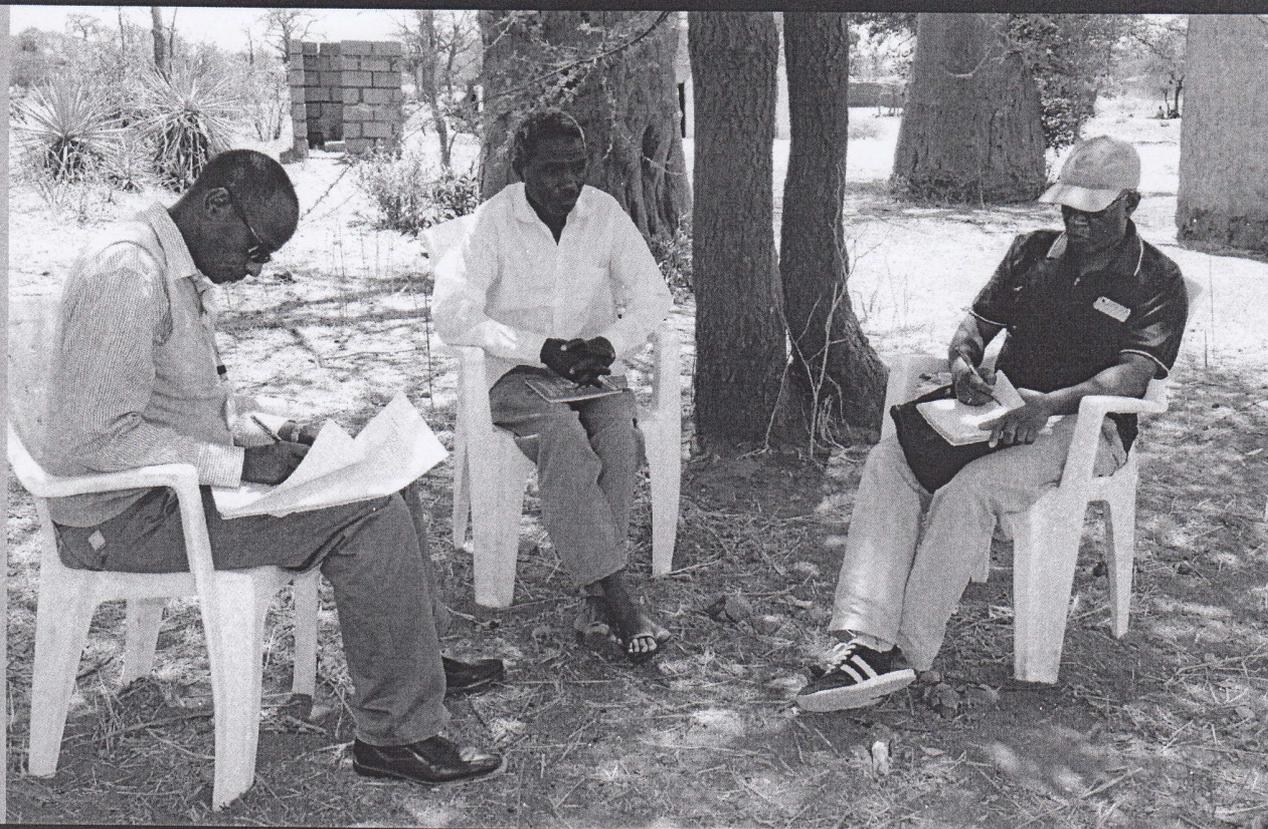


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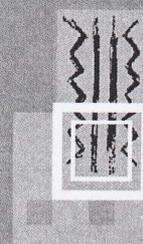
Tanzania Planners' Handbook

A Guide for Development Planning

Constantine Lifuliro, Innocent Zilihona, Tiberio Mdendemi
Adalbertus Kamanzi, George Kinyashi, Teun van Dijk (editorial board)



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African Studies Centre Leiden
P.O. Box 9555
2300 RB Leiden
The Netherlands
asc@ascleiden.nl
www.ascleiden.nl

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PART I
**The Context: Planning,
Planners and the Planning
System**

The Context: Planning, Planners and the Planning System

Planning has shifted significantly from a government perspective to a governance perspective. While from the government perspective, planning was premised on the fostering of economic and social innovation centred on the developmental state, the governance perspective is premised on the need for collaboration and complementation of roles among organizations and individuals of different types in a more globalizing world. The assumption and practicality behind this shift in perspective is that there is no single solution to attaining development objectives. Hence, much as the planning in Tanzania remains in the hands of the state, the participation in development variables is still a challenge that calls for more integration of private actors in planning processes. Quite a number of these actors are not only local and national, but also global. They represent not only local and national interests, but also external interests. Such dynamics of variability among actors in planning processes and the different levels of interests behind planning must be taken into consideration by any planner in Tanzania.

