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From planning to 'Planning': Pressures
and process in Papua New Guinea and the
Solomon Islands

by

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PREAMBLE

This paper is part of a comparative study of the relationship between development plans and the levels of development in rural areas of Papua New Guinea and the Solomon Islands. As plans in both countries have been almost exclusively a bureaucratic product, the study is divided into the governmental or macro and the village or micro perspectives. On the grounds that a balanced understanding of the planning process requires an awareness of its penetrative capacity, the village areas selected for the study were chosen from regions generally classified as peripheral to the developmental mainstream.

The study identifies a number of factors which increase or decrease socio-economic distance between individuals, communities or institutions and the perimeters of their operational space. By use of an expanded concept of distance as the main analytical tool, these factors, many of which are excluded from traditional spatial analysis, are related in a holistic model of the space-economy over time. I use the term 'isolation' to refer to a state of disarticulation or segregation from the gestalt, which implies disequilibrium or 'traumatic distance'. Any move which alleviates the tension concomitant with such a condition can be said to reduce isolation by diminishing distance from the equilibrium state, and it is in this sense that the term is mainly applicable to analysis of the planning process at macro-level.

Evidence from both levels of the study indicates that this risk- or tension-minimizing response is consistent across the board, but that the type of response will differ in accordance with the differences in the type of pressures and socio-environmental constraints. Disparities thus created are highly visible when they impinge on objectives such as 'development' which affect both levels, and most marked in extremely dualistic space-economies, whence they have contributed to core-periphery development theory (Prebisch 1969; Hansen 1972; Friedmann 1973; Lipton 1977). Elsewhere I have argued that the imposition of a complex macro-system of government on societies whose needs had not evolved to a proportionate level was a major factor in their subsequent marginalization. Here I pursue the hypothesis that macro-level pressures, constraints and responses in the study

areas have followed a logical sequence which is reflected by continuity in plans and the planning process and which is largely independent of the micro-level.

As this paper is concerned only with the macro-environment of planning and plans, it does not attempt to evaluate their impact on villages, which is covered in a separate part of the study. It traces the planning process in the historical context of Papua New Guinea and the Solomons, and suggests that though plans have been shaped by this context it is possible to identify several characteristics in the process which have been constant over time. These indicate that implementation of the stated aims and targets of plans, often used as the measure of their 'success', may be peripheral to their role as a macro-level stabilizing mechanism.

PLANS AND THE PROCESS: THE ARGUMENT

Chronologically and structurally planning in Papua New Guinea and the Solomons can be divided into three stages, the first when it was a normative element of administrative decision-making, the second transitional, and the third when 'Planning' became a specialized function which in itself made competitive demands on national resources. The institutionalization of planning in the late 1960s and early 1970s brought a number of changes at macro-level, which are often assumed to mark the introduction of the process (Fairbairn 1970; Brookfield with Hart 1971:308; Grey 1974; Conyers 1975). New positions were created in the bureaucracy, outside the existing departments, which often replicated or expanded duties previously undertaken through the departmental hierarchy. The establishment of a separate planning organization for the first time challenged departmental autonomy at policy-making levels, and emphasized the distinction between bureaucratic and political government while it theoretically coordinated them. This enabled the planning organization to compete for resources from a position of relative strength. It developed its own set of institutional needs and problems, many unrelated to the development problems the organization was created to solve, which rivalled them for priority.

Functionally the dividing line between the stages is less clear-cut, and the continuity more obvious. The difference between plans produced before and after ^{the} 1960s is largely a matter of degree. All identify a problem and an explicit or implicit goal, provide some assessment of available resources, and formulate strategies or programmes which ally these variables in a specific time-frame. Whether or not the plans were implemented, monitored, or associated with the other factors which some consider intrinsic in a plan (see Lewis 1966:13,23; Grey 1974:29-35; Fisk 1975:12; Conyers 1975: 47-52) often has been due to circumstances external to the plan or the planning process. The proportion of plans which meet the criteria outlined in their stated objectives (van Arkadie 1972:90) shows no significant improvement over time, but may be a weak indicator of planning achievement. I suggest in the course of this paper that plans have been conspicuously successful in the attainment of objectives which are not stated in the plans themselves but which in many cases were a covert *raison d'etre*.

The stated objectives of plans, or of planning, often disguise the characteristics of the process. First, planning in Papua New Guinea and the Solomons has been directly or indirectly a 'crisis response', employed when circumstances for which the routine of administration is inadequate have developed or appear imminent. In some cases the promise of future action integral to a plan has effected the displacement of a difficult situation from a context of urgency to a more tolerable temporal distance, thereby attenuating or dissipating its stress component. In others preparation of the plan document has been sufficient to defuse the crisis. Second, all plans redirected some resources, away from other activities to a specific problem or to the planning process itself. Third, all have been additive rather than substitutive in their net functional impact on the administrative structure. This has served to consolidate and reinforce administrative institutional authority (Fisk 1975:3), and to provide it with a measure of protection from subsequent challenge by increasing the complexity of its access networks (see Schaffer 1975). Finally, plans have been a legitimizing device and a valuable survival mechanism for the political and bureaucratic

arms of government, both for internal and external relations.

Even in the earliest plans it is possible to identify the 'crisis' pressures as political or financial, or a mix of both. For most of the colonial period the political pressures were usually of external origin, and the financial problem one of shortage of funds. Later, internal political pressures appeared, coupled with the problem of inadequate capacity to utilize funds which were available. Despite differences in primary causality, the resultant plans displayed marked similarities, most notably in their statements of good intent and in their concern for 'coordination' and elaboration of their data base. These patterns of pressure and response, and characteristics, dominated the planning process since the earliest plans, survived periods of stagnation and rapid change, and continued through its elevation to the status of specialized technique and *sine qua non* for development administration.

THE FIRST STAGE: EARLY PLANS

Colonial planning commenced for Papua New Guinea in the nineteenth century and for the Solomon Islands at about World War II. In both countries the pace of change escalated in the late 1960s and was accompanied by rapid upgrading of the planning function. In retrospect, however, early plans established a pattern which has remained essentially unchanged.

Papua New Guinea

The first plan to be submitted for the development of New Guinea was that of A. von Hansemann and the syndicate of German banks which provided the genesis of the New Guinea Kompagnie. To attract settlement and investment in the enterprise, the plan was laid before the public in an article in the Deutsche Kolonial Zeitung, which has been summarized by Sack:

First of all the Company would send out one or more expeditions to continue the exploration of the coast and to begin the exploration of the unknown interior, *since systematic cultivation and a rational exploitation of the rich resources was possible only after the results of such explorations were known.* Further, officials with a lengthy list of duties would be stationed in a selected areas. *They had to acquire a thorough knowledge of the natural resources, at the same time surveying and mapping the*

land. They had to conduct and record regular meteorological observations. *They had to learn the language and the customs of the natives in order to establish peaceful relations and to gain their confidence...They had to encourage natives to increase their own production* and had to carry out agricultural experiments. They had, if required, to act as policemen and fulfill other official duties and, last but not least, they had to establish the stations where all this was to be undertaken (Sack 1973:79; my italics).

Hansemann's Company was unable to implement his vision *in situ*, and planned development lapsed until shortly before World War I. At that time demands from Germany that the colony contribute more towards its own support, reinforced by a reduction of the colonial grant (Sack 1973:97-9), stimulated Governor Hahl to draw up a three-year development programme on similar lines to the Hansemann plan. Hahl's government of the Imperial colony provided the model for the Australian administration after the war (Reed 1943:159), and the Hahl plan established the prototype for government plans over the next fifty years.

Hahl's plan was basically a 'pump-priming' exercise on an administrative base, and proposed expansion of government influence in the interior of Kaiser Wilhelmsland¹ by the establishment of new stations and an increase in administrative staff. Funding for the project was to be supplied by the Imperial government. Angoram station in the present East Sepik Province was opened as part of the plan in 1913, and earlier recommendations for stations at Vanimo and Wewak were revived (Rowley 1958:43; Sack 1973:99). The main emphasis of the plan was on public health and agriculture, through the formation of a number of specialized departments (Sack 1973:99). Hahl envisaged the appointment of an agricultural and medical officer on every government station, supported respectively by agricultural research stations (McKillop 1976:9) and by maternal and child health training for native nurses and medical field research (Reed 1943:151-2). He also proposed government-sponsored education, which commenced in 1913 with a school in Rabaul where boys from all areas could study (Reed 1943:150). The plan, for which an initial grant of \$300 000

¹Kaiser Wilhelmsland at that time comprised the present New Guinea mainland from Morobe to the West Sepik, the islands of the Bismarck Archipelago, and Bougainville.

had been approved by the Imperial Government², was into its second stage when the war intervened (Sack 1973:99).

After World War I the Australian Government, in recognition of its responsibility under Mandate to the League of Nations, outlined a set of essentially welfare-oriented aims for the administration and development of New Guinea. These included attention to native health, education, and 'the physical and moral environment of village life'; encouragement of 'peasant proprietorship' and 'healthy forms of amusement'; and the extension of government influence (Reed 1943:164). In 1924 the New Guinea Department of Agriculture drew up plans for improvement of native agriculture (McKillop 1976:14), and a few years later the first Director of Education introduced a series of radical proposals for an education structure based on indigenous needs and systems (Groves 1936:365).

*Don't say
if ever
implemented*

World War II provided a similar incentive, and the Labor Government of 1945-49 increased the subsidy to New Guinea (Amarshi 1977:78). In 1946, in response to the change in Australian policy, a 'proposed policy and working plan for the Department of Agriculture, Stock and Fisheries, in respect of native agriculture' (Cottrell-Dormer 1946) was produced. Similar statements of intent were prepared in other departments. A regional planning division was established in the Australian Department of Post-War Reconstruction, and in 1950 the Commonwealth Regional Development Division published a resource study of Papua New Guinea 'which would form a basis for planning the economic development of the Territory' (Aust.:CRDD 1950:ii).

