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DEVELOPMENT PLANNING AND MANAGEMENT IN THE OECS COUNTRIES : THE EXPERIENCE OF THE UNDP

INTRODUCTION

Conventional development theory modelled on Western experience is one of accumulative circular causation where investment is conceived as a multiplying agent of the wealth produced, a solution to unemployment, a producer of a stream of goods and services and a stimulator of economic development. Development is likened with a spiral of increases in investment and capital formation, higher productivity, rise in GNP, higher income levels and amelioration in living standards. Assuming that all these conditions are met, a developing economy would take off, resembling the prior experience of industrialized countries. To achieve these preconditions, developing countries need a shift of capital goods from the industrialized countries to initiate the process of production, the transfer of technical know-how from foreign experts to nationals, and the building of new institutions to prepare the people to absorb the new technical knowledge.

Within the last three decades, the experience of the developing countries has shown the theory to be flawed - GNP has limited significance as a measure of development because skewness in the distribution of income is

concealed in the per capita income measures, social inequalities remain unnoticed and political development does not enter into measuring the indicator.

In the mid-seventies, new thoughts stressed development as a total or holistic process spanning economic, social, political, cultural and environmental relations. According to this view, the direction that development takes in a particular country must be determined by local needs, concerns and values. It was also felt that local institutions should be the prime mover for carrying out development policies and programmes. Integrally related with development of local institutions is the concept of self-reliant and sustainable development.

The right to autonomous and sustainable development and self-reliance are entrenched in the policy decision which led to the establishment of the UNDP. The Organization's operational guidelines affirm the role of public sector in defining the priorities for UNDP technical assistance. The implication is that each country must develop its management capability to plan and implement policy that is in keeping with its own development strategy. This poses a formidable challenge for the small-island societies of the OECS, beset as they are with intransigent problems, e.g., high cost of products and services, limited natural resources, human resource depletion, physical isolation, proneness to natural disasters and extreme vulnerability to exogenous shocks. It is within the context of this complex of conditions peculiar to the OECS countries that this paper examines from the perspective of the UNDP the factors that impinge on development planning and management.

DEVELOPMENT STRATEGIES IN THE EASTERN CARIBBEAN

Since around the mid-1960s, various development strategies—designed to be viable solutions that would spur growth with equity and offset the dependence on primary production—have been espoused by the countries of the Eastern Caribbean. The OECS countries at various stages of their evolution courted strategies of industrialization by invitation, tourism,

import substitution, export-oriented growth, and more recently, import-substitution combined with export-led growth mainly through private-sector participation. Although appreciable progress has been made during the last twenty-five years, none of the strategies can lay claim to unqualified success. Demas observed (1986):

In 1960, per capita income in the CARICOM (Caribbean Community and Common Market) region as a whole averaged about US\$400. About two-thirds of this was spent on basic consumer items such as food and beverages, clothing, housing, education and medical care. Out of every 1,000 babies born, only 45 died before their first birthday. Life expectancy averaged 63 years. Population growth rate was 2% annually; 87% of the population was literate.

By 1985, per capita income exceeded US\$ 2,500. For example, if Trinidad and Tobago and the Bahamas were excluded from the measure, the per capita income for 75% of the CARICOM population was US\$1,200 in 1985. On average, 62% was spent on basic consumer items, leaving a higher percentage for savings, purchase of cars, home ownership and leisure pursuits. 98% of babies survived their first year after birth; life expectancy rose to an average of 71 years; 92% of the population could read and write; educational opportunities for tertiary and other post-secondary education were greatly expanded; population growth rate dropped to 1.3% annually; unemployment, however, is now well over 20% of the CARICOM labour force.

All of the above shows some advances in the quality of life even among the poorer groups. But Demas cautioned (1986: 6-7) that: "we should not be deceived into believing that we are firmly set on the road to self-sustaining development" and "many of the gains made are under threat of reversal if our current efforts to strengthen and diversify our economies and make them more resilient in the face of internal and external shocks are not successful." Demas was quick to point out the misleading nature of averages which hide inequality in the distribution of income and wealth both within a particular country and between countries.

