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activities along decentralized lines, whether or not it should be attached to one of the existing international institutions. This should be done separately and therefore needs not to be exemplified here.

Important is that the idea gets off the ground that the payments of interests and amortization by the developing countries need to be re-channelled into new development activities in the developing countries, instead of transferring them back into the general government budget of the donor countries. Furthermore, although a high moral

discipline seems to be needed to implement such a fund, safeguards must be provided to prevent it from becoming a new neo-colonial institution by touching too severely the autonomy of the developing countries. At the same time, of course, it must be avoided that such a fund becomes a "weak point" by asking too much from the developing countries' side. Finally, it should be added, that given sound principles, aims and the necessary institutional arrangements, the new fund could of course practically start with just one creditor and one debtor country, or with a group of countries, respectively.

A Regional Social Plan for Developing Countries

by Herbert Neubauer, Bonn *

The existence of constraints affecting the social services in developing countries is only too obvious. Neither donor nor recipient countries have yet paid sufficient attention to this sphere in the context of development policy. Practicable planning proposals are therefore put forward in the following article for the two sectors of health and education.

Extant social constraints and exigencies are often negated in development planning with a predominantly economic orientation. To judge from many attempts in the past, this kind of planning can indeed make matters worse. The reasons for the neglect of social interests or the fiasco of planning in the social sphere are to be found in the normal limitations imposed by the size and priorities of the developing countries' public budgets on the one hand and the development aid policies of the donors on the other.

According to the common view among official circles and planning experts in recipient countries the promotion of social sector interests is of no particular importance for the achievement of such priority objectives as "raising per-capita income" or "increasing industrial production". It may be that the long-term connection between social planning and growth of national product is not recognized or else that for reasons of prestige (for the sake of successes showing up in the

short or medium term) social criteria are not applied to budget planning. The result in either case is often that the social sphere receives scant attention; and as public expenditure is anyhow only marginal compared with the industrialized nations, the consequences as far as average per-capita spending on social services is concerned are disastrous. The figures given in the following table for a few selected countries speak for themselves and require no further elucidation.

In the light of this low level of per-capita expenditure on social investments the situation cannot be expected to improve but may well worsen under the pressure of rising population growth rates.

So far the donor countries have also failed to give enough consideration to this manifest deficiency in their development policy. The decisive reason for this, it may be surmised, was their unfavourable experience with social sector projects. High prime and follow-up costs have turned social plans into a bottomless pit with mostly noth-

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**Per-Capita Income and Public Social Sector
Budget Per-Capita Spending¹**

Country	Per-Capita Income in 1973 in US \$ ²	Public Social Sector Budget Per-Capita Spending in 1974 in US \$ ³		
		Education	Health	Social Services
Kenya	167	10.83	3.28	2.75
Ecuador ⁴	350	13.59	2.13	0.68
Thailand	210	8.55	1.33	1.98
Sweden	5,596	259.60	77.92	606.90

¹ Cf. UN, Statistical Yearbook 1974, New York 1975, p. 67 ff., 644 ff., 653 f. and 688 ff. — ² The calculation of the per-capita incomes was based on the net national product at market prices. — ³ All per-capita figures are based on population estimates for 1973. — ⁴ The data for public per-capita spending for social sectors in Ecuador relate to 1973.

ing to show in return. The Federal Republic of Germany for instance committed itself to bilateral public capital aid for the social infrastructure of developing countries to a total amount of DM 677 mn for the period from 1960 to December 31, 1973; this was only 4 p.c. of the total capital aid commitment. In 1973 the corresponding amount of public capital aid commitments was DM 77.5 mn; in relation to the total capital aid it was only slightly up at 4.8 p.c.¹. Similarly, no more than DM 31.847 mn, i.e. 4 p.c. of the bilateral technical assistance rendered by the Federal Republic in 1973, was paid out for health services.

It seems unlikely that the public social measures have been supplemented to any significant extent by private domestic or foreign investments, and private commercial initiatives are not very likely in future either because social sector investments do not pay.

The reality of the facts set out here shows only too clearly that bottlenecks do exist in the social sphere. They cannot be countered merely by earmarking additional funds for the social sector. Purposeful planning to check the misallocation of resources (on prestige projects like university hospitals, research institutes, etc., with unacceptably high consequential costs) which could frequently be observed in the past is certainly equally important.

Definition and Delimitation

Not only are the social facilities in underdeveloped countries as demonstrated undeniably defective but there exist regularly far greater social differential discrepancies than in mature economies. This aggravating moment creates a significant risk that trivialities may release pent-up ten-

sions which have been contained with difficulty and possibly even escalate in revolutions. Common sense suggests that for this if for no other reason there is an inescapable need for social planning of a kind which holds out a promise of at least a minimum of social justice.