In the 1950s a series of visiting United Nations missions, 'accustomed to a world in which everyone had published a plan and moved on stepping-stones of expired plans to an ever-receding millennium described in a new plan' (Hasluck 1976:284), regularly recommended five- or ten-year development plans for the Territory, and emphasized political and educational advancement, decentralization

²Sack estimates that it would have cost the German Treasury almost \$750 000 over the three years of its proposed life.

and district development (U.N. 1959:15-8; Ryan 1970:136). The Papua and New Guinea administration displayed a sensitivity to United Nations opinion³ which at times conflicted with the firm control maintained from Canberra by the Minister for External Territories. (Ballard 1976:1; Baldwin *et al.* 1978:21). Hasluck, then Minister and previously a public servant, was very sceptical of 'development by drawing board' and 'grand plans', and argued that forward planning should be adequately covered in the normal course of administrative responsibility (Hasluck 1976:284-5). The Papua and New Guinea administration compromised by announcing proposals to coordinate departmental and district planning functions, which succeeded to the extent that the visiting mission in 1959 commended 'the degree of inter-departmental cooperation and local planning that is envisaged' (U.N. 1959:18).

In fact only desultory attempts were made to coordinate departmental planning and development activities within districts through the 1950s and 1960s, and in practice the programmes produced were functionally specialized and usually departmentally autonomous. The Department of Agriculture, Stock and Fisheries, then the body most concerned with the indigenous economy, outlined its intentions in considerable detail. Several land resource and agricultural studies were made in support of its plans to improve subsistence nutrition, provide an economic basis for higher indigenous levels of living, maximize use of agricultural resources and increase production (TPNG:DASF 1947:4-15; U.N. 1959:16; McKillop 1976:19-21). Studies by other departments were carried out independently. Coordination of departmental activities was essentially a matter of standardized procedures within the public service, and national priorities were only set implicitly through the annual allocation of funds by the centre.

³One of the main reasons for this sensitivity was expressed by a senior official in the Sepik, who warned staff against use of the term 'sale of labour' in connection with employment. 'With the visiting Mission due next year, such statements could be readily misunderstood, especially with the Afro-Asian block and an upheaval in that august chamber of the United Nations could take place. Just think of the explaining you and I would have to do'. (PNG:D0 Wewak 67-3-18 of 18.8.64)

In 1954, an attempt was made to overcome the constraints imposed by annual budgeting by the introduction of three-year public expenditure plans and annual reviews (Langmore 1972:12; Hasluck 1976:284). The next year the Department of the Government Secretary, which had provided some coordination of departmental activities, was abolished and its role taken over by committees of senior officials (Oram 1973:6), which included a Central Planning and Policy Committee. These were answerable to the Minister in Canberra, who allowed little latitude for initiative (U.N. 1968:para 157). In 1961 the life of the public expenditure plans was extended to cover a five-year period (Langmore 1972:12). District inputs were supplied by the District Economic Development Committees (DEDCs), composed of senior district officials. The system was employed for many years thereafter, mainly to disaggregate major capital works expenditures into annual components.

In 1961 the Minister for External Territories announced that: Territory economic activity would have to grow to three times its present size in order to sustain about the present level of government services -- and, of course, the present level is far below the needs... this [rate of growth] would appear unlikely under twenty years...growth of population which would result from present policies and the extension of government services...would push the date for self-sufficiency to anything up to fifty years (Hasluck 1961:20).

The International Bank for Reconstruction and Development (IBRD) was commissioned to assist in planning for a viable economy which would raise the standard of living of the people (McCasker 1970:3). In 1963, in line with development strategies elsewhere, it reiterated earlier recommendations for a more comprehensive approach to planning.

By the mid-1960s the coordination problem had become serious. Plans had proliferated to include national plans, departmental plans, rural development plans (involving government expenditure of over \$6000 each) and community development plans (for small projects with 50 per cent or more non-government contributions), and had become a heavy burden for senior administrative staff.

In 1965-66 the DEDCs were expanded to include more district departmental heads, and were designated District Coordinating Committees (DCCs). In the Sepik the DEDC had proposed a district development plan in 1962 (PNG:SDO Lumi 25-1-1 of 5.4.62) and both committees made an earnest attempt to assess and amalgamate development activity, but they were allied uneasily with the centrally-oriented departmental hierarchies and usually overridden by central priorities and constraints. The variability of inter-personal relationships on the committee further inhibited consistent district planning. In the West Sepik this problem continued into the 1970s to the extent that it effectively annulled an instruction from the Prime Minister that 'the Council is the political body responsible for planning in its area' (PNG:RIP Wewak 10-1-9, 24.7.74).

The World Bank's response to the economic constraint was a five-year development programme for 1964-65 to 1968-69 with concentration of effort during the five year period on areas which are the most promising and already the most developed' (IBRD 1965:295), which aimed at financial independence concurrent with political independence. It suggested the appointment of an economic adviser to the Administrator, with a small staff to control and coordinate its recommendations, and preparation of a national plan. The proposals implied that the detailed business of planning would be undertaken by the departments and agencies, which the Adviser felt 'effectively precludes the "ivory tower" approach which has characterized planning in some countries. In this sense, then, planning is to be "decentralized"' (McCasker 1970:3).

The next triennial United Nations mission, in 1965, again expressed concern at the growth of institutional centralization, and proposed the establishment of intermediate assemblies to link villages with the central structure⁴. Shortly before the appointment of the economic adviser in October of that year, the Administrator responded with a proposal to regularize, coordinate and upgrade district planning through a modified form of the Malaysian 'Red Book' planning technique, to be

⁴ See Ryan (1970:127-135) for a terse description of this mission's visit.

operated by senior district staff. His Office issued detailed instructions to the District Development Committees⁵ for an exercise which included decentralization, coordination of all district resources, and preparation of a district plan (Herlihy 1974; Conyers 1975:20).

The 'Red Book' plan was the first and last major planning engagement to be undertaken exclusively by district staff. Originally designed to cover six stages, it was later simplified to three: projects approved, projects on hand, and projects completed. These were to be recorded in loose-leaf form, amended regularly as projects were completed and new ones introduced. Preparation of the plan immobilized senior Sepik staff for two years, and the completed document was an unwieldy collection of largely extraneous and out-dated data in some instances dating back for thirty years. The plan became an East Sepik project when the Sepik District was divided into East and West, and of the fifty copies eventually distributed almost all were shelved or quietly lost. Despite reminders from the Centre the system lapsed.

Following the IBRD report, the Australian Government announced that it would make more money available to the Territory for the next few years, with the aim of reducing the time required for it to achieve financial self-reliance (TPNG 1967:28; McCasker 1968). This prompted preparation of a 'Blue Book', tabled in the Territory's House of Assembly in 1967, which modestly claimed that 'although not in any sense presenting a final programme, this paper itself contains some of the elements necessary for an integrated programme of development, and represents a progress report on planning' (TPNG 1967:33). The paper extended the recommendations of the IBRD mission in the light of more recent developments, outlined government policy, and provided a brief but relatively comprehensive summary of the sectoral *status quo* with projected activity in some areas up to 1974-75 (TPNG 1967:43-7). Though predominantly oriented towards the national economy it also commented on manpower policy, development of domestic markets and indigenous participation, issues which later became priorities.

⁵ The expanded DEDCs, shortly thereafter renamed DCCs.

The 'Blue Book' was succeeded in 1968 by what has become known as Papua New Guinea's first development plan (Conyers 1975:8), a five-year programme based on departmental and agency plans (McCasker 1970:3). This reflected current concern over the country's financially dependent status in its emphasis on the need to 'increase productivity; to marshall labour resources; build domestic markets; ensure that increases in incomes do not outstrip increases in productivity; encourage saving; stimulate investment; and speed up the rate of indigenization of the economy' (TPNG 1968:120). The plan became the subject of heated expatriate debate (Curtin 1968; Wilson 1968; Arndt 1969; Crocombe 1969b; Epstein 1969; Fisk 1969; Shand 1969) in which one academic commentator claimed that it would increase expatriate control of the economy (Crocombe 1969a:57) and blamed the 'circularity of elite communication' for insufficient attention to indigenous participation (Crocombe 1969b:54). The Australian Government accepted it cautiously as 'a basis for planning, subject to a similar endorsement by the House of Assembly' (McCasker 1970:5).

Supplementary planning commenced in the Sepik in 1968 with a 'survey of economic activity in the Sepik Districts' (TPNG:DDA 1968), prepared by District Administration (DDA) staff. In the centre the 1968 plan was disaggregated over 1969 and 1970 into 'Draft Economic Development Programmes' prepared by central planning staff on the basis of information supplied by the departments (TPNG:OEA 1969) and of very brief visits to each district.

In retrospect, the heavy dependence on departmental channels produced recommendations which differed very little from those later derived, at least in theory, from the 'grass-roots' and the councils. Several proposals for the West Sepik, notably for improvement of nutrition and encouragement of high value, low bulk cash crops in isolated areas (TPNG:WSD 1968), echoed earlier government priorities and were repeated in the majority of subsequent programmes and areal analyses. The Draft Programmes, like most 'plans' before and afterwards, anticipated implementation difficulties by a statement that 'as foresight is never perfect, the programme cannot be regarded as hard and fast...there must

be scope for flexibility (TPNG:OEA 1970:1), and claimed to be 'general guidelines only' though most of their projections and targets were quantified.

In the 1960s the colonial administration was subjected to an increase of internal political pressures. The controversial report of a visiting United Nations mission which in 1962 had stressed political development was followed in 1964 by the first national elections. In 1966 the 'Committee of Thirteen', a group of young nationalists, confronted the Select Committee on Constitutional Development and disturbed conservatives with a series of demands for political reforms (Hastings 1969:148-50). In January 1968 they proposed 'nothing less than limited self-government in 1968' (Stephen 1972:65), and five months later most of the group allied themselves with the new *Pangu Pati*.

