

Economic development, social spending and project management

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Development has no formally accepted definition in literature as most authors only give an opinion and do not deliver any concrete understanding of what is meant by the development of society. The United Nations in various programmes on social development use economic growth as well as a number of other different measures to test for social and economic development. Theories of what causes economic growth abound, partly to analyse economic development of the wealthy vs. the poor and partly to stimulate economic growth in poor countries. Economics teaches that the standard of living is improved for all when wealth is created. Supply and demand determine price and when more is paid for consumption than for production, wealth is created. The economy grows only when the total volume of production increases or when the efficiency of production improves. Efficiencies can be improved through education, but improvement in technology directly competes with the employment of people. As people are replaced by machines they lose the ability to earn money, and to purchase goods and services, resulting in the shrinking of the economy. Education does not create employment, but it does improve your chances to find a job. Increased unemployment results in increased rates of crime and violence, as the gap between rich and poor increases. Social development in conjunction with economic development must be balanced by education in project management. Project management that brings people together from diverse cultures, religions, social levels, and education levels to effectively and efficiently reach set objective. Project management, where people are managed so that they can manage their work, is the key to our future.

INTRODUCTION

It was the year 712 BC (Reese 1977: 930) when the Prophet Isaiah proclaimed "The Spirit of the Lord GOD is upon me; because the LORD hath anointed me to preach good tidings unto the meek; he hath sent me to bind up the broken

hearted, to proclaim liberty to the captives, and the opening of the prison to them that are bound; To proclaim the acceptable year of the LORD, and the day of vengeance of our God; to comfort all that mourn; To appoint unto them that mourn in Zion, to give unto them beauty for ashes, the oil of joy for mourning, the garment of praise for the spirit of heaviness; that they might be called trees of righteousness, the planting of the LORD, that He might be glorified. And they shall build the old wastes, they shall raise up the former desolations, and they shall repair the waste cities, the desolations of many generations" (Isaiah 61: 1-4).

It was this passage that Christ read from at the start of His ministry on earth with the words "this day this scripture is fulfilled in your ears" (Luke 4: 21). This was to be a direct intervention in changing the lot of the poor, spiritually at least if not economically. Social and economic development may have been debated by the Romans and the Greeks before this time and the disparity of the wealthy vs. the poor may have been noticed but here we find that something is to be done about it which plagues our conscience to this day.

This study is to find how economic development can result from business development, and how social development is not seen as a contributor to economic growth. Lessons are drawn from recent history and the developmental trends experienced in first, second and third world economies. Industrial development as a contributor to economic growth was investigated, and it was found that efficiency competes with the employment of people. The more machines are deployed to increase efficiency the less people have work. The result is that it would seem as if first world technology deployed in third world economies does not create employment but reduces it. To rectify the increasing debt of third world countries the International Monetary Fund and the World Bank see trade and not aide as the solution (World Bank 1998: 9). Trade based on efficient and effective businesses.

Management by projects plays a central role in organisations of the future where project management needs to be described in terms of the fundamentals applicable to business development. From the literature surveyed a trend developed where project management from the perspective of industrial development can be seen as the past, from the perspective of business development as the present and from social development as the future. Two schools of thought one emanating from America with a distinct industrial

approach and the other emanating from Europe with a business approach dominate the history of project management. The life cycle approach developed in Europe for use in business development can be seen as the driver or engine that leads social development. Connected through education in project management as a life skill in an outcomes based environment, the life cycle approach to project management is seen as essential for the development of third world economies.

HISTORY OF ECONOMIC DEVELOPMENT

According to the classical view of macro economic theory (Grabowski & Shields 1996: 2), all people have work where they produce goods and services, in return for which they earn money, which they spend on goods and services to create demand. Price is used as a mechanism to control supply and demand or in the words of the French economist Jean Baptiste Say, "supply creates its own demand" (Grolier "Say" 1996: CD-ROM) giving rise to the creation of wealth to satisfy people's wants and needs.

Economic growth considers the possibility of raising the standard of living not only for the rich but also for the poor (Fourie & Van den Bogaerde 1989: 236), which is usually defined as *the annual rate of increase in real gross domestic product (GDP) or real gross national product (GNP)* (United Nations 1996: 1). GDP is defined as *the total value of all final goods and services produced within the economy in a give period of time* (Fourie & Van den Bogaerde 1989: 25). GDP and GNP are equal when local interests abroad are the same as foreign interests in the local economy. To calculate GNP, subtract from GDP all profits, interest, wages and other income earned by non-residents and add profits, interest, wages and other income earned by ex-patriots (Mohr et al. 1988: 38-39). Dividing GDP by the number of nationals from a specific country results in per capita data. This is simply stated as an average currency earned per person per year for a particular country. Per capita is used to measure changes in efficiency and growth of an economy.