The prognosis is not without foundation. According to the statistics on recent economic performance in the OECS countries, economic growth rates between 1980 and 1986 ranged from an annual average of 5.6% in Antigua to 3.4% in St. Kitts-Nevis. The highest rate registered during

those years was 7.99% in Antigua in 1980 and the lowest was 4.74% in Montserrat in 1983 (OECS, 1987). Since GDP has exceeded population growth rate, the economies have indeed progressed. Probing beyond the statistics, however, one finds that on average the share of agriculture in GNP remained the same between 1980 and 1986. Furthermore, manufacturing has hardly risen in importance and is still trailing behind agriculture. On average, government sector, too, follows a fairly constant pattern as with the other sectors, like tourism, banking, insurance, construction, etc. What is even more significant is that imports of goods and services continue to exceed exports, thus putting pressure on the balance of payments. Also, the level of domestic savings is modest if one uses as an indicator the excess of consumption over GDP at factor cost.

The conclusion that may be drawn is that to solve the social and economic problems of the OECS one would require a rate of GDP growth considerably higher than the highest levels so far attained. A related inference is that development, unlike growth, is an evolution of the relationship between individuals and groups to ensure that the means to satisfy competing needs are continuously improved, and that development must be based on behavioural change, i.e., people doing things differently.

THEORETICAL PERSPECTIVES ON PLANNING

Three perspectives (Linstone, 1987) on planning are distinguishable, e.g., the traditional-technical, the organizational-societal, and the personal-individual. The first is that of planning agencies in the preparation of formal development plans and decision-makers in a hierarchy. This perspective is founded on economic modelling, linear programming and cost-benefit analysis techniques. The emphasis is on objectivity in the search for optimal solutions among various alternatives. The second perspective is that of organized and unorganized groups in the society who take part in public policy. This perspective carries higher importance in plan implementation. It places a premium on stability, conflict minimization, political expediency, sacrificing rather than optimizing

solutions, compromise, standard operating procedures, and incremental rather than radical change. The third perspective influences the goals set and decisions taken by the top political and managerial leadership. In fact, it is this perspective that dominates during plan implementation in the sense that opportunities are sought to maintain or increase personal/party power, influence and prestige. In such a frame of thinking, intuition, instinct and personal experience rather than model-building are the tools employed and personal charisma characterizes leader-member relationships.

Linstone suggests that the coexistence of these perspectives is a possible explanation for the variation between plan and actual performance. It is not uncommon in developing countries to see that a plan, though technically sound and sensible, is scrapped because of its unacceptability either politically or socially. Conversely, in other situations, a plan may be politically motivated to gain or consolidate power but still fail on account of its being economically, technically or even socially unsound. Implicit in Linstone's multiple perspectives is the concern with the varying degrees of compatibility among the political regime, the management structure of public sector and the planners in their cultural and technological orientations and practices. Generally, the political directorate has a propensity for a short-term view as opposed to the developmental rationality of the planner.

In the context of the OECS countries and the Caribbean in its entirety, not only is the short-term imperative the mode of decision-making but the ethos of partisan politics reinforces a tendency towards abandonment of plans, programmes and initiatives associated with a particular party. It is extremely difficult to develop long-term objectives, let alone reconcile them with short and medium-term plans when the tenure of ruling party is subject to constant possibility of the opposition party assuming office (on the other hand, it is posited that the despotism and tribalism of one-party politics is equally nonconductive to rational policies). The dependence of the OECS countries on external financial and technical resources, their subservience to external technology and markets, the susceptibility of the economies to external economic forces such as price fluctuations for exportables and

falling quotas for preferential access to metropolitan markets tend to conduce to an attitude that suggests the uncertainty, and even futility, of planning.