Pangu's small parliamentary wing announced its dissatisfaction with the five-year plan in the new 1968 House, and asked that it be reviewed. Though doubts were expressed on both sides of the House, the debate turned on the promise of \$1000 million in Australian aid for the life of the plan (HAD 1968:776) and on the 'Panguphobia' which regardless of the issue united most government and independent members in opposition to the new party. The plan was adopted by a vote of sixty-eight to twelve in November 1968.

During the life of the 1968 House the new radicals gradually gained public support, and though Pangu moves were consistently blocked by a parliamentary majority its policies were taken up by academics at the new University and to a certain extent by the administrative system. The approach adopted in the 1968 plan came under increasing attack with impending decolonization, the decline of colonial authority, and the upsurge of Papua New Guinean nationalism. Within a year the plan had become unofficially *passé*, and before its term had officially expired Pangu had formed a government.

Solomon Islands

By virtue of its status as a British Protectorate, the Solomon Islands has been less susceptible than Papua New Guinea to direct United Nations pressure (Laracy 1969:340), but more strongly influenced by colonial experience elsewhere. The external

learning process which was transferred to the Solomons, however, was largely that of its colonial power. When an elected national majority came to power in 1970, very little was known about development and decolonization trends in other countries beyond British administrative relationships, whereas for Papua New Guinea in the post-war period the Afro-Asian input in the United Nations and later the University of Papua New Guinea induced a certain bias towards the perspective of the colonized.

World War II provided the first major stimulus for national planning in the Solomons. In 1945 the British Parliament through the Colonial Development and Welfare (CDW) Act allocated £120 million for development in its colonial empire over the ten years from 1946. To inform the office of the Secretary for State of proposed usage of the allocation the majority of colonies, including the Solomons, prepared ten-year development plans (AC No. 3 of 1955).

Post-war administrative idealism (Allan 1950:58) and the CDW Act resulted in a plan formulated on the principle that 'the needs of the indigenous population must be accepted as of primary importance' (BSIP 1945:1). Though the plan conceded an important part to expatriates in past and subsequent development, it argued that 'it must be anticipated that the days will dawn when their exclusive leadership and their skill will be challenged and matched' (BSIP 1945:18). As a result, it paid negligible attention to rehabilitation of the copra-based estate economy, which suffered a series of setbacks from the depression of the 1930s, the war, and the British Government's decision to reject war damage claims (IBRD 1969:9). The plan proposed a decentralized model of development based on local councils, on simpler but similar lines to the programme introduced thirty years later. Recommendations for government intervention were directed mainly towards improvement in health and educational services, which had come under attack during the pre-war Fallows Movement; towards food crop research; and towards development of a communications network to improve inter-island access. Although these were essentially low-level proposals, they amounted to a considerable increase in expenditure

on staff and staff facilities for the impecunious post-war Government. The plan estimated that aid totalling almost £2 million was required over ten years (BSIP 1945:19).

The Resident Commissioner, faced with the aftermath of pre-war neglect, the Fallowes Movement, the war, and the early stages of Marching Rule, regarded the proposals as the *sine qua non* for the re-establishment of British colonial legitimacy and constructive future government. He concluded his recommendations with a strong statement that the alternatives to acceptance of the proposed commitments were 'to cut out all expectation of real progress', preserve law and order and otherwise leave the islands to make 'such progress as they can'; or to offer the Protectorate to a power which was 'able and willing' to do better (BSIP 1945:20). The response from his superiors was unenthusiastic. Though a number of the plan's objectives had been presaged in policy directives in 1939 (Bathgate 1975:79-81), it did not receive formal approval (AC 1955:2). Instead, for the next decade development schemes were submitted and approved on an *ad hoc* basis and credited against a share of the CDW funds which had been fixed in London at £675 000 (AC 1955:App.A).

In 1953 the Secretary of State advised colonial governments of a proposed extension to the CDW Act, and asked them to revise their earlier ten-year plans and to provide estimates of financial requirements for development projects from 1956 to 1960 (AC 1955:1-2). For the Solomons administration, which had no formal plan, the instruction meant a major planning exercise. The policies of the previous 'plan' were discarded, and the administration produced the first of a series of national development plans which briefly summarized estimated public expenditure by sector.

The first development plan, 1955-1960 (AC No. 3 of 1955), represented a marked swing away from the 'welfare development' ideals of the immediate post-war period, which had been constrained by the concurrent need to reconstruct and relocate the administrative headquarters, towards a policy of centralized economic growth. With the cooperation and financial assistance of Lever's Pacific interests, the administration embarked on a programme of large-scale enclave development based on plantation agriculture. The plan was approved and supported by the British Treasury with a grant-in-aid input in 1956 which doubled that of the previous year.

By 1959 the aid component had more than doubled again, to £340 000.

In 1961 the High Commissioner proposed to institutionalize the development function with the formation of an Economic Development Committee, supported by two inter-departmental committees. The Committees' role was to advise the High Commissioner on 'the best methods of developing and coordinating the Protectorate's natural resources and manpower in the interests of the Protectorate as a whole; and the merits of specific schemes of agricultural, industrial and commercial development' (WPHC F215/2/8 of July 1961). This move to a certain extent reduced the potential for conflict between London and Protectorate administrators and facilitated coordination between them, but also reduced the degree of independence Protectorate officials had previously enjoyed in definition of the Protectorate's interests.

For almost a decade plans followed the basic pattern of the 1955-60 plan, with incremental refinements to the sectoral analysis of estimated revenue and expenditure. The Third Development Plan spelled out development objectives which were maintained through the remainder of the series. These were:

To develop the natural and human resources of the Protectorate with the object of strengthening the economy to enable the standards of living in all sectors of the community to be raised. (BSIP 1963, 1965, 1968),

with the proviso that

the continuing need to achieve a better balance between ordinary revenue and expenditure must be borne in mind (BSIP 1963:1).

The proviso rapidly assumed the *de facto* status of primary objective.

In 1965 it was expanded by the supplementary aim

to avoid the establishment of institutions or services which are unlikely to be balanced in due course by revenue accruing from increases in productivity stimulated and encouraged by other schemes (BSIP 1965:3).

Unlike Papua New Guinea, where in the 1960s political pressures gradually gained precedence over financial constraints, the Solomons continued to base its development policies on the criteria laid down in this series of plans up to and after its independence in 1978.

As the plans for the period from 1955 to 1970 were essentially administrative budgetary exercises, a large proportion of the projects were on-going and thereby ensured continuity of earlier priorities and patterns. One of the most ubiquitous of these was research, which over the period became highly specialized and largely separate from administration extension activity. By the Fifth Development Plan (1968-70), 54 per cent of estimated expenditure on agricultural and forestry projects was directed towards expansion of the central data bank on natural resources and problems affecting the major export crops. The ratio of planned investment in agricultural research to that for agricultural extension was 3:1 (BSIP 1968:17-21).

In effect a primary if unstated purpose of the series was improvement of administrative capacity and the planning process itself, and thereby maintenance of a working accord with the source of aid funds in London. On a sectoral basis the largest percentage of planned expenditure, over the five plans, was distributed between commercial projects and infrastructure (a total ranging from 54 per cent in 1960 to 32 per cent in 1968). Health and education together claimed only 13 per cent of the allocation in 1955 (AC 1955) and at best, in the period 1963-68, 32 per cent (BSIP 1963, 1965). In 1968 an attempt was made to differentiate administrative costs from other sectoral expenditure, with the introduction of two new categories, 'Administration and Organization' and 'Physical Survey and Census'. Though these totalled a modest 6 per cent of planned expenditure, in fact they represented 6 per cent in addition to an already heavy bias in other sectors toward administrative expansion and centralization. Thirty per cent of expenditure in the 'Social' sector was taken up by one item, 'development housing' for staff (BSIP 1968:33). Forty-four per cent of all expenditure was specifically allocated to further development of Honiara.

The main strength of the series of plans was that it confined itself almost exclusively to what government could achieve through public expenditure management, and made no attempt to incorporate individual decisions, which it could not control (see also Sundrum 1976:10-12). In this respect it closely paralleled the type of public expenditure planning revived by Papua New Guinea in 1977. Intervention in private sector

economic activity was restricted to the provision of subsidies, loan capital, and infrastructural services. Projections or 'guesstimates' of production targets extrapolated from administrative inputs, which were attempted for cocoa in the Second Development Plan with what proved to be disastrous inaccuracy (BSIP 1960:3-4; BSIP:SO 1971:137), were dropped from subsequent plans.

In the mid- to late 1960s, with British aid to Protectorate expenditure running at 39 to 60 per cent, the British Government commissioned several studies of the Solomons economy (Inman 1965; Wilton *et al.* 1965; WPHC 1965; Pepper 1968; IBRD 1969). Two major changes to financial arrangements were announced in the Fifth Development Plan. First, recurrent projects were excluded from CDW funding, which was tied to capital projects and comprised 62 per cent of the planning budget. Funding for recurrent projects was to be derived from other sources, which included other forms of aid (13 per cent of the planning budget), bank loans (20 per cent) and the Protectorate contribution (4 per cent). Second, expenditure was no longer controlled over the life of the plan but was subject to an annual ceiling approved in London (BSIP 1968:1). Three months after the introduction of the plan an IBRD mission visited the Solomons, and reported, as a fellow mission had for Papua New Guinea a few years earlier, that 'more sophisticated planning will be essential' (IBRD 1969:25).

