

ÉCOLE PRATIQUE DES HAUTES ÉTUDES  
VI<sup>e</sup> SECTION - SCIENCES ÉCONOMIQUES ET SOCIALES  
SORBONNE

GROUPE DE RECHERCHES SUR LES STRATÉGIES DE DÉVELOPPEMENT

RESEARCH GROUP ON STRATEGIES OF DEVELOPMENT

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Mr. Francisco SAGASTI,  
Management and Behavioral Center,  
Wharton School of Finance and Commerce,  
University of Pennsylvania,  
4025 Chestnut Street,  
PHILADELPHIA, Pa. 19104. (Etats Unis)

My dear Francisco,

I wish I would always read Ph.D. dissertations as stimulating<sup>and rich</sup> as yours. I have learned a lot from chapters V and VI. (A slightly abridged version of chapter V would make an excellent article in Social Science Information). Here go a few comments and suggestions.

Chapter II: Bottleneck approach - in a sense it is at the basis of the whole long-term planning methodology worked out by Kalecki;

De L'Estoile approach - to the criticisms made add the unsurmountable difficulties involved in aggregative procedures;

Analysis of the share of R and D in GNP should be furthermore qualified by wide disparities of cost of research according to type and country wage level for manpower;

Your and Ackoff criticism of regression can be reinforced by the kind of argument used by Steindl in analysing manpower requirements for Austria: you may have periods where a lot of growth can be achieved out of the accumulated stock of knowledge and vice-versa;

Dennison's residual factor is but a variation on Cobb-Douglas theme. The Cambridge School and the marxists challenge altogether the approach by stressing that capital's and labor's shares in the output cannot be evaluated neither in developing nor in developed countries.



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As you are short of time, consult just Balogh's and Kaldor's contributions to the OECD report on residual factor quoted by you (I might have also made that point in my article published in ECLA's bulletin and/or in my book following Balogh, but I have not the texts available at home to check); cost benefit (see also your chapter V) may give you a conceptual framework to analyse the possible uses of resources, not a method, however, to allocate them (see my arguments in ECLA's Bulletin, but also Maestre).

Chapter IV: excess capacity - I believe it arises i.a. in Latin America because of the profits derived from the investment process itself as well as from the ownership of installed capacities [e.g. to raise funds or get import licences], not speaking of the fact that the imperfect market allows the amortization of these capacities through higher unit-prices on produced output;

education - you stick too much to statistics without criticizing enough the contents (Ulich but also Balogh, Dumont, Coombs etc. - see my book).

Chapter V: Stress more feedbacks from planning to policy-making; failure of planning in L.A. is not only due to inadequate paradigms but above all to political conditions (pseudo-planning);

I would stress more the strategic planning component (identifying, explicitating and negotiating the possibly conflicting strategies of all the actors on the stage);

I wonder whether you should quote Mao; handling of contradictions has a long tradition in marxist literature and, as a matter of fact Eme<sup>y</sup>'s "leading part" is directly taken from Stalin.

Chapter VI: Include, if possible, in your discussion COFIDE;

Lack of incentives for the deepening of import substitution in the law of industries and foreign trade policies could be also mentioned as examples (see my notes from mission to Lima).



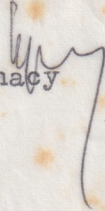
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Chapter VII: One possible task for the proposed Institute might be explicitation of development policies and checking their internal consistency; I suggest that the details of organization of the Institute be relegated to an appendix.

Chapter VIII: Expand, if possible, your Mexican example.

Bon courage for the finish.

With warmest regards,

  
Ignacy