

Abstracts of the Conference Papers (Palermo, 1992)

- [1. Louis Albrechts: Dilemmas in Planning: What is and what Ought to Be](#)
- [2. E.R. Alexander: The Architecture of Institutional Design: Interorganizational Coordinative Structures](#)
- [3. Judith Allen: Imagine That! The Effects of the 1988 Housing Act on British Housing Associations](#)
- [4. Bruno Amoroso: Planning Theories, Technologies and Institutions in a Context of Globalization and Polycentric Economic Systems](#)
- [5. Franco Archibugi: Towards a New Discipline of Planning](#)
- [6. Sergei S. Artobolevskiy: Regional policy in present Russia: The New Role of the State](#)
- [7. Valery Babintzev: Techniques of Optimal Planning and the New Russian Economic System](#)
- [8. Howell S. Baum: Community and Consensus: Reality and Fantasy in Planning](#)
- [9. Robert A. Beauregard : Theories and Techniques of Subnational Economic Development Planning in the United States](#)
- [10. Giuliano Bianchi: Regional Planning: Requiem or Renaissance?](#)
- [11. Sergio Boisier: Regional Management in the New International Order: Quasi-States and Quasi-Firms](#)
- [12. Richard S. Bolan: Institutional Design for Planning: Lessons from Central and Eastern Europe](#)
- [13. Marios Camhis: Perspectives of the Development of the European Community's Territory: The Operation "Europe 2000"](#)
- [14. Mario Centorrino: An Instrument for Optimal Foreign Trade Policies: The Trade-Gap Analysis](#)
- [15. Hector Correa: An Approach to the Operational Integration of the Technical and Political Aspects of Planning](#)
- [16. Tarcisio Della Senta: Planning in Global Framework: Theory and Practice of Planning in Global Setting](#)
- [17. Yehezkel Dror: Planning in the 21st Century](#)
- [18. Andreas Faludi: Dutch Planning Doctrine: The Social Construction of a Planners' Paradise](#)
- [19. John Forester: Perception, Political Judgment and Learning about Value In Transport Planning: Bridging Habermas and Aristotle](#)
- [20. John Friedmann: Educating the Next Generation of Planners](#)
- [21. Robert Scott Gassler: Non-profit Economics and Planning Science](#)
- [22. Harald Hagemann: On Some Macroeconomic Consequences of German Unification](#)
- [23. Patsy Healey: In Search of Democracy; New Ways of Using Old Tools; the Form and Content of Development Plans](#)
- [24. Stuart Holland: Planning and the Mixed Economy](#)
- [25. Yasuo Katumura: Economic Planning in a Market Economy](#)
- [26. Vladimir Kollontai: Some Specifics of Economic Reform in Russia](#)
- [27. Antoni Kuklinski: The Future of Strategic Planning in Central and Eastern Europe](#)

- [28. Wassily Leontief: World Environment Planning: What to do and how to do it](#)
- [29. Summer Levine: Thoughts on the Planning of Technological Development](#)
- [30. Dalia Lichfield: Effect of Land Use Zoning on Planning Technology: A Comparison in Four Countries](#)
- [31. Nathaniel Lichfield: Planning and the Environment: Institutions for Sustainable Development](#)
- [32. Seymour J. Mandelbaum: Communitarian Sensibilities and the Design of Communities](#)
- [33. Luigi Mazza: An Exercise in Re-constructing a Planning Tool, Second Thoughts on Italian Land-Use Planning](#)
- [34. Alex Michalos: What Every Planner Should Know about Measuring the Quality of Life](#)
- [35. Jonathan A. Morell: Integrating Technological Change into Planning: the Case for an Interdisciplinary Perspective](#)
- [36. Peter Nijkamp: The Changing Role of Governments: the End of Planning History?](#)
- [37. Efim Nisevich: Some Theoretical and Practical Problems of Planning Institutions Redesign in Russian Federation](#)
- [38. Barnett R. Parker: Ensuring a Responsive Health Care Planning Function in Emerging Regions of the World](#)
- [39. Giorgio Piccinato: Reconsidering Planning for Historic Centres](#)
- [40. Stanislav Pirogov: Nature of Planning Systems and Contradictions of their Practical Use](#)
- [41. Ignacy Sachs: What State? What Markets, For What Development? The Social, Ecological and Economical Dimensions of Planning](#)
- [42. Pasquale Lucio Scandizzo: Trade Patterns, Cooperation and Growth](#)
- [43. Gustav Schachter: Multiregional Input-Output Systems for Socioeconomic Planning](#)
- [44. Jacek Szlachta: Dilemmas of National and Regional Planning during Transformation to the Market Economy \(Case Study Poland\)](#)
- [45. Nestor A. Terleckyj: Institutional Requirements for Effective Use of Quantitative Indicators in Policy Planning](#)
- [46. Jan Tinbergen: The Duration of Development](#)

1.
Louis Albrechts
Professor of Urban and Regional Planning
The Catholic University of Leuven

Dilemmas in Planning: What is and what Ought to Be

The legitimization of planning as a political process to guide the forces, which determine the development of an area/sector in a socially acceptable direction, has been increasingly questioned in the last two decades.

Planning is essentially constructed within the social, economic and ideological framework that is dominant during a given historic era.

So planning moved from a rather well respected discipline that was considered to steer developments in a 'desired' direction towards a practice in which utilitarian tendencies dominated planning culture and distributive issues were neglected or obscured.

This paper tends to reconsider critically the role of planning and planners taking into account their traditional strengths and eradicating their traditional weaknesses but also taking into account the changing circumstances. Some first ideas will be offered as a way towards a realistic rethinking of the role of planning and planners.

Reconsidering the role of planning also needs adapted institutional structures to make this planning work.

2.

E.R. Alexander

Professor

Institute of Urban & Regional Studies

University of Wisconsin-Milwaukee

The Architecture of Institutional Design: Interorganizational Coordinative Structures

Planning as commonly understood, and as described in normative rational decision making models, is essentially strategic planning, i.e. it involves deciding what to do. But there is another aspect of planning which is less well appreciated: coordinative planning, which is essential in any complex undertaking where large or multiple organizations are deployed. Once a course of action has been chosen through strategic planning, coordinative planning is the interactive process of determining how to get it done. Coordinative planning is what links planning to implementation.

Markets and market-like collective decisions in the economic and political realms do not need planning. But, extending transaction cost theory, I have shown that planning is associated with hierarchy, and with the complex organizations and interorganizational structures which complement political and economic markets in society as we know it. Action in these contexts requires coordination, of organizational units in single complex organizations, and of independent organizations in interorganizational systems, "action sets" or "implementation networks".

Coordinative planning includes the design or selection of coordinative structures, the "architecture" of organizational and interorganizational coordination. A set of coordinative structures is described and reviewed, arrayed on a continuum from least to most hierarchical. They range from informal networks through market-like frameworks of norms and rules (e.g. for common resource pool associations), interorganizational groups (e.g. commissions, boards,

task forces), and coordinating units, to single organizations formed from merger or created de novo.

Selected cases of interorganizational coordination (IOC) will illustrate the performance of these structures in contexts including regional development, new towns planning and development, neighborhood revitalization, metropolitan government, environmental control, social services delivery, and public-private and private enterprise. The cases are drawn from experiences in IOC in France, Germany, Israel, the Netherlands, the U.K., the U.S. and Venezuela.

Analysis and evaluation of these cases suggest some common aspects of IOC which provide material for descriptive and prescriptive conclusions. The former address the relation between perceived transaction costs in the interorganizational field prior to the emergence of a formal interorganizational network, and the degree of hierarchy in the IOC structure through which the network is coordinated. The latter present some contingent prescriptions relating different types of undertakings and various contexts to IOC structures, and offer some tentative principles for interorganizational design.

3.

Judith Allen
Professor
Faculty of the Environment
University of Westminster

Imagine That! The Effects of the 1988 Housing Act on British Housing Associations

The UK Government's aim, in the 1988 Housing Act, was to force housing associations (non-profit providers of social housing) to become private sector landlords, by changing the financial subsidy arrangements. The effect was to force the emergence of a "third sector" in social housing provision, poised between market and state provision. This paper traces the effects of the 1988 Housing Act on the organisation and planning techniques of one of London's largest Housing Associations, whose mainstream provision has been concentrated in three Inner London Boroughs. The aim of the paper is to identify the ways in which the emergence of a third sector requires new approaches to strategic planning at this local level.

4.

Bruno Amoroso
Professor of Economics, Director
Dept. of Economics and Planning
Roskilde University

Planning Theories, Technologies and Institutions in a Context of Globalization and Polycentric Economic Systems

Development in planning theories and technologies has taken place under condition of national capitalism and national welfare systems. Present development in the European communities is characterised by increasing globalisation and EC integration.