This first part of the Handbook sets the context for planning in Tanzania. Not only is an understanding of the theoretical underpinnings of planning in terms of its conceptualization and theorization important, but also planning's historical contextualization is crucial. The context in terms of the population for and with whom to plan, together with the actors involved in planning, is a key issue to understand if one wishes to undertake proper planning in Tanzania. Planning is geared not only towards economic planning (i.e. planning economic activities which are carried out in different ways by different stakeholders) but also towards a more inclusive objective (i.e. planning for the well-being of the population as a whole). Changing population dynamics, therefore, call for different services that need to be planned for. These changing population dynamics call for a different approach and for the population to actively participate in planning processes. Moreover, population concerns are among the most complex and controversial issues encountered by planners. The issues are complex because, in a broad sense, population concerns relate to all other development efforts undertaken by a society; and from a public service point of view, capacity needs to be built up to ensure that adequate services are provided at the right time. What is required to build such capacity? Who are the planners in public and private service, and what planning system is required to ensure that the current and future demands

or needs of the population are catered for? Since government, non-government, civil society, and private sector stakeholders are nowadays all involved in planning, the role of the planner is increasingly growing as a facilitator of democratization processes. A planner needs to elaborate and work out, for example, what the economic consequences are for particular social or political choices; planners need to elaborate on alternative scenarios. And last but not least, a planner in Tanzania cannot do without understanding the prevailing planning systems in the country.

This part of the Handbook has six chapters. Chapter 1 describes the concepts and various theories and models of planning. The second chapter describes the historical perspectives of development planning in Tanzania. The third chapter discusses the current planning system in Tanzania. The fourth chapter deals with the roles, tasks, competencies, and ethics of planners. Chapter 5 presents issues related to the different actors who are involved in development planning. This Part I ends with the demographic dynamics for development planning.

1

Planning: Concept, Theories and Models

Andrew Komba, Kenneth M. K. Bengesi, Titus Mwageni

1.1 Introduction

This chapter aims at acquainting the planner with the concept of planning, together with the theories and models related to it. The clarification of this concept is important for understanding the state of and for implementing planning in Tanzania. The first section of this chapter is concerned with the meaning of planning, with various definitions and conceptualizations underscored. The second section traces the evolution of planning starting from around the period before World War II to date. The third section of the chapter focuses on planning theories drawn from various contributors. The last section summarizes a number of planning models commonly used in development planning.

1.2 The concept of planning

All development planners face practical questions of what planning means. Planning has been defined in many ways. The most comprehensive definition is that planning is the process of strategic determination of measurable goals and actions that a person, organization, or community would like to meet within a certain given period of time; it involves the formulation of policies, programmes, projects, and actions for achieving development objectives. The essence of planning, therefore, is to consider an organized, conscious, and continuous attempt to select the best available alternatives to achieve specific goals (Waterson 1971, as discussed in Shakya 2007).

Faludi (1983) characterized planning as the distinct perspective(s) from which problems and solutions are defined, with three clearly distinct theo-

retical standpoints: 'object-centred', 'control-centred', and 'decision-centred'. From this perspective, planning contains clear objectives for change that needs to be controlled and managed, and it entails critical decision making after detailed analysis of the situation.

Shakya (2007) categorizes development planning into central and indicative planning. While central planning is practised where the role of the state is dominant in development planning for the population, indicative planning is practised in market-based economies where the role of the state is to facilitate processes of development planning rather than planning.

Apart from the above definitions of planning, planners need to be reminded of some old but still useful aspects of planning. These include spatial levels of planning, operational fields of planning, and time horizons of planning. Spatial levels of planning refer to the fact that planning is undertaken at different spatial levels: in most cases it occurs at the macro (national) level, at meso (regional) level, and at the micro (local) level. In this case, when planning, planners should take on board all conditions related to the spatial level they are planning for.

The aspect of operational field of planning points to the fact that planning is not a one-man show. This is because development is a result of decisions by many stakeholders, ranging from individuals to the state and societal actors. As a consequence, planning was traditionally conceptualized into four operational fields: project planning, sectoral planning, macro-economic planning, and integrated development planning. Currently, however, there is a move away from sectors to integral thematic approaches. For example, current planning tends to look at chains where numerous sectors are active. Chains look at how end-products are developed from their conception to their recycling. In more detail, they look at actors who are suppliers of raw materials, inputs, and capital goods; actors who transform these into products; actors who undertake logistics; actors who commercialize and sell the product to final users; and actors who engage in recycling. It is important to note that there can be supporting actors who are providers of services to the chain actors, and chain promoters who are organizations promoting particular actors and/or processes in the chain. Details on how these fields of planning are operationalized are given in later chapters. At this point, it is enough to note that these fields are related and that at a certain point they all have projects and require coordination to achieve a better result.