Regional social planning understood in this sense comprises all measures which are aimed at supplying the largest possible circle of underprivileged people in the framework of the available resources with social services for which the economic policy fails to provide adequate improvements. In the present article the focus is on two sectors, those of health and education.

Such criteria as public welfare and low-cost housing will not be considered because they involve high costs or have a comparatively low cost-benefit ratio. The labour sector is disregarded because full employment is in any case the classical objective of all economic planning and thus remains outside the scope of the above definition.

Methods

In view of the past experience with the aid allocation policy of bilateral and multilateral authorities and the modest social budgets of the developing countries a new course has to be adopted for a consistent regional social planning. Instead of transplanting costly and yet inadequate social models of the industrialized nations to developing countries as has been the custom, a solution must be sought for the acute problems by strict observance of economic criteria in the planning of future projects. Two practicable planning proposals are therefore put forward in the following for the health and education sectors for which it can be claimed not only that they can be put into effect at prime and consequential costs commensurate with the available resources but that they can be safeguarded over the longer term by measures which will cover all expenses.

Unlike "normal planning" this approach is confined to a process of probing and reconciling the political donor and recipient priorities and an analysis of the two sectors in question, health and education. As it is presumed that unquantifiable social interests cannot be given priority ratings on the basis of objectifiable criteria and that therefore plan decisions which involve value judgments and emotive appraisements have to be employed in any case, the terminal sector selection is reached by a political decision. Admittedly this does not make for "fairer" resource distribution but it makes it at least politically more acceptable and thus renders its success in practice more probable.

¹ Deutsche Entwicklungspolitik im Jahre 1973 (German Development Policy in 1973). Memorandum of the Government of the FR Germany on the DAC annual audit for 1974. Publication of the Press and Information Office of the FR Germany, Bonn 1974, p. 25, Table 5.

The examination of political facts and ideas is divided into analyses of the respective aims of the donor and the recipient. The object in either case is not only to ascertain the social aims but to try to establish a consensus about the sectors to be selected as well as one of the two drafted "practicable planning projects". A possibility is thereby created of aligning the intentions of the donor and the recipient at an early stage in the planning.

Regional social planning is relatively unproblematic as far as the establishment of the principal's development priorities is concerned. Lobbyism and conflicts of interest between competing government departments do not play as decisive a role in this respect as they do in development aid for economic motives because social planning does not, in general, induce or alter monetary exchange relations (import-export) between the donor and recipient countries in the short term.

In the developing country action is chiefly concentrated on an investigation of the social priorities of the central government, the departmental staffs and their regional personnel and the aspirations of the provincial governors. If it proves quite impossible in the end to reach agreement between the donor and the recipient about the proposed sectors and on — realistic — project measures, one must do without social planning.

Social Sector Analysis

In the following studies concerned with the social sectors of health and education the first aim is to determine by reference to indicators what state of development has been reached.

The *modus operandi* in these studies is to move from the national to the regional and sub-regional level. In recognition of the mentioned constraints no attempt is made to deduce from these studies a multidimensional target system for consistent social planning although other sub-sectors may possibly deserve prior consideration.

Instead, it is proposed to present only one planning proposal for the two sectors of health and education — one for the project planning of a health station and another one for an education centre. Thus, the otherwise customary search to identify possible projects need not be undertaken. Essential still remains however the determination of the locale of the measures to be taken and the choice of one of the two alternatives. It goes without saying that the social planning reduced to the two selected approaches cannot be indiscriminately applied to any region whatsoever; if necessary, it has to be modified in the light of the specific conditions prevailing in another region.

Rural Health Projects

Investments in the health sector do not promise a signal increase of the economic output related to the shorter term. This fact and the persistently high cost of setting up, extending and maintaining health service operations have done much to induce the responsible authorities to defer health support measures, at any rate in rural sub-regions, when they do their development planning. They tend to overlook the fact that a healthy population is probably most important among all the natural resources for a "take-off"² and that promotion of this sector need not therefore be regarded as a purely humanitarian precept.

