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THE ROLE OF DEVELOPMENT PLANNING IN EMERGING NATIONS
A CASE STUDY OF THE REPUBLIC OF PANAMA

by

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CHAPTER I

INTRODUCTION

The decision making process, in varying degrees, is a natural function of man. Many kinds of decision processes are available to the individual or the society. Planning is itself a decision process which generally involves a rational process, which looks to the future, and when possible, makes choices so as to arrange present and future actions to place him at some level which is perceived as more desirable. When dealing with a society composed of people with differing economic, social, political and cultural backgrounds and expectations, the planning process becomes a complex and many-sided phenomenon. As a consequence the planning profession involves a variety of knowledge and techniques to deal with the requirements of society. This study deals with one aspect of the planning process--development planning for emerging nations.

Purpose for Study

The author's interest in planning for developing nations was stimulated by four years of residence in the Panama Canal Zone and a desire to practice in the Republic of Panama as a professional planner. The brief exposure to the planning development of an emerging nation provoked independent study in this area as a supplement

to four semesters of graduate education in regional and community planning. Additionally, the course material presented in Regional Planning I and Urban and Regional Economics has provided the platform for this report.

An initial study by the author, "Urbanization in Latin America", revealed the existence of a growing and now substantial literature documenting the complex problems¹ faced by the emerging nations of the world. A more extensive research effort by the author, "National Development Programming: A Feasibility Study of a Policy for Panama", was considered as a possible research project however, upon further research, it was discovered such a study had been conducted by the Agency for International Development² and was relatively ineffective.

Another study in the area of emerging nations was prompted by a desire to discover the opportunities which were open to person with a general background in planning. A proposal was submitted by the author to the Ford Foundation's Foreign Area Fellowship Program for technical assistance, to be provided in the form of planning education at the University of Panama. In addition, instruction would be provided for continuing education of professionals in such planning-related fields as engineering, architecture, economics and sociology. While the concept of developing the necessary manpower was essential to the total development of an emerging nation, upon further investigation it became

apparent that a general lack of experience would hinder any significant success in this area. The requirement for generalist planners will be small, and those planners who choose to practice in the emerging nations will have to be highly qualified not only in planning but in the specific problems of each nation.³

The requirement then was to concentrate on acquisition of information on planning knowledge and technologies which would aid in the development of a case study of the planning situation in the Republic of Panama.

Methodology

A research problem of the nature discussed was made extremely difficult by the author's lack of a basis for investigating an accepted methodology for development planning as the subject had not been part of the course work. The problem characteristically goes beyond a lack of statistics that the typical research problem encounters. Rather, the sequential nature of the investigation involved a number of phases which made mandatory three different techniques:

1. Acquiring the necessary knowledge concerning whether any particular methodologies existed for planning for emerging nations was of the highest priority. Thus, an initial effort was made to provide exposure to as much literature on the subject as possible. This research revealed that there are a growing number of researchers and practitioners in the area

of planning for emerging nations, who are working to develop a body of working techniques which could be applied to planning for less-developed nations.⁴ In this report, a synthesis of the efforts in this area are proposed as a means to evaluate the planning efforts of one nation, Panama.

2. The subsequent requirement was to come to terms with the starting situation in Panama as to the social, economic, political and cultural characteristics that have had an effect on the development of the nation. The technique of first diagnosing or surveying the situation and then proposing treatment was utilized as an accepted means to researching the problem.⁵ The basic premise of development planning is that decisions must be made within the framework of known facts,⁶ legal surroundings and executive capabilities.

3. Perhaps the most important consideration, and the cause for the most concern, was conducting research in an area where cross-cultural observations would be made. While the author had made some personal observations concerning the Republic of Panama, there was little insight into the development planning which was being done. The first inclination was to assume that planning was not being done on a professional basis in Panama. A number of conversations with government officials revealed not only a number of professionals but an Institute of Panamanian Planners. These conversations provided a means to reinforcing the data gathered from resource material. Appendix A provides a list of these

persons as well as two additional persons with which I corresponded.

This report has been designed to present a candid investigation into the development planning efforts of Panama as reflected by the research efforts described above.

CHAPTER II

A REVIEW OF DEVELOPMENT PLANNING

The history of modern national development planning has been relatively short, having had its beginning in the Soviet Union only forty years ago. The adoption of development planning by the Western nations after World War II and their subsequent growth was the stimulus for the adoption of some form of national planning by most of the emerging nations of the world.⁷ The plans and planning philosophies for development differ so greatly that the title 'development planning' has come to convey many meanings. Thus, the purpose of this chapter is to describe characteristics of development planning which may be used in evaluating one nation, Panama.

Economic Development Planning

The area of economic development planning theory was founded upon a broad literature developed by economic theorists. The basis for economic development planning are complex growth models, programming techniques and formulae for simulating the economic growth processes of a nation. Most of the economic development literature is concerned with how planning ought to be practiced, or more explicitly, how planning would work if it worked as originally conceived within a particular economic theory. While a valuable tool, these models do not address themselves to solving the problems inherent in the

social and political systems which greatly affect the economic ability of a nation to progress.

A Pragmatic Approach to Development Planning

The rapid spread of planning and pressure from aid-giving countries in recent years has converted many countries to planning because it is fashionable and possession of a national development plan has made it easier to obtain foreign aid and grants for development. Due to a shortage of trained professionals, governments of developing nations have relied heavily on consultants from the developed nations of the world. As a result, development plans have been constructed primarily on a technical approach based on theories that are effective in developed countries. As the field of development planning has grown to include professionals who deal only with the less-developed nations, the strictly technical approach is being supplemented by a new ideology which places the development planner in the position of considering the political and social changes which must accompany the economic growth of a nation. Consideration is given not only to the economic potential of a nation, but also to the administrative capabilities and the political will to utilize the development plan. In effect, the planner must determine whether those persons in a position to implement the development plan are willing to effectuate the necessary social and administrative changes to bring about economic growth.

Thus, for the purpose of this report, development planning is defined as:

...a deliberate and continuing attempt to accelerate the rate of social and economic progress and to alter the institutional arrangements which are considered to block the attainment of this goal.⁹

Simply stated, development planning is concerned with the qualitative social and political changes necessary for quantitative economic growth.

While development planning has been universally accepted by the less-developed nations, the results of planning in these areas have been far short of the targets envisioned. While this may in part be a result of the relative inexperience of those nations practicing planning, a United Nations report shows that during the 1960's, the so-called 'Development Decade', the rate of acceleration of income and output for the emerging nations of the world was only 1.5 percent as compared to the target of 4.0 percent. Moreover, the rate of acceleration was 2.0 percent from 1955 to 1960 and 3.0 percent from 1950 to 1955.¹⁰

The fact that most of the emerging nations of the world have development plans suggests that these plans have been largely ineffective. The hypothesis is that this failure is due largely to a belief that the preparation of a "showcase" plan is an "end" rather than a "means" to national development planning. While the preparation of a national development plan and the designation of a national planning agency are

both part of the planning process, development planning will only succeed when the administrative capacity and political desire to implement the plan intersect.

If the planning process is to be at all realistic in emerging nations planners, must not start with a fixed set of theoretical abstractions of planning as to how it ought to be and try to force them into an environment where the government is either unstable or not genuinely committed to development, and generally not ready for planning. Instead, while not forgetting the long-range objectives that planning theory holds as desirable, planners must attempt to mold plans to "things as¹¹ they are", at least initially. To be of any value the planning process must effectively concern itself with the fact that the major efforts of development planners be in developing¹² workable solutions. A pragmatic approach, with the¹³ following characteristics, will be required:

1. A pragmatic approach that realizes the differences between the industrially advanced nations and the emerging nations and utilizes the experience of these nations in development. Not only do most nations encounter many of the same problems but most make the same mistakes in their approach to development planning. The general failure of nations to implement the comprehensive long-range plans suggests that greater emphasis be given to microscopic aspects of the planning process, to sound policy formation, and to improved organization for coordinating investment.

Experience has shown that most developing countries are not able to plan effectively for a period of much more than three years, and many cannot plan for more than a year at a time. An annual development plan of a comprehensive nature seems to offer the best alternative. The lack of experience and manpower to implement planning make an annual plan an essential means of imparting vigor into a stagnant economy. An annual development plan typically includes a review of the economic progress in the previous year and the bottlenecks and problems encountered. The plan presents an estimate of total resources, manpower, productive capacities, and projects and targets for the year. While not practiced, most planning experts strongly advocate the use of a variation of the annual plan which has a three year perspective--the "rolling plan", in which a year is added to the end of the planning period to replace each year as it is completed. The "rolling plan" offers development planning not only continuity of a perspective plan but the flexibility afforded an annual plan. An annual and "rolling plan", must be accompanied by a long-range perspective plan which accounts for the general direction economic growth will take.

To promote implementation of planning projects, a sectoral programming is required. Initially, the selection of sectors for planning will be in the area of agriculture, transportation, electric power, and basic infrastructural areas. As planning and development progress, health, education,

industry and mining will be developed. To be effective each sector must be planned for individuality with those agencies responsible for implementation being involved in formulation of the program. Sectoral programming allows for programs to vary according to the circumstances and stage of development of each sector, rather than attempting to plan for the entire economy.

Perhaps the most important result of sectoral programming is a list of potentially viable projects which are used in preparation of the annual comprehensive plan. A pragmatic approach to planning through the formulation of soundly conceived projects, has demonstrated that it is possible for the nation to grow at a more rapid pace with partial planning than when based solely on long-range comprehensive plans.

2. A pragmatic approach that realized the economic constraints in each nation, and as such, sets targets that are achievable and gives hope to the populace. Targets are quantified objectives. Experience has shown that the greater the number of targets, the harder it is to achieve them. Most governments have not reached the expectations of their plans because targets have been set too high. Initially, development planning should involve a minimum of targets that have a high probability of being reached within the planning period.

3. While a pragmatic approach aims at inducing change within the nation, it takes into consideration the features

of the local environment--customs, social mores, the political commitment and/or the will to develop--that can aid, hinder or even frustrate development strategies.

4. A pragmatic approach that realizes the necessity for on-going institutional arrangements that encompass the technical expertise and the necessary framework for planning. A great deal of the development plans in emerging nations have not achieved anticipated targets chiefly because of bureaucratic inefficiencies which have made implementation impossible because of manpower deficiencies and/or personnel incompetence.

5. Finally, a pragmatic approach recognizes the necessity for not attempting to achieve standards of living for emerging nations based on a Western yardstick but rather based on the possibilities within their own cultural framework.