Three main problems are in sight:

1. The increasing number of EC member states from 12 to 18-20 before the end of this decade.
2. The increasing tendency toward "triadic globalisation" followed by new inequalities within the Community members and regions.
3. The destabilisation of the regions around the 12 EC countries representing about 2/3 of the wider continental Europe.

Destabilisation around and marginalisation within the Community are symptoms of the same problems: the failure of the process of development in European regions outside the EC. They can both be cured by reactivating a process of development of the regions by a polycentric institutional market structure.

The aim of this study is to analyse which changes in planning theory will be required for what it concerns aims, means and institutions in order to sustain such polycentric development. Particular attention will be given to:

1. The strategic economic variables connecting the regions (at continental level: the EC - Mediterranean - Baltic) with each other. These variables are identified in the new technologies and international price system regulating strategic products.
2. The design of a new system of specialisation based on complementarity between needs and production within each region and among the regions.
3. The institutional frames required in order to plan such cooperation.

5.

Franco Archibugi
Professor of Planning, University of Naples
Director, the Planning Studies Centre
Rome

Towards a New Discipline of Planning

Towards a new "discipline" of planning, or a new "planning science" (or Planology). This is the direction in which inter-disciplinary collaborations, trans-disciplinary techniques, and multidisciplinary approaches, applied in many fields and "experiences" of planning, have been pushing for four decades. Initially a brief excursus of this will be done.

For the same four decades economists, sociologists, urban planners, project engineers, ecologists, geographers, and political scientists have met, and at times

collided, in their different fields of application. These fields may be summarised as: a) macro-economic planning (predominantly at the national level, but also at regional level); b) "social" planning (ranging from social service projects to grand programmes for cultural advancement); c) urban and environmental planning; d) planning public expenditure; and e) evaluation and design of single investment projects.

Frustration and failure have been features of the experiences in all these fields, across the political and historical range from ex-communist states to the welfare states and developing countries.

Despite the development of inter-disciplinary cooperation in each of these fields of application a disciplinary culture has prevailed. Hence macro-economic planning has been dominated by economics and economists; social planning by social sciences and social scientists; urban and environmental planning by urban studies and urban planners; public spending by operational research, systems engineering, and related professionals; investment projects by economics and system sciences and managers; and so on.

Notwithstanding the predominance of one discipline in each field, the increasing inter-disciplinary collaboration in all the fields of planning mentioned above has led to the emergence of two distinguishable "moments" of the process: analysis and synthesis. The former is mainly concerned with disciplinary analytical competence (provided that it develops within adequate epistemological guidelines) and is based on "objective" knowledge. The latter, on the other hand is more concerned with "subjective" evaluation, and is accordingly further from objective knowledge. This is the moment that precedes and postulates the choice and decision.

The "moment" of synthesis, or evaluation, has long been considered within the reign of the decision-makers, that is those who are entitled to decide. However, the complexity of goals, phases, and levels with respect to which decisions are made, and knowledge of the inter-dependence of different decisions (this goes for the individual as well as group, national, and increasingly global human levels) has led to the development of support-techniques for decision-makers. These serve to help the latter in their choices, and though they do not substitute decision-makers they clearly belong to the moment of synthesis or evaluation, and not that of disciplinary (scientific) analysis.

These techniques for the support of decision-making are often presented as "decision-making techniques", operational research, "praxiology", linear (and non-linear) programming, dynamic programming, systems analysis, cost-benefit analysis, or cost-effectiveness analysis, and can all be considered "evaluation techniques". They are all married to the original disciplines of the various fields of planning: economics, sociology, urban studies, etc., across the board, creating a kind of "trans-discipline".

Yet this trans-discipline, though applied in the various fields of planning to varying extents, has yet to lead to the creation of a common methodological framework. Thus these techniques have failed to transform themselves into one general methodology of planning.

It is notable that the various fields of actual planning are strongly influenced by the institutions carrying out planning. It is doubtful whether it can be possible to progress far towards methodological unification of the various disciplinary approaches under one trans-discipline of evaluation before planning institutions at national, local, micro- or macro-economic level free themselves of this one-sidedness, or one-facet approach.

Yet one should not exclude the possibility of steps toward the integration of the institutions of planning and of their "fields" being realised following the development of a clearer, well defined, disciplinary field of planning. Furthermore this could lead to clearer and better-defined education and developments within the planning profession, which today is still tied to the original disciplines.

As in the past, the relationship between scientific progress and institutional change is reciprocal. Here we are mainly concerned with the effects scientific progress in the area of developing a "unified approach to planning" may have upon the process of institutional change and improvement of implementation. This should ensure more stable operationality, and hence increased success rates, of planning.

The lines along which the research toward a new "discipline" of planning should develop will be indicated.

6.

Sergei S. Artobolevskiy
Senior Research Fellow
Dept. of Economics & Geography
Institute of Geography
The Russian Academy of Sciences

Regional policy in present Russia: The New Role of the State

Traditional regional policy in USSR/Russia was part of economic activity of branch ministries (soviet monopolies). It has pure branch aims (not even macro-economic) and support areas of concentration of separate industries. Such regional policy really increased spatial socio-economical variations.

Escape of the USSR, political and economic restructuring, general disorder were the end of this traditional regional policy. But at the same time all spatial problems became more acute, as well as situation in all problem regions (depressed old industrial and rural, underdeveloped, ecological etc.). But the answer of state was devolution: more and more rights were transferred to the hands of regional and local authorities (some were conquered by them). It is real danger that the place of industrial monopolies will be occupied by regional/local ones, which will pay no attention to state spatial problems. The result of such policy is disintegration of Russia, political disorder in some areas and so on.

Current pure liberal policy of government does not leave any space for regional policy (even economic, not saying about social of western type). But social problems, necessity to maintain the unity of Russia will lead to creation of

real regional policy. Its scale will be limited because of lack of money in budget and opposition of population to any territorial redistribution of money. This new regional policy will be mainly social oriented. At the same time it will be economical regional policy, which will help advanced areas industrial exploitation of deposits etc. It will be better if these two regional policies be institutionally separated.

It saves time and money if new Russian regional policy will be based on western experience (especially EC). The first steps of this regional policy has to be monitoring of spatial problems and problem regions (and official delimitation of them), creation of institutional infrastructure. Groups of western specialists may participate in this work.

7.

Valery Babintzev
Professor
High Economic Council
The Russian Federation

Techniques of Optimal Planning and the New Russian Economic System

The entirely new economic situation in Russian Federation may be characterised as a transition period to a market economy. This situation demands application of relevant planning technique on different steps of this period. At the same time we have a set of methods and techniques of optimal planning, developed during several decades. The problem is to apply the methods and techniques and elaborate missing ones.

The paper discusses issues of assessment and application of the planning techniques, developed in the framework of socialist planning system, system of optimal planning of socialist economy, etc., for new conditions. Namely it deals with the problems of applications of forecasting techniques for national economy indicative planning, state planning techniques for planning in corporations, sector planning techniques for planning in consortium, and so on. Utilisation of relevant planning techniques for the new economic system not only saves time and money for reconstruction of the planning system, but also more easier solving problems of planning on all levels of the national economy.

8.

Howell S. Baum
Professor
Dept. of Urban Studies and Planning
University of Maryland at College Park

Community and Consensus: Reality and Fantasy in Planning

The paper analyses a strategic planning process conducted by an American Jewish community organization. Formally, the process involved community members examining changes in their community and deciding on policies, organizational structures, and services to respond to the changes. Tacitly, the process involved conflict over community definitions.

Socially, Jews in the metropolitan area were divided by national origin, economic status, generation, and religious practice and affiliation. Should they be considered members of the same community? The community organization identified "the community" with its network of activities, offered itself as the community's "central address", and asserted "We are one".

Religious leaders challenged the centrality of the civil community organization and the oneness of the community. They asserted that synagogue membership was more important than participation in the community organization. They said that differences in religious affiliation and practice made "the community" both heterogeneous and multi-centered. Implicitly they argued that a Jewish community was primarily religious, rather than civil.

The community organization faced the test of ordering the planning process in a way that would be sufficiently inclusive as to legitimate its claims of being the community centre, without allowing the introduction of issues that would challenge the civil definition of the community or create such conflict as to vitiate the image of a single community with a centre.

The community organization emphasized making decisions by "consensus", a phrase that connoted unity. While "consensus" sometimes reflected broad agreement, it often resembled conventional political activity. Although the latter could produce apparently unanimous agreements, the reality of pressure politics created cynicism about decision-making and questions about the unity of "the community". The greatest challenge to "consensus" decision making involved conflicts over issues that some parties defined as civil and others defined as religious.

