

# Alternative approaches to development economics

The case of Southern Highlands Province

*By Joe Kaiyo*

*Acting Provincial Administrator*

# Forum provides opportunity

- ▶ To contribute ideas
- ▶ To review approaches to development
- ▶ Points way forward for Regional Development

# Search for alternative approaches

- ▶ Factoring in on the dynamics of political economy and the liberal theory of dual economy
- ▶ In Southern Highlands Province, Adam Smith's speculation has found traction - the fact that the SHP Government's search for alternatives is part of the universal desire to remove constrains

# 5 Year Strategic Master Plan

- ▶ Transformation of our rural society underpinned by the SHP 5 year Strategic Master Plan
- ▶ Agenda is to make a difference
- ▶ Make inroads into governments' restoration of services
- ▶ Full accountability on the use of funds and expenditure trends
- ▶ Sets the foundation for growth

# Stability in Governance

- ▶ Stability in Governance is a pre-condition for achieving set targets and indicators for Rehabilitation and Restoration of vital sectors
  - ▶ Infrastructure
  - ▶ Law and Justice
  - ▶ Social Services
  - ▶ Health
  - ▶ Education
  - ▶ SMEs
  - ▶ Administration

# Role of Development Planning

- ▶ Role of Development Planning in PNG;
  - ▶ Underpins the assumptions of rural development and rural industrialization contained in Southern Highlands Master plan
  - ▶ Helps in the understanding of development economics and development planning in the country

# Rural exodus & change management

- ▶ Rural exodus is a never ending phenomena
- ▶ Change management is required to allow development strategy and rural industrialization to converge as the development challenges of nation building
- ▶ Role of SHP Master plan is to deliver the province and its people from doldrums of underdevelopment
- ▶ It is taken for granted that the application of development economics provides theoretical basis for contributions to defining perspectives and approaches to development in the country

# Marxist development approach

- ▶ Approaches to development embed in Marxist approach
- ▶ Focus on tension between property relations and productive potential
- ▶ Importance of collective action and power thwarting processes of institutional change to resolve that tension
- ▶ Its insistence on bringing to the forefront of public policy debates an analysis of the nature of the state and the constellation of power in civil society
- ▶ Its commitment to certain normative ideas on questions of exploitation and injustice



# UN Millennium Development Goals & PNG Vision 2050

- ▶ The SHP Master plan sets the stage for the government to achieve;
  - ▶ The UN Millennium Development Goals
  - ▶ PNG Vision 2050
  - ▶ Place the experience of massive government interventions of the last 2 decades on notice
  - ▶ Testament of literature and gory neoclassical accounts of “public failures” of regulatory, interventionist states on people’s notice board
  - ▶ SHP Master plan is testament to poverty of state’s economic policy

# New landscape of development planning

- ▶ The dynamics of political economy and the role of the PNG state as a growing sector of international economy reached the next level
  - ▶ Moving from plantation economy to an LNG driven economy
  - ▶ Which provided new landscape for development planning
  - ▶ In the next two days there could perhaps be conclusions pointing the way forward to define development path way for our people

# Great questions of economics & history

- ▶ Hard yards put in by SHP government, one of last frontier provinces
- ▶ Attract questions of economics and history

# Yes we can

- ▶ Successful implementation has been a formidable challenge
- ▶ But outcomes in ensuring adequate delivery of government goods and services so far show that it can be done
- ▶ The participation of everyone in this forum will help search for answers to the great questions
- ▶ Assist us handle challenges of achieving sustainable development strategy that works for the country and our people today

# END

- ▶ Thankyou one and all for being present during this presentation