



Planning Prosperity —or Poverty

STEPHEN MARTIN

A PUBLICATION entitled *Perspectives of Planning*, issued by the Organisation for Economic Co-operation and Development, and covering the discussions and papers read at a conference at Bellagio, contains some disturbing factors for those who believe that overhead planning is the ultimate in a good society.

A declaration issued by this conference states: "We the participants of the O.E.C.D. working symposium on long range forecasting and planning, having discussed the importance which the subject may have at the present stage of social crisis, feel compelled to put forward our views on the potentials of planning as a method of approach to solving many contemporary problems. Planning must cope with new situations, devise new institutions, new possibilities of quantitative analysis, and simulation of complex dynamic systems, using the computer to greatly extend our capabilities."

In a synopsis of proceedings by Erich Jantch it says that early in the discussions, divergencies of opinion and interest caused lasting and deep embarrassment among those taking part. The proposed general notion—that a first step which elicits creative response from individuals cannot be wrong—was not endorsed by the majority of the participants. Yet surely, acceptance of this principle lies at the root of any collective planning, be it voluntary or authoritarian? In point of fact it is the rock on which all planning must perish or survive according to its realistic contribution to social progress.

Another difference of outlook revealed by Mr. Jantch, was on the necessity to take all social planning directly to the people, and the time-lags this involved. It finally led to a discussion of leadership. No one could agree who should be the leader—the creator of new and inventive ideas, or somebody who merely opens a valve and brings the potential of a given situation into play. Obviously, they recognised that "oil and water" cannot mix.

Salvador de Madargia of Oxford, in a paper entitled *Planning for Freedom*, tried hard to solve the conflict between individual freedom and collective responsibility. He concluded that the problem was, "How do we ensure that the planner will adequately incarnate the common interest in all its complex aspects, beauty, as well as health, traffic, finance?" There was no answer to this question, he said. "The idea that such problems may admit of hard and fast, ready-made solutions, belongs to that mechanical attitude we are struggling against."

Other papers dealt with programme budgeting, cost and systems analysis, and allocation of resources. But one on *General Theory*, by Hasan Ozbekhan, Director of Planning System Development Corporation of Santa Monica, is of particular interest. In a wearisome 108 pages he dwells at length on the metaphysical aspects of planning. At times his phraseology is almost unintelligible, for example "... various interrelationships arise in planning in regard to the on/for or action/purpose synergies," and "... closed planning is mechanistic and deterministic, at higher levels it consists of non-deterministic human action." Then: "Teleological behaviour, namely purpose-controlled feed back" and "love, the phenomenon of social bonding," he asserts are essential factors in planning. Then he gets to grips with reality.

"Over-population in Latin America, Africa, India or China is a worldwide problem, with consequences everywhere. Similarly our manner of allocating and distributing resources, namely, the whole economy of the world is something which requires entirely new policy ideas, because any imbalance in one locality will have large consequences throughout the system. We must seriously put to question our accepted notions about the operation of markets, of the relationship between income, work, and production, of the concepts of means of exchange and purchasing power on which our economic system (but especially our system of distribution) is built. We must think through and develop *all the needed enforcing institutions* and readjustments that are required to bring the entire sociology of the world into balance." Being a planner he proposes the setting up of "look-out institutions equipped with every *interdisciplinary talent* that is needed to reverse emerging or future ecological



imbalances, and to formulate and recommend, policies to put right any impending dissonance." In other words the establishment of an all-powerful authority to control the lives of all humanity throughout the world so that any

threatened changes of habit and outlook can be dealt with and disciplined as soon as they appear likely to affect the consummate plan.

Mr. Ozbekhan also asserts that "technologically we have the power to abolish poverty; to offer medical care to every human being; the knowledge to offer almost any level of education; to build or rebuild cities," and he expresses regret that hunger and malnutrition cannot be eliminated by growing more food and that poverty cannot be eradicated by providing more welfare. It seems almost inconceivable that he should make this obviously negative claim without questioning the basis of his reasoning. Surely this must be the supreme example of that modern school of thought, which divorces the economic laws of nature from any political order of society; which whilst conscious of the natural resources of the world, seems supremely ignorant of the overall impact these resources have on the production of wealth and of the fact that life cannot be maintained without the use of land. But an equitable distribution of wealth cannot be accomplished until the tenure of these natural resources is established on a logical and just basis. Only then, can there be a realistic and practical co-operative order in society—call it planning if you will. It is astounding that men of apparently high academic distinction can meet and debate with such laudable intentions, yet fail to recognise that every known attempt at authoritarian planning and control yet devised has broken down; that the central problem remains untouched; that while millions of people remain on a mere subsistence level, food and the necessities of life are destroyed almost within their reach—destroyed, because the planners have been unable to achieve the impossible task of regulating the law of supply and demand.

Unfettered freedom of production, distribution and exchange on equal terms is the only solution and more people know this than will admit it. Of course, if this were achieved, the O.E.C.D. would cease to exist, as would other similar bodies and political-power institutions.

An Ill-Conceived Act

THE INDUSTRIAL Training Act 1964, was passed "for the purpose of making better provision for the training of persons over compulsory school age for employment in any activities of industry or commerce. . . ." Like so many state interventions in a natural market the effect has been that political and material vested interests, bureaucracy and dissolute expenditure have proliferated.

The anomalies and injustices of the Act have their roots in the idea upon which the Act was founded. That idea was that there was not enough training in industry and commerce and that the deficiency should be made up by legislation for compulsory training with compulsory contributions from industry and grants from the Government,

Exploit This Market

An advertising circular from the publishers of the *Industrial Training Yearbook* says "the field of industrial training is now established as one of the fastest growing and expanding markets. To exploit this market it is essential that you have the most up to date information about it, as well as lists of people operating in it." The *Industrial Training Yearbook* lists over 2,000 addresses including those of: the industrial training boards, local education authorities and their colleges, the polytechnics central institutions and universities, organisations that run management courses and information and consulting services.

In a speech at Nottingham earlier in the year the Rt. Hon. Enoch Powell summed up the logical consequence of an Act founded upon such a premise when he said that this divorced economics from training. "If the quantity and quality of training, which got itself provided under a system where the motive and test was profitability, was considered to fall short of that required by some other standard, who was to establish that other standard? For clearly it would not establish itself. If the cost of training was to be met by money compulsorily levied, who was to control the amount required? For clearly it would not control itself." Thus we have the picture as it is now where the cost of training, no longer held in check by the natural forces of profit and loss, has risen out of all proportion.

The Government recently loaned the Construction Industry Training Board the princely sum of £8m. This loan was made because the board had been unable to raise the money from commercial sources. At a time when the Government prides itself upon not supporting "lame ducks" this comes as a surprise but then there is no logic in politics.

Perhaps the most evil consequence of the Act is the emergence of "grantsmanship" as a quality in British Industry. It is worth the while of large firms to employ experts to wangle the maximum grant—at the expense of other and usually smaller businesses—by passing off anything and everything as "training." In effect the Act has given birth to yet another financial racket.

It would be encouraging to those people who are rapidly losing faith in our political institutions if the Government were to repeal the 1964 Act and allow the natural forces that govern the training of men and women in industry to function freely. In logic an idea cannot be sound in theory and bad in practice for bad results, when the theory is followed, invalidate the theory.

The Training Act was conceived in times when it was thought that the deficiencies of British Industry could be cured by giving more responsibility to the Government. These aspirations have failed to be satisfied. To attempt to improve this Act when the whole concept is wrong would be foolish. We must pull it up by its roots.