Not only did different groups want different policies, but they favored different methods for reaching decisions. Political and religious liberals promoted "consensus" among pluralistic interests, with each point-of-view considered equally legitimate.

Religious conservatives insisted simply that decisions reflect their interpretation of the Old Testament.

This case study in the politics of community planning analyzes the different communities to which people belong and appeal. Planning favors an empirical analysis of differences among groups, and rational analysis is appropriate for identifying differences. Interest group politics is a way of negotiating priorities. However, the wish for security leads to imagining an ideal community, and fantasy is the vehicle for finding a safe, inclusive community.

9.

Robert A. Beauregard

Professor of City and Regional Planning

Theories and Techniques of Subnational Economic Development Planning in the United States

The purpose of this paper is to present and evaluate the institutional constraints on planning theories and techniques within the realm of subnational economic development planning. The context for this investigation is the United States where, over the last two decades, state and local governments have become extensively involved in developing plans and programs for enhancing economic growth within their jurisdictions.

Despite a great deal of innovation in economic incentives, a large expansion in governmental funds devoted to such activities, and an obvious increase in the amount of research conducted, few instances exist where states or localities have engaged in inclusionary plan-making or utilized new techniques for analyzing subnational economies. Rather, subnational economic development policymaking tends generally to be highly fragmented, not well coordinated within jurisdictions, opportunistic, and volatile from one year to the next. Certainly, instances exist where states have focused their efforts (e.g. the Ben Franklin Partnership in Pennsylvania), regions have targeted specific industries (e.g. machine tools in Western Massachusetts), or localities have developed "plans" (e.g. Chicago, Philadelphia). These are, however, exceptions rather than common occurrences.

At the same time as techniques and plan making have been relatively stagnant, theoretical advances in how to understand subnational economic development have been minimal. Policymakers, for example, tout diversification but have weak arguments as to its benefits or how to achieve it. Business retention strategies are based on simplistic "stimulus-response" models in which businesses respond to any incentive which saves them money. At another level, the integration of subnational into national and global economies is not well understood. This makes it even more difficult to develop theories which suggest how to enhance growth within the subnational arena.

What explains these weaknesses of technique and theory? Why is planning fragmented at best? The answers, I believe, lie mainly in the institutional settings which harbour subnational economic development policymaking. Those settings are highly politicised (leading to a heightened sensitivity to short term results). In addition, the tight boundaries drawn around the use of private property, the employment relation, and the channelling of capital investment further hinder governmental plan making. Finally, the uncertainty inherent to any economic development intervention (an uncertainty not due simply to the "private" nature of investment processes) undermines any long-term planning.

One must also ask why academic researchers have not addressed the need for more concerted and coordinated economic development initiatives, but have rather preferred to look at only specific programs or fragments of the subnational economy.

These themes will be explored by looking at subnational economic development policymaking as it appears in the United States at the state, county and municipal levels. Examples will be drawn from the literature and from interviews with economic development officials.

By looking at the intersection of planning technology and planning institutions, I hope to better understand the limits and opportunities for improved planning and policymaking within the realm of subnational economic development.

10.

Giuliano Bianchi
European University Institute
and IRES Toscana

Regional Planning: Requiem or Renaissance?

Methodological Hints About Two Empirical Experiences of Regional Planning in Italy: Sicily and Tuscany

Both global and project planning at regional scale proved to be rather ineffective, over the last three decades, in Italy: the former approach because of its "generality", the latter owing to its "specificity". Moreover many surveys about Italian regional planning experience demonstrate the overall existence of three weakness points within plan making and implementing processes: organization shortcomings, lack of ex ante evaluation methods, rough, if any, monitoring procedures.

A "new wave" of regional planning, currently in progress in Sicily and Tuscany, tries to overcome the difficulties above mentioned, aiming at embodying in planning exercises lessons stemming from a critical appraisal of past experience and opportunities supplied by some novelties of the new stream of European Community regional policies.

The paper illustrates Sicily and Tuscany case studies in order to draw some general methodological remarks.

Contents

1. Regional planning in Italy: a brief critical rundown
2. A possible new approach for a viable regional planning
3. Regional planning structure: logical, functional and information models
4. Evaluation and monitoring within the planning processes: the need of appropriate model system
5. Trying to generalize Sicily and Tuscany experiences

11.

Sergio Boisier
Director of Planning and Regional Policy

The Latin American and Caribbean Institute for
Economic and Social Planning of the UN
Santiago
Chile

Regional Management in the New International Order: Quasi-States and Quasi-Firms

The purpose of this paper is to suggest a methodology for local (subnational: regional, communal, etc.) development management (not traditional planning) compatible with the international system and national development projects today. Achieving this goal means introducing new concepts concerning the region, its organization and its administration.

This paper is divided into four sections: i) The international scene at the end of the century: unipolarity and multipolarity; ii) Regional microcosms: individual and territory; iii) The regional macrocosm: organization and territory; iv) Thus spake Zarathustra: planning is dead.

The first section describes the new world order based on the coexistence of a global single-axis political system (United States of America) and a global triple-axis economic system (first, Canada, the United States and Mexico; second, the European Economic Community (EEC); and, third, Japan).

This new world order was formed in part as a by-product of a larger phenomenon: the globalization of the international economy. This phenomenon was accompanied, moreover, by a set of decentralizing megatrends. As a whole, the forces today assign organized territories (regions, etc.) and active role in world-wide competition.

Understanding new ways in which regions can integrate internationally in a globalized, interdependent and deregulated world means rethinking the very definition of the regional concept and its forms of internal organization and management.

Identity and culture become basic building blocks of these new concepts.

The second section of the paper in fact discusses the relationship between individual and territory in the context of the crisis of modern rationality.

Modern man's renewed sense of "territoriality" or "return to his home turf" has been prompted in part by the collapse of the Welfare State and the major social support structures that characterized it, which now increases the tendency to feel solidarity with local areas. In part, too, in this crisis of modern rationality, with its explosion of heterogeneity and diversity, local territory has emerged as the synthesis between alienation and individuality.

The crisis of the modern age has been interpreted as a conflict between "territory and function" or between the universal "code" and the specific "territorial anticode".

The third section introduces the concepts of "quasi-State" and "quasi-firm" as two basic pillars, one political and the other managerial, which establish the parameters of a modern regional vision.

The region as quasi-State ("quasi" in the sense of shortfall) is the product of the implementation of political and territorial decentralization policies which make regions into autonomous entities.

The region as quasi-firm ("quasi" in the sense of excess) is the product of applying strategic corporate planning criteria to the management of regional development, rather than becoming mired in the concepts of traditional public-sector planning of decades past.

Identity and, as a consequence, culture, are again surfacing as key elements in this regional thinking.

The fourth section of this paper describes at some length a methodological proposal on regional development management. It proposes using a systemic methodology that would lead to the preparation of genuine regional political projects, based on consensus and therefore involving considerable social participation. The role of regional development "agents" is highlighted in the proposal, which is based on the premise that regional development hinges more on collective attitudes and forms of social governance than on material resources.

12.

Richard S. Bolan

Professor

Humphrey Institute of Public Affairs

University of Minnesota

Institutional Design for Planning: Lessons from Central and Eastern Europe

The nations of Central and Eastern Europe are seeking to move through a process of radical and rapid social change - moving from communist, one party centrally planned societies to democratic, free-market societies. Almost three years have passed since these processes surfaced and the peaceful revolutions were completed. The road has been very difficult, but lessons for the issues of institutional design have already surfaced. This paper will explore these lessons, using a theoretical framework of structuration derived from Giddens. Transitional problems focus clearly on traditional sociological issues of legitimation and socialization but also give rise to deeper problems steeped in dialectical categories and ambiguities suggesting potential interesting illuminations of the inherent inner contradictions of structuration processes. The presentation will conclude with an examination of the implications of these problems for how societies can incorporate effective planning mechanisms into institutional frameworks.

13.

Marios Camhis

Head of Division

Directorate General for Regional Policies

Commission of the European Communities

Brussels

Perspectives of the Development of the European Community's Territory: The Operation "Europe 2000"

The document "EUROPE 2000": Outlook for the development of the Community's territory" has been prepared under the authority of the Commissioner for regional policies. This does not mean that it deals with regional development as such. Community's regional development policy renewed under the reform of the structural funds of 1988 covers only one part of the territory. It is designed to assist three types of areas: the less developed regions (covering about 40% of the Community's area and 20% of the population), the zones of industrial decline (15% of population) and the areas of rural development (5% of the population). They receive about 38, 7 and 3 BECU respectively for the period 1989-1993 for their economic development.