Shifting political fortunes strain the loyalties of the public personnel who are expected and/or required to be as enthusiastic about policy reversals by an incoming regime as they were about the policy initiatives by the outgoing party. The adversarial nature of the relationship between political executives and public personnel, deriving from the functional significance of non-career and career roles, as well as class position make for mutual distrust that further compromises problem-solving, neutralizes team-building, perpetuates uncertainty, and diminishes policy options and implementation. Nunes points out (1976) that the public employee, placed as he is in an influential role, is conditioned by his own political and social values and is unlikely to give advice to the political directorate that would turn out to be inimical to his personal welfare. Conflict in the roles of the permanent secretary as the career public executive and the chief technical officer as the adviser to the political director can be detrimental to the free flow of communication, resulting in a loss of managerial effectiveness and suboptimal choice (Khan, 1982 : 21). To the extent that these situations exist, national interest is likely to remain subordinated to partisan/group interest and this is one possible explanation for nonimplementation of plans and policies. The politician, in turn, adjusts to the power of the formal organization by neutralizing organizational units, especially when they have an overt political/partisan role. This is done by removing prerogatives, curbing authority, underemploying personnel, shifting them to obscure positions—where their influence in policy matters becomes marginal—or making special appointments. In the process, management becomes personalized, and loyalty to party/personality is rewarded with jobs, often without regard to the required qualifications and skills.

Oszlak's (1986) explanation for the simultaneous existence of different perspectives lies in the distance between the degree of formalization of the state's normative framework and the actual content of its policies. In his typology, the degree of autonomy of each decision-making unit in a

multiparty representative system varies from case to case, but the existence of a general pattern of higher or lower autonomy can be traced back to historical experience and tradition. The dominant feature, however, is a power structure based on a complex interplay of private interests, advocacy groups, corporate organizations, public-sector agencies, political parties, local and central governments, labour unions and parliament. There is an omnipresence of politics and things are never quite what they appear to be. To illustrate, the lines of authority drawn in formal organizational charts contrast with the asymmetrical power relationships that actually exist. Two phenomena arising from this kind of operating conditions are: (a) an agency captured by its clientele will tend to alter its formal framework to accommodate the interests of its most influential clients, and (b) to maintain an acceptable degree of credibility with the clientele, there is a high degree of redundancy in the system, manifested in the simultaneous functioning of two or more institutions with similar domains of activity (Oszlak, 1986 : 226-228). For example, Hope cites (1979 : 200) the multiplicity of agencies, duplication of function and diffusion of responsibility in Guyana, where four agencies are responsible for wood products. In Antigua, the tourism sector is covered by the tourism ministry, the tourism board, the hotel association, and until recently, the East Caribbean Tourism Association. In such environments, coordination and dissemination of information for effective decision-making become almost impossible and the result is either procrastination or inadequate planning and policy formulation.

Strategic planning is not unknown in the Caribbean. In the 1960s programme of industrialization by invitation was planned to attract foreign and multinational business through attractive tax incentives to the extent that it accomplished a short-term imperative of providing employment. One can say that the experience was not altogether disappointing. However, in small fledgling economies such as the OECS, the setting of targets and the introduction of productivity measures tend to be accompanied by dislocations which may be so severe as to foment social unrest. The

perceptions of the policy analysts, development planners, policy-makers and the formal organization are nearly always in conflict. The task of reducing public-sector size and budgetary commitments confronting Grenada, Trinidad and Barbados is a current examples. Curiously, the state of the economy, ideology, charisma of the political leader and class affiliation are among the key factors that shape public opinion and shifts in the latter have been known to alter the balance in favour of the opposition party, as in the case of Jamaica in the 1980s.

