

# Participation by Workers' and Employers' Organisations in Planning in France

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THE ANALYSIS of government in modern societies gives increasing emphasis to the manner in which important decisions are reached. In this respect French experience of planning is instructive in view of the special place it accords to participation by various economic and social bodies in the decision-making machinery of medium-term economic policy.

After recapitulating the principal characteristics of the French planning system we shall try to assess the significance and extent of this participation, basing our assessment mainly on the procedure adopted for the Fifth Plan, although this procedure is likely to evolve.

## French planning in outline

Planning in France originated 20 years ago with the decree of 3 January 1946, creating a Planning Commission, responsible for drafting a modernisation and equipment plan. France has just prepared its Fifth Plan.<sup>1</sup> French practice in this domain is characterised by the effort made to reconcile the attainment of targets with respect for individual liberty. While the content of the plans has evolved in step with the demands successively posed by the reconstruction of a war-devastated economy, the modernisation of an economy that had never entirely recovered from the effects of the Depression, and finally the economic and social development of a modern industrial society, the general principles and methods of the French planning system have been remarkably constant.

The fact is that both principles and methods are inseparable from the characteristics of French society. They reflect its preferences and rely

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<sup>1</sup> See *Cinquième plan de développement économique et social, 1966-1970* (Paris, Imprimerie des journaux officiels, 1965), 2 vols.

on its institutions. The introduction of a planning system as envisaged by the National Council of the Resistance arose from a concern to find a rational and effective solution to the problems of reconstruction and modernisation, bearing in mind both the scarcity of certain factors of production—capital, raw materials and skilled labour—and the priorities demanded by the national interest. But even the First Plan underlined the fact that in an economy comprising both nationalised sectors and a large private sector “a plan should guide as much as it should direct”. To this day the French system rests on the same basic principles. It can be briefly defined in terms of economic planning, the role of the market and the democratic ideal.

Planning provides a framework for economic policy; it spells out the country's choices and illuminates these choices by the consistency of its methods. It provides a substitute for a free market in regard to goods and services for which no market exists (i.e. the public sector); for all the others it complements the market: for being, technically speaking, a generalised market study, it reduces future uncertainty.

As for methods, the plan aims to be concerted in its elaboration, democratic in its goals, and flexible in its implementation. Such methods owe a great deal to French administrative institutions, or to institutionalised practices rather than institutions in the strictest sense; for a certain number of practical innovations implied by the concept of a “concerted economy” and frequently playing a decisive role<sup>1</sup> in economic policy decisions have not yet acquired the force of law. A concerted economy may be defined as “a system in which representatives of the State (or of local authorities) and of undertakings (of no matter what status) hold regular meetings in order to exchange information, make forecasts, and jointly either take decisions or submit advice to the Government”.<sup>2</sup>

In contrast to the compartmentalisation of economic activities and to the traditional hierarchical structure of public and private administrative organisation, a concerted economy relies upon numerous boards, committees and other consultative bodies. In the field of economic action, the first of these bodies were the various committees set up during the war to advise on overseas supply policy. The precedent established by these committees paved the way for the introduction of participation throughout the French planning system. At the same time, the search at the political level for effective democracy was given concrete form in the 1946 Constitution, as in that of 1958, by the creation of the Economic and Social Council in which the different interest groups were associated with legislative decisions of a social or economic nature.

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<sup>1</sup> J. RIVERO: “Le plan et le droit”, in *La planification comme processus de décisions*, Cahier n° 140 de la Fondation nationale des sciences politiques (Paris, Armand Colin, 1965).

<sup>2</sup> F. BLOCH-LAINÉ: *A la recherche d'une “économie concertée”* (Les Editions de l'épargne, 1959).

The provision for compulsory examination of the plan by the Economic and Social Council is the sole constitutional reference to the French planning system, which is an entirely new structure that has been progressively integrated into the traditional administrative and legislative framework.

### **The Planning Commission**

As far as administration is concerned, responsibility for drafting the plan lies with the Planning Commission, which is attached to the Office of the Prime Minister. This responsibility to the head of the Government (except from 1954 to 1961, when the Commission was answerable to the Ministry of Finance) is aimed at endowing the plan with sufficient authority, at the same time as placing it above suspicion of encroachment upon the territory of the government departments: the Commission is both the co-ordinator and the dynamo of the system. To encourage it to collaborate with other departments and to reduce the temptation of direct intervention its staff is limited to about 50 commissioners. Moreover, with the exception of a small nucleus essential to the continuity of the system, these commissioners are not permanently attached to the Planning Commission; the majority are officials seconded from their regular functions (in government departments, state services, universities), only a minority of them being on the permanent establishment.

The Planning Commission participates at all levels in the formulation of economic policy; the Commissioner-General attends all inter-ministerial meetings devoted to economic affairs and may be called before the Economic and Social Council or a parliamentary commission. He acts as rapporteur of the Higher Council for the Plan, a consultative body that in fact seldom meets, created in 1961, presided over by the Prime Minister and including, besides the Minister of Finance, members of the Economic and Social Council, of the regional expansion boards, of the chambers of commerce, of workers' and employers' organisations, and of the modernisation committees. He is a member of the National Audit Commission, which meets twice yearly to keep track of execution of economic policy (and whose members are drawn from the private sector as well as from the Government).

In addition the Planning Commission is represented on most of the administrative bodies responsible for the financial aspects of government economic policy (notably on the specialised committees of the Economic and Social Development Fund).

Its presence is thus felt at all levels of government and public administration at which economic policy decisions are taken or executed, and at which their execution is supervised.

It is the business of the Planning Commission to prepare a specific decision-making process, that of medium-term economic policy. Its

limited staff obliges it to call on outside experts. These sit on the modernisation committees, which include, besides the "social partners" to whom we shall return in detail, representatives of the ministries concerned and of bodies dealing with specific problems (regional development, scientific and technical research, etc.). Certain institutions work very closely with the Commission, notably the National Institute of Statistics and Economic Research (particularly its programming and business divisions) and the Directorate of Economic Forecasting in the Ministry of Finance (responsible in particular for financial programming).

