the tension disappears, and politics and administration are again fused.

#### The Multiple-Check System

Yugoslavia offers yet a different model for checking the ministries and preserving noncentralization. As noted above Yugoslavia has only a



small fraction of the usual number of national ministries. Domestic functions operate at lower levels, from the republic down to the enterprise and commune. Moreover, Yugoslavia's version of decentralization includes departyization, unlike China's direct form of party-controlled ministerial field offices and enterprises. Through an array of autonomous institutions and nonhierarchical relations, Yugoslavia achieves a system of interacting, multiple checks.

Thus different countries and groups within them have developed a range of means for curbing ministerial dominance. In the course of doing so they have altered and further complicated the mix and dynamics of centralization and noncentralization in their diverse contexts. Taken as a whole these real-world complexities begin to suggest ways that the pure form of noncentralized planning can be adapted to work for different developing countries.

## VI. COORDINATION RECONSIDERED

Problems of coordination plague noncentralized planning for development, as testified by various field accounts and AID's concerns. Coordination means bringing diverse elements together into common alignment. Thus it carries vestiges of the centralized planning model, implying that all actions, inputs, and outputs be coordinated into a tightly linked matrix. When the activities are dispersed among ministries, their field offices, parastatals, and area-based institutions, prospects for coordination appear to be dim. The preceding discussion has expanded the perspective on planning and interaction among agencies of governance in a way that permits a reconsideration and partial resolution of coordination problems.

### Practical Difficulties

As discussed with respect to ministerial dominance, in most countries virtually all factors of influence and incentive conspire toward the norms of any given sector. Accordingly, it is extraordinarily difficult to make sectoral decision-making bow to other criteria. Yet in its conventional meaning coordination demands that the particular elements give up their individual ordinating principles in lieu of a common guideline. When this unifying mandate comes not from above, but from below, it is understandably all the less acceptable. The problem is apt to be compounded when a ministry views such a decentralized locus of authority as technologically backward.

Difficulties mount when sectors are not only expected to coordinate their activities with territorially based, differentiated preferences and conditions, but also with other sectors. As Rondinelli says:

U.S.AID's Office of Rural Development recently noted that as a growing number of small scale projects become more popular-- particularly those of an area-wide, multisectoral, or integrated nature--overly centralized management becomes a greater problem.<sup>65</sup>

The difficulties of multisectoral coordination at the center for different areas are not solely problems of command and of socially and politically achieved independent authority, although these are significant factors.

In addition, multisectoral coordination is deterred by genuinely incompatible technologies. As Cohen et al. discuss it, services and service delivery have characteristics which particularly suit them to decentralized planning and implementation.<sup>66</sup> On the other hand, large infrastructure projects, by their nature, entail quite different technologies

which may spill over territorial and group-interest boundaries.

The point here is not that technologies are sacred determinants. On the contrary, they are a great deal more variable than specialized professionals admit. A technology can be altered not only by designing down the technology itself, but also by reformulating the problem and policies it is intended to address. In fact, creative technological reformulation may serve multiple goals of development in response to the needs of the poor. A good example is the rural roads program in Western Kenya, where local peasants--not imported skilled labor--benefit from employment as well as from the roads they build. "Some Kenyan engineers are frankly skeptical of the value of labor-intensive based roads, and they also perceive few career advantages to being associated with what some regard as a 'stone age' approach."<sup>67</sup>

Specialist intransigence to the side, though, genuinely different technologies resist tight integration. Moreover, in the course of implementation, as the technologies quite appropriately adapt to unpredicted conditions and contingencies, they are all the more likely to diverge from their pre-coordinated alignment. They not only follow different paths, but also proceed at different paces.

One response to these realities is to decouple the elements, not to mandate formal coordination after all. Although this approach may seem to some an abdication of planning, it may in operation be more true to planning principles of anticipating consequences and responding to real conditions and contingencies. Such an approach, to be described more fully below, does not ignore interdependencies, but rather treats them through remedial, serial action and evolutionary learning. Sometimes the partial,

uncoordinated approach borders on the ludicrous, as in a Bolivian case where a region bought an airplane to improve communications, but years later has yet to pave a runway.<sup>68</sup> But it will probably build it eventually, just as a community which has built a warehouse to store its produce will be likely eventually to find a way of marketing it.

Efforts at tight coordination can impede implementation. If different activities are self-contained, they can proceed and adjust at their own pace, without needing to wait for critical inputs from other sectors. The Kenyan road-building program is a case in point. If it followed the engineer's advice, it would have depended on scarce and very likely unreliable capital equipment, which could have been expected to be in the wrong places, to run out of petrol, and to break down, causing delays and some frustration. Instead the program relied on peasant ingenuity. When a large stump was in the way, the workers moved it without any special equipment.<sup>69</sup>

A more rationalistic response to coordination problems is decentralization. This strategy assumes branch offices of ministries can coordinate more easily than can the ministries themselves, since they are closer to the problem conditions. Given sufficient discretion, field officials may be better able to adapt their actions to environmental demands and to adjust to other activities in the area. Nonetheless, they face the problem of dual allegiance.

### The Problem of Dual Allegiance

However it is institutionally organized, territorially noncentralized planning which attempts to integrate or to coordinate ministerial activities always entails dual allegiance. Is the planner responsible to the area (whether provincial commissioner, representative council, or village elders) or to the sector?

Administrative command and direction move downward and sometime cutting across the lines of hierarchical control. For instance, the District Planning Officer in India, being the chief Executive Officer of the Zila Parishad, has a coordinating control over the District Agriculture Officer and can direct him to perform any function on behalf of the Zila Parishad. On the other hand, the Regional Deputy Director of Agriculture has a right to issue a directive to the District Agricultural Officer to carry out a particular departmental activity. There are occasions when such conflicting commands are issued and consequently the morale and motivation of subordinate staff are frustrated.<sup>70</sup>

As noted earlier, even in Ghana where ministerial staff are required by law to work for district councils, they are caught by dual allegiance.<sup>71</sup> The problem is only more subtle and disguised where decentralized planners work exclusively for the areal government. In that case they must curry the favor of ministries, and so act in sectorially responsive ways in order to get projects or grants from the ministries in response to areal priorities. In this accommodation process areal priorities are apt to shift.

Two additional problems arise from the question of dual allegiance. First, the dominant allegiance in the past is apt to shape policies and practice in the present and future. Thus the proposal that responsibility for decentralized planning be shifted in stages from ministerial officials to local elected government<sup>72</sup> may be compromised.

Second, in response to the field-office structure suiting the

administrative convenience of various ministries, coordinating councils or planning districts may be established at levels that are too high to reflect indigenously distinct political preferences. As a reflection of ministerial dominance, the institutional decentralization fails to reach the territorially meaningful groups. Thus the dual allegiance is again skewed toward the sector.

