This PDF is a selection from a published volume from the National Bureau of Economic Research

Volume Title: National Economic Planning

Volume Author/Editor: Max F. Millikan, editor

Volume Publisher: NBER

Volume ISBN: 0-87014-310-7

Volume URL: http://www.nber.org/books/mill67-1

Conference Date:

Publication Date: 1967

Chapter Title: Front matter, National Economic Planning

Chapter Author(s): Max F. Millikan

Chapter URL: http://www.nber.org/chapters/c1416

Chapter pages in book: (p. -10 - 0)

National Economic Planning

A CONFERENCE OF THE
UNIVERSITIES-NATIONAL BUREAU COMMITTEE
FOR ECONOMIC RESEARCH

MAX F. MILLIKAN, *Editor*MASSACHUSETTS INSTITUTE OF TECHNOLOGY



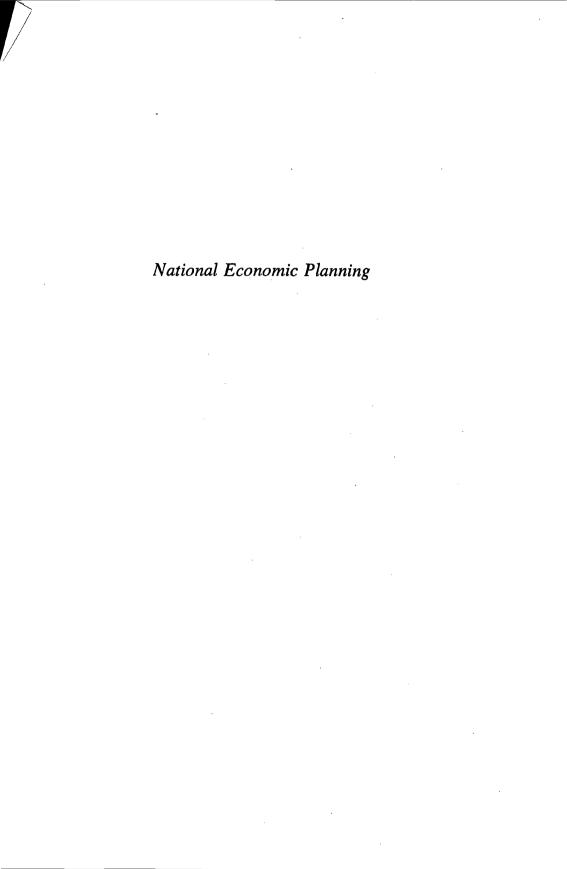
NATIONAL BUREAU OF ECONOMIC RESEARCH
NEW YORK

Distributed by COLUMBIA UNIVERSITY PRESS
NEW YORK AND LONDON

Copyright @ 1967 by National Bureau of Economic Research

First printing 1967 Second printing 1969

All Rights Reserved L.C. Card: 66-25247 Printed in the United States of America



UNIVERSITIES-NATIONAL BUREAU CONFERENCE SERIES

- 1. Problems in the Study of Economic Growth (in mimeograph)
- 2. Conference on Business Cycles
- 3. Conference on Research in Business Finance
- 4. Regularization of Business Investment
- 5. Business Concentration and Price Policy
- 6. Capital Formation and Economic Growth
- 7. Policies to Combat Depression
- 8. The Measurement and Behavior of Unemployment
- Problems in International Economics
 (February 1958 Supplement to The Review of Economics and Statistics)
- 10. The Quality and Economic Significance of Anticipations Data
- 11. Demographic and Economic Change in Developed Countries
- 12. Public Finances: Needs, Sources, and Utilization
- 13. The Rate and Direction of Inventive Activity: Economic and Social Factors
- 14. Aspects of Labor Economics
- 15. Investment in Human Beings
- 16. The State of Monetary Economics
- 17. Transportation Economics
- 18. Determinants of Investment Behavior
- 19. National Economic Planning

NATIONAL BUREAU OF ECONOMIC RESEARCH 1966

OFFICERS

Frank W. Fetter, Chairman Arthur F. Burns, President Theodore O. Yntema, Vice-President Donald B. Woodward, Treasurer Geoffrey H. Moore, Director of Research

Douglas H. Eldridge, Executive Director

Hal B. Lary, Associate Director of Research

Victor R. Fuchs. Associate Director of Research

DIRECTORS AT LARGE

Joseph A. Beirne, Communications Workers of America

Wallace J. Campbell, Foundation for Cooperative Housing

Erwin D. Canham, Christian Science Monitor

Solomon Fabricant, New York University

Marion B. Folsom, Eastman Kodak Company

Crawford H. Greenewalt, E. I. du Pont de Nemours & Company

Gabriel Hauge, Manufacturers Hanover Trust Company

Walter W. Heller, University of Minne-

Albert J. Hettinger, Jr., Lazard Frères and Company

Harry W. Laidler, League for Industrial Democracy

Geoffrey H. Moore, National Bureau of Economic Research

Charles G. Mortimer, General Foods Corporation

J. Wilson Newman, Dun & Bradstreet,

George B. Roberts, Larchmont, New York

Robert V. Roosa, Brown Brothers Harriman & Co.

