

## In this issue

---

### Churchman's "Poverty and development"

C. West Churchman is emeritus professor at the Haas School of Business, Berkeley. He founded the first graduate MS and PhD programmes in Operations Research, and co-authored the first textbook in this area, *Introduction to Operations Research*. He is also a logician and a systems scientist and wrote the popular *The Systems Approach* in 1968.

In this thought-provoking essay, Churchman explores the relationship between development and poverty and its implications for development planning and implementation. He emphasises the importance of feelings and emotions that are associated with the pronoun "we". For example, the first word of a country's political constitution, as well as of the Charter of the United Nations, is "we". He points out that, in practice, the poor tend to be excluded from this "we" and development is kept separate from poverty. This separation is sustained by indifference of the "I-don't-care" variety.

Churchman then formulates what he calls the "unspeakable axiom of today's capitalism". This axiom is part of a widespread "Weltanschauung" that lies at the basis of much development planning. The axiom can be related to the dark side of the human mind that Kant mentioned in his *Critique of Pure Reason* and that Freud called the "unconscious". Churchman's hope for the third millennium is a global ethical management (gEm) practice, and he outlines what is needed for an ethical approach to development planning.

### Bell's "Managing and learning with Logical Frameworks"

Logical Frameworks have been widely used as a project planning tool in development. Despite its popularity and conceptual simplicity, and its potential for making project stages and processes tightly defined, questions have been raised as to whether this tool can be applied in a participative manner. There are also concerns that it can easily lead to the exclusion and disempowerment of those who are not familiar with its logic.

Professor Bell of the Systems Department at the Open University in the United Kingdom has examined these concerns in the context of an MIS project in China. The ground rules of the entire project process are inclusion, participation, and shared ownership of process and outcome. The author describes the salient features – and possible pitfalls – of the logframe approach throughout the entire process of project decision-making.

The different stages of the process include "thinking about the context", which leads to the "rich picture"; developing a good narrative, which encompasses an understanding of the project; developing the assumptions column ("soft" features of the project context); deciding what needs to be measured and how to go about measuring it ("hard" features); and specifying the activities required for the project's implementation and their means of verification.

The author argues Logframes tool can be a valuable aid in project thinking and in developing trust, participation, and consensual decision-making. For example, by juxtaposing "soft" and "hard" features of the project, the Logical Framework may facilitate important individual and group insights into the project context. The potential problems have more to do with the approach of the facilitator than with an explicit weakness of the planning tool itself.

### Griffin's "Management of structural adjustment"

Professor Griffin of the University of California at Riverside has examined the systemic changes that have taken place in Vietnam since 1989, from the viewpoint of macroeconomic policy reforms. This country of 72 million people showed itself to be remarkably resilient after three decades of warfare had imposed heavy costs, both psychologically and economically.

A reform process (*doi moi*, or renovation) was begun in 1989. The author characterises it as pragmatic, experimental, and cautious as well as tolerant of certain inconsistencies, half measures and ambiguities that would be unacceptable to an ideologically motivated transformation. In short, he characterises the process as well managed. Griffin first observes the

structural changes that occurred, notably a shift from a predominantly agricultural economy to an industrial and service economy; he also notes that – contrary to the experience of many other countries – this shift was not accompanied by increased urbanisation. He then examines how such a dramatic change came about.

According to the author, the growth in average incomes and the reduction in the proportion of the population living in poverty, was led by skilful macroeconomic management; that in turn created a favourable environment in which structural reforms could be introduced. Further, the growth appears to have been supported by a phenomenal expansion of exports, rather than by foreign investment. In this respect, the author argues, the experience of Vietnam is consistent with the experience of many other countries; namely, that foreign investment is more often a consequence, rather than a cause, of rapid economic growth.

Despite a series of wise policy decisions in Vietnam over the past ten years and a remarkable record from which other countries can learn, the author warns that, in the future, more emphasis will have to be put on education, health, and environmental issues. Both “human and natural capital” have been “consumed”, rather than replenished or cared for, during the years of growth and are in urgent need of attention if the growth is to be sustained.

### **Holmberg’s “Knowledge-intensive networking”**

Knowledge-intensive networking lies on the cutting edge of new forms of organisations with a minimum of formal structure. They promise an alternative means for organising development assistance as opposed to the traditional, capital-intensive investments underwritten by grant aid.