Europe 2000 is a complementary action, it is not about direct assistance to less favoured areas. It is an attempt to look at the factors which shape the organisation and structure of the European territory as a whole and the trends for the next decade and beyond. It aims at contributing to a more balanced and harmonious development of this territory.

- Why did the Commission embark in such an operation?
- What is the nature of such a reflection on the use and the development of the Community's territory?
- What procedures did we follow in its preparation?
- What does the document contain? Which are the issues raised?
- Where do we go from here?

This paper will try to address these questions.

14.
Mario Centorrino
Professor of Economics
Faculty of Political Science
University of Messina

An Instrument for Optimal Foreign Trade Policies: The Trade-Gap Analysis

Optimal foreign trade policy requires the implementation of measures effectively addressed to efficient international specialization.

Foreign trade policies usually consist of incentives for exporting firms intended to lower transaction costs and to favour the penetration of domestic production inside foreign markets. However, optimal planning should imply a two-step procedure, aimed:

- a) to identify an efficient domestic international productive specialization model;

- b) to find proper measures addressed to individual productive sectors according to specific needs.

For example, it will be inefficient to stimulate investment for a manufacturing industry showing a good export performance associated to a productive surplus - what requires commercial rather than investment policies.

The trade-gap analysis, based on the joint evaluation of sectoral foreign trade and of the degree of utilization of productive capacity, offers a simple tool to evaluate domestic international specialization dynamics and to identify specific intervention measures needed by individual sectors.

Our paper introduces trade-gap analysis and proposes it as a guide-line for optimal planning, presenting a specific application to Sicilian foreign trade in the late '80s.

15.

Hector Correa

Professor

Graduate School of Public and

International Affairs

University of Pittsburgh

An Approach to the Operational Integration of the Technical and Political Aspects of Planning

The objective of the paper is to present a model to maximize the implementability of a plan taking into consideration a) the social elaboration and b) the socio-political constraints determined by the motivations of the actors playing roles in the planning process (planning actors). As far as possible, a concrete form of the model will be included as an example. For this, data from actual planning processes, mainly in Latin American Countries, will be used.

Planning is characterized as a process in which its actors, i.e., the persons playing the roles of representatives of interest groups, government policy makers, public administrators and technical planners, perform decision making, technical, implementation and control functions.

The analysis has three main components:

- a) the characterization of a technical plan;
- b) the construction of an index of implementability of a plan based on the support or opposition to the implementation of the plan of its actors and on their power to achieve their objectives; and
- c) the integration of the components in a) and b) in the optimization model.

The main output of the technical function is a technical plan characterized as a set of input-output relationships, which can be expressed as a set of mathematical functions in which changes in the inputs generate changes in the outputs. The inputs generate social costs and the output social benefits. A technical plan suggests courses to maximize net social benefits.

A key problem in a planning process is that costs and benefits are not evenly distributed in a society, and, as a consequence, a plan that maximizes social benefits might not be implemented because the interest groups that receive the benefits lack the power to overcome the opposition of the groups that pay its costs.

The index of support or opposition and power of the planning actors is based on a combination of ideas used in the method of political analysis called PRINCE¹ and in the economics of public choice.

The points of departure in the construction of this index are a) the assumption that the planning actors behave in agreement with the principles of economic rationality, i.e., each one of them attempts to maximize their personal satisfaction, and b) the identification of the objectives that each one of those actors have.

Once the personal objectives that motivate each one of the actors in a planning process are identified they can be related to the costs and benefits that the implementation of a plan generates. With this it is possible to derive indices of the degree of support or opposition that the actors have to that implementation. The construction of these indices is based on the methods of analytic hierarchy processes².

The relationships between the indices of support or opposition to the implementation of a plan and its costs and benefits take the form of mathematical functions that can be estimated from statistical data.

The influence of the support or opposition of each planning actor on the implementability of a plan depends on the power that he/she has to impose his/her preferences on the other actors. Indices of the power of the different actors can also be constructed using the methods of analytic hierarchy.

Combining the indices of support or opposition to the implementation of a plan, and of power of its actors, it is possible to construct an index of the implementability of a plan. This index aggregates the intensity of support or opposition and the power of the different actors. The methods for its constructions are also based on the methods of analytic hierarchy.

Since a) the index of implementability of a plan is a function of the indices of support or opposition and power of the different actors and b) the indices of support or opposition are functions of the costs and benefits of the technical plan, it follows that the index of implementability is a function of the costs and benefits of the plan. As a consequence it is possible to analyse the values that the costs and benefits of a plan should have in order to maximize its implementability. In this analysis attention must be paid to the input-output relationships that link the costs and benefits of a plan and that are the basis of its technical component.

¹ Coplin W. D. and M. K. O'Leary, 1976, Everyman's Prince: A guide to understanding your political problems - Revised edition, Duxbury Press, North Scituate, Mass.

² Saaty T., 1980, The analytic hierarchy process: planning, setting priorities, resource allocation, McGraw Hill, New York.

Professor, Planning and Development Division
United Nations University (Tokyo)

Planning in Global Framework: Theory and Practice of Planning in Global Setting

The paper will present a "critique" of the assumptions underlying the practice, and an analysis of planning in institutions with a global mandate. The United Nations University will be taken as a case in point for such analysis. The paper will focus on the process of planning and its functioning in the organizational structure, as well as on its involvement in decision-making, management and evaluation.

17.
Yehezkel Dror
Professor of Public Administration
Department of Political Science
The Hebrew University
Jerusalem

Planning in the 21st Century

This paper is predicated on the thesis that radical changes, up to jumps, are needed in planning as a discipline, profession, and study (not science, though based in part on scientific knowledge and approaches). Viewing "planning" as one of the modalities and grounding of policymaking which is characterized by 1) long range perspectives and 2) coherent look on broad sets of issues, this paper presents twenty one principles ("technologies" being too narrow a term), concluding with some points on institutional implications.

In essence, this paper applies to planning the works of the author on policymaking improvement, being also related to a Club of Rome report on which the author is working on "Governance for the 21st Century".

18.
Andreas Faludi
Professor of Planning
Institute of Planning and Demography
University of Amsterdam

Dutch Planning Doctrine: The Social Construction of a Planners' Paradise

In terms of the matrix, my proposed paper relates to the national and to some extent the sub-national level of planning; to fundamentals in relation to theories

and methodology; and to a country where planning is highly institutionalised, (what you might call 'structured').

19.
John Forester
Professor
Department of City and Regional Planning
Cornell University

Perception, Political Judgment and Learning about Value In Transport Planning: Bridging Habermas and Aristotle

Current views of neo-Aristotelian rationality suggest that we must recognize the ways that planners deliberate not only about (appropriate!) means but also about inevitably multiple, ambiguous, and conflicting "ends" and norms (responsibilities, obligations, mandates, goals, and so on). Analyses of rationality, as James March has argued within decision theory, can no longer be silent about this exploration of ambiguity. Analyses of practical judgement, as Martha Nussbaum has argued, must illuminate the perceptive appreciation of value – the ways we learn about value as well as about "facts". This paper will explore the ways planners must, can, and at times do learn about value in their everyday work – theoretically bridging Aristotelian perception and Habermasian justification in an account of rationality and practical judgement in planning.

20.
John Friedmann
Professor of Planning, Urban Planning Program
UCLA Los Angeles

Educating the Next Generation of Planners

My project is an immodest one. I want to design an educational setting that will prepare the planners we shall need over the next 30 to 50 years. Four decades ago, when I worked for a while as Harvey Perloff's research assistant at the now defunct planning program at the University of Chicago, we wrote down our experience with that program. The chapter would become the centrepiece of Perloff's Education for Planning.

Now it is time for another look. I don't propose to go over the old ground again. Still, the Perloff book is, so to speak, my point of departure. It influenced the education of two generations of planners as no other writing has done.

In my paper I outline a new, non-Euclidean understanding of planning and stress the innovative, normative and entrepreneurial roles of the professional planner.

21.

Robert Scott Gassler

Professor of Economics and Business Administration

Ursinius College, Pennsylvania

Non-profit Economics and Planning Science

In a letter from the Planning Studies Centre, I was asked to submit a paper "putting into relief the relations existing between the planning process (at whatever level) and the institution of the 'non-profit' sector". The paper will assess three sets of the contributions made by planning science: to economic research on the non-profit sector, to management of non-profit organizations, and to public policy toward the non-profit sector. The focus will be primarily on the USA, because of my previous experience there, but it will also include references to the literature from other areas: Europe, the ex-socialist countries and developing countries.

The paper is located in the framework in the following way: technology dimension; economics; institutional dimension; how it should be; territorial scale dimension; comparative national scale.

22.