The time horizon aspect of planning addresses the length of time over which the development plan is undertaken. In many cases, there are short-term plans of one year, medium-term plans of up to five years, and long-term or perspective plans of up to more than 20 years. Time horizon is an important concept in planning because it gives the plan its value. Short-term plans of one year are good because they are easy to associate with a budget. But having short-term plans that do not emanate from medium or long-term plans denies a planning area (be it a nation or a region) the opportunity to think of the distant future. Such a denial is not beneficial for the development of a planning area; in this regard, planners should be careful with their decisions on the time horizon of a plan.

1.3 The evolution of planning

Conceptualizing and theorizing about planning go back to the first days of the profession. These early days of the profession are traced to around the period before and after World War II (1939–1945) (Hackett 2013).

With the exception of Russia, there were no serious attempts to develop a planning doctrine until the period soon before World War II. At that time, the New Deal—a practical example of national planning—was launched in the USA in 1933. In the New Deal, the USA government engaged directly in planning and managing development projects to enhance production and address unemployment. Franklin D. Roosevelt (the then president of the USA) and Rexford Tugwell (a former governor of Puerto Rico) championed planning as the ‘Fourth Power’ of the government, the other three powers being the judiciary, executive, and legislature (Friedman 2011). Mannheim (1940) noted that planning was inevitable due to technology and population growth taking shape in all economies (Stiftel 2000). Mannheim’s idea triggered both scholarly and political debates. On the one hand, there were planners who favoured increased levels of government influence in the economy; on the other hand, there were laissez-faire or market-based advocates who saw government involvement in planning as clumsy and inefficient. These advocates feared the power of government to reduce the freedom of people to acquire individual prosperity (Hayek 1944). According to Jhingan (2011), planning under a market-driven economy has to be symptomatic, co-ordinative, and authoritarian. With this view of planning, the industrially developed countries saw the role of planning as limited, and it is for this reason that they held to indicative planning.

The issue is not whether planning is needed, however; it certainly is. The question is whether the most effective place to do the planning is in a government centralized bureau or at the local level. Even at the local level, the relevant question to ask is this: Who should plan? Should it be the forces of authoritative or democratic participatory institutions? This question has resulted in a re-thinking of planning conceptualization and practices. This became necessary because government is left with no option but to place less effort on direct intervention and more on the creation of an enabling environment to enhance area services to be delivered by individual households, community-based organizations (CBOs), non-governmental organizations (NGOs), and the private sector. Having said that, planning practice should focus on involving households, CBOs, NGOs, and the private sector in public-community planning processes and should incorporate the outcomes of such efforts in local government's development planning. Only then can we talk of the evolution of another form of planning: the enabling planning practice (Helmsing 2000).

Crucial for promotion by government are enabling policies, which in principle should help to ensure there is more attention given to better regulation. In order to achieve a smooth functioning of the market, where all actors or stakeholders can become optimally productive, regulation and inclusion-oriented stimulating policies are necessary. Enabling policies are aimed at the enablement of communities and markets, with the important assumption that the economy and society will flourish better when the positions of all stakeholders, including the poor, are strengthened, both vis-à-vis the state and in relation to other parties in the market place.

1.4 Planning theories

Faludi (1983) and Sager (2001) placed planning theories into three groups: (a) definitional; (b) procedural; and (c) subjective. The definitional theory describes what planning actually is and how it fits into the social context. It examines the role of planning within the systems of which it is a part, and it includes political and social theories. Procedural theories, on the other hand, deal with the processes of planning, the issues related to determining the best approaches for transferring knowledge into action. These theories include the types of processes applied, how decisions are made, how values are included, who is incorporated in the processes, and other procedural issues. Subjective-oriented theories provide the knowledge base to inform the planning processes. This covers theories related to subjects that are of concern

in any particular planning situation; they often refer to theories from other disciplines deemed relevant to the circumstances. Apart from such grouping of theories, other planning theories and their descriptions are summarized in Table 1.1.