Summary

A pragmatic approach to development planning has an important bearing on the sequence with which planning problems are attacked. A traditional decision process generally follows the following sequence:

1. The initial concern is with formulation of goals for the long range development based on theoretical formulae.
2. With these goals in mind, medium range objectives are formulated based on the political, economic and social conditions which exist for implementation of these objectives. Both goals and objectives are formulated at essentially the same time.
3. Finally, specific policies are formulated by those

officials responsible for implementation. These policies are realized in terms of projects that will lead to the objectives.

To be realistic, a pragmatic approach cannot start with a series of theoretical goals of what planning ought to be. A pragmatic approach must be based on the requirements of the situation "as it is" not "as it should be". The underlying theory of a pragmatic decision process is that the approach will take many forms and will not be the same for all nations, nor the same for one country at different times in its development. The planning process will contain the same elements as the traditional approach above, but with a different sequence:

1. The major concern must be with the formulation and implementation of projects which are easily attainable, as a means of building confidence in planning. The planning period, at least initially, will be short range.
2. The sequence of objectives in the planning process is basically the same, although they may occur at a much later time. The pragmatic approach to objectives will include the following: What are the social, economic, and political characteristics of the nation? What administrative machinery is available for planning and what has been the economic achievement based on past planning efforts? What political developments have resulted in the planning that has been conducted in the past?
3. Goals, being the most difficult to formulate due to the transitional characteristic of the emerging nation, may not be formulated until late in the development process.

The above is offered only as a model for the sequence for making planning decisions and not as a model which will prove applicable to all nations.

CHAPTER III

DEVELOPMENT PLANNING IN THE REPUBLIC OF PANAMA

Panama is confronted with many of the same problems as those in more developed nations with respect to overpopulation, the growing number of slums and squatter's settlements, health hazards, rural depopulation, underdevelopment of human resources and urban poverty. Moreover, Panama is faced with certain conditions, typical of underdeveloped nations, which pose additional problems in planning for national development. Transitional societies, such as Panama, are faced with the dilemma of urban growth moving at a much faster pace than economic growth and the social infrastructure to support it.¹⁵

Socio-Economic Conditions for Development

Although Panamanians resent the implication that the Panama Canal has been the reason for Panama's existence, the Canal has provided an estimated one-sixth of the nation's income and is viewed by the government as their prime natural resource and a source of increased wealth for the nation if they could gain control of it. The future of the Panama Canal is a critical factor in the nation's development although paradoxically, dependence on it in some ways has been a major factor in limiting development to only that area surrounding Panama City.

Outside of the Panama Canal and the United States' military operation in the Canal Zone, Panama has relied

principally for its wealth on banana and agricultural exports. The bulk of the population is engaged in subsistence agriculture or is employed as manual laborers on large sugar and cattle haciendas between the Canal Zone and the Costa Rican border. Between the Canal Zone and the Colombian border lies the Darien half of the nation, which is almost completely undeveloped. Figure 1 displays a "Map of Panama" showing the location of the major cities in the nation and the main transportation network. Note that they are primarily located along the Interamerican Highway which runs along the base of the mountain chain which account for 85 percent of the land area in Panama.

By many socio-economic indices Panama ranks high among Latin American nations. Government efforts in the areas of health and education have helped to reduce infant mortality from 56.9 per 1000 live births in 1960 to 40.9 per 1000 live births in 1967.¹⁶ Education in Panama is free and compulsory between the ages of seven and sixteen, with the result that 79 percent of the population was literate in 1967 as compared with 74 percent in 1960.¹⁷ Additionally, Panama's growth as measured by the Gross Domestic Product, GDP, has increased at an average rate of 8 percent annually, except for a brief decline associated with the Canal Zone border riots of January, 1964. This figure represents a per capita GDP of 4.5 percent,¹⁸ double the minimum standard set by the Alliance for Progress.

While the figure presented above would appear to reflect a booming economy, the progress, while high in terms of the

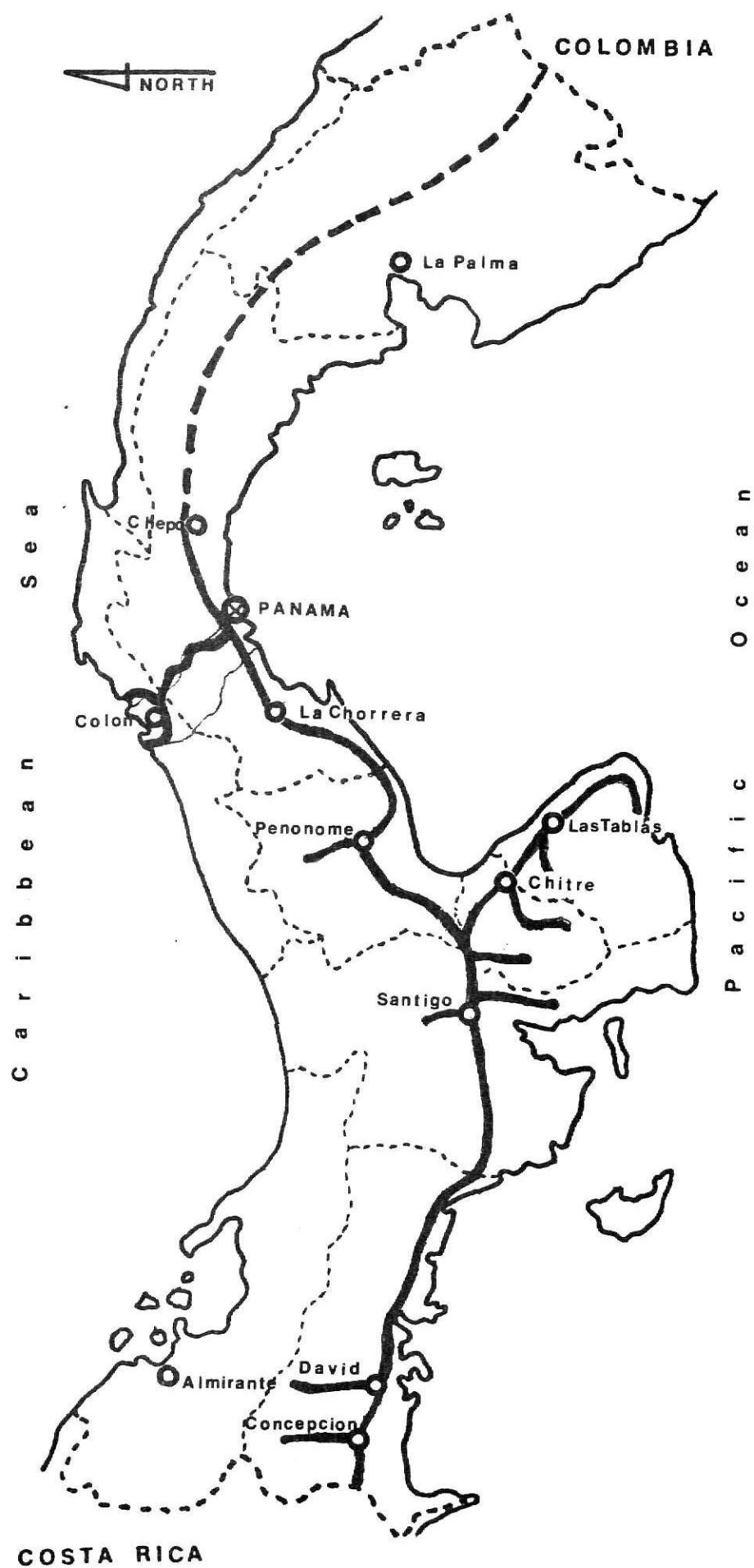


Fig. 1. Map of the Republic of Panama.

national average, is offset by a great imbalance between the urban elite and the urban and rural masses. Economic growth by the nation is offset by the fastest growth rate in Latin America, 3.2 percent increase per year as compared to the world rate of 1.9 percent per year.

Contributing to the problem of national development planning is the primacy of the Capital, Panama City, which is not only the political and administrative center, but the focus for the nation's commercial, foreign and international economic activities. The "push" of the subsistence living standard in the rural areas and the "pull" to the imagined and real benefits of Panama City has resulted in an urban population in the capital which represents 68.3 percent of the nation's urban population. The table in Appendix B shows not only the rapid national growth but also the rapid growth of Panama City and other urban areas. The rural-urban imbalance creates serious short- and long-range problems because Panama City attracts far too many people from the country's rural areas than its economy can reasonably or adequately accomodate. In addition to leaving the rural areas quantitatively and qualitatively depleted, this migration has resulted in the greater necessity for government spending in only one area of the nation. The imbalance between the province in which Panama City and the other provinces of the country is shown in Appendix C. As a consequence of the primacy of Panama City the remainder of the nation has to a large degree remained virtually unplanned.

Panama City has been seriously affected by the rapid migration from the nation's rural provinces. A growing work force (2.4 percent annually) and an unequal distribution of wealth has resulted in a high level of unemployment. During recent years, about one-fifth of the labor force in Panama City has been unemployed. A cause for even more concern is the fact that 50 percent of the present male population is under 20 years of age. While government planning efforts have succeeded in bettering educational and health standards, they have not provided employment for a large segment of the population. The picture of development in Panama is one in which an atmosphere of relative universal poverty prevails and where only a few benefit substantially from the proceeds of national development planning.

The Effect of the Political Process on Development Planning in Panama

By its Constitution, Panama's governmental powers are distributed among three branches: Executive, Judicial and Legislative, as described in Appendix D. By tradition neither the Legislature nor the Courts have established nor demonstrated much independence with respect to the Presidency. The powerful position of the President has remained fairly stable with little incident until 1968, when a military coup found the head of the Guardia Nacional, the national police force and army, in command of governmental power. As the ultimate power for implementation of national planning rests with the President,

the discussion of development planning will be in terms of "Planning Before 1968" and "Planning Since 1968".

Planning Before 1968

The structure of the planning function in Panama was developed in much the same manner as many emerging nations. As is explained in greater detail in Appendix F, the early efforts in planning were directed toward hiring consultants to prepare plans for the nation's capital. These early plans had little effect in guiding development, as there existed no function for implementing the plans. The government created three agencies with the responsibility for planning between 1944 and 1954, however these agencies were relatively unsuccessful as a result of no commitment by the government to implement planning objectives and provide necessary manpower.

In 1958, the Institute for Housing and Urbanism, IVU, was created to utilize Agency for International Development funds to prepare master plans for Panama's major cities in and effort to promote a regional planning program, as described in Appendix L.¹⁹

In 1959, the General Directorate for Planning and Administration, as described in Appendix H, was established as a direct function of the Office of the President of the Republic. The General Directorate for Planning was established to work in close collaboration with the budget department, various autonomous agencies involved in planning and the ministries as described in Appendix D.²⁰ The General Directorate

for Planning was also to be responsible for external borrowing as well as public administration in general.