Like Papua New Guinea, the Solomons produced a number of plans at lower levels during the period covered by its early national plans. In 1952 a district officer encouraged a Guadalcanal council to produce a three-year plan for Talise Rural District (Chapman *et al.* 1974:6.44-6). Kia, with a population of 580 the largest village on Santa Isabel, formed its own 'Town Planning Committee' which in 1959 produced a 'Kia Town Plan'. The plan, revised in 1961, included proposals and siting for a produce marketing centre, fish factory, workshop and wharf. To support general services from the council, it recommended a special levy of five shillings on men and three shillings on women (SI:DO Central 1961). Middle-level plans produced by or for the administration followed more closely the 'Town and Country' model which dominated pre-war British planning

(Eversley 1973:53-82). A 'town development plan' for Honiara, published in the early 1960s, was followed by a series of physical planning studies which included a few elementary plans for minor centres (as Floyd 1974), but which made little or no attempt to relate to the socio-economic environment.

The Solomons, like Papua New Guinea, identified poor coordination of development activity at district level as a major constraint on implementation of government policies and plans. Until the 1960s this had been left to *ad hoc* meetings of 'station committees', which in some centres included private representation. In 1966, on the grounds that 'inclusion of private persons in the station committee made it unsuitable as a substitute for a district team' (DO(E) ADM8/2 of 4.6.66) administrative 'District Team' meetings were introduced, largely to coordinate government patrols and maintain inter-departmental rapport within the districts. Council presidents were invited to attend in 1967, but as the meetings were mainly concerned with staff housing and the logistics of administration their presence was little more than a gesture. On Makira, where District Development Teams with increased representation were established in 1970, the old-style District Team Meetings and Departmental Heads Conferences continued to be held for some time, which meant a multiplicity of time-consuming committees mostly composed of the same people, and concentrated development initiatives around the district centre. The District Development Teams comprised district officials from the 'development departments'⁶, the presidents of larger councils and, as honorary members, the elected members of the Governing Council⁷. These were given responsibility for preparation of plans for their areas, implementation of central development policies, and coordination of extension services (BSIP:CS BS/70 of 17.8.70). Though ostensibly a wide brief, it allowed the team little room to

⁶ Normally the District Medical Officer, District Agricultural Officer and District Education Officer, with representation from Works, Forests, Lands and Cooperatives where appropriate. The team was chaired by the District Commissioner.

⁷ The national legislative body, previously known as the Legislative Council, later renamed the Legislative Assembly, and after independence the National Parliament.

manoeuvre and tied potentially dissident members firmly into the central network.

By the late 1960s the centralization of the economy and its weak distributive mechanisms were arousing the same concern among government officials as among the new nationalists in Papua New Guinea. Renewed interest was expressed in revitalization of local government, on the grounds that

the plight of the district administration epitomizes the anachronisms restraints and lack of vigour which can afflict remote colonial governments in their later years...The framework of the district administration preserves -- indeed requires -- attitudes to people and ideas which can have little place in this country (Hughes 1969:1).

'It is noticeable' another senior official commented, 'that where Government has met a lack of response or poor results to a development project it has often reacted by pouring in more money and effort to achieve its ends' (DC (E) AERY/1 of 29.12.70).

In both countries planning until the late 1960s was mainly an administrative technique employed by officials who were physically, and at times professionally, distanced from their superiors, but whose primary loyalties were controlled from outside their immediate environment. A large proportion of their time was occupied in maintaining the stability of relationships on which their job effectiveness and often their careers depended. Pressures which threatened the precarious stability of the established administrative patterns came largely from changes in political and economic conditions elsewhere. This situation changed rapidly in the 1970s, and the accelerating pace of decolonization was mirrored in an increased emphasis on plans and planning.

THE SECOND STAGE: TRANSITION TO SPECIALIZATION

The first and most marked effect of the trend towards the specialization of planning in both countries was a rapid increase in the complexity of the process and of its product. Resource and situational analyses were carried out in far more detail than had previously been the case, and the input of statistical data escalated. The simple revenue and expenditure statements which had been the basis of earlier plans were first elaborated qualitatively and later expanded into comprehensive macro-economic analysis. Government planning horizons were extended beyond

manipulation of the public sector to include intervention in and projections for private sector activity. The process became progressively more centralized as formerly independent planning functions were amalgamated in the one organization, and then disaggregated into functional specialities.

Papua New Guinea

In 1969 the Australian Treasury began to exert more pressure on Papua New Guinea to increase its contribution to internal revenue (Ballard and Garnaut 1973:10). Its counterpart organization in Papua New Guinea, the Department of Treasury (later Finance), began to prepare for self-government. In the belief that the Office of the Economic Adviser had outlived its usefulness (Garnaut 1978:12), it proposed to form its own economic planning unit, the General Financial and Economic Policy (GFEP) Division, which was eventually set up in 1971. By that time other countries had begun to question the role of economic planning in development (Faber and Seers 1972), though they still saw a need for planning and plans (Helleiner 1972: 333-4) outside the traditional field of financial management. The then Administrator confirmed the distinction by a reorganization and expansion of the Office of the Economic Adviser, which became the Office of Programming and Coordination (OPAC)⁸. In anticipation of a more comprehensive and independent role for the new Office, it was spatially and structurally removed from the departmental mainstream and made responsible to the Finance and Planning Committee of the Administrator's Executive Council⁹.

In the early 1970s internal political pressures and the swing in international opinion away from 'growth-rate' development to concern for welfare, egalitarianism and income distribution were reflected in attitudinal changes at decision-making levels. OPAC, which combined the previous Project Planning Unit, Major Projects Division, Manpower Planning Unit and Bureau of Statistics, commenced preparations for a second five-year plan. The 1968 programme was reviewed and amended to accord with the changes

⁸ For an excellent review of the political and economic background in this period see Ballard and Garnaut 1973.

⁹ This body was the equivalent of a Cabinet in the 1968-72 House of Assembly.

which had taken place, especially in constitutional development and mining (TPNG:OPAC 1971:1-2), and to match the increased emphasis in Canberra on indigenization (Ballard and Garnaut 1973:12). Its objectives were restated to be:

Maximum increases in production consistent with financial and manpower resources and market capacity.

Maximum participation by Papua and New Guineans at all levels.

Maximum practicable progress towards financial self-reliance.

Maximum practicable contribution to meeting social needs and raising the level of living of the people.

(TPNG:OPAC 1971:2)

The new objectives were a token compromise, and failed to ease the pressures on the office of antithetical political and professional demands to which it was exposed as much by the high visibility the planning function had acquired as by the dynamics of early decolonization.

Shortly before the 1972 elections, OPAC made a more positive attempt to come to grips with the new situation, and commissioned a study of Papua New Guinea's 'less developed' areas and their relative inequality (E.I.U. 1972). The report found that the West Sepik and other backward areas had a severe disadvantage in natural resource endowment which had been increased by government neglect (E.I.U. 1972:19). In support of its theory it included a breakdown by sub-district of selected administrative services (E.I.U. 1972:30-5) which later, with modifications, was used extensively to indicate comparative levels of development (Apthorpe 1975, 1977; Wilson 1975-71-87; PNG:NPO 1977). Though the study was very limited in concept, design and recommendations, it represented the first serious attempt to respond at national level to the problems of internal underdevelopment.

OPAC also attempted to engage the districts more closely in the planning process and to add an areal component to the planning framework. As a result Sepik administrative staff once again were diverted from their normal duties in 1972 to prepare data and submissions, first for a World Bank team which did not plan to visit the West Sepik, and later for OPAC (OPAC OPC 10 of 27.7.72).

In two districts the Office and the DDCs cooperated on more detailed studies which led to the publication in 1973 of 'Draft Economic and Social Programmes'.

The World Bank team, under Michael Faber, was commissioned by the Australian Government to advise on development strategies for Papua New Guinea for the next five years. Several of the factors it identified reinforced Papua New Guinea nationalism and were incorporated into subsequent policy guidelines (Conyers 1975:9). These included replacement of expatriates with Papua New Guineans in the public service and private sector, which Somare several years earlier had announced to be 'our prime aim' (HAD 1968:715). The draft report also stressed encouragement of small-scale informal sector activities, 'regional development and rural revitalization', and renegotiation of the Bougainville copper agreement (IBRD 1973:101-2).

Less publicized, but in fact the main thrust of the report, was its concern that 'steady growth of product *will be a necessary prerequisite for the attainment of the other objectives*, and that the economy should become 'less dependent on foreign grants-in-aid and, ultimately, upon foreign investment capital' (IBRD 1973:4; *my italics*). Its priorities included a wider tax base, release of land for industrial use, and improvement of governmental capacity for project and policy appraisal. 'An important target of central government', it stated, should be 'to increase its total internal revenues at a rate of at least 12 per cent a year', and 'a rate of increase of total public sector expenditures of 10 to 12 per cent a year should be aimed for' (IBRD 1973:18).

OPAC was also grappling with conflicting priorities. Prior to the change in government it had begun to work on a White Paper which sought political guidance on development options and preferences. This 'remarkable document...went closer than other official documents to specifying inter-relationships between the various policy instruments that affect inter-regional, inter-racial and inter-personal income distribution' (Ballard and Garnaut 1973:17, 21-2). With the unexpected accession to power of the Somare Government, the need to 'sensitize departmental heads to the political reality' (Voutas 1978:9) became the immediate priority. The questions posed by the White Paper largely remained unanswered or were answered *ex post facto* in governmental responses over later years, but the paper persuaded the new House of the need

for a development programme (Somare 1972) and thereby ensured continuity of the planning process.

Solomon Islands

In 1969, the British Government established a Regional Development Planning Unit to service its Pacific colonies. The Unit worked in cooperation with the Overseas Development Administration section of the British Foreign and Commonwealth Office and through the Western Pacific High Commission (BSIP 1971a:4) which inculcated an areally undifferentiated approach to planning. By that time United Nations organizations were also heavily involved in Pacific development (Fairbairn 1970:54-5), and had begun to extend their influence in the Solomons.