Harry Scherman, Book-of-the-Month Club

Boris Shishkin, American Federation of Labor and Congress of Industrial Organizations

George Soule, South Kent, Connecticut Gus Tyler, International Ladies' Garment Workers' Union

Joseph H. Willits, Langhorne, Pennsylvania

Donald B. Woodward, A. W. Jones and Company

DIRECTORS BY UNIVERSITY APPOINTMENT

V. W. Bladen, Toronto Francis M. Boddy, Minnesota Arthur F. Burns, Columbia Lester V. Chandler, Princeton Melvin G. de Chazeau, Cornell Frank W. Fetter, Northwestern R. A. Gordon, California

Harold M. Groves, Wisconsin Gottfried Haberler, Harvard Maurice W. Lee, North Carolina Lloyd G. Reynolds, Yale Paul A. Samuelson, Massachusetts Institute of Technology Theodore W. Schultz, Chicago Willis J. Winn, Pennsylvania

DIRECTORS BY APPOINTMENT OF OTHER ORGANIZATIONS

Percival F. Brundage, American Institute of Certified Public Accountants Nathaniel Goldfinger, American Feder-ation of Labor and Congress of Industrial Organizations

Harold G. Halcrow, American Farm Economic Association

Walter E. Hoadley, American Finance Association

Murray Shields, American Management **Association**

Willard L. Thorp, American Economic Association

W. Allen Wallis, American Statistical Association

Harold F. Williamson, Economic History Association Theodore O. Yntema, Committee for Economic Development

DIRECTORS EMERITI

Shepard Morgan, Norfolk, Connecticut Jacob Viner, Princeton, New Jersey

RESEARCH STAFF

Moses Abramovitz Gary S. Becker Gerhard Bry Arthur F. Burns Phillip Cagan
Frank G. Dickinson
James S. Earley
Richard A. Easterlin
Richard A. Easterlin
F. Thomas Juster
F. Thomas Juster
Richard A. Easterlin
F. Thomas Juster Solomon Fabricant

Milton Friedman Victor R. Fuchs H. G. Georgiadis
Raymond W. Goldsmith
Hal B. Lary
Robert E. Lipsey C. Harry Kahn

John W. Kendrick Irving B. Kravis Hal B. Lary Ruth P. Mack Jacob Mincer Ilse Mintz

Ralph L. Nelson G. Warren Nutter Richard T. Selden Lawrence H. Seltzer Robert P. Shay George J. Stigler Norman B. Ture Geoffrey H. Moore Victor Zarnowitz Roger F. Murray

RELATION OF NATIONAL BUREAU DIRECTORS TO PUBLICATIONS REPORTING CONFERENCE PROCEEDINGS

Since the present volume is a record of conference proceedings, it has been exempted from the rules governing submission of manuscripts to, and critical review by, the Board of Directors of the National Bureau. It has, however, been reviewed and accepted for publication by the Director of Research.

(Resolution adopted July 6, 1948, as revised November 21, 1949)

UNIVERSITIES-NATIONAL BUREAU COMMITTEE FOR ECONOMIC RESEARCH

This committee is a cooperative venture of universities and the National Bureau. Its guiding objective is the encouragement of economic research on problems susceptible of objective treatment and of sufficiently broad scope to merit attention by institutions serving a scientific and public interest. Participating universities and their present representatives are:

Buffalo, Daniel Hamberg California, Berkeley, Albert Fishlow California, Los Angeles, Warren C. Scoville Carnegie Institute of Technology, Michael Lovell Chicago, H. Gregg Lewis Columbia, Harold Barger Cornell, Richard Selden Duke, Joseph J. Spengler Harvard, John R. Meyer Illinois, Marvin Frankel Indiana, Robert W. Campbell Iowa State, Dudley G. Luckett Johns Hopkins, Edwin S. Mills Massachusetts Institute of Technology, M. A. Adelman McGill, Earl F. Beach Michigan, Warren L. Smith Minnesota, Clifford Hildreth New School for Social Research.