In light of the discussion of development planning techniques, the national planning office, the General Directorate for Planning, was ideally located for Panama's situation. Not only had it the responsibility for preparation of plans for regional and metropolitan development, but the responsibility for preparation of the budget. Projects could be planned in terms of the budgetary requirements for implementation. Additionally, through a decree law in 1966, the General Directorate for Planning was empowered to negotiate public sector loans with international organizations, such as the Agency for International Development and the United Nations. This law gave the General Directorate for Planning the final approval on sectoral programs in the areas which would utilize this source of funding.

As with development programs in many emerging nations, Panama's initial efforts toward developing a national development plan were largely ineffective. As described in Chapter II, the two major problems experienced were in the length of time the plan was to include and falling short of projected targets.

The General Directorate for Planning prepared its first public investment program in 1961, which was designed primarily to obtain international financing for a number of public investment projects. This preliminary effort was never

implemented due to a lack of specific guidelines for development and funding. During 1962 and 1963, the plan was revised and expanded to cover 1963 to 1970 based on an aggregative approach without the necessary sectoral analysis or study of specific projects. As it became apparent that the planning period was too long for effectively projecting projects and targets, the plan was limited to include only a four year period, 1964 to 1967. In the analysis of this period, the General Directorate for Planning was concerned with the availability of projects, financing possibilities for the projects and the capability of the nation to execute the projects.²¹ As a result of a political development concerning the Canal, the plan was again revised to include only 1965 to 1967.

From a technical standpoint, the Panamanian planning function was well developed for development planning. Yet execution of the first public investment plan required four major revisions and a period of seven years in formulating the final plan which was to include only three years. A brief analysis of the plan shows that although some of its specific targets were attained through private investments, its final achievements were very limited, chiefly because public investments were only half of the projected figures. Moreover, while special emphasis was given to development of the agricultural sector in planning, in execution this high priority sector²² was relatively neglected as public investment was directed to housing and highways.²³

Planning Since 1968

The military coup by the Guardia Nacional in 1968 has resulted in the government being run by the Junta Provisional de Gobierno, with the real power in the hands of the head of the Guardia Nacional, General Omar Torrijos. The relative autonomy enjoyed by the Provisional Government provides even more power to the Executive Branch. Thus, under the present regime, development planning is even more dependent upon the desire of those with power to implement development plans.

The degree of development planning in Panama and its influence on the social and economic development of the nation, may be characterized by a high degree of centralization at the national level, through the Institute of Housing and Urbanism and the General Directorate for Planning and Administration. Additionally, various autonomous agencies and ministries have planning functions. While the responsibilities of planning functions for other political subdivisions, as outlined in Appendix E, there is little coordination between these levels and the national level.

The government's commitment to developing a viable national planning program was through the creation of an advisory Commission for Improving the Administration for Development, COFADE, in 1969. COFADE's function is to coordinate the activities that the National Government will perform in development in order to better the public administration in all of the agencies and at all levels of government. COFADE

izing on Panama's comparative geographic advantage, particularly through the expansion of tourism and of assembly plants for items shipped through the Panama Canal, as well as consolidation of the nation's position as an international financial center. As shown in Appendix K, the Strategy emphasizes a more intensive use of natural resources to increase exports--primarily copper, fish products and agricultural commodities.

The Strategy also places strong emphasis on the need for greater regional and social integration, not only to incorporate areas and population groups now virtually isolated from the nation's development, but also to check the extremely heavy migration to the metropolitan areas around the Canal. To this end the Strategy calls for large scale investment in infrastructural projects--primarily roads, education, health and housing facilities, and community development projects.

To supplement the long-range perspective plan, the General Directorate for Planning prepared in 1969 a public investment program for 1969 to 1971. This plan, Informe Economico, is intended as a short-range planning document in which specific projects are proposed in terms of financing and construction time. (See Appendix I) Informe Economico for the 1969-1971 period calls for substantial increases in the public sector outlays through an evaluation of the requirements in each of the principal economic sectors.

The government's commitment to betterment of the life of the common man, the compesino, is characterized by two

is organized to include eight members which represent not only national and municipal planning officials but also the various agencies responsible for planning. Thus, while the General Directorate for Planning remains the highest planning agency, the government has attempted to implement a national planning function through a coordinated effort of all agencies concerned with planning.²⁴

Using the experience acquired during the execution of the initial development plan (1963 - 1970), the General Directorate for Planning has prepared a Ten-Year Strategy for National Development, the Estrategia para el Desarrollo Nacional, 1970 - 1980 (See Appendix J). The Strategy acts as a long-range perspective planning document for national development and sets priority goals for the economy in the 1970's. The Strategy does not contain detailed sectoral or regional plans, nor growth models based on quantitative analysis. Although not explicitly stated, the idea behind the Strategy is to project an 8 percent average annual growth rate in Real Domestic Product, a figure which coincides with the average annual increases achieved in the 1960's. The strategy behind this very general goal being to project targets within the capabilities of the economic factors for growth.

Panama's development history has been plagued with a rising negative balance between exports and imports as the deficit of 113.9 Million Balboas in 1960 climbed to 201.6 Million Balboas in 1970,²⁵ displaying little evidence of self-sufficiency. The Strategy is aimed at reversing this trend through capital-

programs as outlined in Informe Economico, the "Renaissance of the District", and the "General Directorate for the development of the Community."

The "Renaissance of the District" outlines specific projects, costs and time schedules for revitalizing the frontier districts, or so called corregimientos. Specific elements of the program include:

1. Construction of roads from the districts to the major highways for transportation of agricultural produce to larger markets, at a cost of 26,400 Balboas;
2. Construction of five primary schools at a cost of 65,000 Balboas;
3. Construction of three community centers with sub-centers for health facilities at a cost of 26,400 Balboas;
4. Construction of fundamental water projects at a cost of 99,000 Balboas; and
5. Construction of four housing developments at a cost of 30,000 Balboas.

The "Renaissance of the District" demonstrates the governments desire to provide for the rural areas, projects that will provide infrastructure to induce the rural man to "stay on the farm." In the past, money was allocated to this area but was spent primarily on major highways, only to provide a greater reason for the rural migration to the capital.

Through the creation of the "General Directorate for the Development of the Community," has attempted to provide for the development of the communities on a self-help basis. The results have been the implementation of 85 projects, 42 educational programs and employment for 1500 persons. The

success of community development programs such as DIGEDECOR are vital to building confidence in planning.

Summary

The present planning efforts in Panama have to a large extent been guided by the responsibility the President has taken for using the power of his position to implement development planning. If "power" is defined as effective participation in making decisions about what the government does in planning matters, then until 1968 the power was concentrated in the hands of a small group of wealthy families whose position rested on a combination of land ownership, commerce and industry. The decisions of this "oligarchy" in the past were reflected in the ways in which they utilized the national planning agency for providing infrastructure primarily for the Capital, through heavily regressive taxing, a low level of social welfare legislation and extremely limited agrarian reform.

Conditions suggested that had not the coup occurred in 1968 development planning would have remained virtually unchanged. The lack of competition by the political parties has, in the past, dictated a policy of maintaining the status quo. While no major mechanical changes have occurred with respect to the planning documents or planning department--the change that has affected development planning is the commitment of the national government to utilize its power, particularly that of the President, to the benefit of the entire nation.

CHAPTER IV

CONCLUSIONS AND RECOMMENDATIONS

The relative youth and instability implicit in a revolutionary government, such as the Provincial Junta in Panama, poses a problem in terms of long-range prediction. The development planning which has been accomplished since the coup in 1968 should be evaluated based on the assumption that the past (short-range) accomplishments may not be indicative of future (long-range) trends.

Conclusions

In terms of the definition for development planning used in this report, the Junta government's commitment to "a deliberate and continuing attempt to accelerate the rate of social and economic progress" is witnessed by the sectoral programs, such as the creation of the General Directorate for Community Development, DIGEDECOCOM. Moreover, the Junta government has shown a desire "to alter institutional arrangements that are considered to block the attainment of the social and economic goals", through the establishment of the Commission for Improving the Administration of Development, COFADE.

Not only has the government accepted development planning as a means of greater economic growth, it has relied on the national planning agency, the General Directorate for

Planning, for monitoring the budget, administrative organization, and foreign assistance in relation to planning. Because of its influential position due to an apparent total commitment by the government, the General Directorate for Planning, has played a significant role in the development decisions made for the nation.

A brief review of the planning being done by the General Directorate for Planning in terms of a pragmatic approach reveals, a viable organization. The general machinery for planning has been developed through a succession of attempts at developing a national planning function. The location of the national planning office presents an optimal condition for formulation of plans for projects based on the potential for implementation within the national budget. Conversely, the Junta, has in the national planning agency, a viable organ for carrying out proposed programs which adds to its credibility as the supreme political force in the nation.

The two major planning documents, the General Strategy for Development (10 year perspective plan) and the Informe Economico (3 year short-range plan) are developed to present both the long range goals of the nation and the short range projects for each sectoral program. Both plans are the result of a number of prior attempts for one long range comprehensive plan. The General Directorate for Planning's major concern has been the formulation and implementation

of projects which are relatively short-range in nature and involve the citizen's support, as exemplified in the "Renaissance of the District" program. Moreover, the overall development strategy seems to be directed at the nation as a whole.

The key issue that arises is: Can the attainment of project targets be utilized as an adequate gauge of the actual benefits of the planning being done by the General Directorate for Planning? An important consideration must be the type of planning recommendations which are being made by the planning agency. It is difficult to determine to what extent the General Directorate for Planning is responsible for the recommended programs and to what extent the policy of the Junta government dictates the planning decisions that are being made. The results have been a comprehensive and ambitious program, of which the long-range consequences may prove less successful than the short range results or improvements.

First, while there have been investments in the rural areas of the nation, the major emphasis has been in the area surrounding Panama City. This concentration has not only tended to widen the income gap; the possibility of the construction of a new canal in Nicaragua or innovations in transportation may nullify the effects of planning in this area.

Second and more important, is the fact that the Junta government has been able to borrow large amounts of capital from International agencies, such as the Agency for International

al Development, which has been committed for construction of costly and long-term projects such as the International Airport and International Shipping Facility. The future cost of such projects in terms of significant returns is difficult to assess, due to the long period before completion and even longer before the nation can realize its investment.