Harald Hagemann

Professor, Institut für Volkswirtschaftslehre

Universitaet Hohenheim

Stuttgart

On Some Macroeconomic Consequences of German Unification

I have suggested a paper on Macroeconomic Problems of German Unification because I thought that it would fit into your program. In the information leaflet I received from your Planning Studies Centre on page 3 the "territorial scale" and "ex-socialist countries" were explicitly mentioned, of which the former GDR is a special case. The current economic problems in East Germany are quite topical, although more in a negative sense - due to a lack of macroeconomic planning.

In the paper I want to address the following topics:

- Wages, employment and productivity
- West Germany after 1948 and East Germany after 1990; analogies and differences
- Growth and structural change, i.e. the long-run perspectives of the East German economy
- Some international consequences of German unification.

Emphasis, in general, will be on economic policy, i.e. public controls in a democratic society in the sense of Adolph Lowe. According to Lowe the main issue is the question of whether the market system of late capitalism is endowed

with a self-regulating mechanism capable of achieving compensation by the uncontrolled actions of private consumers and producers, or whether public intervention is necessary in order to counter destabilizing tendencies that an uncontrolled market is likely to create. This holds in particular for transition processes of ex-socialist economies.

23.

Patsy Healey

Professor, Department of Town and Country Planning
University of Newcastle-upon-Tyne

In Search of Democracy; New Ways of Using Old Tools; the Form and Content of Development Plans

In the traditional approaches to land use planning, development plans were conceived in terms of sets of rules for realising specific organising principles (urban design, economic development). In the 1960s, the plan was re-conceptualised as a vehicle for articulating policy principles to guide the management of environmental change.

Both approaches have been discredited. This has tended to discredit more generally the idea of planning and certainly of plans. The reaction has been a "retreat" to projects, with policy principles articulated, if at all, through discussion of individual projects and their impacts. This approach is now in turn criticised for the lack of a strategic view of processes of urban and environmental change.

Is there a way to recover the role of development plans? The paper will explore what plans may be for and how they may be produced where the agenda for managing urban change emphasises economic development, environmental sustainability and social inclusion, and where the requirement is for policy processes which reflect the demands for transparency and empowerment associated with movements for democratic pluralism.

24.

Stuart Holland

Professor of Economics, Department of Economics
The European University Institute (Florence)

Planning and the Mixed Economy

Leading European economies, Japan and newly industrialising countries such as South Korea have undertaken a range of agreements negotiated with leading firms. These included "contrats de programme" and later "contrats de plan" and "contrats de regions" in France; "contrattazione programmatica" and "contratti di piano" in Italy, and a series of "contrats de gestion", "contrats prototypes" in Belgium. In Japan the bargaining process with the big business "keiretsu" has

been undertaken by the Ministry of International Trade and Industry on an informal but extensive basis. South Korea has been signing up to as many annual contracts with foreign multinational firms as there are days in the year.

The paper proposes an analytic framework for evaluation of these otherwise apparently disparate experiences. They all concern large multinational companies in either the public or the private sector. In practice these constitute a mesoeconomic sector between smaller micro firms and macroeconomic aggregates. All of the policies have been designed to reconcile some aspects of divergence between external costs and internal benefits through the free working of the market: e.g. long-term investment projects which otherwise would not have met private criteria for internal rates of return, the promotion of R&D and innovation, diversification from traditional to modern sectors, countering oligopolistic pricing, or the promotion of regional development.

The paper argues that such planning by agreement with the mesoeconomic sector constitutes a key but under-recognised success of the functioning of the mixed economy, with considerable potential for the reforming economies in their transition to a market system.

25.

Yasuo Katumura
Economic Advisor
Economic Planning Agency
Tokyo

Economic Planning in a Market Economy

The Japanese Experience in the Economic Planning and its International Implication

The Japanese economic planning is one good example of indicative planning in a market economy.

The character and scope of the Japanese economic planning have changed significantly through 50 years, from fairly simple pursuits of economic recovery and growth in a small country to economic and social programs of a complicated large country. Policy priority shifted from economic efficiency to improvement of people's life. In this line, the government approved a new Five Year Plan this summer.

The role of the economic planning in Japan is generally understood to be 1) to present a medium- and long-term economic outlook, 2) to announce the basic policy directions of the government and 3) to provide systematic information to the general public. But the government's role to implement policies are gradually changing.

As to the effectiveness of the economic planning there are some debates, but it is considered to have had positive effects by reducing uncertainties and providing extensive information, thus supporting steady economic growth.

Japan had an experience of transforming itself from the wartime controlled economy to an open market economy. This experience might be suggestive to the economies in transition. Also, introduction of indicative planning may be helpful to these economies.

Since many Asian countries have indicative planning, communication with them will be fruitful.

Finally, the international saving-investment relation can be an interesting subject to be tackled from a longer-term point of view.

26.

Vladimir Kollontai

Professor, The International Institute of World Economics
The Russian Federation

Some Specifics of Economic Reform in Russia

The transition from centralized planning to a regulated market economy is a totally unprecedented process; its numerous specifics have to be spelled out and the relevant policy conclusions drawn. Of special importance, as points of departure, are the existing high levels of industrialization, division of labor, complex interdependencies, as well as alienation, lack of market experience and infrastructures, precarious state of the life support system in the former socialist countries. Ratios between major economic indicators (micro and macro-economic structures, material goods and financial flows, etc.) are very different from those established under normal market conditions. Various profound structural gaps and imbalances have to be overcome. This creates numerous new transitional problems, which demand conscious intervention and a pre-planned interaction between spontaneous market forces and state activities. A growing importance in the transition period is acquired by such non-economic factors as legitimacy of market and private property relations, social cohesion and various aspects of governance. These problems are discussed in detail in the proposed paper.

27.

Antoni Kuklinski

Professor, European Institute for Regional and Local Development
University of Warsaw

The Future of Strategic Planning in Central and Eastern Europe

1. The deficit of prognostic studies and strategic planning in Central and Eastern Europe

The revolutionary changes and difficulties in the process of creation of a new system in Central and Eastern Europe ex necessitate rei concentrate attention of the government and other public institutions on short-term issues. The pressures

of the present day almost eliminate the interest for strategic and prognostic studies. This phenomenon should be evaluated in the negative way because such studies are necessary to develop appropriate policies in the different spheres of reality.

The deficit or even absence of long-term thinking in Central and Eastern Europe have dramatic negative implications.

II. The negative legacy of chaotic planning in Central and Eastern Europe

The ideology and practice of planning were very strong in the conditions of real socialism. But that planning was of a very low quality - it was a kind of chaotic planning to use the terminology of Prof. Hans Willgerodt of the University of Cologne.

The fascination with laissez faire and the psychological image of chaotic planning have created a serious barrier for the development of long-term thinking in Central and Eastern Europe.

III. The new careful planning in Central and Eastern Europe

To use again the terminology of Hans Willgerodt, in Central and Eastern Europe we need a new system of careful planning as an instrument to promote development of the new market economy.

The global experiences in this field should be analysed very carefully in this context.

IV. A new network of strategic planning in Central and Eastern Europe

The conference in Palermo should be seen as an inducement to create a new network of institutions in the field of strategic planning in Central and Eastern Europe.

28.

Wassily Leontief
Professor of Economics,
New York University, Nobel Prize

World Environment Planning: What to do and how to do it

The world community has by now become convinced that the physical well-being of men, women and children and, as a matter of fact, of all other living beings is bound to be greatly and in many instances irreversibly impaired unless drastic measures are taken both in the developed and in the less developed countries to protect the environment from degradation brought about by expansion, or even maintenance of present levels and present methods of production.

With the steadily increasing interdependence between all parts of the world economy actions benefiting the great majority of interested parties can, however, be expected to cause pain to some. It is not surprising that people whose

employment, income, comfort, or just pleasures might be negatively affected by adoption of this or that protective measure object - often quite vehemently - to it.

In the ensuing debate each side cites facts and figures supporting its position and tends to neglect the, possibly, equally, relevant evidence presented by the other side.

The plan of action finally agreed upon will necessarily represent a compromise between, to some extent, competing interests of different countries and even different interest groups within each country.

Such compromise can be best attained by comparison of alternative scenarios. Each of these different scenarios should describe as accurately, and as objectively as possible the effects of one particular combination of rules and regulations that while protecting the environment from progressive degradation would secure normal operation and sustainable growth of the economies of all developed and less developed countries.

What is involved in this task is not unconditional prediction of development of all parts of the world economy but realistic mapping of several alternative paths that they could actually follow.