The Union Bank of Switzerland goes one step further when calculating purchasing power parity for their research into prices and earnings around the world, by taking the average working hours per year into consideration, in each city surveyed (Enz 1991: 5). Research done in the United States during the 1980's showed variations from \$12 000 for Sweden to \$136 for Ethiopia per capita GDP (Fourie & Van den Bogaerde 1989: 240). These vast differences in the level of economic activity between established countries and less

developed countries has led to a difference in terminology where **economic growth** describes the process of increased GDP, and **economic development** the process which results in an increase in real potential production. This implies a fundamental change in the community as a whole, as well as its economic system in the case of a developing country (Gillis et al. 1996: 15-16).

Of particular significance is the physical displacement between rural and urban areas, cultural patterns, training of workers and a very different approach to health services and transport between developed and less developed countries. To overcome this problem, the United Nations in its various development programmes determines **economic development** in an economy through per capita GDP, Investment to GDP, exports to GDP and adult literacy (United Nations 1996: 1) then compares this data to other similar nations in four segments: Low Developed Countries, Developing Countries, Transitional Countries and Developed Countries. **Economic growth** is attained when a country's per capita GDP increases year on year. There are four factors in the growth process. These are, the size and quality of the labour force, the quantity and quality of capital, technology and the availability of natural resources" (Fourie & Van den Bogaerde 1989: 239).

"An inquiry into the nature and causes of wealth of nations" published in 1776 by Adam Smith postulates that the economy grows when production increases in volume and/or efficiency. He found that by separating production into several different operations and having people specialise, production could be made more efficient. The extent to which specialisation could be implemented depended on the size of the market. The more people the larger the market the greater specialisation and therefore higher productivity.

David Ricardo devised the law of diminishing returns in 1800, in terms of which production may increase but only at a decreasing rate until a maximum is reached (Fourie & Van den Bogaerde 1989: 243). Malthus added his law of population to show that the standard of living of the masses cannot be improved because the power of population is greater than the power of the earth to produce subsistence for man. Population, he asserted, when unchecked by war, famine, or disease, would increase by a geometric ratio but subsistence only by an arithmetic one (Grolier "Malthus" 1996: CD-ROM). This meant that as production increased the average amount of food available would continue to decrease until only a subsistence level was reached (Ghatak 1995: 49-50).

Until 1930, Adam Smith's theory held true and economic growth was unprecedented in the history of man. The great depression and the Second World War saw the emergence of the Keynesian model. In his book "The general theory of employment, interest and money" published in 1936 J.M. Keynes postulated, that one could not rely solely on market forces to carry the economy back to full employment. Government's expenditure was to be applied to offset unfavourable deviations in private expenditure to create employment (Encarta "Economics" 1997: CD-ROM). Monetarists led by Milton Friedman became critical of Keynes after the Second World War with the emergence of inflation. Monetarists were extremely critical of exaggerated government expenditure to keep total expenditure at an acceptable level (Fourie & Van den Bogaerde 1989: 17).

With employment approaching 100% during the 1970's in America, economists had until then concentrated only on the demand side of the economy. Oil shortages awoke the concept of limited natural resources and brought a realisation that there could be problems with the supply side of the economic equation with the occurrence of simultaneous inflation and recession (Yergin 1991: 615). The enormous economic growth of the post world war two years resulted in a baby boom resulting in exponential growth of global population. For years, the human birth rate was slightly higher than the death rate resulting in very slow increases in population. However, during the 1960's, global population was increasing exponentially and trends clearly showed that demand would eventually outstrip supply.

In 1972 the Club of Rome presented a "Doomsday Model" (Fourie & Van den Bogaerde 1989: 250). The model was a computer simulation based on data available in 1972 postulating that the global economy would slow down to a zero growth rate due to increases in population while at the same time experiencing an increase in consumption at a faster rate thus returning to the theories of Ricardo and Malthus. Since then the rise of the twin evils "inflation and recession" have been seen to play havoc with economies the world over; while global economies are slowing down (World Bank 1998: 171).

Industrialisation brought about an increasing rate in the economic process. Technological developments resulted in increased productivity, increased production led to increased employment, which led to increased personal

wealth and capital formation. This led to more funds being available for training labour, giving rise to both a market in which to sell goods and a labour force to produce increasing output. (Hirschey & Pappas 1992: 12-15)

Technology has kept production in pace with consumption as it races ahead. The cost of economic growth in terms of environmental impact has in the last days of the 20th century revealed disparities. It is argued that high levels of pollution resulting from production in developed countries, damages the environment globally, leading to crop losses in less developed countries. It is further argued that if damage to the environment is deducted from global GDP the trend that emerges is one of global recession and not growth. (Heap 1999: unpublished).