Explanation for the divergence between plan and performance are many and some go back to the Caribbean's colonial past. A noteworthy reason, however, is the persistent underappreciation by the planner as well as the practitioner of the complexities of plan/policy implementation. Caribbean researchers initially reacted with cynicism to the lament of international funding agencies on limited absorptive capacity in the region. They tended to question the performance criteria by which donor agencies measured absorptive capacity and instead counter-argued that if indeed limited absorptive capacity existed, then the level of external resource flows to the OECS should be augmented. In the capital cities of Antigua, Dominica, St. Lucia or St. Vincent, slums—scattered amidst the evidence of the conspicuous consumptionism reported by Jones (1976:88)—point to the countries' relative management incapacity to successfully achieve social transformation inspite of economic growth. Some of these tourism-oriented economies still do not have proper systems for refuse disposal. Water and electricity service distribution outside the urban and periurban areas is limited. Roads are in disrepair, underscoring the paucity in maintenance management. Despite the efforts of public as well as private sectors to absorb a significant number of unemployed, the ranks of the unemployed continue to swell.

The small-island universe is varied and the OECS small-island countries are confronted with a special set of constraints to their development. The economies of the OECS are unruly and ill-structured and there exist so many variables which seem to defy useful model-building, in

turn, compounding the complexities of effecting real economic and social growth. The planner is confronted with the challenge to find novel solutions to traditional inertia and complacency as well as effective approaches to the organization of planning and public management.

UNDP TECHNICAL ASSISTANCE IN THE OECS COUNTRIES

UNDP is one of the several technical assistance agencies operating in the Eastern Caribbean to help the public sector create conditions necessary for development and growth. UNDP is a large multilateral organization with decentralized offices, which enable it to be very field-oriented. A related aspect of UNDP's multilateral character is that the organization brings to bear on the development tasks of the OECS a diversity of experience and a degree of objectivity in the form of specialists from both industrialized and developing countries. This allows for cross-fertilization of orientations, ideas, techniques, experiences and expertise.

While the public sector managements are entitled to select their priorities for development based on their countries' development plan or programme, it is the responsibility of UNDP and the UN system to assist in, persuade and advocate for, the adoption of policies which are designed to achieve economic growth and social development. UNDP, therefore, does not impose any particular strategy on its recipient countries, but it attempts to focus attention on critical issues which bear on growth, development and self-reliance. Within the last decade, issues highlighted by UNDP included the role of women in development, technological advancements, human resource development, public policy, planning and management, and social equity. An examination of UNDP activities in the OECS countries reveals that planning is of growing concern, but this does not imply that the resources required to plan and undertake sustained development programmes is within the reach of these small nation-states.

During the period 1972-1981, UNDP disbursed approximately US\$26 million in technical assistance in the OECS countries and Barbados. Thirty percent of this was applied to socio-economic and physical planning, 24% to industry, 21% to agriculture and 9% to communications. The pattern of annual expenditure was fairly consistent over the ten-year period (UNDP, 1982). In the next UNDP country programme cycle from 1982-1986, almost US \$12 million was delivered in the OECS countries and Anguilla. Again, 47% went to the area of planning, policy and public management, 20% to agriculture, 14% to infrastructure, transport and communications, 8% to industry, 8% to human resource development and 3% to social services. A similar trend is observed in the 1987-1991 cycle, e.g., 34% of resources were allocated to planning, 31% to agriculture, 11% to human resource development, 11% to industry and 7% to infrastructure (UNDP, 1986) (the remaining 6% was held in reserve).

This emphasis on overall development planning and public management indicates, according to UNDP, a need for support to be provided to a number of basic development tasks. It also shows a deficiency in management capabilities since if the countries had the public-sector capacity to carry out these tasks, technical assistance would be unnecessary.

UNDP cooperation with public sectors in the field of planning falls into three functional areas, namely, direct support, institution building, and direct training. Direct support is concerned with the formulation of plans, programmes and projects and technical backstopping on a range of issues facing the planning agency. Institution building focuses on the organization and management of the planning structure and involves training of public personnel in the techniques and procedures required to actively promote economic and social development. Direct training refers to site visits, study tours, seminars and formal training as well as on-the-job training intended to improve the knowledge and skill of practitioners engaged in planning. In the Caribbean, and in the OECS in particular, about 75% of the resources for planning, public policy and public management fall in the institution building and direct support categories.