This investment in long-range projects may prove to be of vital importance to planning in Panama. Due to the nature of the most revolutionary governments, the government tends to remain in power as long as it remains in the good graces of the people. In a situation such as exists in Panama, the possibility of a counter-revolution is possible if not probable if a significant portion of the population, or of those in power, become unsatisfied with the performance of the Chief Executive. While at the present time the Chief Executive is a "strong man" and holds most of the power in Panama, by the very nature of development and the programs that have been developed for the common man, the rise of a large middle class makes the possibility for discontent greater in the near future. The long-run consequences of the development program which is committed to spending as much as possible in every sector may find the government without funds and in a position of having to spend money for interest on loans rather than in the rural areas. The true test of the government's commitment may come when this choice is presented.

Recommendations

The problems of development for an emerging nation such as Panama are great and it is difficult to determine what the best course of action should be, however the following are offered as general recommendations:

1. A method should be implemented by the General Directorate for Planning which would provide for an objective analysis of the development program.

Little has been done in the area of developing hard and fast indices for such an evaluation based on a pragmatic approach to development planning. An interim solution may be to compose a United Nations team which would evaluate the development programs of those nations who are financed by international agencies.

2. While the General Directorate for Planning is reputed to be technically well staffed, there seems to be a lack of adequate manpower to conduct a national program on the scale proposed.

This shortcoming is caused in part by the public bureaucracy in Panama which pays extremely low salaries, even for trained professionals. Moreover, the bureaucracy lacks a merit system for employment which has meant in the past a virtually complete turnover of personnel with each new president. The past patronage practices have inflated the present governmental structure with a large number of botellas or non-essential positions which hinder the efficient operation

and coordination of the various agencies involved in planning. Finally, the relative unstable position of a military junta causes concern for a professional in the agency which is directly responsible to the President. The establishment of a system directed at the problems stated above would allow for payment of substantially higher salaries to competent professionals and cure many of the bottlenecks and breakdowns in communications caused by incompetent administration.

3. Of equal concern is the development of a program to additional professionals and paraprofessionals in the field of planning and administration.

Panama has an excellent opportunity to develop professionally trained planners at the University of Panama. The University presently offers undergraduate courses in architecture, engineering, and the social science, which could be developed into an interdisciplinary program in planning. The instructors at the University have taken an active role in planning as most have private practices. Additionally, the instructors in architecture have developed three undergraduate courses in planning at the present time.

The government has encouraged professionals with professional degrees in related fields, such as economics, to attend short courses such as that offered at the Weizman Institute of Science in Rehobot, Israel.

A comprehensive study of the fields of economics, sociology, political science, management, law, engineering and architecture should be made to determine both the number

of professionals available for a program of continuing education in the field of planning and to determine which of these fields will have the greatest leverage in implementation of plans in Panama. A program in continuing education may also be used to provide for technicians or paraprofessionals.

The results of this study find the present Junta government totally committed to a course of action that includes development planning as a major means of achieving their goals. Moreover, the Junta inherited a national planning organization and a national planning document which had been developed through trial and error to the point to being viable tools given an atmosphere willing to utilize them. The initial results of the projects initiated by the General Directorate for Planning have proved a program designed to provide both industrial development and development of the situation of the common man. The real test of the development planning will not be measured in terms of these short-term achievements but by the long-range consequences of the planning decisions that are being made today.

A clear definition of the national government's objective is essential as without it planning projects are likely to be arbitrarily chosen. Thus, the major concern of the General Directorate for Planning, in the future, will be to encourage the Junta government to commit themselves more deeply to development planning so that projects chosen will be coordinated toward a common national goal. This will place

the burden on the General Directorate for Planning for development of a program which will not only satisfy the immediate short-term requirements of the government, but will provide a basis for sound, long-term national development--the foundation upon which the government will build support from the Panamanian people.

NOTES

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²Jack Usher Mowell, Manual for Regional Development Planning In Panama, (Republic of Panama, 1968).

³For references see: Raymond Duncan, "Education and Political Development: The Latin American Case," The Journal of Developing Areas, (January, 1968), pp. 187 - 210; Peter Oberlander, "Planning Education for Newly Independent Countries" The Journal of the American Institute of Planners, (October, 1971), pp. 39 - 50; R.D. Peterson, "Some Reflections on Conducting a Foreign Student Training Course," The Journal of Developing Areas, (January, 1968), pp. 167 - 186; and Henry Steadman, "Some Questions about National Education Investment and Economic Development," The Journal of Developing Areas, (October, 1971), pp. 51 - 62.

⁴For references see: John Friedmann, op. cit.; Albert O. Hirschman, Development Projects Observed, (Washington, D.C., The Brookings Institute, 1967); Arthur W. Lewis, Development Planning, (New York: Harper and Row, Publishers, 1966); Lloyd Rodwin, op. cit.; Albert Waterston, Development Planning: Lessons of Experience, (Baltimore, Maryland: The John Hopkins Press, 1962).

⁵The concept of "diagnosis before treatment" is developed in: Patrick Geddes, Cities In Evolution, (London: Williams and Norgate, Ltd., 1949), pp. 109 - 123. The concept that the plan must be preceded by a groundwork of facts is more fully developed in: Wolfgang Stolper, Planning Without Facts, (Cambridge, Massachusetts: Harvard University Press, 1966).

⁶Stolper, op. cit., p. 2.

⁷Albert Waterston, op. cit., found in a study of 100 nations that in Asia, every country but one had a development plan. Only Ruanda, among Africa's independent states, had not formulated a development plan, and in Latin America, in compliance with Alliance for Progress requirements, all nations had formulated development plans of some sort.

⁸The innovative role the planner can play is discussed in greater detail in: Guy Benveniste, Bureaucracy and National Planning, (New York-Washington-London: Praeger Publishers, 1970); and John Friedmann, "Education and Political Development: The Latin American Case," The Journal of the American Institute of Planners, (Vol. XXXII, No. 4, July, 1966), pp. 194 - 204.

⁹Albert Waterston, op. cit., p. 43.

¹⁰United Nations, Department of Economic and Social Affairs, "Problems and Policies in the Development Decade," World Economic Survey, 1964: Part I, World Economic Trends, Economic Planning and Projection, Development Plans: Appraisal of Targets and Progress in Developing Countries, (E/4046), p. 8.

¹¹Albert Waterston, "A Pragmatic Approach to Planning," Development Digest, (Vol. VI, No. 4, October 1968), p. 11.

¹²The concept of "good planning being effective planning" is discussed in greater detail in: Alan Altshuler, The City Planning Process, (Ithaca and London: Cornell University Press, 1965), p. 402.

¹³Adepoju Gabriel Onibokun, "Urbanization In The Emerging Nations: A Challenge for Pragmatic Regional Planning," (Center for Urban and Environmental Studies at Rensselaer Polytechnic Institute, Troy, New York). (Mimeographed)

¹⁴Albert Waterston, "A Review of Planning," Development Planning, (Vol. IV, No. 1, April 1966), p. 16.

¹⁵Characteristics of "transitional societies" are described in: John Friedmann, Regional Development Policy, op. cit., p. 7, and Leonard Reissman, The Urban Process, (New York: The Free Press, 1964), pp. 223 - 224. The theory of the development of underdeveloped nations is discussed in: Celso Furtado, Development and Underdevelopment, (Berkeley and Los Angeles: University of California Press, 1964), and Gideon Sjoberg, "Cities in Developing and in Industrial Societies: A Cross-Cultural Analysis," The Study of Urbanization, Philip M. Hauser and Leo F. Schnore (ed.), (New York-London-Sydney: John Wiley and Sons, Inc., 1967).

¹⁶Direccion General de Planificacion y Administracion de la Presidencia, Informe Economico, (Republic of Panama, 1970), p. 125.

¹⁷Direccion General de Planificacion y Administracion de la Presidencia, Estrategia para el Desarrollo Nacional, 1970-1980, (Republic of Panama, 1970), p. 24.

¹⁸Ibid., p. 24.

¹⁹The Institute of Housing and Urbanism has offices located in Colon, David, La Chorrera, Santiago and in Panama City suburbs of San Migualito, Juan Diaz and San Isidore. In addition the main office is located in Panama City.

²⁰Various autonomous agencies, as shown in Appendix E, have the responsibility for formulation and implementation of development plans for different sectors of the economy. The Institute for Economic Development, IFE, is responsible for administering agricultural loans and development programs. The Institute of Hydraulics and Electricity, IRHE, is responsible for providing electricity to the metropolitan areas not supplied by private utilities and providing electricity to the interior of the nation. The Institute of Water Supply and Sewerage, IDAAN, is responsible for constructing water supply lines to the nations. The many planning agencies responsible for planning results in much duplication of effort without close coordination.

²¹Inter-American Development Bank, Socio-Economic Progress In Latin America, Social Progress Trust Fund Sixth Annual Report, 1966, (Washington, D.C., Feb. 28, 1967), p. 316.

²²Foreign Area Studies Division, The American University, Area Handbook for Panama, reports that while 53 percent of the population was engaged in agriculture, this sector produced on 27 percent of the Gross Domestic Product.

²³Inter-American Development Bank, Socio-Economic Progress In Latin America, Social Progress Trust Fund Eighth Annual Report, 1968, (Washington, D.C., Feb. 28, 1969), p. 250.

²⁴The power the executive branch can wield in terms of the planning function is seen in the change in the relative responsibilities of the Institute of Housing and Urbanism. While IVU's initial function was to prepare a national development plan for the metropolitan areas of the nation, due to an attempt within the agency to award the contract for preparation of these plans on patronage. As a result IVU has been assigned the task of renovating the slums in the Capital.

²⁵Direccion General de Planificacion, op. cit., p. 19.

APPENDIX

APPENDIX A

Listing of Professionals Interview in Panama

Jose Sokol - Subdirector of the National Office of Planification, Educational Background, B.S. in Economics.

Pedro Salazar - Chief of Regional Planning, National Office of Planification, Educational Background, Masters of Urban Geography.

Antonio de Leon - Chief Planner, Institute of Housing and Urbanism (IVU), Educational Background, Masters of Community Planning.

Jorge Riba - Private Consultant and President of the Panamanian Institute of Planners, Educational Background, Masters of Community Planning.

Jack Holt - Urban Planner, Panama Canal Company, Educational Background, Masters of Community Planning.

Isaac Mizrachi - Owner, COPAN Architectural-Planning Firm, Educational Background, Masters of Science in Architectural Engineering.

Carlos Luzuriaga - Specialist, Social Development Studies and Programs, Organization of American States.