### **Preparation of the plan**

The preparation of a plan takes several years and involves various phases. Work on the Fifth Plan began as soon as the Fourth Plan was under way, that is in 1962. The final details were not completed until December 1965. Planning is in fact a continuous process. This is not to say that the plans are made over every year, but that they are continually being reviewed in the light of new information. When the Fifth Plan was being prepared the question was raised of the desirability and practicability of designing a "sliding" plan, i.e. one that would be revised annually. The report on the choice of the principal goals of the plan<sup>1</sup> rejected this procedure on the practical grounds that an unreasonably large mass of information would be needed for the new calculations. As a matter of principle it also objected that in this way planning, instead of offering an opportunity for a periodic examination of the collective conscience, risked becoming a routine technical exercise. The solution chosen was to draft a plan for a given period of time (four or five years) with a fixed term (1970 for the Fifth Plan). However, the possibility was left open of modifying certain forecasts and, if necessary, of changing the targets linked to them, in the light of economic progress during the previous year as outlined in the report on implementation submitted to the Government each year by the Planning Commission. There is no annual planning timetable, but the "economic budget" which is submitted to Parliament at the beginning of each budgetary session (at the same time as the report on implementation) reviews the forecasts and over-all targets of economic policy for the coming year and locates them in relation to the medium-term targets.

In the preparation of the plan two principal phases can be distinguished: the "administrative" phase and the "open" phase. For the Fifth Plan the first phase covered 1962, 1963 and the beginning of 1964. It was devoted to technical studies jointly undertaken by the controlling departments—Planning Commission, National Institute of Statistics

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<sup>1</sup> Endorsed by Act No. 64-1265 of 22 December 1964 (*Journal officiel*, No. 299, 23 Dec. 1964, p. 11386).

and Economic Research, Directorate of Economic Forecasting (formerly the economic and financial research service of the Ministry of Finance)—during which the successive “outlines” of the economy as forecast for the terminal year of the plan (1970) were progressively sharpened. It is closed by the submission to the Government of a report based on a “reference outline” accompanied by variants and designed to isolate the problems arising from the choice of any of the possible growth rates and of one or other of the strategies chosen to achieve them.

During the “open” phase the different sectors concerned are consulted through the modernisation committees. For the Fifth Plan this second phase was subdivided into two stages: the choice of the main goals followed by detailed preparation of the draft plan. The report on the principal planning objectives of the Fifth Plan was prepared between March and September 1964, and for the first time the modernisation committees were consulted at this stage. Finally the report was submitted to the Economic and Social Council for its general views, and to Parliament for approval. Thus, even at this initial stage, there was a clear concern to secure the participation of the legislature, of government departments and of workers’ and employers’ organisations as early as possible in the decision-making process. The procedure followed in 1964 shows that progress has been made since the Fourth Plan, when one section only of the Economic and Social Council (the investment and planning section) was consulted on the planned objectives. Yet even this consultation represented an advance in relation to the procedure followed for the previous plans.

The second stage consists in the elaboration of the plan proper on the basis of the directives issued by the Government to the Commissioner-General. These directives take into account the amendments made by Parliament to the report on planning objectives. The detailed work on the plan results in two series of documents: on the one hand, the published reports of the modernisation committees, on the other the draft plan, with its sectoral annexes, as adopted by the Government on the recommendation of the Commissioner-General and submitted for the opinion of the Economic and Social Council and the approval of Parliament. Moreover, the Fifth Plan—and this was a procedural innovation—was submitted to the scrutiny of the Conseil d’État before the parliamentary debate.

The legislature is thus twice called upon to vote on the plan: in the first place it determines the principal objectives at a juncture at which non-specialist intervention is of value; and secondly it adopts the plan, verifying its conformity to the objectives previously defined.

Responsibility for implementation devolves upon the different ministries concerned and upon both public and private enterprises. In this domain it is the role of the Planning Commission to supervise and

to inform and advise the Government. Every year the report on implementation—drawn up on the basis of the reports of the government departments and modernisation committees—informs the Government and Parliament of the extent to which the targets have been attained. On this basis, for example, at the end of 1962 it was decided to increase the emphasis on agricultural training and the construction of motorways, in 1963 it was proposed to reduce the targets for the iron and steel industry, and so forth.

The foregoing description shows what role various interest groups outside the small department directly responsible are required to play in the preparation and implementation of the plan. The real influence of their participation, however, depends on how they are invited to participate, the nature of the participation that each is able and willing to offer and the degree to which their participation subsequently influences the behaviour, structure and general situation of the organisations they represent. We shall examine each of these points in turn.

### **Forms of participation**

Workers' and employers' organisations participate in a number of different ways. Apart from institutions in which they are represented as such (the modernisation committees), there are two institutionalised forms of discussion in which they participate as *de facto* representatives of certain socio-economic groups (the Economic and Social Council in particular, and the regional development committees).

### **Modernisation committees**

It is principally in the modernisation committees that the flow of dialogue takes place in the French planning system. They have existed since the inception of the system, are closely associated with the drafting of the plans, and also play a part in supervising their execution.

The principle is set out in the text of the First Plan <sup>1</sup>: "The preparation and reappraisal of the plan should be a continuous process. In a concerted economy, as opposed to a bureaucratically directed or corporative economy, this is the only way of ensuring the resolution of problems by a permanent exchange of views between the administration and the country." The committees thus embody an essential aspect of the thinking of French planning.

#### **NUMBER AND MEMBERSHIP**

The number of committees has increased steadily as technical progress and a growing interest in the plan have widened the field with which

<sup>1</sup> *Rapport général sur le 1<sup>er</sup> plan de modernisation et d'équipement* (Paris, Imprimerie nationale, 1946), p. 101.

planning is concerned. From ten for the First Plan the number was increased to 20 for the Second, 24 for the Third, 27 for the Fourth and 32 for the Fifth. A distinction is normally made between the horizontal committees, each of which deals with a problem common to several branches of the economy (e.g. finance, manpower, productivity, regional development, scientific research) and the vertical committees, which study all the problems arising in a particular sphere, defined either as a given economic activity (agriculture, iron and steel, chemicals, housing) or as a category of budgetary expenditure (educational investment, social and health investment, water, urbanisation, social benefits).

Their composition is based on the principle that the following elements should be represented on all committees: (a) experts and government officials, the latter either as *ex officio* members or in virtue of their technical expertise; (b) representatives of employers' organisations and heads of undertakings; (c) representatives of workers' organisations.