At a District Commissioners' Conference in 1970 senior government officials reported that the 'top-down' approach of previous development plans had led to poor coordination and a general lack of development relevant to village life. The Central District responded by setting up a Planning Committee, with basically the same administrative and political representation as the District Development Teams but a slightly greater council presence, and with basically the same problems. The Committee identified three main areas of concern: village health, village income-earning activities, and the education of children away from village life. Though these were taken up at departmental policy-making levels, macro-economic interests continued to dominate central planning machinery.

In 1971 the central administration established a small Planning Unit with two expatriate members, an Assistant Secretary (designated 'plan implementation officer') and an economist (BSIP 1972). In the same year the Sixth Development Plan, based on the work of the Regional Development Planning Unit, was released (BSIP 1971a:4). September 1971 saw a change to the administrative monopoly over planning and plan implementation, when the Finance Committee of the Governing Council announced that the District Development Teams were not sufficiently representative of all interests at district level (Govco 16/71 of September 1971). The term 'district team' reverted to administration staff under the District Commissioner, and

'Development Committees' of national politicians, council representatives, church, private sector and other community interest groups were formed. These were designed primarily to act as a communications link between the centre, through the Planning Unit, and local communities. They had little real power. While responsible for initiation and implementation of development projects financed locally, they could only 'advise and assist' in the implementation of the Sixth Development Plan (BSIP 1972). District departmental heads, though officially excluded from membership, attended meetings and provided the quarterly reports, and the District Commissioner acted as secretary.

Publicized as 'the first plan to be prepared with economic advice and to make a detailed evaluation of integrated development needs' (BSIP 1971b:3), the Sixth Plan provided a far more elaborate study of the macro-economy than previously had been undertaken. Its stated objectives fell into two categories, the first and dominant cluster of which focussed on an increased rate of domestically-generated export income, as 'the overall objective of the Sixth Development Plan is to lay the basis for substantially reduced dependence in this decade' (BSIP 1971a:5). The second or 'native welfare' group of objectives included localization of expatriate-held posts and strengthening the local government structure, both of which were linked in the plan to educational advancement and explicitly to the maintenance of high levels of aid (BSIP 1971a:6). Though the Sixth Plan like the OPAC plans of the transition period made some attempt to reconcile antithetical priorities, the primacy of the financial constraint and the relative impuissance of local political forces made the gesture largely semantic.

On the other hand, the planning process received very detailed attention. Procedural and administrative mechanisms for the Sixth Plan were delineated with particular care (BSIP 1971c), and for the first time a formal system of monitoring and review was included. In 1972 the resultant workload required the addition of a Planning Officer (Rural Development) and a manpower planner to the Planning Unit (BSIP 1972), and by 1973 'the need to handle increasing flows of British and international capital aid and technical assistance' necessitated further expansion (BSIP 1973a:63).

By the end of 1973 a total of 264 projects had been submitted to London, 258 had been approved, and over \$10 million of the \$16 million approved had been spent (BSIP 1974a:11). The second annual review of the plan reported 'conspicuous and encouraging progress' in several areas, most of which were large-scale projects which required little village input. At the same time 'disappointing or no progress' was registered in the more catholic objectives, which included the primary aim of reduction in the budgetary deficit. The output of high-level manpower lagged, and proposals for the development of local government were postponed.

Though a number of weaknesses in the Sixth Plan were identified during its life, the need for continuity in the planning process to maintain and regularize the inflow of external resources militated against persistence on difficult issues. In early 1973 preparations commenced for the Seventh Development Plan, and departmental and district staff became heavily involved in production of reports and project proposals for the new plan (Govco 6/73 of September 1973). Increasing criticism of 'top-down' planning led to a central desire that the new plan be 'the People's Plan', to which end greater responsibility was assigned to the district Development Committees. The Committees, handicapped in their assessment of needs for the Seventh Plan by the fact that the Sixth Plan was not fully operative at that stage, responded with 'shopping list' submissions which replicated the previous model. Preparations continued for almost two years.

In the early 1970s the conceptual approach to planning in the centre was based on the belief that successful implementation of a plan was contingent on 'disciplined adherence to agreed priorities and efficient centralized coordination in the processing of project applications and the control of development expenditure' (BSIP 1972:1). The strong controls maintained by the British Government and the capture of the educated elite by the public service perpetuated this belief. The pressures for decentralization, local participation and rurally-relevant development, which in Papua New Guinea were exerted by a growing cadre of nationalists, in the Solomons emerged from or in individual cases were absorbed by the administrative

structure. In both countries the transition period for planning was one in which the dichotomy between loyalties to colonial patterns and to the new nationalism was not fully differentiated, and the financial constraint was usually predominant.

THE THIRD STAGE: INSTITUTIONALIZATION

In both countries the establishment of a central planning office, which completed the formal separation of planning from budget management, coincided with a stage in their political development when a national government became the official decision-making body and self-government was imminent. It also coincided with the putative separation of the roles of the political and administrative arms of government, and the retreat of colonial patterns of authority from the overtly political sphere to the bureaucracy. For the new national governments, capture of the established power structure and control of the bureaucratic hegemony was a primary objective, both as a demonstration of electoral legitimacy and for the maintenance of national stability.

The basic objectives of post-colonial development were specified for Papua New Guinea and the Solomons respectively in the Eight National Aims (HAD 1973:1411, 1491-21) and the Eight Principles (LAD 4/10/74-17/10/94:1), both of which were drafted largely by expatriate advisers to the new national governments. Both sets of objectives were relatively eclectic, combining national self-reliance and economic goals with local participation, decentralization, and distributional factors. The anti-colonialism implicit in this rhetorical change of direction was symbolized by rejection of previous plans, and the plans then in preparation were shelved within a few months of the election of the first national Chief Ministers.

The new governments placed a high priority on their planning capacity. Papua New Guinea in particular was unwilling to risk dominance of the planning function by the public service, political parties or individual ministers (Voutas 1978:8-9), and compromised with a National Planning Committee of leading politicians and officials. The central planning offices in each case were allocated to the Chief Minister's Department and assigned new heads, dynamic and experienced expatriates who had demonstrated their sympathy for the nationalist goals. The calibre of staff recruited to

each was relatively high. Both offices acquired a quasi-political patina which set them apart from and at times in opposition to the administrative mainstream.

The new offices at first were wary of the massive reorganization of the economy which their formation appeared to portend, and saw their role as consultative and coordinative. Papua New Guinea decided against immediate preparation of a 'grand plan' and the second five-year plan was shelved. Instead, an interim 'Improvement Plan for 1973-1974' (PNG:CPO 1973a) and Districts Supplement (PNG:CPO 1973b) were prepared by the Department of Finance and remaining OPAC staff (Garnaut 1978:14, 28), to 'ensure coordination of the 1973-74 budget with development plans and projects underway or being prepared' (PNG:CPO 1973a:1). In the Solomons the planning office hastily convened meetings with departments to identify and clear urgent projects and to coordinate extant plans in the new national plan, due fifteen weeks later (SI:CPO 774/7/2 of 16.12.74). Permanent Secretaries were instructed to summarize draft chapters of the Seventh Plan they had received from the Ministry of Finance, and where necessary to adjust them to accord with the new policy and guidelines (SI:CPO 774/7/2 of 27.12.74). The result in both countries was a preponderant input of projects and policies carried over from the discarded plans and from the operational environment of the established administrative structure, with a veneer of new policy and a different format.

Papua New Guinea

Though OPAC had opposed the ideologies as well as the technical content of the Faber report (Ballard and Garnaut 1973:10), after it was abolished late in 1972 a number of its staff moved into the Central Planning Office (CPO) established in 1973. The new office was not at full operational strength until a year later, due to differences of opinion about its location and organization, rivalry for control of the planning function (Garnaut 1978:12-14), and the pressure of concurrent political and economic developments.

During that period the early proposals for a small office, to coordinate (like OPAC) a 'decentralized form of planning' in which plans would be prepared by departments and districts, were expanded, and in 1974 and 1975 staff were largely occupied with institutional problems. The annual costs of the office increased from \$142 000 in 1973-74 to a planned expenditure of approximately \$780 000 in 1976-77 (PNG:CPO 1974a, 1976a). As originally set up it consisted of two sectoral planning branches, Resources and Industry Planning and Social Planning, a macro-planning branch and an Area Planning branch (APB) (PNG:CPO 1974a:40-6).¹⁰ Structurally the new office from its inception was biased towards the centralized macro-planning model, and despite its continued attempts to grapple with social and areal problems its main achievements were in the macro-field for which it was best equipped.

The potential for conflict between the Central Planning Office and other powerful bodies, notably the Office of the Chief Minister, the Department of Finance and the Public Service Board (Ballard and Garnaut 1973:11-14), was largely subjugated in the early years of the first Somare Government by nationalist euphoria and by the unifying demands of crisis management. During this period senior staff were deeply involved in establishment of a stable central equilibrium. Much of their time was spent in renegotiation of the Bougainville agreement and subsequent arrangements for the OK Tedi mining prospects, in formation of a long-term aid agreement with Australia, in setting-up regulatory mechanisms for foreign investment and the transfer of political and economic power, and in depressurizing Bougainvillean regionalism, the

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Later a National Coordination Unit was added, and in a subsequent reorganization functions were divided between General Planning, Programmes and Policy Analysis, Area Planning and Manpower Planning. Later still area planning was dropped from the CPO.

Constitutional Planning Committee, Papua Besena and other internal challenges.