The Global Water Partnership (GWP) is such a recently created global network, or virtual organisation, which has been modelled on the Consultative Group for International Agricultural Research (CGIAR). This knowledge-intensive network is guided by science and professionalism rather than politics. It is held together by shared values and the perceptions of the importance of research and action for the sustainable management of water resources.

Dr. Holmberg, who is assistant director general at the Swedish International Development Cooperation Agency (Sida) and executive secretary of the GWP, argues that this network will thrive provided that certain conditions are met. He emphasises that professional-

ism and flexibility should not be blunted by politicisation or by cumbersome intergovernmental governance and bureaucratic procedures.

If these pitfalls can be avoided, says the author, the GWP has the potential to set an example, outside the water sector, as a new model of international cooperation, a form of organisation that is voluntary, non-bureaucratic, action-oriented and professionally driven. It promises to be an engine for capacity building – by responding to the necessity for cooperation between countries affected by issues of water management; and by focusing on the generation, transfer, and sharing of knowledge and experience that is needed for informed action.

### **Brown and Mooleedhar’s “Response to local emergencies”**

Very often it is the unforeseen, sometimes fatal, incidents that expose organisations’ inadequacies, provide the opportunity to reflect upon them, and put into motion the will to reorganise and adjust the institutions to better accomplish their mission. The Demerara Road incident provided just such a challenge to Trinidad and Tobago’s governmental institutions.

Professor Brown, of McGill, and Mr. Mooleedhar, of Planning Advisory Services in Trinidad and Tobago, have presented a probing analysis of the failure of existing institutions to adequately respond to an incident of poisoning and land contamination that crucially affected the everyday life of residents and had ramifications in public health, settlement policy, and environmental management. It becomes clear how the various government agencies perceived the residents’ problem from different perspectives, with different mandates in mind, with different resources and strategies, and with different apparent values and mentalities.

More than four years after the discovery of the health-threatening problem, both the residents and the contaminated soil are still in place at the Demerara Road site. The authors conclude that when an emergency response is required, a strategic approach is needed to take into account the inevitable systemic nature of the situation. They offer suggestions for improving the effectiveness of institutions in dealing with emergencies and recommend ways of cooperating for efficient and coordinated action.

### **Clarke's "Who or what is a development manager?"**

Clarke of the University of Manchester's Institute for Development Policy and Management in the United Kingdom has examined what it means to be a development manager, by submitting the question to participants in the Institute's graduate and professional programmes.

Using questionnaires and group discussions, the author points out that these professionals see development management as primarily implying direct responsibility for some aspect of economic and social improvement, especially poverty reduction. Moreover, he finds that, rather than identifying development managers with certain professional slots, respondents talked of the need for appropriate personal attributes for such development activities.

The author concludes that, beyond the imperative of being development-minded, a development manager must be someone who is forward-thinking, people-oriented, resourceful, flexible, and morally committed. He suggests that this observation has obvious implications for the training of professionals involved in the management of development.

### **Saeed's "Maintaining professional competence in innovation organisations"**

Professor Saeed, who is department head of social science and policy studies at the Worcester Polytechnic Institute, has examined the implications of certain characteristics of the governance system on an organisation's ability to sustain professional competence and mobilise it for innovative decision-making. This ability is relevant in the context of development man-

agement since innovation and technological adaptation are ostensibly a powerful means of affecting economic growth both in industrialised and developing countries.

The paper deals with the processes that affect the maintenance of professional competence, in particular, those related to organisational learning and the mobilisation of knowledge. The author notes that the capability to innovate presents a paradox for the design of organisational governance systems. On the one hand, there is overwhelming evidence that innovation can only be nurtured in an informal setting, one unfettered by the rigidities of a manifest role structure. On the other hand, an organisation's design only defines manifest roles – actually more of a hindrance than a help in sustaining the organisation's innovation functions. While it seems imperative to create a governance system where a balance between manifest and collegial authority can be maintained, this is not a simple matter. In practice, it may lead to a power struggle between conflicting interests, thereby undermining the necessary collegiality.

The author's instrument of analysis is a systems dynamics model of the production, knowledge acquisition, and governance functions of an organisation concerned with innovation. The cause-and-effect relationships of the model are based on existing theoretical and empirical information. Experimentation with the model by means of computer simulations reveals that only a policy that strictly limits both the growth of manifest authority and the administrative scope will succeed in sustaining the innovative organisation.

The author therefore suggests that adherence to a charter that limits manifest authority and assures the exercise of collegiality is the key to sustaining professional competence in an organisation concerned with innovation and efficient performance.