The proportion in which the three groups are represented varies according to the sector dealt with by the committee in question. But the allocation of seats cannot be considered in purely quantitative terms as the committees are in no sense miniature industrial parliaments; their job is to produce a report once all the interested parties have been given a hearing. Nothing is put to the vote and there is therefore no attempt to balance voting power. The representation of the various organisations is determined in such a way as to ensure that each will have a hearing, and to assemble the necessary technical expertise. In certain cases this principle has resulted in large and unwieldy committees. Excluding *ex officio* members, the committees consist of between 20 (newspaper printing) and about 80 members (85 for manufacturing industries, 79 for agriculture).<sup>1</sup>

In principle, the members are nominated in their personal capacity by order of the Prime Minister, published in the *Journal officiel*. However, the employers' representatives are nominated in agreement with their organisations, and the workers' representatives on the basis of lists presented by each organisation.

On the basis of experience with previous plans the Commissioner-General proposed that for the Fifth Plan the number of places offered to the trade unions should be doubled. Their representatives had pressed for this, without in any way demanding parity.<sup>2</sup> The composition of the committees for the five plans presented in the accompanying table shows graphically what efforts have been made over the years to ensure more equitable representation of the different interests.

<sup>1</sup> The National Regional Development Committee has a membership of about 100, but its peculiar characteristics justify treating it as a special case.

<sup>2</sup> See G. VENTEJOL: "Trade union analysis and appraisal of programming in France", in *International Trade Union Seminar on Economic and Social Planning, October 1963, Supplement to the Final Report* (Paris, O.E.C.D., 1964).

# WORKING ARRANGEMENTS

The committees are free to make their own internal working arrangements. The chairmen may belong to any one of the above-mentioned groups. However, in practice the chairmen tend to be drawn from the private or public sectors of industry rather than from among the workers' and employers' representatives; and when such representatives do take the chair it is more likely to be an employer than a trade unionist. For the Fifth Plan there was only one trade union chairman (against four for the First Plan), presiding over the Productivity Committee. Each committee has a rapporteur, nominated by decree published in the *Journal officiel*. With the agreement of the Planning Commission rapporteurs

EVOLUTION OF THE MEMBERSHIP OF MODERNISATION COMMITTEES

Social group	Number of representatives				
	First Plan	Second Plan	Third Plan	Fourth Plan	Fifth Plan
Trade unions (wage earners and supervisory staffs) . . . . .	77	34	52	114	291
Farmers and agricultural trade unions	19	21	22	20	67
Heads of undertakings (incl. public enterprises, banks, craft enterprises and commerce) . . . . .	108	137	119	198	406
Employers' organisations . . . . .	59	95	140	239	430
Civil servants . . . . .	118	184	201	202	457
Others (experts, universities, youth movements, local communities) . .	113	133	170	233	299
Total . . .	494	604	704	1 006	1 950

may choose one or more assistants. Because of the technical qualifications demanded by these posts, the rapporteurs are usually either officials of the government department responsible for the sector concerned or else of one of the state authorities or, occasionally, members of the Planning Commission. However, for the Fifth Plan, some of the assistant rapporteurs of committees dealing with particularly tightly organised industries (iron and steel, chemicals) were staff members of private sector enterprises. The rapporteurs and chairman of each committee are jointly responsible for drawing up the agenda of meetings, which are called on the chairman's initiative. Each committee may set up one or more working groups to look into the special or technical aspects of its programme. Although the number of these varies greatly from one committee to another, some of them recur in most cases: for example many of the



vertical committees include one or more of the following "horizontal groups": "finance and taxation", "foreign exchange", "research", "manpower", "regionalisation", "organisation". Thus the Committee on Manufacturing Industry set up six horizontal groups. On the other hand the Committee on Mining and Metals set up only one, on "research", divided into two subgroups (mining research and metallurgical research); the full committee took on the task of dealing with the other "horizontal" problems.

These groups ensure liaison with each of the horizontal committees and are sometimes constituted at the suggestion of the Planning Commission. "Vertical" groups are set up within the important vertical committees for any of a series of basic activities or products as classified jointly by the rapporteurs and representatives of the National Institute of Statistics. The Manufacturing Industries Committee already referred to has set up 40 vertical groups to deal with about 240 basic industries. The committees concerned with public investment are subdivided according to the problems they deal with: thus, apart from its horizontal group for finance, the Educational Investment Committee has set up five vertical groups.<sup>1</sup> Study groups common to several commissions may also be constituted.

The various committees are broken down in this way into a total of nearly 300 working groups.

The composition of the groups is noteworthy in that there are no restrictions on their membership. Each committee calls on all those it believes will be of help.

The degree of independence of the members in relation to the organisations they represent varies according to the manner in which they were nominated. Representatives chosen from a list submitted by their organisations are, of course, more likely to regard themselves as delegates than those simply nominated with the agreement of their organisations. And the attitude adopted by the union members serving on the committees does frequently suggest a closer link with the organisations sponsoring them than those of the representatives of the employers' associations; but this necessarily depends on the organisations and personalities concerned.

The degree of responsibility the representatives feel towards their sponsoring organisations depends on the organisation in question; for the more important employers' organisations, reports on the proceedings of the committees are published in periodical information bulletins. It also depends on how the representatives were recruited. For the majority—and this goes for both the employers' and the workers'

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<sup>1</sup> The groups are the following: forecasting of school and university enrolment and teaching staff needs, inventory of investment needs at primary and secondary levels, inventory of investment needs for universities and technical colleges, study of technical construction processes, study of administrative method and financial procedure.

organisations—they are equally likely to be either senior permanent officials of their organisations or heads of undertakings occupying an elective office in the case of employers, or active office-holders in a local organisation in the case of workers.

#### ORDER OF WORK

In two successive reports the committees must supply the Commissioner-General with the material on which he will base his report on the principal objectives of the plan and his general report.

The first is intended to “facilitate appraisal of the requirements and possibilities of economic growth and also the consequences of the possible variants” in the form of “evaluations of the possible or desirable trends and of their order of magnitude” supplied by the vertical production committees, and an estimate by the budgetary committees of the investment necessary to attain different levels of fulfilment in the terminal year of the plan, together with a description of the main obstacles likely to be encountered.<sup>1</sup> It is the business of the horizontal committees to keep the Government informed by synthesising the parts of the vertical committees’ reports that are relevant to their subject-matter. They also have more specific tasks. For example, apart from its job of synthesising the data concerning active population, during the Fifth Plan the Manpower Committee also has sole responsibility for investigating the demographic implications of possible variations in the activity rate of older persons; the National Regional Development Committee has been given the job of drawing up draft guidelines for regional development with 1985 as target year; the Productivity Committee has to make a study in depth of ways and means of improving the organisation and efficiency of firms; and the Overseas Departments Committee has been asked to express an opinion on an outline of development for the French overseas departments, highlighting the main alternatives that will have to be faced during the Fifth Plan. From the outset the task of the General Economics and Finance Committee has been three-fold: to investigate the major financial problems whose solution will have a bearing on the main choices for a growth target (financing of productive investment, various aspects of government policy relating to revenue and finance); to carry out preliminary studies of the external problems influencing growth (expansion of international trade, repercussions of the Common Market, aid to underdeveloped countries); and to examine the principal characteristics of the drafts to be submitted to Parliament and of the variants that will serve as a basis for alternative development objectives on the strength of the data provided by the other committees.