Although Ghana's new organization represents a progressive attempt at disrupting ministerial dominance (since it is designed as bottom-up planning and budgeting, and the ministries are deprived of their implementation responsibilities), it nonetheless offers an example. While the districts provide for the formal governance, they have no cultural or political meaning. An entirely different system of governance, comprising indigenous chieftancies, functions below the districts. People's loyalties and sense of community and legitimacy reside in the villages, and as many as one hundred villages could be included in a single district.<sup>73</sup> Bottom-up planning fails to go to the bottom, and thus cannot make allegiance with indigenous politics.\*

#### Problems in Accountability

Coordination and its inherent problem of dual allegiance pose questions of accountability. Should the planner or administrator be accountable to the norms of his profession or ministry, or should he be accountable to territorially based interests?

---

\*As noted in Chapter IV, whether new forms of noncentralized planning ought to reflect old indigenous political realities is problematic and depends on a particular country's current power constellation and capacities for reform.

Again a strategy which does not attempt formal coordination may be a means out of the dilemma. If activities are not designed to be tightly linked, then accountability may adhere to the undertaking itself, rather than to some interdependent composite with all its attendant strains. Small, piecemeal activities, undertaken in response to a particular interest will demand accountability to that interest. In composite the separate activities may constitute a sort of incrementalism, as discussed.

More specifically, this approach turns the problem of accountability inward, to the task, its process, and the satisfaction of its clients. Ralston et al describe a number of facets of self-monitoring accountability. They conclude that small groups are most successful when characterized by mutual trust, active participation, exclusive membership, peer pressure, and are engaged in a single task dependent on cooperation.<sup>74</sup> It appears that the same considerations generate accountability.

At the same time larger issues of accountability must reflect the government's accountability to its polity, and to its multiple politically organized and potentially organized communities.

### Problems of Uncertainty

Planning and implementation of even a single activity in response to a particular interest are problematic in conditions of uncertainty. When many activities and interests are meant to be coordinated, uncertainties may grow exponentially. Most of recent organization theory<sup>75</sup> has reached the conclusion that the appropriate response to uncertainty is decentralization, loosely coupled elements, and flexibility, to permit response to changing circumstances. This strategy is quite the opposite of

coordination, which seems to share the presumption of centralized planning: i.e., the availability of knowledge. But developing countries and the planners and peasants within them face a host of uncertainties, illustrated by the following.

### Uncertain Goals

The goals of decentralized planning are usually multiple and often competing. As Cohen et al discuss it, practical and political motives may include national unity, the destruction of local elites, and unburdening the center. At the same time goals may try to serve both sectoral and areal interests, even when they border on incompatibility. The goals frequently include both redistribution and economic development, which can often conflict in practice. Thus the goals of decentralized planning are fundamentally uncertain.

Occasionally, whether through autocratic decision, political struggle, or the veneer of rational calculations, a single, concrete, lucidly certain goal may be formulated. For example, it might be substitution of high yield for traditional varieties of rice in fifty percent of the cultivated land. But even in this situation the goal is reduced to uncertainty through two courses of action. First, as it becomes increasingly specified, the goal encounters other values and so other goals. For example, which land should be used: the best soil? the worst? that of the poorest peasants? that of the richest? Second, as the goal is pursued in the context of other undertakings and realities, it encounters other goals. To follow the same example, suppose peasants fear the new high-yield rice will fail because they believe it requires a nonexistent irrigation system; accordingly, they plant the usual low-yield subsistence variety. Then what

are the goals?

These examples illustrate part of the problem of conceptual spill-over. That is, good planning requires anticipating consequences of implementation as well as problems of implementation. Such repercussions-analysis inevitably leads away from the initially bounded problem or project into wider arenas. As it does so, chains of potential consequences are apt to spill over sectoral as well as territorial boundaries where they encounter competing, uncertain, and sometimes unknowable goals.

Goal uncertainty is not reduced by coordination. Attempts at coordination may highlight competing interpretations of goals or may uncover shared goals. In the course of deliberation they may even produce agreement. But they cannot produce certainty. In fact the direction of causality is the reverse. Only certainty can permit effective coordination.

#### Uncertain Technologies

Not all technologies are uncertain. Many interventions have been proven effective. Cattle dips protect against disease; fertilizers increase yields; condoms reduce unplanned pregnancies; excise taxes expand options. But a great many technologies are uncertain because they may not have been proved effective in the particular physical, cultural, or political conditions. Yet another set of technologies are uncertain because they have not been proved effective anywhere. They are merely hopeful hypotheses.

When a number of uncertain technologies are linked together through coordination, the uncertainties are exacerbated because they interact. Moreover, such premature coordination<sup>76</sup> hampers learning. It does so by obscuring and complicating primary associations and causal relations. When

many uncertain chains of events are woven together through coordination, it is difficult to trace back the threads to discover what went wrong or what went right. Such learning, however, is crucial for converting uncertain technologies into certain and thus effective ones.

This argument applies most directly to the sort of multisectoral coordination associated with rural integrated development and the like. Yet it can also be applied to vertical coordination within a particular sector. In this sense an energetic ministry embarking on a range of hopeful but unproved technologies would probably benefit by avoiding coordination and instead testing each in restricted and separate pilot programs.

#### Uncertain Resources and External Factors

Caiden and Wildavsky make it clear that developing countries suffer from inordinate uncertainty.<sup>77</sup> If they are not precariously near bankruptcy, they nonetheless tend to flounder in international dependencies over trade, foreign aid, and currency fluctuations. It is as if the developing nations must operate like their peasantry. As Ralston et al describe their plight, they are constantly adjusting to a transitory and dangerous social environment, living at risk by opportunism.<sup>78</sup> Consequently time frames are short and defenses high.

In such a situation resource hoarding is hardly a surprise. Irregularities and uncertainties in the disbursement of budgeted funds are common.<sup>79</sup> Correspondingly decentralized projects and activities seem to receive needed funds and inputs as if at the whim of the Treasury. The more tightly coordinated activities are, the more dependent they are. Accordingly, they operate with increased uncertainties. Furthermore, the

greater the uncertainties and irregularities in the receipt of critical funds and inputs, the greater likelihood of delays. If activities are tightly coordinated, delays in one activity or project will necessarily disrupt other activities. It is a new variation of domino theory. If actions are linked into a program chain which presumes certainty, when real uncertainty besets one, they all fall down.

If the elements are not tightly linked either to each other or to the center, they may cope with resource uncertainties without affecting each other so precariously. Thus activities which rely on indigenous or self-generating resources can buffer themselves against uncertainties in the larger system. In the process, they protect others from the frailties of interdependence as well.