Beside such — rather institutional — difficulties the regional health planning in developing countries comes up against a problem which is not felt to quite the same degree in other sectors, namely, that it is not easy to obtain any statistics or other information at all and that sufficiently reliable data are even scarcer. It will therefore in general depend to quite a significant extent on the planners' experience with estimates, probability samples and statistics evaluation what use is made of the following indicators for the establishment of regional health service needs:

- ☐ Birth rate,
- ☐ Mortality,
- ☐ Age pyramid,
- ☐ Morbidity,
- ☐ Environmental health risks,
- ☐ Blood tests for presence and incidence of parasites (malaria, filariae, etc.),
- ☐ Checks for deficiency symptoms,
- ☐ Average height and weight, differentiated according to age and sex.

If the analysis of these data does not indicate an emergency situation in a sub-region in the immediate or foreseeable future, the question has to be elucidated whether the development aid should be directed to the rural or urban sphere. Since health services are normally centred in conglomeration areas, the answer in most cases will be that rural regions should be selected for special support measures.

Experience however shows that in this health sub-section planning often comes to nothing or at any rate fails to yield the hoped-for results. The main reasons for this are³:

² Cf. B. M. Gross, *The State of the Nations: Social Systems Accounting*, in: R. A. Bauer (ed.), *Social Indicators*, Massachusetts Institute of Technology, 1966, p. 191.

³ Cf. on this and the following remarks: W. Kruse, *Neue Wege der Gesundheitshilfe (New Ways of Health Assistance)*, in: *Entwicklung und Zusammenarbeit. Beiträge zur Entwicklungspolitik*, 5/75, p. 11; and O. A. Jäger, *Das öffentliche Gesundheitswesen in den Entwicklungsländern (The Public Health System in the Developing Countries)*, Vol. 2, Berlin 1964, p. 85 f.

- ☐ Excessive consequential costs of health projects (this "phenomenon" is equally noticeable in urban projects),
- ☐ Deteriorating performance standards following the handing-over of health projects,
- ☐ Shortage of doctors due to preference for private practice in towns or excessive specialization in large clinics and owing to social reasons,
- ☐ Lack of government support for rural projects in the developing country because prestigious national and provincial hospitals are given priority.

It is of crucial importance that a simple cost-compensative solution be found in order to avoid these difficulties.

Financial Burdens

The provision of decentralized health stations suggests itself as a sensible measure for this purpose. They can be affiliated to primary or ongoing projects or else be conceived as independent projects. In the planning of such health stations no provision is made for direct employment of doctors or use of expensive equipment. The avowed aim is to maintain the viability and efficiency of the project, after a brief running-in period, without much further personal and financial assistance. No more than DM 50,000 should therefore be spent on the setting-up of such a health station, and the consequential costs should be kept down to DM 20,000 a year.

The personnel plan should only provide for a number of trained nurses, midwives and sick warders, and all the medical equipment needed is a store of the appropriate pharmaceutical products. The health station is to be staffed by indigenous personnel undergoing periodic training courses by doctors. This cuts the health station costs to a minimum but does not by itself ensure permanent success.

The governments of developing countries are often neither able nor willing to bear the full financial burden of the health services over a prolonged period. Without some small contribution by the patients it is therefore impossible to cover the cost of planned health stations or ensure their survival. A cost contribution of DM 0.50 to 0.80 per consultation is normally sufficient, and this will be within the patient's means as he requires on average no more than 3–4 single ambulatory treatments.

The stations should be sited to suit their "catchment area", preferably in market places, larger settlements, manufacturing centres, etc., with good communications so that full use can be made of their potential — i.e. to serve a population of about 25,000. In order to ensure and help

that the station works with a high degree of efficacy real efforts must be made to secure cooperation between the health station and superior health authorities, the nearest hospital and social workers. If stations are integrated with the general national health service, they will not only provide tuition (guidance and further training by doctors) for the nursing staff but initiate useful exchanges of experience between all concerned.

A Threefold Task

It is a threefold task which is assigned to the health stations, for they have a curative, preventive and informative function. Their curative services are necessarily confined to ambulatory treatment for accidents and injuries and care in cases of sickness. If stationary medical treatment and care are indicated, the patient must be transferred to the nearest hospital. As far as precautionary measures are concerned, large-scale immunization schemes are ruled out by cost considerations unless the national health service authorities decide to participate. Similarly, the health stations are hardly in a position to take prophylactic action against malaria. Instead they should aim at regular preventive check-ups and advice for pregnant women. The health stations can, finally, help to look after the children and counter food deficiencies by handing out vitamin preparations and milk powder for babies and children.

An improvement of the general health of the population as a result of medical and hygienic welfare work is however followed by rapid population growth. If the infant and child mortality declines substantially and the average life expectancy increases, developing countries with their traditional high fecundity are bound to experience a population explosion if they do not resort to systematic birth control. If the national product grows only at a modest rate, as is often the case, this must lead to falling per-capita incomes and progressive impoverishment of large circles⁴. Information on family planning and supply of contraceptives are therefore most urgent tasks of the health stations in support of the efforts by the superior national health services and the social services.