Institution-Building and Direct Support

The most important precondition for a strong and efficient planning modality is the public management system's commitment to plan, as manifested in the planning agency's influence over resource allocations and decisions affecting the short-term management of the economy. The greater the commitment, the more likely it is that technical assistance will be effective. Since the mid-1970s, UNDP has been assisting the OECS countries with the formulation of development plans. Published plans for Antigua and St. Kitts, both covering the period 1980-1984 materialized in the early eighties. St. Vincent's first development plan (1986-1988) appeared in March 1987, with an update in late 1987. Both were prepared with UNDP assistance. UNDP's finding is that general human resource deficiencies and weak political/policy commitment to plan are the two main constraints on plan formulation. Considering that St. Vincent was receiving assistance under an integrated socio-economic development programme addressing the planning needs of various sectors, one might deduce that it is a lengthy process involved in nurturing the commitment to plan. The fact that the 1986-88 plan was prepared in early 1986 - after some eight years of technical assistance - but not approved by Cabinet until July 1986 due to a number of logistical problems related to coordination among the various actors involved in the preparatory process also raises questions about the efficacy of the public-sector organization for planning. It remains to be seen how effectively plan implementation has been proceeding in St. Vincent.

A previous assessment of the planning function in the OECS countries by UNDP consultant (Reid, 1981 : 8) revealed that none of the countries were engaged in planning in 1981. There was no ongoing process of activity that could be identified as serving to implement the Plan where the latter existed around this time in Antigua and St. Kitts-Nevis. There appeared to be a significant gap between activities of the central planning agencies and the tasks to which the operating agencies were assigning priority. Reid's findings pointed to a failing in the central planning agencies

to state unambiguously (a) the objectives of the national development strategy, (b) the targets, forecasts and assumptions made about the performance of each sector of the economy, (c) the measures to achieve overall and sectoral targets, (d) explicit statements of the roles of public and private sectors, (e) specific projects to achieve the Plan, and (f) the human and private financial resource requisites and steps to acquire those resources.

Plan objectives tend to be stated somewhat vaguely in terms of stimulating the economy to achieve a particular annual growth rate, employment creation, generation of domestic savings, foreign exchange savings, balance of payments improvement and a more equitable society. While it is not our intention to review the efficacy of the targets, assumptions and forecasts in the plan documents produced with UNDP assistance, there is enough empirical evidence that points to the weakness of both import substitution and export-led growth strategies which are a feature of most, if not all, of the plans. Import substitution creates additional dependence on the external trade sector for imported machinery, raw materials and intermediate goods. The accompanying measures to protect nascent industries lead to high-cost rather than competitive industries which, in turn, distort prices generally and may harm the export competitiveness of other sectoral outputs. Export-led growth has not performed any better due to the dependence on external investment which may or may not materialize limited access to preferential guaranteed markets, often inferior quality of goods and absence of meaningful intersectoral linkages. In tourism, for instance, analysts may differ on the percentage of tourism revenue that leaks out of the OECS countries, but there is a consensus that the leakage is undesirably high and most of it is via food imports, while the agricultural potential in the region in its entirety has not yet been tapped to the fullest. These lapses seem to corroborate Reid's finding that systematic analysis and concomitant problem-solving measures were either not formulated at all or formulated incorrectly (Reid, 1981 : 8). A combination of two factors accounts for this, e.g., unavailability of reliable statistics for planning and inadequacy of interface and coordination among political decision-makers,

planners, analysts, researchers and the practitioners in the operating agencies who must implement the Plan.