This discussion of resource uncertainties could usefully explore the additional protections of slack and redundancy.<sup>80</sup> But to less-developed countries, which are all but defined as those with scarce resources relative to wants, these strategies may seem profligate. Ironically, though, by pursuing an approach which tries to minimize resource dependencies, a nation may reduce uncertainties a little. To the extent that it does so, it may permit organizations to use the resources they need, rather than to hoard them. In this way a country may free some unused assets and so become a little less poor.

This chapter has suggested in a variety of ways that coordination problems may be circumvented by trying less coordination. In doing so, countries may be better equipped to cope with the essential and extraordinarily complex uncertainties they face.

## VII. DECENTRALIZED PLANNING RECONSIDERED

This paper has discussed conceptual issues in decentralization and planning. Through argument and examples it has explored a range of problems and opportunities in decentralized planning and development. If nothing else, the illustrations underscore the theme that noncentralized planning can expand rather than restrict options. Thus the perspicacious planner or policy-maker may have discerned some things particularly applicable or extendable to his political, economic, social context.

But a more general conclusion may be reached. Conventional connotations of planning and decentralization are remarkably centralized. Retaining key assumptions of control, integration, and certainty creates a conceptual trap. By holding to the essentially centralized model of the cone, planners and policy makers trying to decentralize planning meet a reality at odds with their expectations. Moreover, the contradictions generate seemingly intractable problems.

This chapter suggests several general strategies for escaping the conceptual trap and easing implementation. It ends with an appendix of more specific suggestions culled from the preceding chapters.

### Exploit Uncertainty

As we contended in the preceding chapter, developing countries are especially vulnerable to all sorts of uncertainties. Others note that uncertainty is intrinsic and calls for flexibility, focus on particular contexts, and a learning approach.<sup>81</sup> As emphasized here, relying on a centralized model, or the same vision merely replicated in different territories, assumes knowledge and certainty. That assumption is fundamentally at odds with reality.

In accepting uncertainty, planning should employ a variety of procedures to permit learning, innovation, and response to diverse conditions, preferences, and sources of knowledge. In the course of doing so it will attempt to keep the system open, rather than to coordinate or integrate it in a fashion which effectively closes it and creates counterproductive dependencies.

### Keep the Decision-Making System Open

In Chapter V, we describe means for checking ministerial dominance and offer a range of approaches for keeping a decision-making system open. Rather than summarize them here, we will briefly describe four normative policy guides briefly.

First, decouple. That means simply separating elements—functions,

activities, interests, resources, or whatever--which were previously fused. The principle is embedded in many of the concepts discussed here and in parallel papers in this series. Decentralization, debureaucratization, departyization are all varieties of decoupling. Other examples are exclusive community groups designed to decouple local elites and the poorest peasants. Another widely applicable type of decoupling is separating the source of funding from the expertise, as illustrated by various peasant groups hiring experts. The theme runs through the examples of curbing sectoral dominance and coping with coordination. In effect, the principle says, "beware of linkages." Indeed in writing precisely on the point of linkages, Peterson reaches a similar conclusion.<sup>82</sup>

The second general guide for keeping planning and policy systems open is to provide parallel structures. Multiple structures offer means for checking misguided dominance and for avoiding the problems of excessive politicization Chauham describes.<sup>83</sup> Moreover, when parallel structures respond to broad constituencies (the political party, for example), they offer an additional channel of access to decision-making. This kind of redundancy not only expands choice and keeps the system more open and dynamic, but also helps protect against tyranny.

A third guide is to provide institutional pluralism. The proposal derives from decoupling and parallel structures. Yet institutional pluralism is important in its own right because it gives both peasants and governments crucially needed options (p. 41), prompts efficiencies and sensitivities that monopolies and other unitary institutions quell, and provides a framework for interinstitutional adaptation.

Somewhat in the same vein, Uphoff and Esman argue that development requires a

system of institutions performing various functions in the rural sector of a particular country. We found no case where only one institution was carrying the full responsibility for rural development or where complementarities among institutions were not as important as what the institutions themselves did.<sup>84</sup>

The fourth general guide for keeping the system open is to separate central government activities from noncentralized activities. Approaches to checking sectoral dominance and to circumventing coordination problems discussed above have hinted at such a strategy. The idea is not merely to loosen the reins, however. In addition, it suggests that in many cases central interests ought to be distinct from those dispersed throughout the nation. As Cohen et al put it, decentralization can free the center to concentrate on what is really important. Thus the center can plan strategically for such national concerns as fiscal policies, interjurisdictional and intergroup equity, national political stability, international relations, and land-reform, resource-development, and other development policies. Thus the center plans in its interests while territorially and group-based organizations plan in their interests.

#### Change Through Interaction

Discussions in preceding chapters imply that planning in conditions of uncertainty can be more effective when diverse groups plan in their own interests. This kind of decentralization relies on multiple agencies and interest groups that are decoupled. The overall direction of change derives, not from full knowledge incorporated into a tightly coordinated plan, but rather from their partial knowledge and interaction. Planning

thus becomes a dynamic and adaptive process in which activities of the national government contribute to, but do not comprise, the constellation of planning and governing.

### Decontrol to Learn While Doing

Disaggregated, self-interested planning can pursue diverse goals with uncertain technologies. In the process of planning and implementation, groups can discover and refine goals and procedures that work. Several factors are at play in this process of "social learning" as Korten<sup>85</sup> and Friedmann<sup>86</sup> call it. First, as noted earlier, the groups may be facilitated by external agents or by externally manipulated structural changes which permit them to form, but they are essentially self-initiated and self-motivated. Second, since they merge planning and implementation, they adjust goals and technologies in a search for actions which serve their own interests. Third, as group members act together they clarify still further their interests and test, modify, and so convert uncertain technologies into ones that work for them.

The process is adaptive and self-interested. Consequently it is antithetical to controlling, rule-compliance styles of implementation which curtail learning by hiding problems.<sup>87</sup>

Decontrolling to promote learning has two important, practical by-products. First, as noted earlier, merging the planners and the actors reduces many implementation problems. Second, self-directed learning uses indigenous knowledge and requires no specialized skills. Such planning relies instead on peasants' ingenuity and builds their cumulating capacity for self reliance. Similarly, because it aims at partial and instrumental

learning, it requires no unifying and causal theory. Thus a social-learning planning style depends on neither specially educated planners and administrators, which rural areas lack, nor on fully developed theories, which are nonexistent.

In a sense this strategy for decontrolled learning is the planning counterpart to intermediate technologies such as cattle-driven plows. It progresses beyond current peasant practices, but does not make unrealistic and inappropriate leaps to high technology.

### Contextual Planning

Another recurrent theme holds that a system of planning must be tailored to the particular country's, region's, and community's social, political, and economic conditions. The planning models themselves must expand options. No one version, say, of territorial comprehensive planning can be replicated around the world. In any event experience shows that when such an attempt is made, the model is adapted, sometimes quite radically, to the new context. Moreover, every relatively secure nation concocts a mix of planning approaches in order to bring into balance centralizing forces for order and stability and decentralizing forces for diversity and change.