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<sup>1</sup> Commissariat général au Plan: *Programme de travail des commissions de modernisation pour 1964* (Paris, La Documentation française, 1961).

To prepare the second report they are required to submit, and which constitutes their general report, the committees go to work in two stages. The debates in Parliament and in the Economic and Social Council concerning the first report mark an interim stage in the work during which statistics are assembled, preparatory studies are made and regulations drafted. Once the report on the principal planning objectives has been voted the committees are informed of the directives issued by the Prime Minister to the Commissioner-General for Planning regarding the detailed preparation of the plan. These directives recapitulate the text of the report on the plan objectives with the addition of complementary material on certain points. They are accompanied by a "work programme" including a questionnaire on forecasts and a statistical document entitled "targets for 1970 based on the government directives". It is the business of the committees—

(a) to reply to the questionnaire, which concerns—

- (i) as regards the production committees, the balancing for each branch of available resources and their utilisation, consumption, distribution of sales, foreign trade, investment, distribution of necessary manpower by skill and region, hours of work and productivity, scientific research;
- (ii) as regards the budgetary committees, distribution by investment type and sources of credit of the allocations attributed by the Prime Minister's directives (the reply therefore taking the form of a series of programmes of operations);

(b) to make recommendations on the measures needed to ensure attainment of the planned targets.

#### DISCUSSION AND ARBITRATION

The mutual consistency of the reports of each committee on the one hand, and the reports and the plan on the other, is ensured by a system of discussions leading either to freely agreed adjustments or else to arbitration. The relative positions of the different committees with respect to one another and with respect to the plan as a whole differ with the nature of their task, giving a special character and significance to the workers' and employers' organisations according to the sectors they represent.

Taken all in all, participation has been introduced progressively earlier in the process of plan formulation. As recalled above, the committees, which until the Fifth Plan merely followed directives, are now associated with the preparation of the directives. Furthermore, since 1962 this participation has been more permanent, because the committees appointed to draft a given plan are now responsible for appraising its implementation year by year. Thus, once the intensive prepara-

tory work is finished, they still meet at least once a year. (The full committees sit several times a year while the plan is being drafted, but at intervals varying considerably with their numerical strength. The working groups sometimes meet very frequently—monthly, and in certain cases even more often as the occasion warrants.)

The system of discussion and arbitration makes its first appearance within each committee between the study groups and the full committee. In addition, links are established between the different vertical committees, particularly between those for the production sectors and those for the sectors purchasing their products. The dialogue is continued between each vertical committee and the principal horizontal committees. The latter synthesise the data supplied and may ask the vertical committees to revise their programmes or forecasts in the interest of greater consistency. Sometimes the links are institutionalised, either by setting up permanent groups attached to the horizontal committees (for example, for the Fifth Plan, the Research-Techniques-Development liaison group attached to the Research Committee), or by convening “inter-groups”, independent of the committees and supplying data directly for the plan (for the Fifth Plan: “Vocational Training and Upgrading”, “Rural Investment”, “Maladjusted Children”, “University Hospital Centres”, “Socio-Cultural Investment”). The fact that many members sit on several of the committees again facilitates the task of liaison.

The principal matters for arbitration are submitted for the opinion of the General Economics and Finance Committee, the importance of which may be gauged from the fact that for the Fifth Plan the Commissioner-General for Planning was appointed as its chairman. Typical cases of arbitration may result, for example, in the lowering of the export target (Fourth Plan) or the raising of the productive investment target (Fifth Plan). It is worth drawing attention to the particularly important role of one of the groups of this committee, the “equilibrium” group, to which the successive final syntheses are submitted. Finally, where the consequences of the arbitration are of sufficient importance the matter is settled by the Government when preparing its final report.

### **Regional planning bodies**

Ever since 1950 interest in problems of economic development has led to the establishment of numerous development boards at regional, departmental and urban levels. These are private bodies, born of local initiative, and have made an effective contribution to the now general awareness of economic and social problems. Among them the regional development boards, corresponding geographically to the 20 planning regions, have since 1961 been officially given a consultative role on questions of regional planning. They played an active part in the regional-

isation of the Fourth Plan. However, they have been criticised on two counts: the diversity of their membership which has led certain social groups (notably members of local authorities and of trade unions) to accuse them of not being truly representative; and the tendency of some of them to make unreasonable proposals and excessive demands.<sup>1</sup> New bodies for regional participation have therefore been set up. But the boards will continue to exist, for they offer the advantages that they are extremely flexible and that considerable numbers of people can take part in their work through the interplay of study groups of all sorts. Each board has a membership varying between 60 and over 200, without any fixed constitutional regulations. The intensity of their activity varies with the region concerned. In future their role is to be confined to that of providing information, of promotion and of receiving enterprises planning to decentralise. In addition, many of their members have been appointed to the new bodies.

Since March 1964 regional economic and social representation is ensured by 20 regional economic development committees. Their role in regional economic planning remains purely consultative in order to avoid any risk of their encroaching on the prerogatives of the local authorities or turning into little provincial parliaments.

Their composition none the less reflects the concern to achieve a degree of representativeness, and their inclusion in the regional planning process gives them considerable influence. Their membership, laid down by decree, is tripartite: at least a quarter of their members must be representatives of local authorities, a further half represent economic and social interests, and the remainder are experts. For the first category, the departmental councillors and the mayors are appointed by the departmental councils. The experts are appointed by order of the Prime Minister. The representatives of the economic and social interests are nominated by the chambers of commerce, industry, agriculture and trade, the employers' organisations and the trade unions. The presidents of the regional development boards and the mayors of the chief towns of the regional action districts are *ex officio* members. Members of Parliament are not allowed to sit as experts and must therefore be appointed either by the local authorities or else by the workers' or employers' organisations. An order determines the membership of each committee, which is bound to fall between 20 and 50 depending upon the characteristics of the region concerned.