In conclusion it must be pointed out that any tasks going beyond the outlined objectives of a health station, e.g. prophylactic measures against malaria and mass examination of schoolchildren with follow-up courses of treatment, are far above the capacity and potentialities of a health station. For the reasons mentioned earlier it is advisable to assign all measures of this kind to the superior national health services.

⁴ Cf. R. Endress, *Unternehmer, Manager oder Staatsfunktionär?* (Entrepreneur, Manager or State Functionary?), Neuwied and Berlin 1971, p. 103.

Education

The state of popular education in developing countries depends in great measure upon the cultural, religious and social orders and family relations. Where the educational system is determined by traditional norms and elitist thinking this will inhibit the readiness to make use of educational facilities and to adopt features of another civilization⁵. For this reason it is not sufficient from the point of view of education planning merely to trace the level of development by means of indicators and to infer from any gaps found which are the appropriate measures to take. The state of education encountered in a country must always be related to its traditional background so that provision can be made for a gradual relegation of such attitudes.

The reason for wide-spread absenteeism will often be found to be an inefficient education system, and irrelevance of teaching methods and study subjects to the pupil's ambience is largely to blame for this inefficiency. It is therefore futile to expect the resultant illiteracy problem to be solved by massive programmes of enlightenment by radio, television, cinema, newspapers, lectures series and documentation. The crucial task is to make sure that project planning in accordance with actual requirements offers the lower income groups access to courses of training which can be turned to use at once.

The following indicators can be used to take stock of the situation in the education sector:

- ☐ Adult literacy,
- ☐ Illiteracy variation,
- ☐ Adult participation in vocational training,
- ☐ Primary school attendance in the 5–14 years age-group,
- ☐ Vocational training ratio in the 14–19 years group,
- ☐ Number of primary schools,
- ☐ Number of adult education schools,
- ☐ Number of teachers' training and advanced training colleges,
- ☐ Teacher-pupil ratio at primary and adult schools,
- ☐ Availability of teaching appliances in schools,
- ☐ Distribution of primary and adult schools over urban and rural sub-regions.

In this respect, as in the examination of the constraint causes, one must not content oneself with the evaluation of statistics as these by themselves say nothing about the quality of education.

⁵ Cf. R. F. Behrendt, *Gesellschaften im Umbruch* (Societies in Transformation), in: H. Besters and E. Boesch (eds.), *Entwicklungspolitik. Handbuch und Lexikon* (Development Policy. Handbook and Dictionary), Stuttgart 1966, p. 179.

If reliable information on this point cannot be obtained from recipient authorities or, possibly, missions, a random sample survey will be required. The consequent evaluation of the gathered data will generally suggest that priority should be given to the promotion of a rural sub-region – similarly as in health planning – because the educational services in such regions find it usually impossible to keep up with the urban sphere either in quality or in quantity⁶.

It will have been seen from the list of indicators that any attempt to analyse and plan the secondary and higher school system is eschewed here. The entire planning input and the subsequent investments are instead focused *a priori* on the sub-section of elementary education. This choice is based on the following considerations:

☐ In view of the scarcity of the resources available for the education sector priority must be given to the promotion of elementary education because it involves a lower cost per pupil than secondary and higher education⁷. This is chiefly due to the fact that personnel costs account for 80–90 p.c. of current expenditure and primary school teachers are in part paid much lower salaries than pertain to secondary and tertiary education.

☐ Project planning in the sub-section of elementary education – as distinct from that for higher educational institutions – gives the large number of illiterates a chance of vocational advancement and a secure livelihood in later years.

☐ In the sub-section of rural elementary education it is possible to impart knowledge of relevance to the pupils' practical life by such measures as the provision of workshops and school farms and to counteract thereby the "flight from the land".

Planning of Elementary Education

The planning of elementary education is oriented to the establishment of functional rural education centres. Centres of this kind must fulfil two tasks in particular, in addition to that of economizing on costs in project implementation: the offered education must be adapted directly to the specific interests of the rural population; and adults and young people, as well as children, must be integrated in the instruction process. The indispensable requisites for this which must be provided include the necessary material infrastructure,

⁶ Cf. e.g. the situation in Bolivia: S. A. Musto, *Entwurf einer Reform des ländlichen Bildungswesens in ausgewählten Regionen Boliviens* (Draft for a Reform of the Rural Education System in Selected Regions of Bolivia), in: *Planung regionaler Entwicklungsprogramme* (Planning of Regional Development Programmes), DIE, Berlin 1973, p. 168 f.