Stephen Kocsis - ex-Peace Corps Volunteer in Panama. Regional Planner with the General Directorate for Planning and Development.

APPENDIX B

TABLE I: POPULATION AND POPULATION
DENSITY IN PANAMA, 1911-1969

Year	Total Population (thousands)	Density (persons per kilometer ²)	Urban Population(1000) ^a	
			Total	Province of Panama
1911 ^b	336.7	4.5		
1920	446.1	6.0		
1930	467.5	6.3		
1940	622.6	8.4		
1950	805.3	10.8		
1960 ^c	1,061.6	14.3	437.5	282.8
1961	1,094.0	14.8	458.0	298.0
1962	1,129.7	15.3	480.3	314.5
1963	1,167.3	15.7	503.9	332.1
1964	1,204.1	16.3	528.0	350.2
1965	1,245.9	16.8	554.1	369.7
1966	1,286.7	17.3	580.6	389.8
1967	1,328.7	17.8	608.3	410.8
1968	1,372.2	18.5	637.2	432.8
1969	1,417.1	19.0	667.3	455.8

^a Data not available for 1911-1950.

^b Direccion de Estadística y Censo, Cuadro 2
"Poblacion Total y Densidad de Poblacion de la
Republica, por Provincia," Panama en Cifras,
3rd edition, p. 11. (1911 - 1950)

^c Republica de Panama, Presidencia de la Republica,
Direccion General de Planificacion y Administracion,
Departamento de Planificacion, Informe Economico,
"Poblacion Anos: 1960 - 1969", p. 125.

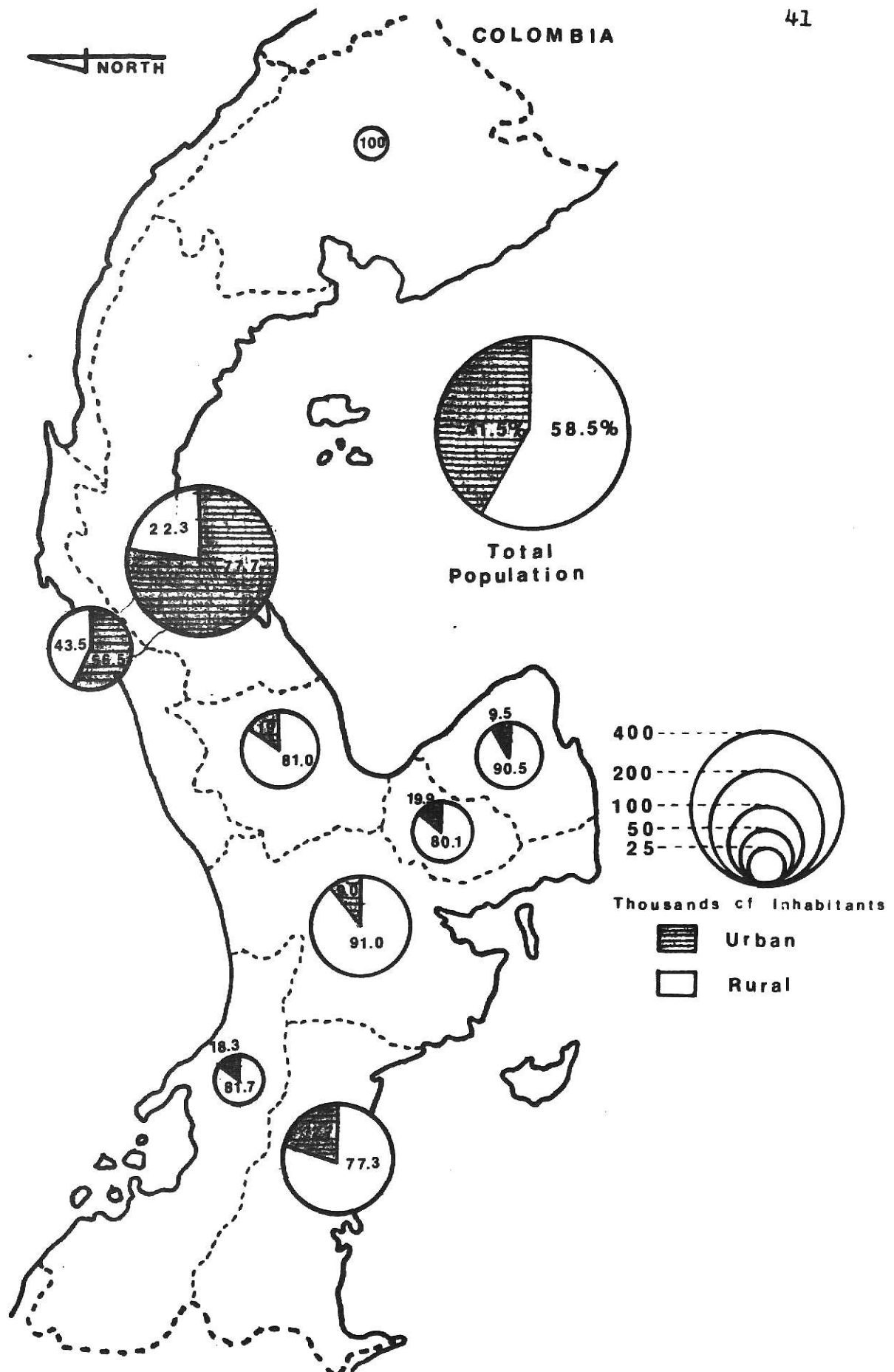


Fig. 2. Map of Panama showing the urban and rural population.

APPENDIX D

Administrative Structure of the Government of Panama

Panama is a republic with a unitary form of government. It has three branches of government, Executive, Legislative, and Judicial, with the Executive being by far the most powerful. The Executive Branch functions to direct and administrate the Panamanian State with the indispensable cooperation of the Ministries of the State. These Ministries include: Agriculture and Livestock, Public Works, Commerce and Industry, Education, Foreign Affairs, Government and Justice, Treasury, Health and Social Welfare. Additionally, there exist twenty autonomous entities which assist the Executive Branch. (See Figure 3)

Constitutionally, the President is elected popularly, and serves a term of four years in office. Traditionally, this group has been Panama's "oligarchy". At the present time, the President is appointed by the Junta Provisional de Gobierno, (the Provisional Government), while power rests in the hands of the head of the Guardia Nacional, (National Guard), as a result of a military coup immediately after the 1968 Presidential election.

Both the Legislative and Judicial Branches play an important role in Panamanian government, but are subordinate to the Executive initiative. The Legislative Branch functions to formulate the necessary laws for the fulfillment of the ends and exercise functions of the Panamanian State declared

in the National Constitution. The Judicial Branch functions to administer justice to the Panamanian State in Civil, Labor, Penal, and Constitutional cases through jurisdictional action marked in the Magna Carta and the Laws of the Republic.

Three additional bodies, the Electoral Court, the Comptroller and the Attorney General, aid in the execution of government, the Comptroller to the President, the Electoral Court to the National Assembly, and the Attorney General to the Supreme Court.

The Electoral Court's function is to guarantee the liberty, honesty and efficiency in the exercise of political rights, and to direct, and protect all of the tasks of the electoral process and interpret and apply the legal dispositions on electoral matters. The Comptroller's function is to regulate and protect and control the movements of the Public Treasury; examine, check, revise and intervene in the accounts of the same. Additionally he must formulate the national statistics. The Attorney General's function is to represent and defend the interests of the State and Society before the Supreme Court. Such representation effectuates itself at the levels of the Supreme Court of Justice, Superior Tribunal Courts and Circuit and Municipal Courts.

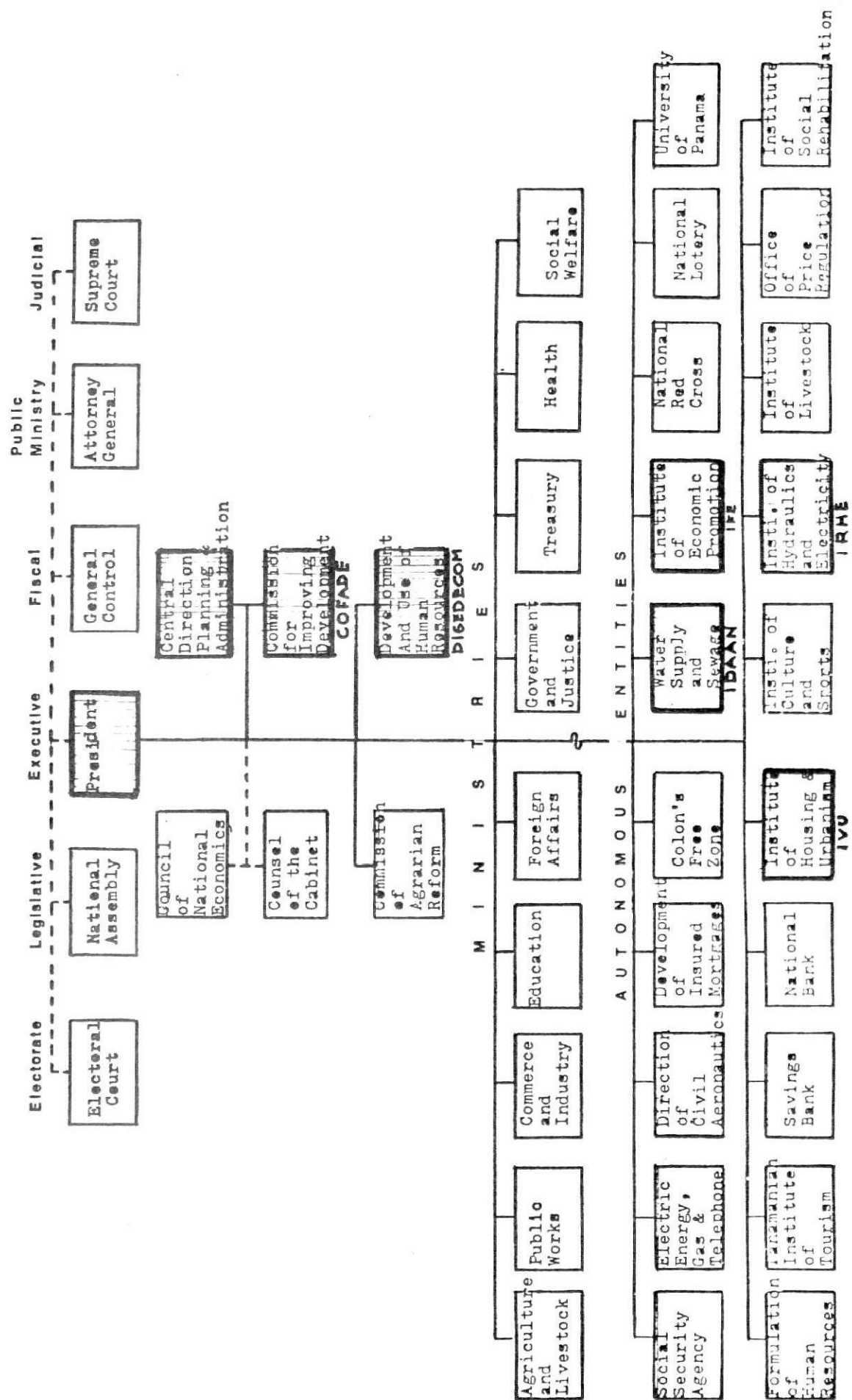


Fig. 3. Organisation of the Government of Panama

APPENDIX E

Political Subdivisions of the Republic of Panama

The Principal administrative subdivisions of the nation are nine provinces. In addition, one special territory, the Comarca de San Blas has been set aside as a special area for the Cuna Indians. The provinces (but not the Comarca de San Blas) are subdivided into 62 districts. Districts occupy delimited and continuous areas, while their subdivisions have no formal boundaries. These subdivisions, called corregimientos, are created or eliminated by the Municipality, and number 438.