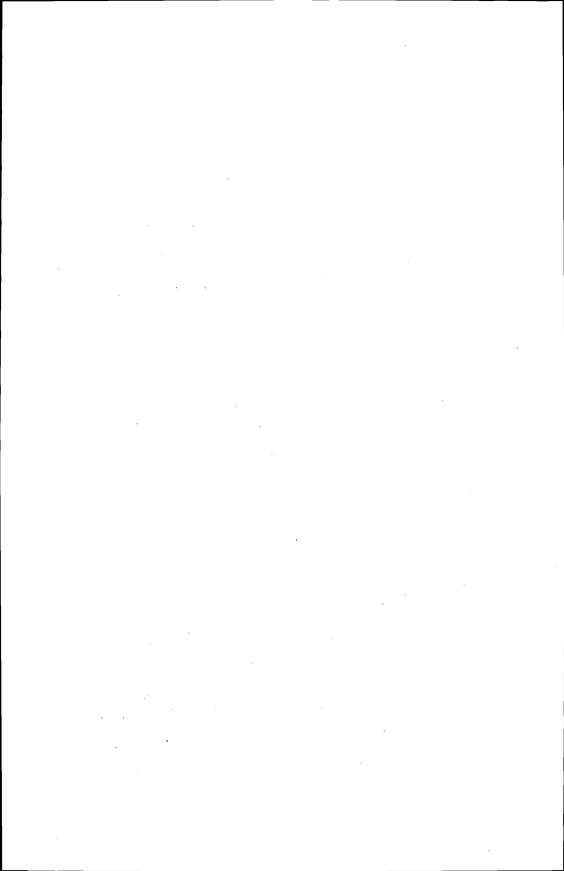
Members at large are:

Philip Nelson

Raymond T. Bowman G. A. Elliott Martin R. Gainsbrugh Burton H. Klein New York, Bruno Stein North Carolina, Henry A. Latané Northwestern, Richard B. Heflebower Ohio State, Paul G. Craig Pennsylvania, Almarin Phillips Pittsburgh, Jacob Cohen Princeton, Ansley J. Coale Queen's, T. M. Brown Stanford, Moses Abramovitz Texas, Walter C. Neale Toronto, Donald C. MacGregor Vanderbilt, Rendigs Fels Virginia, G. Warren Nutter Washington (Seattle), Yoram Barzel Washington (St. Louis), Hyman P. Minsky Wisconsin, James S. Earley Yale, Richard Ruggles National Bureau of Economic Research, Geoffrey H. Moore

Walter S. Salant Herbert Stein George J. Stigler

The officers of the Universities-National Bureau Committee are: Rendigs Fels (Vanderbilt University), Chairman; Carl F. Christ (Johns Hopkins University), Vice-Chairman; and Robert P. Shay (Columbia University), Secretary. The members of the executive committee are: Carl F. Christ, Rendigs Fels, James M. Henderson (University of Minnesota), Michael Lovell (Carnegie Institute of Technology), John R. Meyer (Harvard University), Geoffrey H. Moore (National Bureau of Economic Research), and Walter S. Salant (Brookings Institution).



Contents

INTRODUCTION Max F. Millikan	3
Part I: Functional Issues	
THE METHODOLOGY OF PLANNING MODELS Richard Stone and Colin Leicester	15
Comment by Hollis B. Chenery	38
LOCATIONAL CHOICES IN PLANNING Thomas Vietorisz	39
Comment by Alan S. Manne	129
TECHNIQUES OF PROJECT APPRAISAL Arnold C. Harberger	131
Comment by Frederick T. Moore	149
SOME IMPLICATIONS OF PLANNING FOR TRADE AND CAPITAL MOVEMENTS Don D. Humphrey	153
Comments by James C. Ingram and V Lewis Bassie	185
PLANNING PUBLIC EXPENDITURE W. Arthur Lewis	201
Comment by Emile Despres	227
Part II: Evaluation of Planning in Individual Countries	
DEVELOPMENT STRATEGY AND PLANNING: THE SOVIET EXPERIENCE Alexander Erlich	233
Comment by Abram Bergson	272

ontents
•

FRENCH PLANNING	279
Charles P. Kindleberger	
Comment by Stanislaw Wellisz	300
PLANNING IN INDIA Richard S. Eckaus	305
Comments by Edward S. Mason and Alan S. Manne	369
ECONOMIC PLANNING IN YUGOSLAVIA Jaroslav Vanek	379
Comment by John M. Montias	399
INDEX	409