By late 1973 the 'impetus for large scale reform of structures' (Ballard and Garnaut 1973:27) had waned, and the CPO had adapted to the systemic administrative patterns. Until 1974 its formal planning activity was demonstrated mainly by the interim Improvement plan and involvement in sub-national plans. A series of five 'growth centre' studies, commissioned under OPAC as a possible 'means of implementing the aims of decentralization and rural improvement' (Conyers 1975:23), were completed under the auspices of the CPO. Other area studies were carried out in Morobe, Finschhafen (PNG:CPO 1974b:10; Zwanzger and Meister 1974) and Western District (PNG:CPO 1975a). Similar investigations, undertaken concurrently by outside bodies such as the University of Papua New Guinea and the Administrative College in the course of their training programmes, occasionally utilized CPO advice and information. The Departments of Public Health and Education engaged in massive planning exercises (PNG:PHD 1974; PNG:Dept. Ed. 1973, 1974, 1975) whose recommendations were widely invoked but proved to be too expensive to implement (Garnaut 1978:24). In anticipation of provincial government the Bougainville Constituent Assembly prepared a simple budgetary development plan for 1974-75 (Mamak *et al.* 1974:83-6), which became the basis for central funding of provincial government activities (PNG:CPO 1974b:10). Though coordination of these plans was the indisputable domain of the CPO, in practice its coordinative role was so inconspicuous that except at very senior levels after four years it appeared that 'there do not exist institutions or procedures for knitting these [government agencies] into a coherent governmental view' (Colebatch 1977:8).

In September 1973 a contingent from Papua New Guinea toured Malaysia and was briefed on the operation of the Malaysian 'Ops Room' planning techniques (Herlihy 1974:10-11), which provided the model for the CPO's new National Coordination Unit. The Unit, situated next to the Cabinet room, was used extensively to brief parliamentarians, senior officials and other groups on major national issues. Largely at the instigation of the

Head of the CPO, the system was refined in a daily 'crisis calendar' meeting of 'core operators' for the Coalition Government, and became a valuable aid to high-level central coordination (Voutas 1978:13-14).

1974 was a difficult year for the Somare Government, and brought in its wake a renewed emphasis on economic planning. Politically the Government was under fire, and Somare and senior staff often had to divert their attention to maintenance of their shaky Coalition. The Eight Aims became widely known as the 'Eight Point Myth'. Towards the end of the year economic issues for the first time posed a serious threat to political stability. Vacillation in Australia over a long-term aid commitment revived concern for economic self-reliance, which grew as the 1973-74 boom year drew to a close and commodity prices declined. Financial and managerial factors became a planning priority.

After considerable debate within the CPO about the virtues of a national plan, the office reversed its earlier stance and prepared a two-volume 'macro-plan'. The first volume, which gave a departmental breakdown of government activity, was conceptualized as 'essentially a management document which complements a number of other planning volumes' through which 'the planning efforts of the Government and public service can be more effectively decentralized, *in the sense that the bulk of planning will take place within the operative departments and agencies* (PNG:CPO 1974a:iii; my italics). This interpretation of decentralization, which echoed that of Hasluck and OPAC and was later repeated for the National Public Expenditure Plan of 1977-8, was a crucial concession to the continuity of established administrative procedures, and paved the way for the decline of the CPO *vis-a-vis* the Department of Finance as the body in control of economic policy.

The second volume, 'Policies and Issues', reinforced the spatially undifferentiated, macro-analytical approach to planning. It reaffirmed the institutional belief that 'planning depends heavily on the systematic collection and analysis of social data in the form of statistics...[and]..much more needs to be done in development of statistical systems' (PNG:CPO 1974a:10-11)

which was one of the most persistent characteristics of the process. The two volumes increased the visibility of government and CPO achievements and intentions, and mobilized and involved a wide range of elite opinion, expatriate and national, thereby reducing the potential for conflict with them.

The Department of Finance, which had maintained a quiet hold on economic policy in the early years of the Coalition, largely through its powerful Minister and the GFEP (Ballard and Garnaut 1973:14), began to strengthen its hand in 1974. The GFEP, responsible for most planning initiatives in the Department after the failure of its Minister's bid for control of the CPO, was restaffed and prepared for a more decisive role. This it saw as, first, to provide a stable flow of public expenditure; second, to balance aid, expenditure, wages and prices in real and monetary terms; third, to increase government revenue; and fourth, to coordinate all decisions relating to allocation of government's financial resources (Garnaut 1978:16-19).

In October 1974 the Budget Priorities Committee (BPC), a group of senior Papua New Guinean officials chaired by the Secretary for Finance, was formed. This Committee, which later became the most powerful decision-making body outside Cabinet, evolved a system of priority ranking¹¹ by which departmental activities were graded according to their relevance to national priorities and therefore to their claim on government funds. Though the system regularized central decision-making and impressed aid donors, it was 'not as watertight as had been expected' (Lepani 1976:40). The grading of departments by an ideal rather than by their record (Hinchliffe 1978:8) and the resumption of allocated funds when results were not forthcoming created confusion in some departments. The bureaucratic ability to circumvent priorities and restrictions set out by the BPC and the National Planning Committee (Garnaut 1978:29-30; McKillop 1978) soon indicated that firmer controls on their financial lifeblood were necessary.

Internal political pressure for provincial government gave additional impetus to the concern for more efficient macro-economic management. Prior to and after Independence in September 1975, the CPO and the Department of Finance were engaged in preparations for the decentralization of functions to the provinces. Several area development studies were produced by or through the Area Planning Branch in association with regional authorities (Mundrau 1976; PNG: CPO 1976b, 1976c; Harris 1976), and two overseas consultants were brought

¹¹

The 'Priority Review Rating'.

in to develop training courses for provincial planners (Barnett and Hinchliffe 1976). To cover the interim period positions of provincial planner were created under the APB and several highly educated nationals were attached to the CPO to prepare for provincial roles. The APB organized a number of workshops and planning seminars in different provinces, most of which were directed at administrative planning capacity and team-building.

These moves, while they stimulated provincial interest in the planning process, added to its specialized mystique. In the West Sepik, already suffering from a 'total absence of internal political mobilization' (Ballard and Colebatch 1976:2) and a very high turnover of senior administrative staff (PNG:WSP 1976:39), councils and inexperienced middle-level staff were unwilling to accept responsibility for innovative planning and unresponsive to APB exhortations for 'bottom-up' initiatives. When Indonesian moves on the border brought renewed attention to the area's underdevelopment, the preparation of 'Border Development Proposals' (PNG:WSP 1976) was left to a senior expatriate official, and to a large extent duplicated the administrative development programme carried out for the area in the early 1960s.

For about two years the Area Planning Branch, on the principle that it was 'essential for the province to not only state the kind of development it wants but also to indicate its own priorities' (PNG:CPO 13-7-10 of 26/1/76), took a relatively passive part in national planning activities. In August 1975 the sphere of influence of the Budget Priorities Committee was extended. The Central Planning Office was restructured 'to provide more effectively the services of a Secretariat to the Committee' (Garnaut 1978:22), and was more firmly tied to 'the macro economic parameters (overall levels of revenue aid, borrowing and total expenditure) given by the Minister and Secretary for Finance' (PNG:CPO 1975b:3). Area planning staff exhibited increasing dissatisfaction with their peripheral role. In late 1975 the Branch was accused publicly by one of its officers (P.C. 2/12/75) and privately by others of neglect of rural areas. By 1976-7 the NPO¹² and the APB had lost many experienced officers, several of whom moved to Finance and the orthodox administrative stream. After the formation of a Department of Provincial Affairs in May 1976 the APB was relocated as a minor office of the new department, where it rapidly became moribund. In 1978 problems with the provincial government system had reached the stage where its Minister and principal architect expressed the fear that 'we may have slipped even further from [the kind of society planned] than we were in 1975' (Momis 1978:18), and proposals were made to return the APB to the Planning Office.

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The CPO was renamed the National Planning Office (NPO) in September 1976.

In 1976 the CPO, under the new and vigorous leadership of Charles Lepani, issued a reaffirmation of the Eight Aims in response to trends over the previous four years. This document, the 'Post Independence National Development Strategy' (PNG:CPO 1976d), identified the 'lack of development in rural areas, the increasingly serious inequalities and the gradually mounting pressure of population on available resources' (PNG:CPO 1976d:15) as urgent problems. By that time the CPO had little financial power to back the Strategy. The Organic Law on provincial government committed the centre to 1976/77 levels of provincial funding, the deployment of which was the prerogative of the provinces and provincial planners. The maximum estimated increase in government revenue for the immediate future (and therefore the maximum available to the CPO for implementation of the Strategy) was approximately \$12 million, one tenth of the amount to be unconditionally distributed to the provinces (see PNG:NPO 1977:22) and less than 3 per cent of the proposed appropriation for 1978 (Holloway 1978). This percentage rate of growth of expenditure represented

the maximum possible and the minimum desirable; with the rate of growth of the population also approaching 3% per annum, any lower rate of growth of government spending would necessarily involve a real decline in the provision of basic services per capita (Lepani 1978:3).

In effect, the role of the CPO in internal development for the short- to medium-term was reduced to maintenance of the *status quo*, with severely restricted budget control, and to an advisory capacity.

To allocate any growth in real expenditure to specific priority projects, the Strategy proposed to introduce a national expenditure plan (PNG:CPO 1976d: 49). This plan represented a major change away from the broad interventionist concept which had distinguished the 'grand plan' era. It made no attempt to influence the bulk of departmental, provincial or private spending, but confined itself to project planning of the estimated 3 per cent growth in public sector expenditure, extended over a four-year term. The National Public Expenditure Plan (NPEP) was introduced as a 'new...form of planning and budgeting' which would 'help the National Government to concentrate people, money and materials upon the achievement of our top priorities' (Somare HAD 20/2/78). In principle it highlighted

the areas in which we have deviated from target. In particular our reassessment is concerned with the relative lack of development in rural areas and the increasingly serious inequalities in the distribution of development

benefits...We now call for a still higher proportion of our nation's resources to be directed to rural Papua New Guinea. This is where the majority of our people live and work, and we must deliver to our people at their villages (Somare HAD 20/2/78).