TABLE II
POLITICAL SUBDIVISIONS OF PANAMA^a

Province	District	Corregimientos
Bocas del Toro	3	15
Cocle	6	38
Colon	12	87
Chiriqui	5	34
Darien	2	18
Herrera	6	33
Los Santos	7	63
Panama	10	83
Veraguas	11	67
TOTAL	62	438

^aSource: E.J. Castellero, Panama: Breve Historia de la Republica, p. 22.

Provincial Government. Each province is governed by a Governor who is appointed and removed by the President through the Ministry of Government and Justice. As such the Governor is the chief public official in the province, and



Fig. 4. Map of the Provinces of Panama

acts as the Executive's representative to the Municipalities and the territory which the province includes.

The Governor's responsibilities and authority within the province include:

1. Maintaining the Constitution of Panama, laws, statutes and Executive decrees and resolutions in the province.
2. Directing the administrative actions of the province to include removal or appointment of administrative personnel.
3. Maintain order in the province and the rest of the republic.
4. Act as a Justice to interpret the law.
5. Provide instruction to Mayors in the correct execution of Executive orders.

Municipal Government. The Municipality is the political organization of the local community, which is capable of maintaining government. The Municipal government has essentially an administrative character and must cooperate with the National government in every respect. The district is the territory which is responsible to the Municipality.

Each district has an appointed municipal council, whose membership is determined by law according to the population of the district. The responsibilities of the Municipal Council include:

1. Construction, conservation, and betterment of the plazas, parks and public boulevards.
2. Construction of markets, slaughterhouses and public cemeteries.
3. Authorizing contracts for concessions for municipal services, for the construction and execution of work

prepared for the good of the Municipality.

4. Execute legal actions in defense of the Municipality.
5. Expedite the budget for municipal rents and expenditures, keeping in mind the projects which the mayor of the districts present.
6. Regulate the use, taxes, rent, selling and condemnation of property which is found within the area of public land.

District Government. The authority in each district is exercised by a functionary appointed Mayor, who is the chief of Municipal Administration. As a public servant he must complete agreements and Municipal resolutions and laws, as well as legal orders of a national character which affect the Municipality. The Mayor is also responsible for the following:

1. Promotion and advancement of the community and to insure that all of the branches of the municipal administration function in an orderly and regular manner.
2. To act for the public in matters of land transaction and to act in the benefit of the development (orderly) of the district.
3. Sanction, promulgate, object to, or veto municipal agreements.
4. Cooperate with the maintenance and development of the economic interests of the respective districts.

It should be noted that while the responsibilities and authority of the chief executives for provinces, municipalities and districts are well developed, the real power is in the National government.

APPENDIX F

Historical Antecedents of Planning in Panama

The earliest record of any planning which the Panamanian government sponsored is in a 1928 law, Law No. 47, which required submission of plans for inspection of all proposed construction in the Capital city and the Capital cities of each province. This plan review being an effort to maintain the integrity of the wealthier sections of the major cities. In 1934, such regulation was reinforced by a Municipal agreement which attempted to regulate the construction in the District of Panama. Both of these effort were unsuccessful.

In 1940, a Viennese planner, Karl H. Brunner was commissioned by the Government of Panama to produce a scientific study of planning in Panama. Brunner's study focused on the metropolitan areas of Panama, specifically the Urban Pattern, Opening and Regulation of Thoroughfares, Areas of Extension and Urbanization and Zoning.

In 1944, Law No. 54 established the Bank of Urbanism and Rehabilitation (B.U.R.). During its first five years in existence it constructed 1,500 new dwellings, published twenty-two documents, obtained the services of experts in the field and emphasized the need of planning as an administrative function of the government.

In 1947, the National Economic Council was created as an advisory planning organism to the Chief Executive and the

National Assembly. The National Economic Council failed to produce any integrated national efforts for the utilization of the resources of the nation due to a lack of personnel familiar with the needs of planning and economic development.

In January, 1953, Law No. 3 created the Economic Development Institute (Instituto de Fomento Economico, IFE), to "...plan, increase, diversity and rationalize the production of the national economy." IFE had the advantage of being autonomous in character and situated at the National Level. While its initial accomplishments included areas of housing and commerce, its emphasis then and now is on agriculture.

In 1954, Panama once again used the services of experts in the field of planning, through a technical mission from the Organization of American States. The OAS mission developed many recommendations for the physical development of Panama.

Law No. 17 of January, 1958, created the Institute of Housing and Urbanism (Instituto de Vivienda y Urbanismo, IVU). IVU assumed the housing and urbanization responsibilities of IFE. While concerned initially with public housing, its present concern is with urban renovation of the slum areas of the major cities.

Law No. 12 of June, 1959, created the General Directorate of Planning and Administration (Direccion General de Planificacion de la Presidencia). It is the General Directorate's responsibility for planning for the national, economic, and social development.

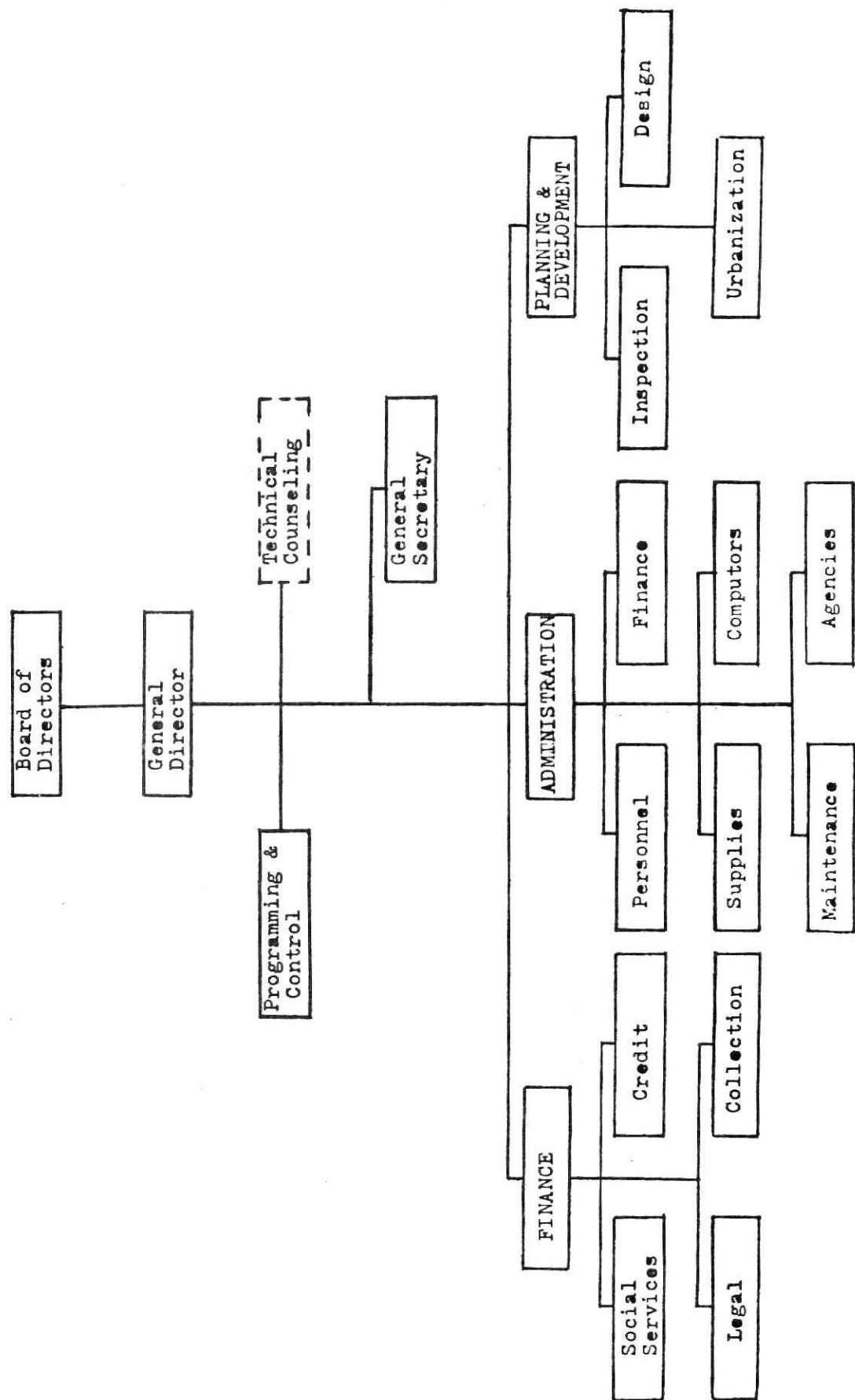


Fig. 5. Organization of the Institute of Housing and Urbanism

APPENDIX H

Organization of the
General Directorate for Planning and Development

The General Directorate for Planning and Development, the national planning agency, has as its main function to coordinate, direct, cure and advise on planning matters for the president.

The General Directorate for Planning is organized, as shown in Figure 6, into the Commission for the Interdisciplinary Studies for the Development of the Nationality and the Departments of Planning, Budgeting, Administrative Organization, and Personnel. The function of each are outlined in the Manual de Organizacion de Gobierno de Panama as follows:

The Commission to the Interdisciplinary Studies for the Development of the Nationality functions as a body formed of specialists in the social sciences and culture organized to formulate and plan the development of the Panamanian nationality in its social, human, cultural and institutional aspects. This commission occupies itself with the extra-economic aspects of the Panamanian man indispensable to the process of development, so that development will be harmonious to the historical, social and ecological problems of the nation.