Table 1.1
Planning theories and their description

Planning Theory	Description
Thorstein Veblen's (1930s) technocratic planning theory (Stabile 1986)	Technocracy is a theory of rule by technical experts. The technocracy planning theory advocates for expertise supremacy in the planning process
Hudson's SITAR planning theory (1979)	SITAR theory classifies planning approaches into five types: Synoptic, Incremental, Trans-active, Advocacy, and Radical (SITAR)
Friedman's (1987) four traditions of planning	The core-periphery 4-stage model of regional development contends that where economic growth is sustained over long time periods, its incidence works towards a progressive integration of the space economy. The stages are as follows: pre-industrial, transitional, industrial, post-industrial
Fainstein's (2000) collaborative planning theory	Collaborative planning theory takes a democratic approach, focusing on discursive concepts and approaches to planning. Communication, interaction, and relationship building among government, interest groups, and other major sectors are at the heart of collaborative planning. These factors are viewed as the means for improving policy development and implementation through social learning and consensus building
Jurgen Habermas's (1984) communicative rationality planning theory	Habermas believed old planning methods may be dead, but pure market relations do not seem to be the only answer for social betterment. With his communicative rationality planning theory, it is believed that rationality in planning is achieved through communicative action

Table 1.2
Planning models and their descriptions

Model	Description
Harrod Domar (H-D) growth model (1939)	The H-D model is the simple analysis of capital accumulation in the absence of technological progress. The simple version of H-D model is formulated in the following equation: $Y = K/\alpha$, where Y is the rate of growth, K is the savings (investment) rate, and α is the capital-output ratio. The equation simply states that the rate of economic growth is determined, given the technology, by the rate of investment
The neoclassical growth model	In the H-D growth model, there is no place for technological changes, but neoclassical economists believe that growth is also the function of technological changes. Hence, the neoclassical growth model is given by the production function: $Y = A K^\alpha L^\beta$ where Y is the rate of economic growth, K is the capital, and L the labour. A represents the technological progress, and α and β represent the share of capital and labour in the production process. This is usually referred to as the Cobb-Douglas production function, which simply states that the measure of technological progress is important in the determination of aggregate growth rate
The Leontief (1951) input-output model	The input-output model (I/O) provides a microscopic view of the national economy. It is a statement of the output of goods and services produced by a sector and the volume of goods and services which are consumed to produce a given unit of production in that sector. Since different sectors of the economy are interrelated, each sector has to depend on other sectors for input and to sell output. In other words, the output of one sector is used as input in other sectors. The I/O is an instrument which recognizes the interdependent nature of the economy. For instance, the agriculture sector output depends on the production of the fertilizer industry; and so on

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The Feldman model (1928)	Feldman presents his model on a theoretical basis which is concerned with long-term planning. The model was built on various assumptions, including assumptions that there is no government expenditure except on consumption and investment; production is independent of consumption; there are no lags in the growth process; and capital is the only limiting factor. Given these assumptions, Feldman followed the Marxist division of the total output of an economy (W) into category 1 and category 2. The former relates to capital goods that are meant for both producer goods and consumer goods, while the latter category relates to all consumer goods, including raw materials for them. The production of each category is expressed as the sum of constant capital (C), variable capital (wages) V, and surplus value S
The Mahalanobis model (1953)	Mahalanobis developed a single-sector, two-sector, and four-sector model that fit into the development planning of the Indian economy. Initially, he made national income and investment the variables in his single model; later, he developed a two-sector model where the entire net output of the economy was to be produced in the investment goods sector and the consumer goods sector. The model assumes an economy that is related to a closed economy: non-shiftable capital equipment once installed in any of the sectors; a full capacity production in both the consumer and capital goods sectors; determination of investment by the supply of capital goods; and no changes in prices
The linear programming (optimizing) model	The linear programming model can provide a simultaneous solution for the three basic purposes of development planning: (a) the optimum allocation of resources; (b) efficiency in the use of resources through the proper valuation of the resources and the avoidance of social waste; and (c) the balance between different branches of the national economy. Linear programming can be considered as providing an operational method for dealing with economic relationships, which involve discontinuities
Macro econometric models	A number of macro econometric models have been developed by different planners. The demonstration of such models takes the form of a simple Keynesian framework of analysis

As noted, these are traditional models. With econometric modelling, current models have become increasingly sophisticated—for example, GCE modelling and agent modelling.

1.6 General remarks

There are numerous definitions, theories, and models of planning. This makes planning complex but real, because each of these definitions or theories or models is different from the others on account of its need for contextualization. The debates over planning, therefore, do not generally lead to questioning whether planning as such is required or not. Rather, discussions focus, on the one hand, on defining the most effective place in which to undertake the planning, be it at central, meso, or local level—and, on the other hand, on who should undertake the planning, be they the forces of authoritative or democratic participatory institutions.