Despite the strong commitment of Somare, Lepani and other national leaders to these aims, governmental capacity to achieve them through the NPEP was at best very limited. It was constrained 'as much by the failure of departments and agencies to put forward suitable projects as by the shortage of resources' (Holloway 1978:21). Provincial submissions formed 'only a minor component of the plan; as the capacity for planning at provincial level is very limited ... and the money available in the National Public Expenditure Plan is a minor part of the provinces' budget' (Somare HAD 20/2/78). The relatively small proportion of national revenue, at least for the next few years, allocated through NPEP and the National Fiscal Commission represented 'the only means of financial control the national government will have to ensure that resources are spent wisely and are spread evenly' (Somare HAD 20/2/78). At the same time, some of the initiatives emerging from the provinces indicated that provincial preferences could conflict with if not undermine national planning processes and priorities (see Standish 1977).

The NPO turned its attention to maximization of the powers it had. In early 1977 departments, statutory bodies and provincial authorities were asked for detailed submissions for NPEP projects, which once again involved a 'substantial workload' for departmental and provincial personnel (PNG:CPO 1976d:49; PNG:NPO circular of 25/1/77). This was followed by 'guideline' instructions for the collection of a comprehensive body of provincial data, which included a census in considerably more detail than the national census had been able to achieve (Simpson 1977). Designed to standardize data collection and upgrade provincial planning and monitoring capacity, these moves often were not appreciated by provincial staff, who saw them as an attempt to subjugate provincial plans to a central model which involved much work for proportionately little return. Some regarded them as inconsistent with the principles of decentralization, as projects were to be in accordance with national guidelines, were evaluated in the centre, and represented a competitive 'bid' for scarce government resources allocated by the centre. Though projects could be drawn up over a four-year framework,

the flexibility of annual revision and addition of a year (a 'rolling plan' format) meant that as a commitment to action the significant planning period was essentially one year (see Sundrum 1976:9). Those projects which were longer-term were assigned an estimated allocation in much the same way that long-term departmental capital expenditures previously had been calculated, and were as subject to modification. The NPEP in fact bore a distinct resemblance to the public sector planning of the 1950s and 1960s.

The poor response for the NPEP from the anticipated recipients of the programme resulted in only a small proportion of the approved projects in 1978 being addressed directly to the aims outlined by Somare. The major allocation to the West Sepik, for example, was for its long-promised radio station at Vanimo, the priority ranking of which over the years had fluctuated with the level of administrative tension about border issues. The only other direct allocation was K88 000 per annum for its malaria control programme, which had been planned some years earlier as part of the national programme commenced in 1959 under the World Health Organization (Parkinson 1972:2, Attach.11/1). By comparison, almost K 1.5 million per annum was allocated to the production of statistics and other inputs for the planning process, over K 1 million per annum to feasibility studies and research, and approximately K 200 000 to publicity programmes. A total of almost K 2.5 million was assigned to rental of new offices for government staff in Port Moresby, K 122 000 to development of a national sports complex, and K 25 000 to landscaping the Waigani centre. K 202 000 went to servicing and expanding overseas diplomatic posts, though Foreign Affairs previously had received the extremely low priority rating of one (out of a possible 25) from the BPC (Lepani 1976:61).

Solomon Islands

In August 1974 the Governing Council which had been elected in 1973 was renamed the Legislative Assembly and reorganized as a ministerial system. A few months later the Governor informed the Assembly that 'your Government' proposed to set up a central planning unit, and outlined the priorities on which the next plan would be based. These priorities, development of rural marketing services, devolution of administrative responsibility from central to local government, expansion and diversification of rural and particularly agricultural activity, improvement of communications and

'development of existing forms of wealth' (LAD 4/10/74-17/10/74:7), were the official objectives of the Seventh Development Plan, then close to completion. The new Chief Minister, on the other hand, for some years had regarded localization of expatriate-held posts, internal self-government, and political decentralization as the major priorities (Mamaloni 1971).

By the time Mamaloni became Chief Minister in 1974, administrative decentralization had been planned in detail and partially implemented (Campbell 1973; BSIP:MHA 1973; BSIP:MHA 1974). Localization of public service positions had increased steadily in the 1970s and was the subject of a detailed review in 1973-4 (BSIP 1974b). Constitutional development was well-advanced, but economic development had lagged. Foreign aid in the early 1970s comprised 24 per cent of the recurrent budget and almost 98 per cent of the capital budget (SI:OCM 1975, I:9). Ninety-four per cent of aid was supplied by the United Kingdom (SI:OCM 1975 I:7), where the effects of the oil crisis and world inflation implied possible limitations to British capacity to support dependent territories (LAD 4/10/74-17/10/74:2).

The tight control which London maintained over management of its aid contribution placed a heavy burden on the staff of the new Central Planning Office, but allowed it little discretion in the final selection of projects or the distribution of aid funds between them. Of approximately \$12 million British aid for 1975, the first year of operation for the CPO, about 60 per cent was financial support and about 40 per cent manpower aid (SI:OCM 1975, II:App. C). Whereas the Finance Department in Papua New Guinea ostensibly took second place in economic policy-making in the early period of institutionalized planning, the Ministry of Finance in the Solomons retained the major role. Submissions for British aid were prepared by departments and forwarded through the Ministry of Finance, and only submissions for the then 8 per cent of aid supplied by other donors were made through the CPO (CPO 774/7/2 of 16/12/74). In consequence, the main allocative mechanisms during the transition to Independence were in the Ministry of Finance and the budget, while the CPO provided technocratic support and London held the strongest directive power over the economy. This set the pattern for subsequent CPO activity, and it never became the powerful management tool for the political arm that it was for the first Somare government in Papua New Guinea.

Originally staffed with four generalist administrators of whom three were Solomon Islanders, the CPO in its early days was ill-equipped to supply the type of economic appraisal required by project-specific aid donors. On the other hand, it was in an excellent position to articulate the pre-Independence nationalism which was expressed with increasing vehemence in the Legislative Assembly and among senior public servants. The new approach was epitomized in the National Development Plan (NDP) released in April 1975 (SI:OCM 1975). Though weak on the economic and financial aspects of forward planning, the new plan offered strong support to the new government by clear formulation of general aims and guiding principles (CPO 29/10/75:3), and by rationalization of the planning and review procedures to be employed within departments. Suspicious of the bureaucratic propensity to ignore or manipulate political decision-making, the Chief Minister at first made limited use of the CPO, and it turned to improvement of its capacity in other fields.

The planning process envisaged by the CPO entailed a matrix of considerable complexity (Table 1) and demanded a level of specialized skills not readily obtainable from among a population of 200,000. This had the multiple effect of increasing the mystique and therefore the relative status of the function, adding to the dependency of development programmes on the administrative structure and outside assistance, and limiting interference from uninitiated local or national politicians. Supervision and coordination was carried out by a Ministerial Development Committee, chaired by the Chief Minister and supported by a Development Working Party comprised of the Head of Planning and senior government officials (CPO 774/7/4 of 19/1/76:App. 4). For the purposes of monitoring and review the process was broken down into quarterly project reports from Ministries, which were assessed, aggregated and summarized by the CPO.

The National Development Plan was less comprehensive than originally intended. A major omission was the proposed section on regional plans, designed to parallel implementation of the decentralization programme. At that early stage of the programme these plans were not available from councils, and it was considered politically inexpedient to prepare them in the centre. As a result of the omission, NDP was left with basically the same administrative and sectoral structure of its predecessor. The additional plans produced later for 'key sectors of concern' such as cattle development, forestry and transport, theoretically in accordance with

Table 1

Solomon Islands plan matrix 1975

<u>Category</u>	<u>Function</u>	<u>Prepared by</u>
National development plan	Define overall policies and targets and allocate revenue.	Central planning office for Council of Ministers and Legislative Assembly
Annual review of national plan	Update, record progress, adjust targets	Central planning office for Council of Ministers and Legislative Assembly
Ministry of operational plans	Detailed programmes and resources management for individual ministries under national planning guidelines.	Individual Ministries for Council of Ministers
Local Council operational plans	Detailed work programmes and resource allocation for each council area, under national planning guidelines	Council staff for Local Government Councils and Ministry of Home Affairs
Other operational plans	Programmes for statutory corporations and non-government bodies	Statutory corporations, commercial firms, churches etc.
Area perspective plans	Long-range indicative plans for settlement, land use and transport in each council area	Delegated representative/s for Council of Ministers
Annual manpower plan	Annual rolling plan for education output, training, employment and localization	Manpower committee for Central Planning Office and Council of Ministers
Key sector plans	Define objectives and policies and allocate resources to remove constraints in any sector causing particular concern	Delegated representative/s for Council of Ministers
Annual government estimates	Allocate finance and manpower to work programmes and convey approval for expenditure	Individual ministries for Council of Ministers and Legislative Assembly
Annual Local council estimates	Allocate finance and manpower to annual work programmes of individual councils	Council staff for Local Government Councils and Ministry of Home Affairs
Physical plans	Provide for the planned and orderly development of land in specific areas	Planning authority as designated by law, for relevant ministry.

NDP guidelines, drew heavily on expatriate expertise and previous studies, and in default of alternatives perpetuated the earlier large-scale, export-oriented model of economic development.

Concern in the centre with the procedural aspects of project evaluation, monitoring and review soon came to dominate the planning process. With the addition of an economist to its staff, the office was able to take a more decisive part in project appraisal and preparation of submissions in the form required by aid donors. This made little difference to the relationship with the Overseas Development Administration section in London, which continued to demand detailed information about and additions to project proposals that at times were almost impossible to supply. Despite CPO attempts to convince its main donor that 'no foreign country, including Britain, should be heard to say that such-and-such a policy or programme is "wrong", or even that it is a misuse of resources' as 'only the Solomon Islands Government is accountable to the Solomon Islands people, and thus has the right to make value judgements on their behalf' (CPO 29/10/75), London's intransigent stance on certain issues remained a major constraint on the centre and a source of tension and conflict internally. With self-government and the approach of Independence the relative importance of other aid donors increased, and the CPO became almost exclusively preoccupied in liaison with donor representatives and consultants, and preparation of project submissions for their consideration. Implementation and feedback about current projects was left largely to the orthodox administrative channels.