The Department of Planning functions to advise the executive and other bodies of the State on the matters which concern the economic and social development of the country. To conduct studies and prepare periodical analysis over the private sector of the economy with the purpose of determining the form by which these activities take effect or are effected by the economic program of the government. It is responsible for the preparation of a National Development Plan as well as Regional Development Plans as are deemed necessary.

The Department of Administrative Organization is responsible for general direction over matters concerning the administrative organization of the government and to effect special

studies for reorganization methods and recommended the best means for implementing the same.

The Department of the Budget is responsible for the preparation of the Annual Budget and in administration of all aspects of said budget.

The Department of Personnel Administration is responsible ~~for~~ the administration of all matters concerning personnel of Panama, including regulation of incomes, rights, duties, privileges, moves, increase and decrease in salaries, discipline, and termination of duties.

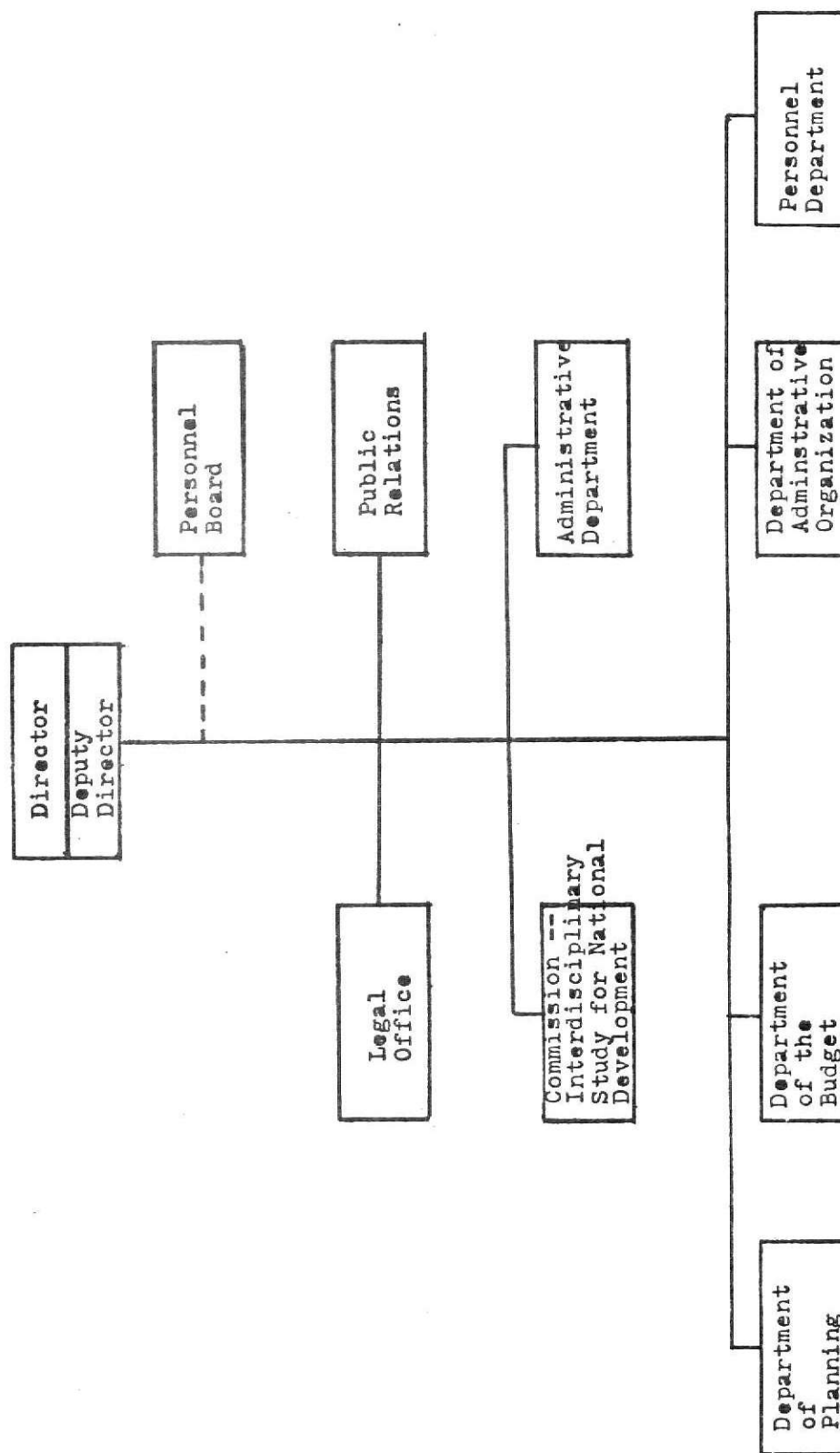


Fig. 6. Organization of the General Directorate for Planning and Administration for the President of the Republic.

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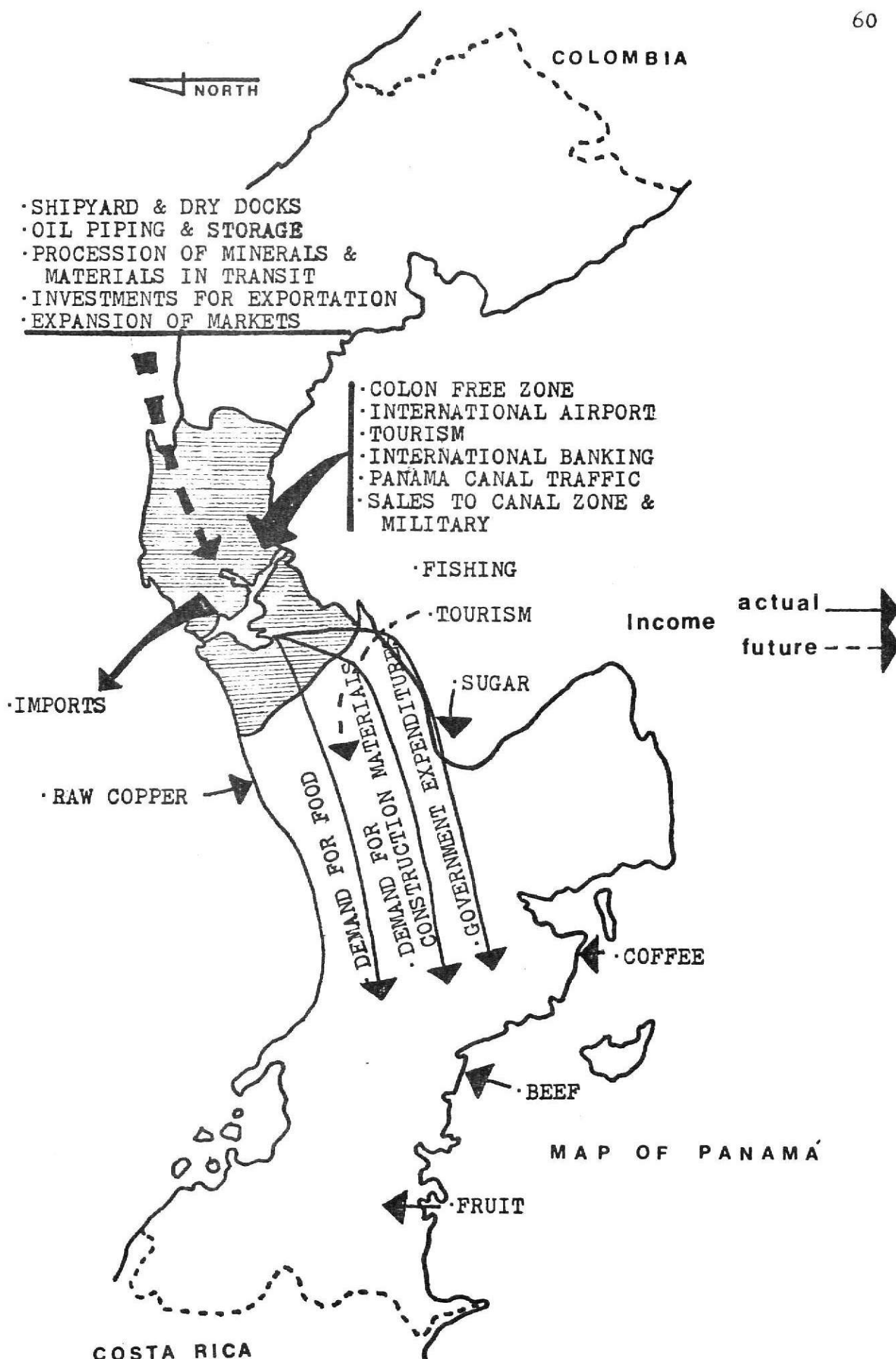


Fig. 7. Map of the actual and future income of Panama.

APPENDIX L

Scope of Proposed Urban Planning Program
for Panama--Institute of Housing and Urbanism

A. OBJECTIVE

The Government of Panama is initiating a program designed to develop urban plans and urban planning institutions for its major cities.

The main objective of this program is to provide guidelines for urban public improvements and encourage private investment. Under this proposal the Government of Panama with technical assistance will develop urban master plans, implementation tools, procedures and techniques, and effective staff capability for a continuing urban planning and development program. Four urban areas - Panama-La Chorrera, Colon, Santiago, and David - have been selected as pilot efforts, providing models for the other cities in Panama to follow.

Concurrently with the development of the urban plans, the Panamanian planning personnel will receive training through (1) in-service exposure to the contractor personnel and (2) lectures and seminars given by the contractor personnel. In addition, but outside the consultant contract, it is anticipated that training will be administered at universities in Panama and possibly in the United States.

The Urban Planning Program will be integrated with the National Economic Development Plan and assumptions about the future development of the regions surrounding

each city.

Design norms for the urban centers of Panama will be provided.

Good planning practices for municipal government will be established and institutionalized.

Citizen and civic group interest and participation in the planning process is to be encouraged to enable urban planning to emerge as a clearly local democratic process.

The capability of private Panamanian consulting firms is to be improved through their use, to the extent possible, in this program.

B. REGIONAL ASSUMPTIONS

Assumptions for the year 2000 and 1980 about the economic, social and physical development of each of the three regions (see Figure 7) are to be made to provide a frame of reference for the planning of each of the urban areas. The regions are:

- a. The Western Region (David)
- b. The Central Region (Santiago)
- c. The Metropolitan Region (Panama City, La Chorrera and Colon)

The regional assumptions are to be integrated with the National Economic Development Plan of Panama. However, analyses should not be carried beyond the level of detail in the NEDP, nor original research undertaken.