Just what this mix should be, and how it should be made operational through institutions and processes, depends entirely on national and local conditions and preferences. Nepal offers a rich example.

King Mahenda bestowed on the country on December 16, 1962, a rather odd but indigenous combination of certain features of the "National Guidance" system of Egypt and Indonesia, the "Basic Democracy" system of Pakistan, the "class organization" system of

Egypt and Yugoslavia, and the "Panchayat" system operating in India (Joshi and Rose, 1966:396-97).

In a ceremony held in Kathmandu on April 13, 1962, to swear in the elected heads of the Kathmandu Valley Panchayats, King Mahendra dwelt at some length on the character and function of the Panchayat system: "We have confidently moved towards Panchayat Democracy . . . with the initiation of the Panchayat System. This new plant, cultivated from below, is suited to the climate of our country . . . the development of culture and civilization in our country . . . has taken place under this Panchayat System. Parliamentary democracy has proven unsuitable because it lacks the Nepali qualities which are found in the Panchayat System. The nationalistic feelings associated with the awakening are not as possible under any other system as they are under the Panchayat System . . ." (Rashtriya Sambad Samiti, Nepal, 1962).<sup>88</sup>

Nepal illustrates how a particular mix of approaches, institutions, and processes must be tailored to a particular country. It also suggests that planning and policy systems can suit not just the country's current conditions, but more, its potentialities. Thus contextually responsive planning can achieve its end, which is purposive change. Planning need not be contextually bounded and thus reinforcing, but rather contextually transforming.

#### Concluding Note: Some Specific Suggestions for Noncentralized Planning

This discussion has suggested a variety of general strategies for escaping the conceptual trap of a centralized model of decentralized planning. The strategies can be employed in a range of particular styles to suit different political, economic, and social conditions. Once out of the trap, the policy-maker discovers many practical options. In fact, by seeing planning in noncentralized, noncontrolling, nonintegrated ways, many of the problems and obstacles to decentralized planning fall away. For examples, coordination and inadequate skills in the field become nonproblems. In short, what began as a theoretical problem has become reduced to one of

practical resolution.

We don't mean to be naively optimistic, but rather just to free policy makers from preconceptions which may restrict their capacities to meet the true challenge of their unique nation's development. The following roster offers a smorgasbord of noncentralized planning suggestions culled from preceding discussions. This compendium permits the policy maker to put together a pattern of noncentralized planning suited to his particular country. Then, lest this conclusion of diverse options leave readers confused, we suggest an image of one sort of pattern they might find more coherent, a new cartoon of non-centralized planning.

ROSTER OF SUGGESTIONS  
FOR NONCENTRALIZED PLANNING

- o Conduct short-term, partial, specific planning.
- o Analyze normative implications of technical planning.
- o Understand workings of multiple-agency planning system.
- o Understand the mix of planning subjects (e.g., project, regional, economic).
- o Consider noncontrolling styles of planning such as:
  - performance standards,
  - providing information,
  - indicative planning,
  - incentives,
  - inputs which can be used in nearly infinite combinations (e.g., credit),
  - self-control, and
  - merging the planners and the implementators.
- o Divest authority to induce polycentered planning with coordinate rather than hierarchical relations.
- o Create redundancy to permit partial failure without system collapse.
- o Resist controlling linkages; let them occur and fluctuate through the reciprocal, mutual interaction of self-interested agencies and groups.
- o Plan to expand, rather than foreclose, choice.
- o Tailor planning to political constraints and opportunities.
- o Simulate markets to give citizens choice.
- o Provide a set percentage of the gross domestic product or a particular tax to individual regions, districts, or villages to ensure them reliable, independent funding.
- o Encourage problem-oriented, popularly devised innovation.
- o Structure activities such that people uncover latent resources or generate new ones for themselves.

- o Invent incentives and reciprocities between information providers and decision-makers.
- o Encourage direct and interactive communication between decision-makers and those affected.
- o Check ministerial dominance by such strategies as:
  - abolishing central ministries
  - upward linking, ministerial residual
  - low-level, non-linking
  - ignoring sectors (alternative resources)
  - providing subservient support staff
  - providing parallel systems
  - providing multiple checks
- o Avoid administered coordination.
- o Provide for decentralized planning sufficiently low to reach indigenous governance, differentiation, and loyalties.
- o Build accountability into the specific task, process, and clients.
- o Keep the testing of unproved technologies separate to promote learning and to avoid the domino effect of failure.
- o Develop indigenous or self-generating resources to buffer activities from larger system uncertainties.
- o Minimize resource dependencies.

### VIII. PLANNING IN PLANASIA

Consider the style of planning adopted in a middle-sized country lying just north of Knowland and just east of Atomistan. Planasia shares its neighbors' cultural, climatic, topographic, and economic patterns; it too is a *ceteris paribus* clone. It also somewhat resembles both in governmental style, while differing from each in important ways. Although it lies half-way between them geographically, it is not quite half-way between them in planning style.

Planasians are prepared to exploit the knowledge they hold. While alert to the extreme limitations of their information, theory, imagination, and, indeed, their cognitive capacities, they refuse to be intimidated by these inherent inadequacies. Accordingly, they have built a rather large intelligence apparatus and charged it with doing diagnostic studies, with identifying alternative developmental paths, with tracing and then evaluating potential repercussions, and with then exposing their policy hypotheses and their projections to public debate. Their analytic and synthetic apparatus is nowhere near as elaborate as Knowland's, mostly because no one in Planasia has much confidence in the reports its planners produce. Everyone knows that underlying theory is much too inadequate to permit high-probability forecasts. Everyone believes it is impossible to know what every Planasian wants and hence where either individual or collective welfare may lie. But there is also a willingness to exploit available science-based theory for such heuristic utility as it might have and to

draw upon formal simulation models as one systematic way of checking systemic relationships. Unlike Knowlanders, Planasians know they are not omniscient. They also know that they are not ignorant, and they are certainly not dumb. And so they use such knowledge as is available to them, but with caution and respect for the inevitable uncertainties and risks.

Although Planasia is not a large country with wide cultural disparities, there are nonetheless important cultural differences among its people. Long-standing tribal differences remain, even now when modernization of some sectors has progressed pretty far. Values vary from one social class to another, from one region to another, from one age group to another, from one religious sect to another, and of course from one occupational or industrial interest base to another. That pluralism defines the character of Planasian politics and the conduct of its public affairs. Unlike other countries where differences among polities are obscured by dominant political parties or dominant persons, here the many interest groups are sufficiently well organized as to have gained either formal representation in legislatures and governmental administrations or, at the least, a lobbying voice for their special purposes. In some degree, Planasia's resembles something of a syndicalist society, so widespread is special-interest representation.