Creation of the regional economic development committees coincided with the introduction, starting with the Fifth Plan, of a real regionalisation of the plan. Until then the "regional plans" formulated after consultation with the development boards had been sound exercises in economic

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<sup>1</sup> See P. VIOT: "Les institutions de l'aménagement du territoire", in *Revue de l'action populaire* (Paris, Editions Spes), June 1965.

forecasting and included lists of projects to be undertaken but no precise timetable for their execution. During the Fourth Plan "operational sub-plans", consisting of a regional distribution of the public investments programmed at the national level, were drawn up on the basis of the recommendations made in the regional plans. The interesting aspect of the new procedure is that through the regional economic development committees it associates the regions with the formulation of the national plan. In fact the committees are consulted twice. Before the completion of the first draft of the national plan the prefects of each region submit to the commissions, for submission to the Planning Commission, a report summarising development prospects for the region and the desirable orientation of public investment in it. Without specifying the operations concerned, these reports indicate the relative priorities to be accorded to the different sectors of public investment and to the different categories of investment within each sector.

After the plan has been voted in Parliament the committees are again consulted on the operational sub-plans. Within the over-all pattern of credits allocated by major sectors at the national level and distributed among the regions, the sub-plans itemise the operations to be undertaken within the coming four or five years. They then serve as a basis for discussion when the time comes to determine the annual (regional) budgets.

The committees are kept regularly informed of the state of execution of the regional sub-plans.

It should be added that their terms of reference are not confined to planning but also include implementation of economic development at the local level.

However, they play no part in decisions on the principal objectives: at that stage the regional evaluations are provided by the National Regional Development Committee. But many members of this body also sit on the regional committees.

### **The Economic and Social Council**

The Economic and Social Council is neither exclusively nor even principally concerned with planning. Nevertheless its opinion is sought during the elaboration of the plan and it may take an interest in any problems connected with its formulation or implementation. Its role in planning became important in 1960, when a specialised section of the Council (the Investment and Planning Section) was called in to give an opinion on the objectives of the Fourth Plan. The Council was later consulted on the detailed draft of the plan. For the Fifth Plan the Council as a whole (and its specialised sections) has been associated both with the choice of objectives and with the detailed draft. In the process it heard the Commissioner-General or his colleagues frequently throughout

the phase involving selection of the principal objectives, less so in connection with the plan proper.

As regards its membership the Economic and Social Council is a somewhat ambivalent body in the sense that it is both a technical organisation (64 of its 205 members are appointed by the Government) and one representative of the various socio-professional categories (but not of economic activities, nor of employers' and workers' organisations). The 1958 reform made it an advisory organ of the Government and no longer of Parliament; this tended to accentuate the Council's technical role by according a new importance to those sections including, besides the Council members, a minority of "section members" appointed because of their technical qualifications. However, practice has tended to preserve the "representative" function of the Council and, although its sessions are not public, its work receives considerable press coverage.

It differs fundamentally from the modernisation committees in that its participation extends to the whole sphere of government and thus considerably exceeds the realm of planning. The modernisation committees and the regional economic development committees, on the other hand, are the channels for participation in the technical aspects of decision-making (although the latter admittedly fall between the two extremes because of the nature of their membership). As a consequence of the essentially technical character of their work they participate only indirectly in decision making, and the nature of this participation is not entirely clear-cut. It seems necessary, therefore, to look more closely into the nature of participation by workers' and employers' organisations in the planning process.

### **The nature of participation**

The nature of participation by workers' and employers' organisations is inseparable from its official purpose, from the weight and attitudes of the participants, and from the actual bearing of the decisions reached at the end of the process.

#### **Official purpose**

The Planning Commission expects the committees to supply statistical information, forecasts and desirable targets on the one hand, and recommendations on how the targets can be attained on the other. The participation called for from the members of the committees is of a purely consultative character. The documentation they receive<sup>1</sup> specifies that each commission drafts a report. The plan is drawn up "principally" on the basis of these reports. It does not necessarily follow their recom-

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<sup>1</sup> *Programme de travail des commissions de modernisation pour 1964*, op. cit.

mendations to the last detail. Moreover, the logical consistency of the different reports and of the plan is ensured by technical and political arbitration. The reports of the committees and the text of the plan must conform to this arbitration. Nevertheless "in every case where a committee considers that it has sufficient grounds to contest the arbitration concerning its proposals, it is entitled to have the decision reviewed in the light of its previous estimates and initial demands". Similarly, when a committee is not unanimous on a specific point in its report, a minority view may be included; in addition, the committees' reports are published, and participation is thus sanctioned by public opinion. The reports of the working groups, on the other hand, are prepared on the responsibility of the groups alone and are distributed only for technical reference if at all. Moreover, at any rate where it refers to economic, industrial and commercial activities (i.e. the sectors of major interest to the workers' and employers' organisations), the plan is simply indicative. Its "decisions" are for the most part forecasts, calculated at branch level and not at the level of individual enterprises, and for which the only means of enforcement are the normal legislative and statutory apparatus backed up by certain stimuli and incentives; they involve no individual obligations. The value of the plan depends on the probability of realisation of what is, after all, a market study, but one that is consistent because it covers the whole economy and is integrated in the form of an over-all forecast.

### **The participants**

Consequently, the nature and significance of participation depends essentially on the weight of the participants, that is to say, their representativeness, and on their attitude towards planning in general and the system of participation in particular.

On the employers' side, the participants are the big federations for the different industrial branches, grouped at national level in the National Council of French Employers (C.N.P.F.). In addition, the General Confederation of Small and Medium-Sized Undertakings and the Young Employers' Centre, both of which are affiliated to the C.N.P.F., are represented. Farmers are represented by the National Federation of Agriculturists' Associations and the Young Agriculturists' National Centre, and wage earners (including agricultural workers) by the four big national confederations (the C.G.T., C.F.D.T., C.G.T.-F.O., C.G.C.). Representation of these organisations is not proportional to their membership; the essential point is that all the organisations of some importance are represented.

But their attitudes (and consequently the extent of their participation) differ greatly. Moreover these attitudes have changed in step with



each organisation's awareness of its own objectives, and because of the very novelty of the system of participation itself.