With respect to statistics, UNDP assistance in that field has been ongoing for the last 15 years. Over US\$2 million were injected into advisory services, training and equipment components for statistics in the OECS, but without major impact. The national accounts series are now in a vastly improved condition and have been published till 1985. Work progressed on compilation of 1986 and 1987 estimates, again with UNDP assistance. The experience, however, suggests to UNDP that the relatively low status accorded to the statistical agencies is indicative of the fact that other areas of public sector, such as investment promotion, have a higher profile so that statistical functions are consigned to a lower place in the organizational hierarchies. This is symptomatic of the many compromises that must be accepted in an environment where policy decisions are determined by selective perceptions and interest-filtering. The success of UNDP assistance has, therefore, been tempered by scarcity of budget allocations to do surveys, publish statistical reports and recruit qualified staff. Turnover of trained personnel is high because employees with professional qualifications invariably find that the statistical agencies as a career service do not fulfill their expectations and aspirations. Regarding surveys, it is often the case that these cannot proceed unless UNDP is prepared to fund the fieldwork costs. In one country, for example, the retail price index went unrecorded for several months because departmental transportation was not available for an employee to collect prices from outlets in several sections of the island.

The inadequacy of interface between the various practitioners involved in plan formulation and plan implementation may be illustrated in the Antigua Development Plan (1980-84) where \$4.8 million were projected for new school building and refurbishing of existing ones. Aside from this raising questions about the conflict of priorities between school building needs and the capacity of the works ministry to realistically meet these needs in the Plan period, examination also revealed little linkage between

the objectives of education sector and other sectors such as tourism and agriculture. No significant allocation was made for technical and vocational education curriculum, although this remains a pressing concern even now. In Anguilla, there is a heavy concentration on infrastructural development—roads, utilities and communications — so that engineers are in high demand. Yet, the education system is deficient in natural science and mathematics teaching with the result that there is not a cadre of students who can be sent abroad for training in engineering. Agricultural expansion is an objective of every OECS country, yet, UNDP finds its projects constrained by delays in land reform. Experience has shown that without security of tenure, farmers are reluctant to invest in farm improvements, such as fencing and irrigation systems. In one country, livestock development is explicitly stated as an integral part of the Plan, but the price control policy in the same country dampens the commitment and interest of farmers in keeping livestock. In that country too, it is the practice of the marketing corporation to import frozen poultry at prices which undercut domestically raised poultry, and the upshot is that linkages between agriculture and tourism are eschewed and, so too, the opportunity to build foreign exchange reserves. The fundamental issue seems to be a preoccupation with power politics and partisanship rather than management and manageability. Accommodations within the political directorate and its relationships with the external clientele determine policy, and it seems that the more vocal and organized the clientele is, the more weight their special interest carries. The location of the planning agency within the office of the prime ministers is indicative only of the latter's directive role in the planning process in order to reconcile conflicting interests, and the final decision may still not be made and followed up for optimal results.

The separation of planning functions from the financial management process is another aspect of the complexities of ensuring consistency between overall plan objectives and specific management initiatives. UNDP, World Bank, IMF and Caribbean Development Bank, among others, have been trying for several years to engage governments in public sector

investment programming with the intention of bridging the gap between planning and budgeting. However, it is clear that the public sector investment programming exercise as a tool of development management is not fully appreciated (IARM, 1987 : 6). What still obtains is a situation where investible resources for development are allocated in an omnipotent authoritarian style by the ministries of finance, and planning agencies tend to be excluded from the decision-making process regarding use of fiscal policy instruments to manage the economy. So also, the introduction of systems to monitor external debt for better economic management has proceeded slowly due to resistance in some groups. It happens in many developing countries, not only OECS, that to avoid starvation of funds due to the ministry's authoritarian style, operating agencies resort to creative practices of incurring debt. The former's records then are incomplete and the debt becomes known only when provision has to be made for debt servicing. Reports of irregularities of varying magnitude in several Caribbean countries frequently appear in the media.