Institutionalized pluralism is the accepted norm among the natives, but visitors from abroad are surprised to hear so little talk of "the public interest" or even of "the national interest." Planasia is unashamedly a nation of organized individuals whose traditional values are directed toward protection and enhancement of individuals' interests. A basic doctrine, declared in the preamble to the national constitution, holds that

there can be no social welfare precedent to individuals' private welfares.

Planning in Planasia therefore resembles the procedural styles of Atomistan in important ways. No master plans are compiled portraying the shape of the collective future. Indeed, holistic, substantive proposals are rare. Instead, emphasis is upon the rules-of-the-game, the procedures through which individuals and small groups pursue their preferences, through which violations are adjudicated, and, where necessary, collective decisions taken. Planasians contend that there are no technically correct solutions to problems to be found, only procedurally acceptable ones. And so there is almost compulsive preoccupation with rules of conduct, protocol, and due process. Thus Planasia has a growing legal profession, arguing special interests and litigating anti-trust cases on behalf of the government. The government's preoccupation with consumer sovereignty is reflected by its promotion of product information, feed-back to suppliers, and free entry.

With parallel interest in permitting wide ranges of choice to citizens, most consumer services, supplied by local governments elsewhere, have been commodified here. A system of ear-marked vouchers for educational, medical, and other services was considered and then rejected in favor of an administratively simpler scheme. Instead of vouchers, each household is guaranteed a minimum annual income through direct payments in cash. Consumers then purchase those services on the open market from both governmental and private suppliers who compete with one another. The numerous governmental enterprises that are openly competing for the same customers, the same political support, and the same revenues comprise a dominant feature of the public sector. The system has been in place for 18

years now, and it seems to have been favorably received in most quarters.

With municipal services, as in other sectors, the planning is approached through the design of choice-expanding procedures, rather than through the design of specific public works and specific municipal services. Their idea holds that consumers know what they want, even though governmental suppliers do not. Accordingly, they think they can better serve consumers by creating market-style conditions amenable to individual expressions of preferences and, most important, with incentives built-in that would make suppliers responsive to manifest preferences.

The early planners were also trying to reduce personal insecurities, the inevitable companions of imperfect knowledge and partial theory. If they'd known how to build a workable social welfare system, they'd have been eager to try. However, they had no more confidence in the available proposals for improving personal security than modern crime-stoppers have in the various schemes offered to reduce crime. Their approach was therefore through the purse—though direct transfer payments to families, rather than through the delivery of social services. Guaranteed minimum incomes and stimulation of high-quality services seems to have gone a long way toward accomplishing a greater sense of personal security.

Of course, the decision to undertake that elaborate taxation-transfer payments scheme, like decisions to build roads and other large-scale public works, had to be made collectively. Even though they might wish it were otherwise, there is no way that big, lumpy, collective undertakings can be dealt with atomistically. So, when dealing with these sorts of communal issues, they have developed a remarkably intricate and clever system of politics. Rejecting the idea that there are technically correct answers to

be found, they rely instead on consensual and conflict-resolving processes to generate answers that are politically acceptable.

Various forums have been created where competing ideas, competing projects, competing programs are debated. The system is designed to foster and guide argumentation. All interested parties are encouraged to participate by presenting arguments for and against. The government's data banks and simulation models are made available to all who care to use them, along with technically skilled operators who serve all clients with equal attention. Formal procedural rules have been promulgated, designed to assure that all parties to a debate have equal opportunity to make their cases, rather in the way American courts of justice guarantee due process to all comers.

In parallel, persons and organizations with similar interests coalesce around specific issues to argue for their preferred way. Persons with similar values come together to form political parties in pursuit of their generalized images of best alternatives. These multiplicities of factions are in perpetual contest, each seeking to gain control over the arms of government or to influence governmental agencies when issues of interest to them happen to arise. The effect is an extraordinarily complex mixture of interest-based politics inside and outside government engaged in continuous debate, each trying to effect collective decisions to accord with its own images of goodness--its own preferences. Without global theory to tell what is correct and incorrect, Planasians seem content to pursue their perpetual political contests, seeking their private notions of what's right and wrong--or liked and disliked.

Like the people of Atomistan, Planasians have stood in awe before the sweep of history. Aware that the complex web of social relations in modern societies has evolved without the aid of any sorts of master plans, they are prepared to leave much of societal guidance to the workings of those self-governing processes. They believe that the Knowlanders' notion of social engineering is fundamentally flawed, because it is based on two impossible assumptions: first, that societal goals can be known and, second, that the means for accomplishing those goals can be known as well. Societies, Planasian theorists contend, are not like machines, bridges, or even complex processes like assembly lines. Enough can be known about these things to permit engineering designs that will work; and, in turn, builders can exert sufficient control to build them to accord with design. But social systems are unlike bridges. They have dynamics of their own, and they have giant gyroscopes built into them that keep them on course despite the wills of men. Very little is understood about the workings of these self-organizing societal systems, even after a century or more of social science inquiry. Moreover, the notion that a unitary design can be imposed that might satisfy all competing polities is beyond the credibility of most Planasians.

And so, they have been willing to settle for something less than social engineering in the Knowland manner. They have also been willing to settle for something less than laissez-faire in the Atomistan manner. They believe instead that they have the better of these two opposing styles--a capacity to exploit available knowledge and a capacity to exploit the self-serving preferences of individuals while simultaneously exploiting the self-governing and self-correcting processes of an open society.

An elaborate system of bargaining has evolved that allows participants in political contests to resolve their differences. Formal negotiating procedures have been developed, modelled after those of the National Labor Relations Board that oversees labor negotiation in the United States. They've found the scheme so attractive a medium for exploring acceptable trade-offs that they are now extending it into an extraordinary range of policy arenas. Planasian planners are now working out procedures and institutional arrangements for formalized bargaining over environmental protection issues (polluters and affected publics will be negotiating standards, charges, taxes, and compensation prices), consumer-product qualities, externalities of public works, and a larger spectrum of other matters including behavior and misbehavior of dogs. The planners are trying to create the equivalent of the securities and commodities markets of the West--structured procedures through which individuals and groups can work out their differences and find agreement on charges and compensations they judge acceptable.

In the absence of an over-riding theory that can reveal the correct strategy for development, Planasia has turned to a style of planning that requires every person and every organization, private or public, to plan on its own. Each is then compelled to examine alternative options and alternative actions whenever a choice must be made. Each must decide how it will expend its available resources, given its own array of wants. Each is compelled constantly to be asking, "What if . . . ?" However formally or informally, each has learned to conduct the sorts of repercussions-analyses that might expose latent consequences. Because each person and organization is effectively on its own, and because all lack perfect knowledge, Planasians have learned to think as planners. The cognitive style of

planning has become akin to a national credo--a national mode-of-thought defining something like a national character.