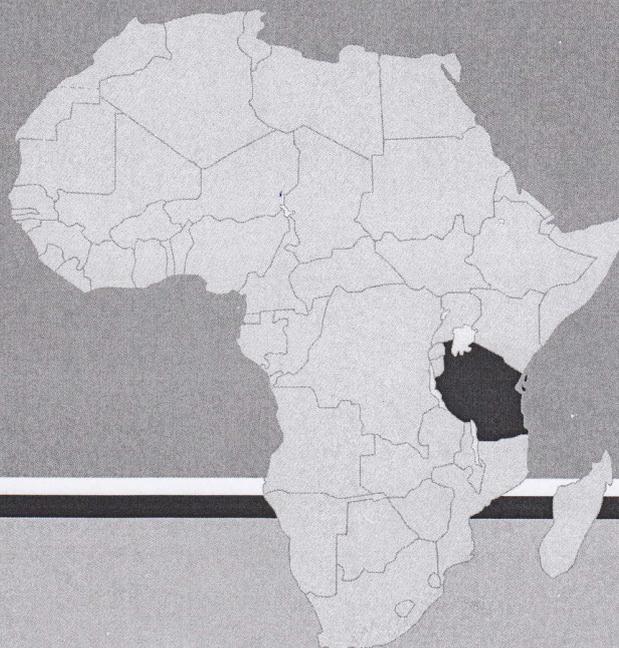
With the development of techniques and technologies, the task of planning has become more challenging due to the easy predictability of circumstances that will have significant impacts. For example, with computer modelling and simulations, it is possible to see what is coming in the near or distant future with considerable precision. This information, however, is available not only to the planners, but to other development actors who may have different interests in the development processes. While this situation places the whole planning profession in the advantageous position of foreseeing issues, it poses two large challenges. The first challenge is that the professional planner is now bombarded with large quantities of information, the processing of which can be a problem. The second challenge is that when the professional planner is planning, other development actors are also planning and implementing. As a consequence, development planning becomes a more complex process: different social actors propose their own scenarios, public planners must test these and work out the consequences, and then the political process must negotiate the making of certain choices.

Planning is necessary. It can be considered a necessary evil, because some people may be taken in a direction they do not wish to go. However, what requires attention in planning processes is that not only are all the different development actors involved in the processes of planning, but they are also left to creatively plan within the larger frames that the people themselves—directly or indirectly through their representatives at different levels (from local to national)—deem fit.

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The Tanzania Planners' Handbook is a practical guide in the process of planning for practicing planners and other professionals engaged as functional managers and officers in Tanzania. In seeking to provide practical guidelines for those professionally engaged in the planning process, the Handbook still focuses on presenting three main aspects: (i) required concepts; (ii) appropriate approaches and procedures; and (iii) relevant methods and techniques. It has been written to orient Planners to perform their daily work. It gives a review of major planning concepts and methods Planners need to be familiar with. It discusses the appropriate planning approaches and procedures the Planners can make use of. It explains and/or refers to the analytical tools that the Planners use to make planning successful. It indicates which optimum data are required for what kind of development to take place and where such data are available.

This second edition has been written as a combined effort by 61 staff of the IRDP as indicated in alphabetical order: Abiud Kaswamila, Adalbertus Kamanzi, Africanus Sarwatt, Agness Chawene, Aisha Mjegere, Allan Mfuru, Andrew Komba, Baltazar Namwata, Batimo Sebyiga, Benedict Kilobe, Benjamin Mwalugeni, Boniface Kauki, Canute Hyandye, Christina G. Mandara, Constantine Lifuliro, Danford Chisomi, Daniel Mpetu, Deodatus Buberwa, Domitilla Bashemera, Emmanuel Hauli, Emmanuel Nyankweli, Ezekiel Kanire, Francis Njau, Frank Hawassi, Galinoma Lubawa, George Kinyashi, Gerald Temu, Godrich Mnyone, Gulliver Simime, Hellen Stephen, Hija Mwatawala, Hozen Mayaya, Idd Masumbuko, Innocent Zilihona, Irene Reginard, Israel B. Katega, James Lwelamira, Jane Mbilinyi, John Safari, Joseph Haule, Judith Namabira, Juma Kidunda, Kenneth Kitundu, Mafuru Solomi, Mark Msaki, Martha Nhembo, Masumbuko Idd, Mwabless Malila, Omari Mzirai, Provident Dimoso, Revocatus Nyefwe, Rofina Mrosso, Stanslaus Msuya, Stephen James, Tafuteni Chusi, Tiberio Mdendemi, Titus Mwageni, Upendo Mmari, Vedastus Timothy Youze Mnguu, and Zacharia Masanyiwa.