Twenty years ago the United States initiated work on a projection of the "Future of the World Economy", with emphasis on the possibility to reducing the discrepancy between accelerating the growth rates of the developed and less developed countries. After five years of hard, and incidentally relatively well-financed, research its results were published in 1978. Now similar worldwide economic projection, however, with special emphasis on prevention of environmental disruption is being prepared again under the auspices of the United Nation.

Under condition of rapidly expanding international trade the economic interdependence between different countries the substitution of one type of fuel, of for example, of one primary material for another in one country can affect the economic prospects of other countries. Moreover, rivers, oceans, streams and winds do not respect national borders. Hence, different governments will have to coordinate their action so as to secure for each country the possibility of sustainable economic growth, that would endanger neither its own or any other country's environment. Creation of a common database will be indispensable for successful negotiation of such an agreement.

One of the most important steps should be the decision on the ways and means that would enable the ecologists, economists, engineers, and other experts now working on these problems in different countries to join hands in carrying out that challenging task.

29.

Summer Levine

Professor

Former Editor-in-chief of "Socio-Economic Planning Sciences Journal"

State University of New York and Nortech Associates

Thoughts on the Planning of Technological Development

A country's potential for technological innovation and development depends on a variety of cultural, economic, and political factors. In this report we compare the role of these factors on the technological development of Japan, the USA, and Western Europe. To facilitate the analysis a triphasic representation modelling each region will be discussed.

The following topics will be explored among others:

- the positive and negative aspects of group versus individualistic culturations;
- the consequences of profit vs. market shares maximation;
- the effects of trade and tax policies;
- the impact of government involvement, particularly with respect to taxes and trade policies;
- the policy implications of this analysis on planning technology will be developed.

30.

Dalia Lichfield

Dalia Lichfield Associates, Urban and Environment Planning
London

Effect of Land Use Zoning on Planning Technology: A Comparison in Four Countries

Prior to World War I Palestine was part of the Turkish Empire. As such it had no town planning institutions. This changed on the victory of the British in 1917, which led to their Mandate Government. This immediately introduced, with considerable effect, town planning for Jerusalem and, in the 1930's, for the whole country.

For this countrywide system the Mandate adopted that practised in Britain under the Town and Country Planning Act, 1932. In essence this involved "town planning schemes" which regulated by zoning ordinances the use of specific parcels of land, carrying with it distinctive features of legal rights in the land, rigidity of plans, slowness in review and change.

The need for change in this system was recognised on the setting up of the State of Israel in 1948. But although some 17 Bills for the change in the law were introduced in the Knesset over the ensuing years, it was not until 1965 that an Israeli Planning and Building Act became law. However, except for the introduction of sectoral planning at the national level, the system of the 1965 law echoed strongly that of the 1936 Town Planning Ordinance introduced by the British from England. However the British had by then transformed their own pre-World War II planning system into the development planning system of the Town and Country Planning Act 1947, which introduced many revolutionary changes. For example, development values were nationalised, so that restrictions on land

use and development carried no compensation to the owners; the form of planning was intended to be flexible so that changes were much more readily seen.

The result was a considerable anomaly. Britain, a fully developed country in its post-industrial age, threw off the restrictive zoning system for a development planning system, which was capable of being used for dynamic change. In contrast, Israel, which in 1948 was not a developed country, with only a colonial type urbanisation in its coastal areas (Haifa, Tel Aviv), faced with dramatic immigration and urbanisation, had to cope with a system geared to the static conditions of pre-World War I Britain. This law in turn affected the governmental machinery set up to administer the planning. In essence, considerable tension has resulted between the needs of the country to achieve full development and urbanisation, within an institutional framework completely unsuited for the purpose. It is here that parallels with the United States also emerge: possibly the most dynamic growth in the whole world achieved with a planning system which originated in the 1920's and is still fundamentally unchanged.

Against this background the paper will explore the implications for the growth and development of Israel since the foundation of the State by needing to utilise the institutional framework introduced when it was administered under Mandate by the colonial power of Britain.

These tensions have been well recognised in Israeli practice over the years and efforts made by the practitioners to overcome them, including by Dalia and Nathaniel Lichfield in their consultancy practice in Israel, introducing development plans and a method of more discretionary development control. More recently they have been appointed by the Ministry of the Interior (responsible for town planning) to continue earlier work by proposing changes in the institutions which would liberate Israeli planning from its restrictions. This paper will make reference to the approach.

31.

Nathaniel Lichfield

Professor Emeritus of the Economics of Environmental Planning

University of London

Nathaniel Lichfield & Partners Ltd

Development Planning Urban Design Economics

London

Planning and the Environment: Institutions for Sustainable Development

Focus

Within the overall context of the Conference, this paper has the following focus:

- planology: art and science of urban and regional/environmental planning in Britain
- theme: past, present, and future integration of the urban and regional/environmental planning

- issue: relationship in this evolution between technology and the institutions
- institutions: law and machinery which sets up the planning system for coping with the planology on behalf of the public
- purpose: to trace the historical evolution as a pointer to the future.

Outline

What is today called "environmental protection" originated in the middle of the nineteenth century as a reaction to the squalid conditions in the newly mushrooming urban areas following the first industrial revolution. These conditions led to a series of legal measures covering various aspects of public health (sanitation, atmospheric pollution, rivers).

These in effect tackled the polluting consequences of growth. They gave rise to the recognition in the early twentieth century of the parallel need to do so by planning the urban development in advance. It was the evolution of the planning system set up in 1909, which represents the vastly changed contemporary British planning system.

From its early days, the planning system was concerned with the "environment" (open space, sanitary conditions, amenity, historic buildings etc). This somewhat modest concern was overtaken with the explosion of the wider concerns for the environment and the natural resource concerns which arose in the mid-twentieth century (Club of Rome, United Nations Stockholm Conference, United States National Environment Protection Act). But despite the ties between the two streams, the institutions which were set up have been kept separate. But they are co-ordinated in practice so that their separate concerns have some degree of integration.

Policy

The contemporary scene is raising many questions such as:

- how can integration be improved?
- how did the separate fields influence each other?
- what modifications are required in the law to cope with the integrations?
- what modifications are required in the institutions to do so?

Conclusion

The paper will draw conclusions about directions for the future.

32.

Seymour J. Mandelbaum
Professor, Dept. of City and Regional Planning
University of Pennsylvania

Communitarian Sensibilities and the Design of Communities

Communitarianism is a philosophic arrow. When we seek guidance to resolve difficult ethical dilemmas in concrete cases or to justify the patterns of our

ordinary choices, the marker points us away from abstract principles grounded in the nature of Man or the Right. It directs us, instead, to inquire into the practices and understanding of a community and to ground our moral life within them.

Like every such arrow, communitarianism creates around it a world of moral difficulties: are all communities deserving of respect? in a field of overlapping and internally conflicted communities, which norms are morally compelling? How may we invent and alter communities to express our ethical choices? Brought to bear upon the noisy street of practical politics, the marker loses its sharp declarative point and becomes, instead, a set of loosely coupled sensibilities: diverse positions are enrolled under a common flag without resolving their philosophical differences.

The paper will explicate the often ambiguous terms of these sensibilities, shaping a critical perspective that may be brought to bear upon the practices of community design at many different scales: the EC, a neighbourhood in Palermo, a hospital ward.

In the setting of this conference, I particularly expect to explore the ways in which communitarian sensibilities realign our ordinary professional conception of the instrumental justification of planning technologies. Experience in the diffusion of both substantive and procedural planning innovations has taught us to appreciate that whether technologies work efficiently or effectively may or may not be important. The "fit" of innovative planning technologies is, however, always vital to those who adopt them and those who feel their impact. Sensibly interpreting even the most severe formal technologies as institutions, they are bound to wonder whether the innovations express the moral order of the community in which they are implanted; whether they affirm the ordinary intuitions of members of the community or challenge them; whether the change can be institutionalized without a communal revolution.

33.

Luigi Mazza

Professor of Urban Planning

Editor of "Planning Theory"

Dipartimento di Scienze del Territorio

Politecnico di Milano

An Exercise in Re-constructing a Planning Tool, Second Thoughts on Italian Land-Use Planning

The occupation and ordering of space, which during the last century characterized urban growth, have been legitimated by land-use planning. The plan was a tool for legitimating both obligation to traditions and exclusion (without which expansion would not have been developed), and choices of projects competing for steering expansion. When space is entirely occupied and infrastructured, what was once perceived as a void also becomes a place and land-use processes meet a new conflict: expansion clashes with place resistance.

Expansion encounters something more abstract than a void space; it encounters the description of the place which is the premise of place conservation and at the same time the acknowledgement of the needs and opportunities of place transformation.