Even though there is no central planning in the Planasian national capital and none either in the local municipalities, this little country has become the haven of planning. Virtually everyone tries to think up alternative options, then to think out potential effects of actions before acting. To trace out latent consequences of alternative actions is as normal for Planasians as for Knowlanders to look up the correct answer in plan-manuals. When evaluating what's right, Planasians are accustomed to relying upon their own judgments rather than the calculations of those in authority. They try to exploit such partial theory as is available to them, and they seem not to be frustrated by the absence of holistic theory. They have learned to accept error as the normal outcome of imperfect knowledge and as the normal way of the world. In Planasia honest error carries no shame and requires no apologies, even among politicians. Instead, by explicitly detecting and admitting errors and then adapting to unanticipated outcomes of planned actions, they have learned how to use error instrumentally as a valued contributor to processes of societal learning.

Like the Pragmatic philosophers of America, Planasians are constantly on the lookout to find how the world works and hence what sorts of human interventions are likely to work within it. Elaborate information and intelligence systems, that monitor the state of social and economic affairs, furnish them with effective tools for checking on the outcomes of public actions of various sorts. Planasians seem compulsively driven to the business of refining the processes of societal governance--to the

business of experimenting, monitoring, testing, and evaluating. They are quick to adopt new techniques and to install new institutional arrangements when old ones fail to prove out. They are then equally quick to subject the new ways to the same kinds of relentless test in search of still-better ways later on. Planasia is a nation devoted to societal learning--to the accumulation of instrumental knowledge and of workable institutional arrangements, and then to the application of that knowledge in their perpetual search for human betterment.

Some political groups are territorially based; their interests are coterminous with tribal and cultural traditions. Others are joined by shared concerns about some geographically local conditions, but otherwise reflect a jumble of diverse interests. As with groups that cohere around common occupational, religious, recreational, or other concerns, these local polities are partial in their interests. Although their agendas are sometimes rather large and although they tend to be stable over time, their territorial interests are no different in kind from the occupational and other sorts of interests that glue other factions together.

Some twenty years ago when the new governmental reforms were being debated, foreign donors were seeking to persuade Planasians to "decentralize" their governing and planning systems. After much confused discussion in Parliament and in the public press, it finally became apparent that the foreign advisors meant for authority to be shifted from the national government to territorially defined regional and local governments--that "decentralization" meant a shift from the "center" of the government circle to the local perimeter. In another metaphor, it meant a shift from the

apex of the hierarchical cone of power and authority to the base. Once the Planasians began to understand that the foreign advisers thought with a hierarchical layer-cake model of government structure and with a circle model of power, the debate began to make sense; and they were then quick to reject their advisers' recommendations.

Planasia, they said, does not fit the centralist paradigm that Western advisers carried in the backs of their minds. (Several sophisticated Planasians contended that the Western nations don't fit it either, and that those metaphors of cones, pyramids, layer cakes, and circles were inappropriate to any modern society; and some Western scholars agreed with them absolutely.) The structural metaphor for Planasian society, they contend, is best represented by the intricately complex web that adorns the nation's coat-of-arms. It is a society in which the web of interest-group politics provides the setting for daily life. In the absence of cones and circles, Planasia has emerged as an afocal society whose governmental system is also noncentered and, moreover, is processually structured. The noncentric world-view is of course a wholly comfortable one for Planasians. It is only visitors from abroad who have difficulty finding their way through its intricate mazes with no tidy organization chart to guide them.

Despite the interest-basis of its political life, territorially based interests remain viable ones. The essential consonance between tribal interests and locational interests was dramatized about six years ago when a member of an opposition party happened to examine an agency print-out of regional social and economic indicators. He noted that the Peripheral region was lagging far behind the rest of Planasia on a range of social and

economic indicators. Granting that the indicators were inadequate to describe Peripherans' quality of life, and that Peripherans were known to be a proud but extremely shy tribe, he nonetheless provoked public debate over their evident disadvantage.

Argument was intense, as always. The party in office noted that their income floor, like that of Atomistan, was the sole, necessary but sufficient, guardian of equity in Planasia and, further, that any direct government intervention would upset the country's unknowable, self-regulating processes. Besides, they said, the social indicators showed that living standards and level of welfare in Periphera were steady—that the region was lagging only relatively, as compared with the rest of the nation. Peripherans are a happy and docile people who relish their traditional life styles. Rapid change would be disruptive to their social order. And so it would be best for them, party officials argued, to leave them alone to live with their beautiful cultural traditions. The nation should intervene, they said, only to the degree necessary to assure a minimal level of well-being and not to force them into the modern age.

Critics were incensed. All Planasians should enjoy the benefits of modernism, they said. Even the most backward of us should be brought into this century, they said. Although they do not yet appreciate the advantages that would redound to them following an admittedly difficult period of adaptation, Peripheran elders owe it to their children to expand life opportunities. Critics contended further that Planasians have long been committed to the shared value of equity for all, and so the plight of the Peripherans was unconscionable. They added that Planasians held at least some instrumental knowledge of social change, however partial, and that,

even if they could not design a new Peripheran society, they could at least ease their countryman's transition from preindustrial to modern times. Moreover, Planasians could not sit back like Atomistani to let unfettered nature take its course, especially when they had the intellectual, institutional, and economic resources to do something about their future.

The debate then raged over philosophical and practical problems of trying to improve the future in the face of uncertainty. Eventually the interventionists won over the Atomistan-leaning faction with their argument that failure to act would be a conscious decision, publicly understood, and politically unpopular.

The policy resolution was a remarkably delicate form of intervention, in part a result of compromise, in part because all Planasians are cautious, recognizing pervasive risks, and in part because some debaters repeatedly pointed out that no Peripherans were participating in the argument. "How can we know what they need if they're too shy to tell us?" they pleaded. "They're so proud and independent, maybe Peripherans don't want to change." For all these reasons, Planasians tried to devise the least intrusive and most choice-expanding means of helping Periphera they could. They set aside a fixed percentage of annual tax revenues for each Peripheran village, then established a Peripheran Development Loan Fund. Thus each village could decide to spend its allotment directly, divide it among its members, or use it as collateral for loans for whatever kinds of collective undertakings its citizens wanted.

By now most Peripheran villages have a reliable water supply, which frees a great deal of time (previously spent hauling water) for other activities, such as improving their crafting tools. A number of villages

have also built schools, and some are considering irrigation systems and path surfacing and widening to ease travel for tribe-wide celebrations.

Meanwhile Planasia's workers union, an umbrella organization of many of Planasia's worker-managed enterprises, is implementing another approach to helping Periphera. (Their strategy is coordinated with neither the Planasia government's revenue-sharing, loan-fund scheme, nor with the Planasia Water Resources Board's Periphera Valley Dam proposal, still under analysis and debate.) The workers union has sent a few Peripherish-speaking members out to teach adult villagers rudimentary reading and writing.