Project monitoring systems to ensure that projects proceed on schedule and with minimal cost overruns have also proceeded slowly. The UNDP office reports that governments tend to rely on informal systems, failing to fully appreciate that if the need for redirection arises, it can hardly be done effectively in the absence of a formalized monitoring system. The latter does, however, require time, effort and dedication and the few competent public personnel, on whom the functioning of government depends, are already stretched beyond their limits with routine matters. Even when systems are conceptualized, documented in manuals and presented to the countries as models to follow, UNDP officials say that other impediments to their implementation arise, for example, clerical personnel may be in short supply to record data. The conflict between the respective roles of the chief public executive and the chief technical advisor may be responsible for some of the inertia in instituting project monitoring systems. Information is power and information withheld may diminish the power of the public executive (the permanent secretary) while enhancing the prestige of the

technical specialist (the chief technical officer). UNDP is now developing a computerized technical cooperation information system which is intended to store information centrally in Barbados, but permitting access by the OECS countries over telephone lines and by mailing diskettes. This database system will, however, be only as efficient as its subsystems.

In terms of the organizational and managerial structure for planning, UNDP finds an overwhelming expression of need for technical assistance in project planning coming from the ministries of agriculture, tourism and housing, to mention a few. This is perceived partly as the inability of the central planning agencies to perform this function efficiently and partly too as a desire of the sectoral ministries to broaden their participation in the planning process. Dror suggests (1987 : 98-99) that a planning cluster, rather than a single planning centre, is essential if planning is to be integrated into current and crisis decision-making, at the same time remaining detached from the 'heat' in the corridors of power. In recent time, UNDP has assisted at least one OECS country - St. Kitts-Nevis - to set up a planning unit in the agricultural ministry. But the results fell far short of expectations due to weak political commitment. The level of public sector compensation militates against recruitment of a suitably qualified cadre of planning personnel. In this kind of situation — where national staff are unavailable to counterpart the international technical assistance personnel — the latter becomes especially vulnerable to subsequent criticism for producing a plan for which the particular operating ministry may feel little sense of ownership.

In theory, there is no reason why a development plan cannot be built up from individual projects, provided that proper cost-benefit analysis or cost-effectiveness analysis is carried out to select the projects that make the optimum contribution to national development objectives within the constraints of human and financial resources. This, however, requires a multidisciplinary approach using management analysts, engineers, financial analysts, environmentalists, etc., none of which the countries can afford to duplicate in each operating ministry. The conspicuous evidence of

insufficiency of analytical and management capabilities to plan and implement projects can be found in gross underestimation of capital outlay for the implementation phases of projects and in the operational and maintenance phases. For example, UNDP technical assistance in mining engineering to sustain the road maintenance programme in Antigua was thwarted by the inability of the public works ministry to coordinate modalities that would have labour, stone inputs, explosives and charges all available at the same time. When several agencies are involved in a particular activity, as in housing, where actions have to be coordinated with the ministry of housing, the housing and planning authority, works ministry, ministry of finance and the central planning agency, a consensus decision can be delayed interminably. Technical assistance personnel often expose themselves to conflict in interpersonal relations when they try to expedite a decision by seeking attention of a top organizational actor.

Reorganization of the ministries of finance to improve coordination between the revenue-generating agencies, i.e., the customs and income tax departments, and the financial manager, i.e., the budget director or financial secretary, has met with some modest success. In St. Lucia, the creation of research and economic policy departments has contributed to the finance ministry's functioning in the evaluation of the performance of tax exempt enterprises to check whether the incentives granted are justified. Besides, it helps ensure that decisions and rulings on taxation cases are properly written, classified and filed for future reference in the interest of consistency in interpretation, and helps prepare manuals for customs and income tax management (Francis, 1985). The forging of such linkages among revenue forecasting, tax management as a critical aspect of fiscal policy planning and overall development planning was an objective which was stressed during a five-year UNDP consultancy in the OECS. This was in recognition of the fact that given a deficient tool for policy analysis, policy prescription to the political directorate on development management tends to be provisional and perfunctory. (IARM, 1987).