The key issue is no longer the choice between alternative expansion projects, but between expansion and conservation. Consensus which once supported expansion is lacking, and is secured by exclusion. The fall in consensus breaks the screen of planning and, due to deregulation experience, expansion faces a dilemma: the freedom of action without plan constraints versus the guarantee of rights and legitimation of choices which only a formal planning system can give. An attempt to solve this dilemma is based on the separation of expansion and conservation within the plan and the appointment of description as the term of reference of choices. Value structures, on the basis of which expansion and conservation projects are produced and discussed, are made explicit with reference to description, then description is the field where the new relationship between expansion and exclusion is played.

The discussion of projects is a political and technical debate which results in choices. Formal legitimation of choices, traditionally given by conformance to the plan, is now given by the procedural "rule" which govern the debate. Description and the rule are the new "plan" produced by our exercise. Choice and legitimation are released from a comprehensive prevision and lead to the comparison with our modes of perceiving from a comprehensive prevision and lead to the comparison with our modes of perceiving and describing the reality, and our strategies of change. Legitimation is no longer given by the plan, it is given approving project justifications. Unlike traditional planning practice, in the hypothetical process political-technical legitimation and formal legitimation coincide. In this perspective there are neither "optimal" and privileged proposals, i.e. traditional plans, nor a privileged proponent, the state. Expansion and conservation projects face each other openly and are judged on the basis of reasons.

34.

Alex Michalos

Editor, "Social Indicators Research"

University of Guelph, Ontario

What Every Planner Should Know about Measuring the Quality of Life

In democratic societies, it is reasonable to expect planners to obtain some direct input from people whose lives will be affected by the plans if the latter become implemented. So decisions must be made regarding how to obtain such input, whom to ask, who to do the asking, using what procedure, what technology and what methodology. There are many more questions than answers; but it is possible to formulate some general principles for all practitioners based on the research literature of the past 20 years on quality of life and social indicators. This paper will review some of the literature and formulate some useful principles.

35.

Jonathan A. Morell
Dr., Editor "Evaluation and Program Planning"
Industrial Technology Institute
Ann Arbor

Integrating Technological Change into Planning: the Case for an Interdisciplinary Perspective

Technological change affects the personal lives of populations, and the economic viability of industries, regions and nations. That change occurs within a complex political, economic and social context, and must be understood within that context. To be effective, planners must understand how technology may develop, and how it may affect larger scale planning efforts. Issues to be considered include the likelihood of radical technological change; the impact of incremental improvement in technology; relations among government, technology developers, and end-users; and the norms of society concerning the acceptable uses of technology.

This presentation will discuss relevant issues with regard to technology planning, and outline a methodology, which will help planners systematically consider technological change.

36.

Peter Nijkamp
Professor, Department of Economics and Econometrics
The Free University of Amsterdam

The Changing Role of Governments: the End of Planning History?

In this paper recent mega trends in roles of governments will be outlined, leading to the question whether there is a case for planning at all. The era of deregulation, decentralisation, and privatisation, followed by the collapse of centrally planned systems, has provoked far-reaching issues on the tasks of modern governments at all levels (local, regional, national, international).

After a sketch of current trends (with a specific focus on physical planning and transportation planning) the principal justifications for an active role of government in planning are reviewed, viz. abatement of market failures and achievement of ethical goals or social values.

It is conjectured that a focus on mission planning is a sine qua non for maintaining the posture of planning as a necessary condition for balanced and effective policy-making.

37.

Efim Nisevich

Professor, Institute of Economics

The Russian Academy of Sciences

Some Theoretical and Practical Problems of Planning Institutions Redesign in Russian Federation

During many decades while the centralized planning system was in action in the former Soviet Union, planning theory was elaborated and planning organisations were developed all over the country.

Unfortunately, the foundation of the theory was of ideological character and planning institutions were designed as a hierarchy vertical.

The paper discusses some theoretical and practical problems connected with the change in planning techniques as a result of transfer to the market economy. Problems of indicative planning of the national economy, state programmes planning, planning in public domain are under discussion. Planning in public domain is considered from the point of view of that share of public property will be shortened as a result of the privatisation programme implementation.

Problems of reconstruction of planning systems on enterprise level (state, municipal, private ownership) are under analysis. Special emphasis is made on saving information (statistics etc.) the planning institutions have at their disposal as a basis for planning activities.

38.

Barnett R. Parker

Professor, Editor-in-chief "Socio-Economic Planning Sciences"

Dept of Health Policy and Administration

Univ. of North Carolina on Chapel Hill

Ensuring a Responsive Health Care Planning Function in Emerging Regions of the World

In their furious efforts to achieve "Health For All by the Year 2000," developing country governments at the national and sub-national levels are now confronting problem phenomena that have long plagued governments in more developed regions. These phenomena include demographic shifts, increased population mobility, the rising cost of more sophisticated medical technologies, increased emphasis on preventive care, increasing competition, and critical shortages of selected health care professionals.

The success of a government in supplying appropriate health services to its population under such dynamic environmental conditions requires the design of technologies/strategies that are at once population-responsive, technically effective, and logistically feasible. This paper develops a multi-disciplinary approach to the design of health planning strategies that best satisfy these criteria.

In this regard, the approach appreciates the generally limited technical support levels and planning infrastructures found in less developed regions while recognizing the fundamental importance in such regions of cultural, ethnic, and religious diversities.

Examples are given, together with a discussion of model sensitivity analysis.

39.

Giorgio Piccinato

President of the Association of European Schools of Planning

Professor Dept. of Urban Planning

The University Institute of Architecture

Venice

Reconsidering Planning for Historic Centres

1. The changing image of historic centres: from obstacles to modernization to objects of desire.
2. The dilemma of conservation vs. incorporation in the overall urban dynamics: threats to physical assets or social transformation?
3. Public planning and private strategies in urban change and development: how special is the case of historic centres?
4. All cities are historic (but some more so than others).

40.

Stanislav Pirogov

Deputy Director, Institute of Economics

The Russian Academy of Sciences

The Russian Federation

Nature of Planning Systems and Contradictions of their Practical Use

Retrospective analysis of originating and developing of planning systems of economy witnesses a contradictory character of this process. Practical use of scientific principles of centralised planning of national economy experiences flights and falls. Understanding of reasons of these events gives the correlation of economic and political logic. Most of all it is seen during the economic and political reform of the end of the 80s - the beginning of the 90s in the countries of social system.

Practice shows that at the beginning of the reforms in Russia a distinct development of rejection of achievements of the planning system of the economy and transfer to priorities of principles of self-regulation in economic behaviour of market persons. For the economic system this can end with big losses. Scientific and practical task is to create synthesis of planning and self-regulation.

Perspectives of the Russian economic science and practice of economy include rehabilitation of achievements of the planning system and their adequate realization in economics.

41.

Ignacy Sachs
Professor, Director of Studies
The Advanced School of Social Sciences
Paris

What State? What Markets, For What Development? The Social, Ecological and Economical Dimensions of Planning

The neo-liberal counterrevolution exploits the collapse of the "real socialism" to dismiss the concepts of planning and belittle the role of the State in the regulation of mixed economies. Yet, in a form or another, these economies dominate the present world scene to the extent to which the command economy has lived and the hayekian version of market economy and society is a pure abstraction.

At the same time, the concept of development is being challenged on environmental grounds by two different groups of critics:

- for the green fundamentalists the very notion of development is not acceptable insofar as it implies economic growth;
- for the hard scientists dealing with the global environmental change development is too vague a notion to be taken into account.

The criteria for development should be social equity, environmental prudence and economic efficiency. For a development strategy certain questions are pertinent: What state, what market, what roles for the civil society? What forms of interaction between the social actors of development processes in a mixed economy? What modes of articulation between the different development spaces - local, national, global? This paper examines these questions.

42.

Pasquale Lucio Scandizzo
Professor of Political Economy
University of Rome
President, the Institute of Studies for Economic Planning

Trade Patterns, Cooperation and Growth

Objective of this paper is to study the interdependences between groups of countries and income distribution in the context of a world-wide model of trade and exchange. In particular, the paper focuses on the implications of cooperative, non-cooperative and partially coordinated trade strategies for international

economic policy. The literature in this issue has been characterized by an attention to macro-economic policies, with a recent emphasis on the game-theoretical approach (Canzoneri & Gray (1985), Manning (1987), Carraro and Giavazzi (1988)). Here, I focus on the pattern of trade and factor movement, through a general equilibrium model of the world economy and a descriptive repeated game similar to the one recently formulated by Jackson (1991). In this game three groups of countries: the "low income", the "middle income" and the "high income" interact as Bayesian players, who maximize expected national payoff and revise their expectations according to the new information collected at each round of the game. In another paper (Scandizzo, 1990), I examined the question of the effects of various degrees of liberalization on the "North" and the "South", also through a static general equilibrium model. In the present paper, instead, I propose to examine three broader questions:

- a) which pattern of trade restrictions, comparative advantage and trade and factor movement would prevail in the long run in the three groups of countries;
- b) which joint strategies would be selected and why;
- c) what would the likely time path followed by each country group to converge to the long run solution.