From the outset the employers' organisations on the whole took a favourable attitude, both towards planning and towards a system of participation conceived of essentially as a framework for systematic confrontation of differing viewpoints. But both the effective participation and the effective support given to the plan are variable. As early as 1946 the C.N.P.F. advised the big federations to adapt their production programmes to the targets of the First Plan. A special committee of the C.N.P.F. constantly follows planning and draws up reports on its progress. But within the Economic and Social Council the employers' group has not always been entirely favourable. It would seem that the big federations are in favour of planning at an extremely aggregative level. Even the most fervent supporters of the plan do not appear to want to see a proliferation of consultation at all levels. On the other hand, the Young Employers' Centre, or certain members of it, see in the system of participation in the formulation of the plan, and indeed in the plan itself, the germ of a "third way" leading to peaceful resolution of the conflict between communism and capitalism.<sup>1</sup> Concerned as they are to maintain the over-all and aggregative character of the plan, the employers' organisations have greeted the regionalisation of the Fifth Plan with certain reservations. The Federation of Engineering and Metal Manufacturing Industries drew attention in its report for 1964 to the "dangers of certain aspects of the regionalisation of the plan in so far as, by becoming involved in regional and sectoral detail, it runs the risk of reaching down to the level of individual firms and hence of becoming completely coercive . . .". Similarly, in its April 1964 bulletin the General Electrical Construction Union set out its position as contained in the report submitted by one of its officers to the Regional Problems Committee of the C.N.P.F.<sup>2</sup>; it warns its members against both the "carving up of the national sectoral forecasts, as formulated by the vertical committees of the plan, into 21 regional sub-plans" and the "establishment by regional bodies of specific sectoral forecasts, of which the plan would then be no more than a mere aggregate . . .". "Such a scaling down", the report continues, "runs the risk of leading to state intervention down to the level of individual firms . . .". However, "some degree of regionalisation appears desirable, provided that it aims at assembling at the national level different viewpoints on the probable geographical trends of expansion in the various economic sectors" and that the (national) vertical committees have the final responsibility for presenting to the Planning

<sup>1</sup> A. CHALANDON: "Une troisième voie: l'économie concertée, in *Jeune patron*, Dec. 1961.

<sup>2</sup> *La Construction électrique* (Bulletin du Syndicat général de la construction électrique), Apr. 1964. Report by M. Jacques Morane, Chairman of the Regional Problems Commission of the C.N.P.F.

Commission their conclusions on the regional aspects of the economic forecasts for their respective sectors.

The attitudes of the trade unions are more clear-cut. After a period of active collaboration on the part of the major confederations in the formulation of the First Plan immediately after the war, the General Confederation of Labour (C.G.T.) withdrew in 1948 and could not resume its place on the modernisation committees until the Fourth Plan was being elaborated in 1961. Even so, its participation remains limited on account of the reserve with which it continues to view the plan. In 1961 one of its officers wrote that "the plan is a mere official translation of the aims and wishes of the monopolies".<sup>1</sup> Other leaders of the same organisation have nevertheless risen above a merely critical position<sup>2</sup> and have explained their positive attitude in terms of the necessity to defend the legitimate claims of the workers, to give a positive answer to the country-wide demand for security and progress, to add the unions' contribution to efforts for the renewal of democracy, and to seek an appropriate path towards socialism.

A positive attitude towards the plan is of longer standing with the other organisations.<sup>3</sup> Their representatives have had the opportunity to set out their reasons for this. They arise from the conviction that the free play of the market is incapable of solving the problems of accelerated change imposed on the economic environment by technical progress, that the plan concerns over-all mechanisms that cannot be dealt with adequately at the micro-economic level of collective bargaining, and finally that the plan should promote a transformation of the economy and of society in accordance with certain norms. On the procedural level this positive attitude leads to a demand for democratic planning—a very much more radical concept than that of the concerted economy.

Because of this, the workers' organisations have all deemed it necessary to participate as fully as possible in the work of the plan. For the preparation of the Second and Third Plans the unions did not take part in the working groups. From the Fourth Plan onwards they have tried to participate in those groups, the French Democratic Confederation of Labour (C.F.D.T.) making the greatest effort to do so.<sup>4</sup> Also starting with the Fourth Plan, each organisation has tried to co-ordinate the information and the activities of its representatives by means of inter-organisation information meetings.

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<sup>1</sup> Quoted in LÉO HAMON: "Le Plan et sa signification politique", paper presented to a meeting organised by the Société française de sociologie in October 1965.

<sup>2</sup> Pierre LEBRUN: *Questions actuelles du syndicalisme* (Paris, Editions du Seuil, 1965), particularly p. 40.

<sup>3</sup> See particularly, G. VENTEJOL, loc. cit., and R. BONÉTY and M. GONIN: "Le Plan et les syndicats", in *La planification comme processus de décision*, op. cit.

<sup>4</sup> E. DESCAMPS: "Réflexions d'un syndicaliste sur les plans français", in *Cahiers du Centre d'études socialistes*, No. 1, 15 July 1962.

The unions see their participation chiefly as a means of initiation into a new set of problems hitherto regarded as constituting the sacred preserve of the other side of the bargaining table, and also of training competent leaders.

The demand for increased participation has led the organisations to criticise the procedures employed and has thus furthered the democratisation of planning. The government decision to double trade union representation for the Fifth Plan and to associate the committees, the Economic and Social Council and Parliament with the choice of the principal objectives even before drawing up the draft plan, arises partly from the action taken by the unions at the Conference on Democratic Planning held in Paris in 1962.

The remaining criticisms show how great is the importance the unions attach to the real possibilities of participation offered to them<sup>1</sup>: these criticisms concern the character of the documentation supplied (too voluminous or incomplete) or the demand for a real dialogue whereas the trade unionists often have the impression that this has already taken place between the Government and the employers, or that the chairmen of certain committees are not disposed to pay much attention to the union representatives.<sup>2</sup> As regards the attitude of the civil servants, the workers' organisations swing between expressing satisfaction at the help they receive from them and complaining of the ties that unite many of them with the directors of firms, ties arising partly from a common education. Within the framework of the committees the workers' organisations therefore see themselves as cast in the role of a permanent opposition.

This conception explains their reserved attitude towards occupying responsible posts on the committees, such as chairman or rapporteur. We have already remarked that for the Fifth Plan only one committee (the Productivity Committee) has a union representative as chairman.

Another consideration explains the differing degrees of participation: the technicality of the work necessitates both the possession of elaborate statistical information and the availability of personnel qualified to make use of it. The long-standing and official role played by the employers' federations in gathering statistics naturally also confers on them a key role in the preparation of the forecasts worked out by the vertical groups of the production committees. The important federations such as the Federation of Engineering and Metal Manufacturing Industries or the General Electrical Construction Union have well-established research divisions at their disposal. The unions are harder pressed to find representatives qualified in this field. But they, too, have set up research services. Moreover, for the Fourth Plan the C.F.D.T. circulated questionnaires to its local organisations and some of them percolated right

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<sup>1</sup> See G. VENTEJOL, *loc. cit.*

<sup>2</sup> See E. DESCAMPS, *loc. cit.*

down to works committee level. But the union representatives do not consider that they have yet reached equal conditions of participation.