C. THE URBAN MASTER PLAN

A master plan for each of the urban areas is to be

prepared based upon target dates of 1980 and the year 2000 and appropriately related to the assumptions about the future development of the region and the national economic development plan. The Planning area limit for each urban area is to be large enough to assure the broadest consideration for alternate growth patterns. The following steps are required in the development of each plan:

1. Inventory

An inventory is to be taken of all pertinent physical, social and economic data and mapped, charted and recorded as necessary.

2. Projections and Forecasts

Projections and forecasts of economic, social and physical data about each area are to be made for 1980 and the year 2000.

3. Goals, Principles and Norms

Urban goals, principles and norms of good planning and development practice are to be established in each urban area. These may vary for they should represent the attitudes and approaches of the people of each urban area and best solve their needs. Some norms may appropriately be established on a country-wide basis.

4. Analysis

The collected data and the projections and forecast for future development related to goals, principles and norms are to be analyzed to provide a basis for plan formu-

lation. The form of the urban area and alternates as to population density and land use patterns are to be evaluated in terms of economic and social costs to provide a basis for preparation of alternate plans.

5. Alternate Plans and Policies

At least two sketch plans are to be prepared representing divergent goals and policies (i.e. different population densities, transportation policies, industrial locations, etc.)

These alternate plans are to be presented to municipal planning commissions and councils for public review, amendment, and selection prior to further detailing and finalization of a single plan by the technical staff.

6. The Master Plan

The Master Plan is to be general and not precise. It is longrange and comprehensive. Two time spans are to be built into the plan, that is 1980 and the year 2000. The Master Plan will include the following interrelated elements.

- a. Land Use
- b. Population density and Building intensity
- c. Circulation
- d. Transportation
- e. Utilities
- f. Public Facilities
- g. Conservation and Civic Design

D. PLAN IMPLEMENTATION TOOLS

The plan implementation tools should provide for as many private options and as much variation in taste as possible without causing problems for adjoining properties or increasing cost to all urban tax payers. These should include, but not limited to:

- a. Development Regulations
- b. Performance Standards
- c. Circulation Regulations
- d. Building and Housing Code
- e. Capital Improvement Program
- f. Annual Budget

E. ORGANIZATIONAL STRUCTURE

The basic objective of the program is to develop within the municipal organizations, the personnel, the organizational relationships and the procedures for maintaining and effectuating the plans, once they are developed.

The plans, therefore, must be developed for the municipalities as clients, the municipal governments must be actively involved in the program from the beginning, and the development of personnel, relationships and procedures must be integral with the development of the plans.

Procedures must be developed which will assure that the municipality will have the power to coordinate national as well as local and private developments within its boundaries. It must be provided with adequate professional

planning assistance, either from staff personnel, IVU personnel or private consultants.

F. EDUCATION AND TRAINING

A major objective of the program is the training of urban planners who will provide technical assistance to the municipal governments after the comprehensive plans have been completed. This will be accomplished in three ways:

The consultants will be required to conduct formal training exercises for their local employees in addition to the experience that will be gained from participation in the programs. Outside the consultant contract, courses will be organized at the University of Panama to supplement the in-service training, and individuals will be sent to the United States for graduate university study in planning and related fields.

Training programs will also be developed for city councilmen, planning commissioners, architects, engineers, entrepreneurs and interested citizens. These will be conducted wherever necessary to develop the knowledge and appreciation of planning on the part of all affected individuals which is required to institutionalize it in the municipalities.

G. TIMING

The urban planning program is to be carried out over a three-year period, subdivided approximately as follows:

Regional Assumptions	2 months
Urban Plans	16 months
Implementation Tools	6 months
Plan Implementation	12 months

H. THE ROLE OF THE CONTRACTOR

The contractor will provide a technical assistance team, professionally qualified and experienced in city and metropolitan area planning and to the extent possible, familiar with the Spanish language. This team will work closely with Panamanian counterparts in the development of the program and will also be responsible for an in-service training program.

I. THE ROLE OF THE G.O.P.

The Instituto de Vivienda y Urbanismo will administer the project, provide technical supervision and coordinate the programs of other government agencies with the local plans as they are developed. The G.O.P. (Planificacion, IVU, IDAAN, Obras Publicas and the municipalities) will provide all the necessary draftsmen, clerks and secretaries; office space and equipment; automobiles and other necessary equipment and all printing and publishing costs.

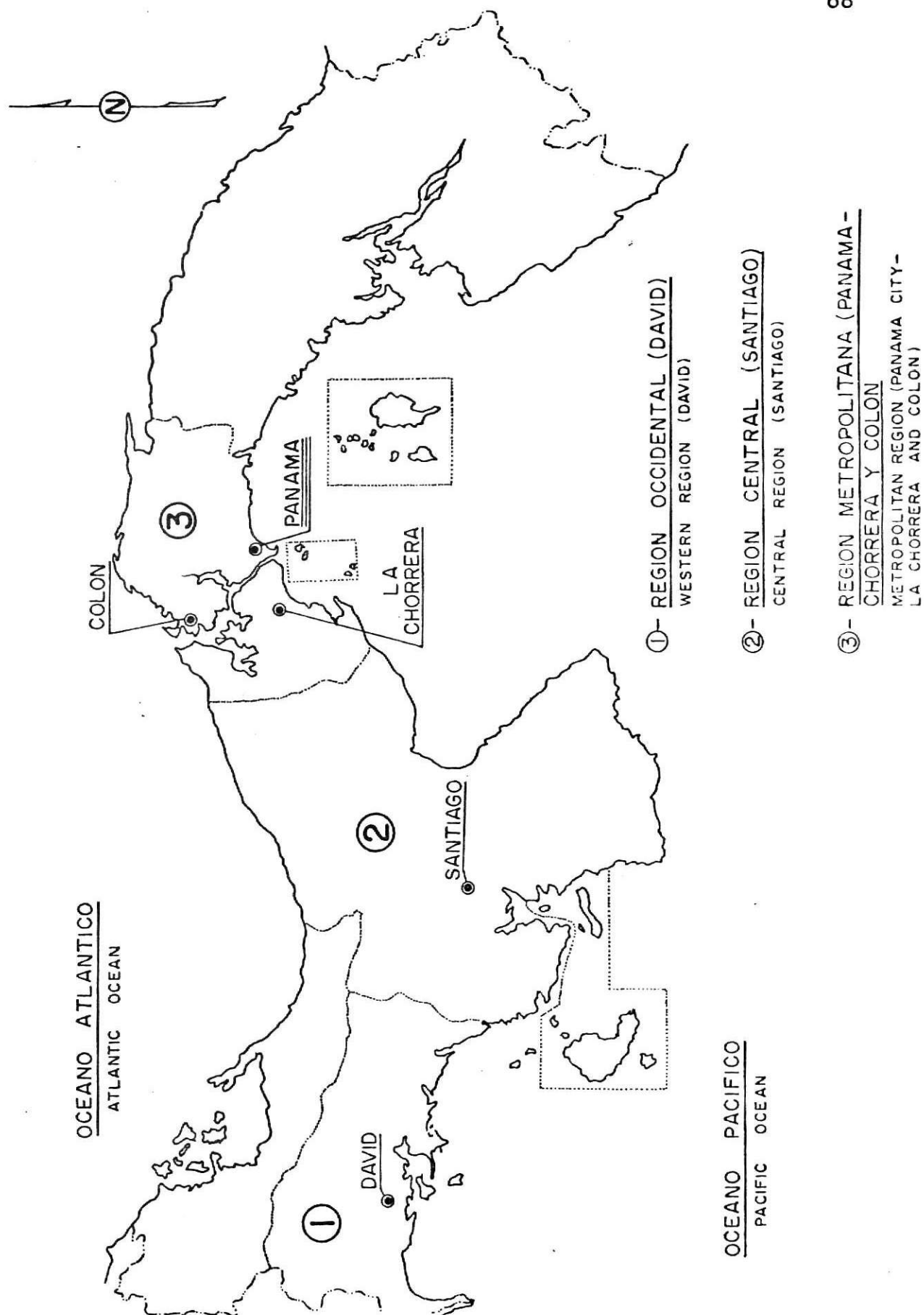


Fig. 8. Map of Planning Regions in Panama

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THE ROLE OF DEVELOPMENT PLANNING IN EMERGING NATIONS
A CASE STUDY OF THE REPUBLIC OF PANAMA

by

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AN ABSTRACT OF A MASTER'S REPORT

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requirements for the degree

MASTER OF REGIONAL AND COMMUNITY PLANNING

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The emerging nations of the world have experienced both rapid industrial growth and the accompanying urbanization. In response to both forms of growth governments have, in their initial efforts, relied on professional consultants from the more developed nations to assist in planning the nation's development. While many of the problems that have resulted from development are the same as those experience in developed nations, the emerging nation is faced with a number of additional problems which require a special approach to planning--development planning. Unfortunately, many nations have relied on the formulation of a development plan as an "end" rather than a "means" to development.

Today's planner in emerging nations sees his role as more than that of a technician who formulates a plan--he sees in his role the responsibility for implementing the plan. To this end, plans are formulated only after giving consideration to the political will to implement them and the administrative capacity for achieving plan targets. Thus, while the basis for development planning is economic growth, it must also involve qualitative change of social and political conditions to achieve the desired growth.

This report analyzed the planning which has been done in the Republic of Panama in terms of a "pragmatic approach which reflects the situation "as it is", rather than how it "ought to be" based on a strictly theoretical basis.

Development planning in Panama faces certain social,

economic and political conditions, such as the concentration of the majority of the nation's assets in the capital, Panama City, which has acted as a magnet for a mass migration from the rural areas. This migration has not only overcrowded and overtaxed the infrastructure of the city, but has drained the rural areas both quantitatively and qualitatively. The result of this imbalance has been a national development program concentrated only in one small area.

The effectiveness of development planning in Panama has been analyzed in terms of two major political periods: planning prior to the military coup in 1968, and planning since the coup gained power. Planning prior to 1968 went through an evolutionary process which resulted in the planning structure which exists today. However, not until after the Junta government gained control in 1968 were any significant results toward national development experienced. The planning that has been accomplished since 1968 has been significant in terms of a total commitment by the Junta to the recommendations of the General Directorate for Planning, the national planning agency. While the short-range projects have proven successful, it is hard to assess the long-range consequences of development planning due to the relatively brief period the Junta has been in control of the government.