The plan of the paper is as follows. Section 2 reviews the literature on comparative versus competitive advantage, with special reference to the application of game theory to international trade. Section 3 briefly describes the features of a theoretical game formulation of a general equilibrium problem and proposes the model to be used in the sequel of the paper. Section 4.1 presents the results from the construction of the computable general equilibrium model from world trade and country economic statistics and examines the features of its basic runs. Section 4.2 describes the characteristics of the Montecarlo runs of the policy game and discusses the main results obtained. Section 5 presents a summary of the results and draws some policy conclusions.

43.

Gustav Schachter
 Professor, Northeastern University
 Department of Economics
 Boston, Massachusetts

Multiregional Input-Output Systems for Socio-economic Planning¹

1.0. Introduction

Regional planning has to be comprehensive, part of a national plan and internally consistent. To implement regional planning one needs a model and a methodology suitable to the regional and the national environment. According to the objectives sought, one may choose aggregated and/or disaggregated models. Macroaggregated models are generally based on the Harrod-Domar theory of economic growth. These postulate that growth is a function of saving and

marginal efficiency of capital. That is, growth is explained merely in terms of accumulation and productivity of capital. Variants on this theme include two-gap models that account for foreign trade bottlenecks and absorptive capacity, dual systems where labor moves from agriculture to industry; and extended labor models that account for the availability and productivity of labor. Macroaggregated models are unidimensional and allow for policy decisions on overall fiscal and monetary policies, but are limited in usefulness for changes in socioeconomic structure. But this is the crucial difference between growth and development. Growth refers to a mobilization of resources while development refers to allocating of resources and/or changes in structure. Therefore development planning requires disaggregated models.

1.1. Regional Input-Output Analysis

For regional planning purposes a system of regional input-output tables is usually developed. There is an array of regional tables possible, such as a single region matrix, interregional matrices, and multiregional matrices. The single matrix is usually the outcome of a regional survey where national data are not necessarily considered. The interregional systems constitute an inductive method in which each region is constructed on its own, and the sum forms the national matrix. If a regional survey at the national scale is undertaken, this system yields better results than the single region approach. Still, a national matrix to impose constraints is needed, and the surveys must be uniform over all the regions of the nation.

The construction of a multiregional input-output system comprises a deductive approach where a national matrix is disaggregated into its regional components. Usually, these tables are based on secondary regional data. The main shortcoming of multiregional input-output (MRIO) systems is that one must wait until a national matrix is available in order to be able to construct a MRIO system. Yet, national tables often take a long time to be completed.² If one considers that it takes two to four years to complete a MRIO system, such tables are available usually six to ten years after the fact. On the other hand, the comprehensive consistency necessary for regional planning is present.

Pioneering work in multiregional models originated with Leontief and Isard (Leontief, 1953 and Isard, 1953); Moses developed a three-region, eleven-sector model for the United States (Moses, 1955) and Chenery, Clark, and Cao Pinna developed a two-region, twenty-two sector, Input-Output model for Italy (Chenery, 1953).

Our task here is two fold. First, we will examine the problem in construction multiregional systems. Secondly, we will attempt to survey potential applications of such techniques for regional planning.

¹ Part of this chapter is based on Chapter 2 in Pilloton and Schachter, *Input-Output Italia: A Multiregional System*, Case del Libro, 1983.

² The United States Input-Output Table of 1972 was made available in 1980, and the Italian National Table (84X84) for 1975 in 1981.

44.

Jacek Szlachta

Professor

Deputy Director of the Regional Policy Department

Central Planning Office (CUP)

Poland

Dilemmas of National and Regional Planning during Transformation to the Market Economy (Case Study Poland)

Deficiencies of central planning known from other countries together with specifically Polish features contributed to a steady deterioration of the Polish socio-economic situation.

After the disintegration of the socialist system, central planning was named as one of the socialist economy elements responsible for the crisis in East-Central Europe.

In Poland a "Central Office of Planning" has replaced the discredited Government Planning Commission; this body is radically different from the latter in its functions, powers and administrative structure.

However, the negative associations of "central planning" are so persistent that they threaten the very existence of this newly formed body.

As reform progressed in Poland a great many problems appeared with no solutions provided by macroeconomic theory. Solving them required flexible and adjustments of state economic policies. A side effect of it was an excessive concentration of resources and emphasis on current problems and a crisis of long-term and strategic studies. The time span in economic policy shrank also due to the frequent changes of cabinets and ruling coalitions.

After a three-year trial period it turned out that the transition would take much more time than initially assumed and that it would be a painful experience for society. However, the negative sentiments towards planning have taken a deep root in society at large and the very mention of planning still brings the socialist system to mind.

Therefore an analysis of the situation in Poland in 1992 must take into consideration, besides the negative experiences of the socialist economy, also the effects of the three years of systemic transformation based on the neoliberal doctrine. The basic questions concern the following problems:

1. Is strategic planning necessary during the period of systemic transformation?
2. Which particular spheres and problems should be embraced by strategic planning?
3. Can planning tackle these problems, considering the personnel, institutions and technical limitations?
4. Are there any social or political powers that would be interested in employing strategic planning as a state policy instrument?
5. What kind of activities should be taken up to create conditions for implementation of strategic planning in Poland?

45.

Nestor A. Terleckyj
Professor, President NPA Data Services
The National Planning Association
Washington DC

Institutional Requirements for Effective Use of Quantitative Indicators in Policy Planning

The late 1960s and the 1970s were a time of intense innovation efforts in social sciences and policy analysis. These efforts extended to many parts of the world, and involved academic and governmental organizations. The common element in these endeavors was quantification of social objectives.

They included social indicators measurement in a number of countries and by international organizations (UN and the OECD). Economists were attempting to extend the economic measurement system to measure social output and costs beyond those included in traditional GNP accounting. Government officials were supporting attempts to introduce explicit, quantified measurements of cost effectiveness of public programs.

However, by the late 1970s these initiatives have weakened and by now they largely ceased. After compiling social indicators from the already existing statistics, the social indicators effort ran up against the barrier of lack of basic work of measuring additional objectives or refining the data. Governmental programs for cost effectiveness in public planning ran into political controversies and real trade-offs. Also important has been the hostility of politicians and bureaucrats to efforts of measuring the success of policies for which they were responsible. Finally, the spectacular failure of central economic planning negatively affected perception about formal policy planning in general.

Yet formal planning with specified indicators of progress is vastly superior to planning of expenditure alone. It is worthwhile to keep up the efforts to support it, especially, now with rising concern about slower growth, high taxation, and the quality of government. The rejection was not complete. Planning and development of the environmental policies for air, water and land at the local and national level in the advanced industrial countries has on the whole been widely accepted and quite successful. Local and national policy planning in many nations for a variety of programs have advanced in the degree of sophistication and effectiveness. What is lacking, however, is an institutional infrastructure for promoting public policy planning on a broader basis.

To understand the requirements, it is instructive to study the situations where the policy planning with indicators has been successful. The best example of successful policy use of quantitative indicators is the macroeconomic policy. Every advanced country in the world uses such macroeconomic indicators as the rate of inflation, the interest rate and the rate of unemployment in evaluating the health of the economy and the success of public policies. These indicators are

backed up by large academic research establishments, by central banks, budgetary processes and other policy institutions, and they are continuously monitored by the business community, political parties, the press and the citizens in general.

Similar institutional environment is needed to develop more effective policies in social fields. Explicit quantitative cost effectiveness data needs to be linked to governmental budgeting for the specific programs. A wide dissemination of strategically selected indicators to the public and the information media is required to maintain public interest. Also, serious research effort is needed to maintain credibility of these planning approaches.

46.

Jan Tinbergen

Professor of Economics, Nobel Prize

The Duration of Development

The aim of development policy is to eliminate the differences between the average incomes per capita of developed and underdeveloped countries. Depending on the rates of growth of both average incomes, the time needed for elimination will be found; it will be called the duration of development.

With the present trade policies and development assistance (0.35% of donor countries' incomes) the duration will be more than five centuries. It is doubtful whether the population of the underdeveloped countries will be prepared to wait so long. Now already they immigrate into the developed countries, legally or illegally. The developed countries react to this immigration with police violence. It is in the interest of all that the duration be reduced. This may be done by increasing development assistance and figures will show the effect of various amounts of assistance. Finally the question is considered of the optimal level of assistance.