Foreword

BY THE DIRECTOR OF THE ECONOMIC DEVELOPMENT INSTITUTE

This is the second publication of the Economic Development Institute. The Institute was established in 1955 by the International Bank for Reconstruction and Development. Its essential objective is to improve the quality of economic management in government in the less developed countries. At the Institute, senior officials of member governments of the Bank are given an opportunity to study and discuss the practical problems facing them as administrators as well as the larger features of the economic landscape which their immersion in the rushing stream of day-to-day tasks often prevents their seeing clearly. An effort is made to put before them the growing experience of the Bank and of the international community as a whole in promoting economic development.

Publications of the Economic Development Institute are primarily designed for use by persons working in responsible administrative and advisory capacities in government, financial institutions or other important sectors of the economy of the Bank's less developed countries. It is hoped that they may also prove informative and useful to educational institutions and groups and organizations of all kinds concerned with the problems of economic development.

The publications are the work of individuals. While in every case inestimable benefit has been derived from intimate contact with the work of the Bank, the publications in no sense purport to set forth the official views of the Bank or to be an authoritative statement of its policies in general or in detail.

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This study by Professor Jan Tinbergen, of the Netherlands School of Economics, Rotterdam, was prepared in 1955 at the request of Mr. Leonard Rist, Economic Director of the World Bank. It has been used extensively at the Institute as a basis for discussions of development policies and problems of programming and project appraisal. It is being published in the belief that it will be of interest and value to a wider audience.

Michael L. Hoffman