Direct Training

The importance of human resources development cannot be overstated. Training and performance are closely interconnected since means and ends must match. The problem of limited absorptive capacity seems to suggest that the existing tertiary institutions cannot always fulfil the demands for well-trained and highly-motivated human resources. Emphasis is placed more on methodology and technique than on creative and adaptive applications of the tools of analysis to solving practical problems (Reid, 1981). The education system, a legacy of the colonial heritage, fails to prepare the Caribbean peoples for membership of directorial boards, managerial positions and organizational tasks (Farrell:1983). Part of the approach to education and the content of curricula need to be revamped to inculcate new values and to turn out adaptive practitioners as opposed to narrow specialists since people will be required to move between specializations as need arises (Farrell:1983). Of course, the crisis of education and management goes beyond the Caribbean. Even the more established North Atlantic graduate schools are having to reassess their programmes to make them more relevant to the analytical and management capacity demands posed by the rapidly changing economic and social environment (ILO : 1987).

In the OECS, the management crisis is accentuated by the complexity of the range of functions in which the public sector is engaged. UNDP and the UN system offer a wide variety of seminars, workshops and job-related training programmes, but not all have relevance to the OECS, for example, remote sensing applications.

Others may be unacceptable on ideological grounds. Besides, it is UNDP's experience that employees often cannot be released for training because their absence would disrupt normal organizational function. Sometimes too, the selection of nominees for training is done casually rather than on a planned basis in relation to certain criteria. So often, employees who receive technical training are not deployed to undertake the jobs for which they are trained. This, in itself, suggests that the human

resources agencies lack the skills for planning human resource development. Even when and where the agencies show some mettle, they are not buttressed by high-level policy support. An added dimension is that when the expectations created by training are unfulfilled, training can have the effect of contributing to despair, cynicism and exodus. Ellis maintains (1987 : 15) that excellence in the public sector can be achieved in part through an improved recruitment and promotion system and that it is counterproductive to pay high-level personnel a low salary since it would be then unrealistic to attract and retain persons with unusual drive, skills and creativity that go beyond conventional professional knowledge. This view cannot be divorced from the realities of miniscule economies and the high cost of financing the same full range of societal functions that one would find in far larger economies.

CONCLUSIONS

In a world of slow growth, contraction, recession and inflation, the OECS, more than ever before, faces unprecedented challenges. Societies and their institutions are struggling to create employment and improve living standards and they are having to do so under environmental conditions shaped by geography, history, demography and natural resource endowments that are less favourable than in other countries. Programme implementation are fraught with constraints, not the least of which are the limitations of absorptive capacity which are manifested in weak capacity to identify, appraise and implement projects, shortage of personnel with relevant skill and training, shortage of financial resources to operate, maintain and expand support network and service their debts, and difficulty in supplying suitable counterparts to whom foreign advisors can transfer their skills, knowledge and proficiency.

Scharpf's hypothesis (1986 : 179-187) is that institutional and organizational factors cannot be treated as easily manipulated variables in policy formulation and, therefore, meaningful change rests on change in policy-making and implementation capacity, rather than on routine reorganization. The PNP administration in Jamaica discovered in the 1980s

that an ideology of democratization of political decision-making and implementation was not sufficient when unmatched by actual performance. The Jamaica experience and that of Grenada in 1983 underscored the complexities of directing basic changes in the distribution of power even in spite of population participation. In the OECS, the pace of periodic reorganization has proven to be slow and changes in parties/regimes have not solved the region's malaise. If anything, the continuing preoccupation with politics and partisanship rather than effectiveness, capacity and commitment heightens the dilemma, and smallness seems far from being a predisposing factor as had been advanced by St. Hill (1976).

That the Caribbean countries need managers - as distinct from bureaucrats - and leaders with vision and the capacity to motivate others; that adaptability, flexibility, time, uncertainty and ambiguity must be emphasized and dealt with in the development process; and that technological change must keep pace with social change - these are all clichéd prescriptions, although by no means less useful. Just as important, however, the latitude for real transformative change and any significant degree of self-reliance in the OECS countries may be possible only with hard-nosed internal adjustments accompanied by a qualitatively different set of spatial, policy and managerial modalities.

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