⁷ Cf. K. Eßer and S. A. Musto, *Programmhilfe zur Förderung der funktionalen Grunderziehung in Entwicklungsländern* (Programme Assistance for the Promotion of Functional Elementary Education in Developing Countries), DIE, Berlin 1973, p. 31.

practice-related curricula and suitable teachers and instructors.

Educational facilities should for the sake of economy be provided by extending existing school buildings to fit the premises for multipurpose use wherever possible and include school workshops and school farms as a component part. All construction measures should be supported by voluntary self-help action by the village community. A permanent local repair service must be set up in addition by the population to ensure that the necessary maintenance work on the installations is carried out⁸.

The work on the curricula must be confined to the selection and adoption of already available practice-oriented subjects of instruction so as to allow the project planning to be integrated as smoothly as possible with the national education system of the developing country. It seems more important to arrange curricula which provide for the conveyance not only of the basics of reading, writing and arithmetics but of handicraft, technical, agricultural and domestic skills than to transmit the humanist legacy in history, literature, arts, etc. Maximum use should be made of available educational material in order to avoid extra expenditure.

The supply of teachers is one of the principal difficulties when laying plans for education centres. Suitably trained staffs for basic education with vocational overtones are as a general rule not at hand in rural regions. The effect of this bottleneck is magnified by the planned full-time use of the education centres (for day and evening lessons for students of all age-groups). For reasons of cost as well as time it is impossible to plan expensive supplementary programmes for adequate teacher training institutes to advance the solution of this problem. The following measures however offer a practicable and expedient alternative⁹:

- ☐ Increased use for all kinds of teaching tasks of assistant masters without teaching diplomas,
- ☐ Engagement of suitable secondary-school leavers for "theoretical" lessons,
- ☐ Recruitment of experienced practitioners for the practical training,
- ☐ Arrangement of brief courses of instruction for such persons, to be repeated once a year during the vacations. These courses should be arranged either by existing teacher training colleges or for the initial phase, if necessary, by experts who are sent out from the donor country for short periods to perform this particular task.

⁸ Cf. K. Eßer and S. A. Musto, *ibid.*, p. 130 f.

⁹ Cf. also S. A. Musto, K. Eßer and P. Strauhmann, *Die Peruanische Erziehungsreform* (The Peruvian Education Reform), DIE, Berlin 1974, p. 69 and S. A. Musto, *ibid.*, p. 188.

Not only can the personnel expenses be cut by such measures but many of the new teachers and instructors may be expected to apply themselves to the work with special zeal since they wish to qualify for their posts.

Another — albeit generally small — contribution to a saving of consequential project costs may come from the sale of products of school workshops and farms. In combination with the mentioned provision of voluntary services for necessary repairs this will help to maintain the viability and efficiency of such projects, a factor which should not be underestimated.

Critical Appraisal

The justification for the described approach does not rest on its central social function alone, but it may by now be regarded as a scientifically founded truth that social betterment is indispensable for any upward-pointing development process if it is to achieve a lasting success¹⁰. In recognition of this fact the regional social plan is therefore presented as an attempt to open a prospect of improved living conditions for the largest possible number of persons in need of betterment. The implementary and running costs of such planning can be kept within "practicable" limits because provision is made explicitly for the economic implications.

There is a danger, which must certainly not be underrated, that the recipient will not provide adequate political support or that this support will be flagging once the work of planning has been concluded. This need not necessarily be because of a latent desire to pursue high-flying plans for dynamic industrialization rather than commit resources to social investments which will yield few palpable results in the short term. The plan implementation may also be jeopardized by attempts to hide intolerable social abuses from a critical world public¹¹.

On a full assessment of all factors this method merits consideration, in spite of the mentioned reservations, as a by and large useful planning approach which satisfies both humanitarian and economic interests. At the very least there exists a need to re-examine the social plan objectives for all those regions in which the political leadership is — openly or surreptitiously — pleading the case for the exclusive development at any price of economic sectors.

¹⁰ Cf. also R. L. Heilbrunner, *The Great Ascent. The struggle for economic development in our time*, New York 1963, p. 24 f.

¹¹ The "exemplar" of India shows today for both the mentioned cases most clearly how an inordinate urge for power (construction of an atom bomb when millions of people are in need) and misconceived prestige considerations (Secretiveness and denials about the persistent disaster situation in West Bengal) cut the ground from under any attempt at effective social planning.