All the organisations make an effort to associate their members with the workings of the plan by disseminating information through their internal bulletins. The big employers' federations report regularly on the progress of work. Many of them publish studies on the content of the plan and from time to time the text of a working group's report. The trade unions also set about the dissemination of information with evident pedagogical zeal.

### **The nature of planning decisions**

The real nature of the decisions reached within the framework of a plan is not always easily determined. The most conspicuous cases that come up for arbitration are those concerning investment in the different public sectors. The technicality of the problems, the natural interest the technical and financial authorities have in them, and the fact that the final decision is referred to the Government and Parliament confer a dominant role on the official participants. In the other domains we can concur with P. Massé that "the path opened up by the Plan is that of a dialogue extended by a contract".<sup>1</sup> From this point of view the dialogue has the apparent virtue of eliminating a certain number of misunderstandings and of favouring subsequent agreements.

Moreover, the specific characteristics of the various activities and the nature of the problems themselves determine the significance attached by the participants to their role. Thus, in highly concentrated sectors (like the iron and steel industry) the forecasts are in practice based on the simple summation of the programmes of the different firms, and despite the adjustments effected in order to preserve over-all consistency and to conform to the policy of the responsible department, the plan may be considered as adopted by the industry. In the Manufacturing Industries Committee, where the diversity of the branches magnifies the purely indicative character of the forecasts, certain statistics (concerning, for example, foreign trade) are the subject of numerous adjustments and discussions with the General Economics Committee. For the Fifth Plan, at the end of these discussions the committee established "conditional forecasts" for exports, which may be seen as a sort of moral engagement carefully adapted to fit the expanded export targets written into the plan by the government departments responsible for foreign trade. In the field of applied research the Research Committee, and in particular its liaison-with-industry group, in collaboration with the Scientific Research Delegation, has drawn up the criteria and procedures for an entirely new concerted policy for encouraging the development of inventions, which

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<sup>1</sup> See *La Nef* (Paris), Sep.-Nov. 1963, special number: "Le nouveau contrat social."

is to be the subject in each particular case of an agreement with the sector and the undertakings concerned.

Trade union participation has made itself felt in the recommendations written into the plan concerning social aspects of industrial development (retraining and upgrading training). It has had much less influence on a point which, through its effects on employment stability and productivity growth, directly concerns the basic conditions of over-all equilibrium: the reduction of hours of work. And yet the union representatives on the majority of the industrial committees for the Fourth and Fifth Plans attached particular importance to this. The active part they played by no means passed unnoticed by those responsible for arbitration at the political level (Government and Parliament). Far from provoking the withdrawal of the unions, their apparent defeat on certain points has led to the inclusion in the reports or minutes of the committees of statements of opinion which will not fail to influence future decisions on all the problems of lasting interest to the unions and the Government.

Finally, the regional participation introduced under the Fifth Plan has had very positive results.<sup>1</sup> The solid work done by the Regional Economic Development Committees led, in particular, to the establishment of an order of priorities for public investment in each region. These priorities, in turn, influenced the selection of targets included in the general report for the Fifth Plan; this explains the importance accorded to productive public investment, which will arm the French economy to confront international economic competition.

The factors influencing the nature and intensity of participation are thus many and varied, partly because of the attitudes and influence of the organisations themselves, but also because of the characteristics of the different fields falling within the scope of planning.

Besides, participation is a dynamic process, revealing new solutions and unsuspected situations. The empiricism with which planning has proceeded and the prestige it has acquired explain the widening of the scope of the plan to include, at their request, representatives of social groups that were not initially represented. The increase in the number of committees bears witness to this. At the same time those involved make use of this dynamism to increase awareness of the real implications of participation. In this sense the evolution of the plan away from a mere programme towards a set of alternative strategies that may be set in motion by a series of warning signs replies simultaneously to the technical necessity for a medium-term policy better adapted to the demands of the environment, and to the concern to accelerate the growth of this aware-

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<sup>1</sup> Assemblée nationale: *Documents concernant le V<sup>me</sup> Plan, destinés à l'information des parlementaires*, especially Annex G: "Développement régional". See also *Cinquième plan de développement économique et social, 1966-1970*, op. cit., Vol. II, pp. 431-471.

ness. The fate of the incomes policy illustrates perfectly this "learning process" represented by participation in the plan.<sup>1</sup> Admittedly, little progress has been made towards establishing an incomes policy during the Fifth Plan, because the employers' and workers' representatives on the committees have no real negotiating power. In this regard planning has thus revealed the organisation (or defects of organisation) of the economy, whose shortcomings it merely reflects. It appears, in fact, that beyond a certain point participation in the planning process requires the representative organisations to reconsider their place in the economic scene and to reform their structure.

### **Influence of participation on workers' and employers' organisations**

In France the workers' and employers' organisations have no hand in the economic administration of the country. Their function is essentially representative. It is the very nature of this representation that is being called into question by the now almost permanent practice of consultation. Initially these organisations had to adapt their means and methods to the technical demands of forecasting and consultation, thus strengthening their structures. But once equipped to embark on more searching discussion they found themselves faced with the problem of the exact nature of their link with their members.

The "technical" influence of planning on the organisations is undeniable. For the employers' organisations this influence is of long standing and is reflected in the creation of research units. The result is positive in so far as it has raised the standard of information and institutionalised relations between the organisations and the authorities. However, planning has had no specific influence over and above that exerted by the normal administrative procedures of a modern State, except in so far as its technical requirements are more compelling than the usual day-to-day discussion. At the same time the organisations have sought more frequent contact with their members in connection with future problems of general interest and have thus contributed to the development among them of a forward-looking state of mind valuable in the running of their own enterprises. The limits in this domain are imposed by the conception—admittedly very liberally interpreted in France—of business secrecy. The regionalisation of the Fifth Plan has also had the effect of increasing contacts between the regional and national organisations. The general policy and progress report for 1964 of the Federation of Engineering and Metal Manufacturing Industries expresses satisfaction that "... now that the dangers of scaling down the

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<sup>1</sup> See in particular Michel CROZIER: "Pour une analyse sociologique de la planification française", in *Revue française de sociologie* (Paris, C.N.R.S.), Vol. VI, No. 2, Apr.-June 1965, pp. 147-163.

plan to regional level have been averted, regionalisation has led us to collaborate more closely with the regional organisations of the metallurgical industry . . .". In January 1965 the General Electrical Construction Union went so far as to send the regional inter-occupational associations and the regional organisations, constituted in 1964 according to the directives of the C.N.P.F. for liaison with the metal workers' unions, an important selection of documents containing extracts from reports of the (national) working groups of the Manufacturing Industries Committee for the Fifth Plan. The documents were accompanied by a circular advising the regional representatives to participate in the work of the study groups that might be attached to the regional economic development committees, proposing that the organisations in question set up liaison between themselves and the groups, and offering them all the technical assistance they might need.