In just four years this low-key strategy has had three remarkable results. First, just by meeting and learning together, Peripherans are beginning to plan in their self interests. Second, their newly acquired literacy permits them to understand and thus to create work contracts in their interests, and to reach firm agreements with the Loan Board. (Thus some aspects of noncoordinated efforts can be mutually reinforcing.) Third, Peripherans have begun to use their new channel of communication to Planasia's capital, the workers union. The access is novel, since Periphera's elected representatives never participated before owing to tribal shyness. Now, however, tribal leaders are becoming both concerned and enlightened, and they are learning how to participate in Planasia's debates themselves. Thus the common Peripherans have two separate channels of access, and they are beginning to feel they might even voice their preferences through additional interest groups. In this respect several different villages have hired analysts to decipher Planasia's computer print-outs to help the villages plan further in their interests.

Most of Planasia's citizens are pleased with Periphera's emergence, although it is still far behind the rapid modernization of the rest of the country. As the numerous social and economic networks have become inter-linked, Planasia became increasingly interconnected. Thus the nation is better for its ties with formerly remote Periphera, which maintains its proud culture and its autonomy, but now participates actively in Planasia's relentless deliberation.

The multiple polities, which debate and interact, derive not only, or even primarily, from geographical interests. Some polities call themselves professional societies or otherwise define themselves according to their technics rather than their politics, but they comprise polities nonetheless. Representing interests, rather than places, public officials in ministries promote their professions' brand of goods and services. Similarly, officials in territorially delineated local governments promote the special interests of the persons and groups they are associated with, working through governments of various sorts in pursuit of their selective purposes. Those officials whose formal interests are peculiarly the conditions of a locale are seldom parochial, even then. They realize that no place can be isolated from any other, particularly in modernized and modernizing societies. The dominant trait of modernism is connectivity across space and across sectors. Because every place and every group is woven into an intricate web of relations with every other place and group, each polity is necessarily linked to others; and no locale is in any sense self-sufficient or independent. The social, political, economic, and geographic integration of the nation has in part been fostered by the recently installed telecommunications and transportation networks that now interlace the country, facilitating intercourse, and thus development.

Pleas for local autonomy and for local planning are no longer heard in Planasia. The credo of localism, as the manifestation of decentralization, has given way to a brand of nationalism that might be unique. Persons and business firms have become integrated into the national society as citizens of its politics, contributors to its economy, and beneficiaries of its culture, arts, and national elan. Devoted to the welfare of individuals, the nation has built a planning and governing system that has decentralized decision-making as far as possible--to individual persons and their interest-defined polities wherever possible. They have rejected substantive design of projects and programs in favor of design for procedures that foster free intercourse among interdependent individuals and groups. They've achieved a degree of coordination among sectoral agencies, inside and outside government, that follows from the uncontrolled workings of market places, interest-based politics, and self-organizing social relationships.

As a direct outcome of its afocal societal structure and of its non-centralized styles of planning and governing, authority has been dispersed widely among Planasia's publics. Planasians now enjoy greater autonomy, wider choice, and a greater sense of independence than do any of their neighbors to the south, or west, or overseas.

FOOTNOTES

1. Charles Lindblom, "The Sociology of Planning, Thought and Social Action," in Morris Bornstein, editor, Economic Planning, East and West. Cambridge, Mass.: Ballinger Publishing Company, 1975, pp. 26-30.
2. J. Margolis and W. Trzeciakowski, "Multi-Level Planning and Decision-Making: A Background Paper," prepared for the Sixth Meeting of Senior Economic Advisors to ECE Governments, United Nations, New York, 1970.
3. E. F. Schumacher, Small is Beautiful. New York: Harper and Row; 1973, by arrangement with Blond and Briggs, Ltd., London.
4. James Buchanan and Gordon Tullock, The Calculus of Consent. University of Michigan, 1965.
5. John Rawls, A Theory of Justice. Harvard University Press, 1971.
6. Joseph A. Schumpeter, Capitalism, Socialism, and Democracy. New York: Harper & Row, 1950, p. 253.
7. Stephen Cohen, John W. Dyckman, Erica Schoenberger, and Charles Downs, "Decentralization: Types and Reasons," draft report for Project on Managing Decentralization, 1980.
8. Lindblom, op. cit., p. 36.
9. Lindblom, op. cit., pp. 44-47.
10. Ibid., see especially pp. 32-33.
11. Ibid., p. 38.
12. United Nations Industrial Development Organization, Guidelines for Project Evaluation. New York: United Nations, 1972, pp. 131-132.
13. Jan Tinbergen, "Planning, Economic: I. Western Europe," in International Encyclopedia of the Social Sciences, Vol. 12. New York: Macmillan Company and Free Press, 1968, p. 103.
14. Aaron Wildavsky, "If Planning is Everything Maybe It's Nothing," Policy Sciences 4 (1973).
15. For a lucid and brief discussion of incrementalism, see Albert O. Hirschman and Charles E. Lindblom, "Economic Development, Research and Development, and Policy-Making: Some Converging Views," Behavioral Science 7:2 (April 1962), pp. 211-222.

16. Horst Rittel and Melvin M. Webber, "Dilemmas in a General Theory of Planning," Policy Sciences 4 (1973).
17. Webster-Merriam, Webster's New Collegiate Dictionary. Springfield, Massachusetts: G. & C. Merriam Co., 1956, p. 765.
18. Martin Landau, "Federalism, Redundancy, and System Reliability," Publius 3:2 (Fall 1973).
19. Cohen et al, op. cit., p. 67.
20. Branko Horvat, "Yugoslav Economic Policy in the Post-War Period: Problems, Ideas, Institutional Developments," American Economic Review (1970).
21. G. Skorov, discussion of Horvat paper in The Crisis in Planning, Volume 2, (Mike Farber and Dudley Seers, editors). London: Chatto and Windus, 1972, p. 206.
22. Melvin M. Webber, "A Difference Paradigm for Planning," in Robert Burchell and George Sterlieb, editors, Planning Theory in the 1980s. New Brunswick, N.J.: The Center for Urban Policy Research, Rutgers University, 1978.
23. Aaron Wildavsky (1976), quoted in V. Ostrom, "Some Problems in Doing Political Theory," American Political Science Review (December 1977).
24. Goran Hyden, Robert Jackson, and John Okumu, editors, Development Administration: The Kenyan Experience. Nairobi: Oxford University Press, 1970.
25. Cohen et al, op. cit.
26. See David Truman, The Governmental Process. New York: Alfred Knopf, 1951, 2nd edition 1971; and Robert Dahl, Who Governs? New Haven: Yale University Press, 1961, for a full explanation of this pluralist model.
27. Martin Landau, "Redundancy, Rationality, and the Problem of Duplication and Overlap," Public Administration Review, July/August 1969.
28. Albert O. Hirschman, Exit, Voice and Loyalty. Cambridge, Massachusetts: Harvard University Press, 1970.
29. Stephen Peterson, "Linkages and Agricultural Development," report prepared for Project on Managing Decentralization, 1980.
30. Horst Rittel, definition provided to students in Department of City and Regional Planning Course 203, University of California, Berkeley.