The Solomons decentralization programme, which followed the 'Plan of Operations' produced in 1973 (BSIP:MHA 1973), placed responsibility for production of council plans in the hands of council or regional government staff, and their coordination with the Ministry of Home Affairs. Decentralization of the planning process was achieved by *fiat*, with an instruction to councils that they were to take over the detailed (and most difficult) part of the process, the preparation of operational projects and programmes in accordance with NDP guidelines. Firm central control over finance and senior manpower, *pari passu*, and in many instances the diseconomies of small-scale operation, severely constrained regional planning capacity. Some councils were allocated expatriate ex-district officers as planners, which reduced the scope for indigenous initiative, while others were dependent on such advice as they could find locally, and planning devolved

on staff who were already burdened by the takeover of central functions. By comparison with Papua New Guinea, where trained provincial planners found innumerable extraneous duties grafted on to their formal role, in the Solomons planning became an additional function of generalist administrators.

Council staff complained that 'the methodology of project evaluation, monitoring and review seems to have a leviathan orientation, often leaving the councils' development problems unnoticed' (MC F 1/7/3 of 27/4/76), and that councils could decide only 'where the development should take place rather than what nature the development should be' (SIC 1976:1). Most of the plans eventually produced closely paralleled earlier central models. By early 1975 the suspicion that council plans reflected priorities that were primarily centrally-imposed and often irrelevant to villagers had cast doubt on the value of the exercise. Councils began to complain that they had lost their autonomy under the local government reforms, and were merely agents of central government (MGA F 1/7/3 of 30/6/75).

One consequence of the introduction of council plans in the Solomons, as with provincial plans in Papua New Guinea, was that central agencies were able to pass difficult issues down the line, and thereby to avoid responsibility for decisions which previously would have come within the central ambit. The plans also provided a mechanism by which central officials could, if they wished, stifle or postpone low-level development initiatives to suit central administrative convenience. In the early stages of the decentralization programme and even before NDP was officially released, one agency responded to an unexceptionable request for a loan with a statement that its Board would

require to know your Council's development plan/programme so that it can best support it with rural credit. It would not...be prepared to consider ad hoc applications like this unless it knows the developments proposed so that it could finance projects which fit within this framework (AILB 10/2/75).

As the CPO initially had been staffed by internal transfer and not by outside recruitment, the pressures of public service manpower organization were often in competition with the needs of the Office. By 1976-7 the CPO in the Solomons, as in Papua New Guinea, had lost a large proportion of its staff, and by 1978 the Head of Planning had been changed four times. The original Head had moved to the post of Permanent Secretary in the Ministry of Finance, an organization held in high favour by London officials

by virtue of its probity and because 'they run a tight ship' (Allan 1978). Staff who had been trained, in some cases overseas, for planning posts spent very little if any time in their anticipated positions, and for some time the Office was unable to fill vacancies in its establishment.

The movement of CPO staff to senior governmental positions elsewhere had little effect on departmental planning capacity, which was usually at a lower level of the hierarchy, but brought a relative decline in the CPO's internal influence and a concentration of its activities on negotiations with external interests. In this situation the attention the CPO could devote to upgrading council planning capacity was severely restricted, and council plans were left largely to the Ministry of Home Affairs, itself burdened by problems associated with the decentralization programme. Councils were in no position to compete with departmental plans and priorities, which by default became the predominant input into the national planning process. In effect, the institutionalization and the decentralization of planning enabled central administration in the Solomons, as in Papua New Guinea, to consolidate its position politically and financially, and to ride out a period of strong anti-centralist and anti-colonialist feeling with minimal discontinuity.

CONCLUSION

Though planning officers in both countries have expressed concern at the weak articulation of central planning activity and village needs and aspirations, their ability to improve the situation has been institutionally circumscribed or circumstantially constrained. By 1978 both Planning Offices, aware of their increasing isolation from their data base, were directing a considerable proportion of their time to refinement of internal data collection and assessment capacity. Improvement of central mechanisms for project appraisal, plan preparation and implementation was a concurrent priority.

In Papua New Guinea the need for more reliable and comprehensive information became more imperative as the former District Administration field service, previously a major source of information, declined. The insertion of an intermediate level of decision-making, the provincial governments in Papua New Guinea and the upgraded councils in the Solomons, severed many links between the centre and the villages, and central officials noted a significant decrease in the amount of information about village

concerns which reached them. Public criticism of the NPO's allocative mechanisms in Papua New Guinea (Amarshi 1977; Berry 1977; P.C. 17/7/78, 7/8/78) and of Government's development policies in the Solomons placed central planning officials on the defensive. Papua New Guinea's CPO brought in two experts, funded by the Asian Development Bank, to review its organisation, systems and planning procedures, and to improve its servicing of political decisions. Far more involved in these from its inception than the Solomons CPO, and less constrained than most Papua New Guinea departments by organizational patterns carried over from Australian rule, the NPO by 1978 had become one of the most valuable and politically sensitive support services available to the legislature. At the same time, its authority to follow through political decisions had been severely eroded, and the effectiveness of its internal operations was largely dependent on bureaucratic machinery over which it had little or no control.

The Solomons Planning Office was almost entirely restaffed in 1977-8, mainly with newly-recruited expatriates, and began anew to build up the body of local expertise and areal data it saw as a prerequisite to planning (Sibisopere 1978). To this end it initiated a series of island-by-island studies, the first of which, for Santa Isabel, was released in draft form in May 1978 (SI:CPO 1978). The study, originally intended as the basis of a council plan, was compiled by expatriate CPO and Ministry of Agriculture and Lands (MAL) officials after a one-week tour of the island. As had happened with most previous exercises of this type in both countries, the result was less functionally adaptable than intended. Lack of time and of village experience, the narrow range of skills employed and the complexity of the task made the completed study little more than an amalgamation of data from secondary sources with extant government policy, and a learning experience for those involved.

By the mid-1970s in Papua New Guinea and the Solomons it was fairly evident that, as Lewis predicted in the 1960s, the demands of foreign aid administrators had become one of the most important reasons for making development plans (Lewis 1966:152), and the inflow of aid funds one of their major consequences. Though aid donors were becoming concerned over the dichotomy between the objectives stated in plans and the actual development projects proposed (Irwin 1977:9), and the weak control of the CPO over departments (Young *et al.* n.d.:69), on the whole they operated on the tenet

that 'development assistance is determined by government to government consultations and within the national development programmes of these countries' (Aust. Comm. Parl. 1978:38).

One of the major problems was that many of the stated planning goals implied a need in these countries for a major reorganization of the administrative structure, which either was not or could not be considered a viable option at that stage. Planning thus became a short-term response to exigencies rather than a long-term directive mechanism. The most consistent of these pressures over time was the financial constraint. From pressures by a colonial government on its colony to reduce its demands on the home Treasury, this became in the 1970s the need to 'achieve self-government and Independence on sound political and economic foundations, so that nationhood can be genuine and stable' (SI:CPO 1977:4).

Implementation of stated objectives, by virtue of its temporal and often spatial distance from the events which initiated the plans, has been insulated from the planning environment, but the interventionist nature of the process (Fisk 1975:11-15) has allowed its costs to be dispersed to the public. The effect on rural areas at the periphery, which I review elsewhere, has been to increase their isolation from the planning process and to reduce their ability to compete for resources. For villages in the study areas previous disappointments have given development plans a high risk or 'confidence trick' image, described by an experienced Pacific planner as:

It is just plausible, it just could be true.

It plays on the frustrated aspirations, or the sheer greed, of the sucker.

The person who thinks he is gaining something, doesn't; he loses, often a lot.

It involves a placing of trust, an expression of faith, in the trickster, who is assumed to have the power to pull off the deal, but he hasn't and he doesn't. (Hughes 1978:44).

ABBREVIATIONS USED IN THE TEXT

AC	Advisory Council
AILB	Agricultural and Industrial Loans Board
APB	Area Planning Branch
Aust.Comm.Parl.	The Parliament of the Commonwealth of Australia
BPC	Budget Priorities Committee
BSIP	British Solomon Islands Protectorate
CDW	Colonial Development and Welfare
CPO	Central Planning Office
CS	Chief Secretary (Office)
DASF	Department of Agriculture, Stock and Fisheries
DC	District Commissioner
DC(E)	District Commissioner (Eastern District)
DDA	Department of District Administration
DCC	District Coordinating Committee
DEDC	District Economic Development Committee
Dept. Ed.	Department of Education
DO	District Office
DO(E)	District Office (Eastern District)
EIU	Economist Intelligence Unit
EII	Eastern Inner Islands
GFEP	General Financial and Economic Policy Division
Govco	Governing Council
HAD	House of Assembly Debates
IBRD	International Bank for Reconstruction and Development
LAD	Legislative Assembly Debates
MC	Makira Council
MGA	Makira Government Agent
MHA	Ministry of Home Affairs

NDP	National Development Plan
NPEP	National Public Expenditure Plan
NPO	National Planning Office
OCM	Office of the Chief Minister
OEА	Office of the Economic Adviser
OPAC	Office of Programming and Coordination
<u>P.C.</u>	<u>Post Courier</u>
PHD	Department of Public Health
PNG	Papua New Guinea
RIP	Rural Improvement Programme
SDO	Sub-District Office
SI	Solomon Islands
SIG	Solomon Islands Government
SIC	Santa Isabel Council
SO	Statistical Office
TPNG	Territory of Papua New Guinea
UN	United Nations
WPHC	Western Pacific High Commission
WSD	West Sepik District
WSP	West Sepik Province

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