The effect on the workers' organisations has been similar. They have felt the need to increase their contacts with the rank and file of their membership in order to be able to draw on the necessary information<sup>1</sup>, make their own surveys, and improve the training of their leaders and members through special information seminars and publications. Because of their social and educational utility, these information activities frequently receive financial support from the authorities. The experience appears to have been rewarding for it has increased the trade unions' interest in the economic characteristics of the branches from which they draw their members, thus providing a sounder basis for the discussion of conditions of work. In addition, the unions have linked the need to improve their participation in the planning process with their claim for a reform of the works committees that will ensure that the workers are better informed on the situation and general policy of firms.

The viewpoints of the two types of organisation are, of course, widely divergent on this point. The various organisations are as yet somewhat reluctant to commit themselves more actively in the planning system; a sign of this was the difficulties raised by the debate on the Fifth Plan, which happened to coincide with the peak period of the presidential campaign. In fact, the far-reaching consequences of the decisions made or prepared within the scope of the plan demand on the part of the organisations' members a sterner discipline than they appear prepared to accept. The high level and the political nature of the choices demand that, both psychologically and technically, the solidarity of the participants at the time when these decisions are made must also endure when they are carried into effect.

It is among the members of the employers' organisations that misgivings appear to be strongest, for these members are in effect not individuals but autonomous collectivities (i.e. firms) anxious to retain the

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<sup>1</sup> E. DESCAMPS, *loc. cit.*

liberty necessary to take advantage of whatever opportunities circumstances may put in their way. The representation and defence of their business interests seems to them to have changed its character as a result of the techniques of the concerted economy.<sup>1</sup> The enterprises blame participation for a tendency to blur their responsibilities and to encourage a shift of responsibility towards the organisations. The very nature of participation prevents the rigorous preliminary adjustment of business tactics in the proper interest of each enterprise and has encouraged in its place the pursuit of a sort of "common business good", in defence of which, to quote P. de Calan, the organisations are invested with the "compulsory confidence" of the heads of undertakings. The reactions of some of the latter seem to be directed along two slightly divergent paths. There are those<sup>2</sup> who wonder whether, in the event that the unions finally become an instrument of political power, the two other instruments of economic power (i.e. shareholders and the heads of undertakings) should not be called upon to participate in the political authority that chooses the plan objectives. Others are inclined to seek a new definition of the tasks of the employers' organisations.<sup>3</sup> They hope to see the organisations specialising in certain types of activity instead of trying to fulfil each and every function of representation. In this case the head of an undertaking could belong to several organisations. But these possible future developments are still in the realm of speculation.

The leaders of the workers' organisations, particularly those whose participation in planning has gone the farthest, have tended since the drafting of the Fourth Plan to emphasise their concern not to appear part of the "establishment" and to underline the fact that their participation should be interpreted rather as an attempt to put their case than as evidence of their support. They have a very real fear of appearing to underwrite representatives who may find themselves collaborating in a plan the technical demands of which clash with the claims of their members. This fear is based on analysis of the balance of power in the committees, which points to the conclusion that as a general rule the objectives of the plan are not those supported by the workers' organisations. Lest this should be forgotten at the top, the unions try to maintain a permanent opposition to the economic system. This opposition must be nourished by the rank and file, who must be allowed the maximum of initiative. It is in these terms that the leaders explain their concern to maintain bargaining relations between labour and management unchanged.<sup>4</sup> In contrast to the attitude of the employers' organisations, in

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<sup>1</sup> Pierre DE CALAN: *Les professions* (Paris, Edition France-Empire, 1965).

<sup>2</sup> M. DEMONQUE: "La firme et son rôle dans le système économique français", in *Economie appliquée*, Vol. XVII, Nos. 2-3, 1964.

<sup>3</sup> See P. DE CALAN, *op. cit.*

<sup>4</sup> See in particular the views of the union representatives at the Colloque de Grenoble, in *La planification comme processus de décision*, *op. cit.*



the case of the unions the fear of deeper commitment comes rather from above.

In both cases what is needed is a reappraisal of the role of the undertaking in the economy and society.

### **Conclusion**

The French planning system has thus led workers' and employers' organisations to re-examine their role in the economic framework of a modern society. As a result they have been obliged to face up to a number of problems relating to the very structure of this society.

The debate that has opened on the role and structure of the undertaking within the economic and social framework will certainly be a long one.

The influence of participation cannot therefore be measured solely by its practical results. These are sometimes difficult to assess, because by definition they depend on a multitude of influences, some of which are exercised strictly within the planning machinery, others from the outside, but always in connection with or by reaction against attitudes or incidents arising within it. Conversely, we may say that it is the lack of adequate and coherent participation that partially explains certain economic failures, notably rising prices and the need for a stabilisation programme.<sup>1</sup> There are those who would like to see collaboration prolonged to include the implementation phase of the plan as well as that of its formulation.

A point has been reached at which participation entails a process of reflection—and action—on the part of those responsible for the economic life of the country; the difficulties encountered in trying to introduce an incomes policy for France illustrate how far-reaching this process is. In this respect participation has probably played its part in bringing problems to light; at the same time it has provided a testing ground where the forms of social dialogue proper to any organised society can be adapted to the demands of an evolving modern economy and the aspirations of the population. One of the possible directions for future growth might consist in distinguishing more clearly between the different types of consultation—those concerning technical problems and those bearing on the principal factors of social and economic equilibrium—and in adapting the procedures and institutions accordingly.

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<sup>1</sup> J. DELORS: *Planification et réalités sociales*. Paper presented to the Journées d'étude de l'Institut de préparation aux affaires de l'Université de Lille, 20-21 Jan. 1964 (mimeographed).