31. John W. Dyckman, "Three Crises in American Planning," in George Sternlieb and Robert Burchell, editors, Planning Theory in the 1980s. New Brunswick, N.J.: Center for Urban Policy Research, Rutgers University, 1978, p. 291.
32. Margolis and Trzeciakowski, op. cit.
33. Roy Radner, "Economic Planning Under Uncertainty: Recent Developments," In Morris Bornstein, editor, Economic Planning East and West, pp. 93-117.
34. Naomi Caiden and Aaron Wildavsky, Planning and Budgeting in Poor Countries. New York: John Wiley and Sons, 1974.
35. Sven Steinno, "Health Care Linkages in the Third World." Report prepared for Project on Managing Decentralization, 1980.
36. Jack Fisher, editor, City and Regional Planning in Poland. Ithaca, N.Y.: Cornell University, 1966, p. 414.
37. Ronald Aqua, Local Institutions and Rural Development in Japan. Ithaca, N.Y.: Cornell University Center for International Studies, 1974, pp. 4, 5, 66, 67, 74.
38. Charles Setchell, "Local Government Planning and Popular Participation in the Philippines," a report prepared for the Project on Managing Decentralization, 1980.
39. G. Shabbir Cheema, "Institutional Reform for the Planning and Management of Local Level Development in Asia," draft. Nagoya, Japan: UN Centre for Regional Development, March 5, 1980.
40. Peterson, op cit.
41. Jan Prybyla, The Political Economy of Communist China (Scranton, Pennsylvania: International Textbook Company, 1970), as reported in Lindblom, op cit., pp. 55-56.
42. Dennis Rondinelli, "Administrative Decentralization and Area Development Planning in East Africa," a report prepared for AID Contract DSAN-C-0060. Madison, Wisconsin: Regional Planning and Area Development Project, 1980, and others.
43. Ibid. and conversation with Judith Geist, December 31, 1980.
44. Discussion with Robert Price, July 24, 1980.
45. Robert Jackson, "Administration and Development in Kenya," in Hyden et al., op cit.

46. Rondinelli, op cit.
47. Seminar by Robert Price and Judith Geist, January 8, 1980.
48. Rondinelli, op cit., and discussion with Judith Geist, December 31, 1980.
49. Horvat, op cit.
50. Sudan News Agency, Daily Bulletin, Issue No. 2513 (December 12, 1977), referenced in Rondinelli, op cit.
51. Robert Maguire, Bottom-Up Development in Haiti. Inter-American Foundation Paper No. 1, October 1979.
52. David Korten, "Community Organization and Rural Development: A Learning Process Approach," Public Administration Review, 40:5 (September/October 1980), pp. 489-490.
53. Maguire, op cit.
54. Peterson, op cit., p. 150.
55. Jarir S. Dajani, Municipal and Rural Development in Jordan: Issues, Procedures and Prospects. Report prepared for Industrial Development and Finance Division, Europe, Middle East, and North Africa Regional Office, the World Bank, July 1979.
56. Ibid., p. 8.
57. But the description is incomplete and neglects a number of problems and complications. See Dajani, op cit., for a better description.
58. Discussion with Hugh Evans, Director of Regional Development Corporation, July 29, 1980.
59. Peterson, op cit., p. 78.
60. Korten, op cit.
61. S. Simpias, L. Carino, and A. Pacho, Local Government and Rural Development in the Philippines. Ithaca, New York: Cornell Center for International Studies, 1974.
62. D. S. Chauhan, "Democratic Decentralization and Local Administration in India, Nepal and Pakistan," Asia Quarterly, April 1977, pp. 299-300.
63. Ibid., p. 280.

64. Carl Walter, discussions December 9, 1980, and January 30, 1981, and The Party-State Relationship in the People's Republic of China: The Role of the People's Bank and the Local Party in Economic Management, dissertation in progress at Stanford. I am indebted to Mr. Walter for helping me see that my U.S.-based model of sectoral dominance could be applied--with important variations--to other countries.
65. Rondinelli, op. cit., p. ii.
66. Cohen et al., on services.
67. David Brokensha and Bernard Riley, "Local Participation in Rural Roads in Western Kenya," prepared for Project on Managing Decentralization, University of California, Berkeley, April 24, 1980.
68. Evans, discussion cited.
69. Brokensha and Riley, presentation, April 1980.
70. Chauhan, op. cit., p. 298.
71. Price, discussion cited.
72. Cheema, op. cit.
73. Price, discussion cited.
74. Lenore Ralston, James Anderson, and Elizabeth Colson, "Local Voluntary Efforts and Decentralized Management," report prepared for Project on Managing Decentralization, 1980.
75. See, for example, James P. Thompson, Organizations in Action. New York: McGraw-Hill, 1967. Charles Perrow, Organizational Analysis. Belmont, California: Wadsworth Publishing Co., 1970. P. R. Lawrence and J. W. Lorsch, Organization and Environment. Boston: Harvard Business School, 1967.
76. See Martin Landau, "On the Concept of Self-Correcting Organization," paper presented at CUNY, 1972, for a discussion of premature programming, which is like premature coordination but less complicated.
77. Caiden and Wildavsky, op. cit.
78. Ralston et al., II C 2.
79. Caiden and Wildavsky, op. cit., also Evans, discussion cited.
80. Martin Landau, "Redundancy, Rationality and the Problems of Duplication and Overlap," Public Administration Review, July/August 1969.

81. Development Alternatives, Inc., "Integrated Rural Development: Making it Work?" Washington, D.C. AID Contract DSAN-C-0065, July, 1980.
82. Peterson, op. cit., p. 114.
83. Chauhan, op. cit.
84. Norman T. Uphoff and Milton J. Esman, Local Organization for Rural Development: Analysis of Asian Experience. Ithaca, N.Y.: Center for International Studies, Cornell University, 1974.
85. Korten, op. cit.
86. John Friedmann, "Regional Planning for Rural Mobilization in Africa." Unpublished paper, January, 1981.
87. Martin Landau and Russell Stout, Jr., "To Manage is Not to Control: The Fallacy of Type II Errors," Public Administration Review, March/April, 1979.
88. Chauhan, op. cit., p. 286.

PROJECT NUMBER: \_\_\_\_\_

PROCESS:	ACTION:	DATES:	INITIALS:
CATALOGUE	X		
ABSTRACT			
FICHE			

COMMENTS: 1656  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DS, BIU