Economic development in less developed and transitional countries have shown slow progress in the years between 1987 and 1998 (World Bank 1998: 24), as they show deficiency in all four factors required to sustain economic development. Production is limited and they have become nations of consumers while the population growth has continued to increase in these countries, economic growth has not. (Bhattacharya 1993 : 4)

Developed countries investment in the social development of the less developed countries has resulted in increased life expectancy and birth rate, without creating work. While in the developed countries work is replaced by technology, as the birth rate decreases keeping unemployment figures low. It would seem that in some less developed countries once a measure of economic development is attained, social development takes on a higher priority. Increased expenditure on social development instead of on continued economic development leads to economic downfall as several less developed countries have experienced recently (Ro 1993: 30-36)

Originated by the Martinique-born Marxist writer Frantz Fanon, the designation "third world" was given to countries containing some two-thirds of the world's population and located in Latin America, Africa, and Asia. The term arose during the cold war, when two opposing blocs one led by the U.S. "first world" the other led by the USSR "second world" appeared to dominate world politics. Third World consisted of economically and technologically less developed countries belonging to neither bloc while economies considered intrinsically

incapable of development, are at times lumped together as forming a "fourth world" (Grolier "Third world" 1996: CD-ROM).

This compares with the current United Nations classification of low developed countries (4th), developing countries (3rd), transitional countries (2nd) and developed countries (1st) or low income, low middle income, upper middle income and high income used by the World Bank in the same order. I prefer to use a classification of only three as I find all countries economies "transitional" whether up or down as history has thought that today's 1st world is tomorrow's 3rd world. In my classification system **1st world** countries are developed e.g. England, France, Germany and the USA; **2nd world** countries are developing e.g. Brazil, Hungary and Malaysia; **3rd world** countries are undeveloped e.g. Angola, Ethiopia and Moldavia.

SOCIAL SPENDING

While travelling in India I realised that development and project management were inextricably linked. Without project management development would suffer from ineffectual deployment of capital. I also realised that most projects could be grouped into three development sectors: industrial, business and social.

Industrialisation or **industrial development** is the shift from manual labour to mechanisation specialisation in manufacturing goods for profit as is evident in modern production and engineering (Encarta "Industrial revolution" 1997: CD-ROM). Commercialisation or **business development** is made up of complex operations in the lives of people concerning all those functions that govern the buying and selling of goods and services to make profit in a pattern of operation, strategy, marketing and distribution for consumption (Encarta "Business" 1997: CD-ROM).

Some scholars believe that the basic principles of socialism or social development were derived from the philosophy of Plato, the teachings of the Hebrew prophets, and some parts of the New Testament (the Sermon on the Mount, for example). Modern socialist ideology, however, is essentially a joint product of the 1789 French Revolution and the Industrial Revolution in England. Socialism has assumed a number of distinct forms in the Third World but only in Israel has moderate social democracy proved successful for long periods. At

least of equal significance, however, are the cooperative agricultural communes (kibbutzim), which have flourished since 1948. Commentators have argued that kibbutzim more than anything else show the viability of socialist principles in practice; however, the peculiarities of Israeli conditions (for example, religious tradition and constant war readiness necessitated by the hostility of Israel's Arab neighbours) could not easily be duplicated (Grolier "Socialism" 1996: CD-ROM).

Elsewhere in the Third World, Marxism and various indigenous traditions have been predominant in socialist movements. In developing countries socialism as an ideology generally has been fused with various doctrines of nationalism, also a European cultural import but enriched by diverse motifs drawn from local traditions and cast in the idiom of indigenous cultures. In India, for example, the largest socialist movement has partially adapted the pacifist teaching of Mahatma Gandhi, and distinct native brands of socialism exist in Japan, Myanmar, and Indonesia. Similarly, in black Africa native traditions were used in the adaptation of socialist, mainly Marxist, doctrines and political systems based on them. Socialism in these theories is usually understood as a combination of Marxism, anti-colonialism, and the updated tradition of communal landownership and tribal customs of decision-making. Most of sub-Saharan Africa's socialist countries adopted free-market reforms in the late 1980s and early 1990s (Grolier "Socialism" 1996: CD-ROM).

Overtly Marxist movements, aided by the USSR, China, or Cuba, nevertheless seized power in such African countries as Angola, Ethiopia, and Mozambique. South Africa's AFRICAN NATIONAL CONGRESS (ANC) was strongly influenced by Marxist ideas. Many conservatives of the WELFARE STATE and limited planning can see socialist ideology remains a popular and widely held political belief, and it has deeply penetrated other ideologies, as, for example, in the acceptance. The worldwide spread of socialist ideas has been accompanied by a process of dilution of original principles, as in Western social democracy, and by the degeneration and falsification of its values, as in Marxist states (Grolier "Socialism" 1996: CD-ROM).

As no formal accepted definition for **social development** is prevalent, I define it as those activities of society, which are essentially non-profit areas such as education, sanitation, healthcare, land reform and policing. Economic development a producer of wealth must therefore lead and be synchronized

with social development a consumer of wealth. To better understand this aspect a matrix (**fig. 1**) was constructed in which 1st, 2nd and 3rd world economies are related to industrial, business and social developments.

Figure 1. Economic / Development Matrix

	Industrial Development	Business Development	Social Development
1 st World economies	A	B	C
2 nd World economies	D	E	F
3 rd World economies	G	H	I

Source: Own compilation.

Examining **fig. 1** by applying the "Pareto principle" or 80-20 rule to the World Bank's 1998 "world development indicators" where total **population** of an economy includes all residents regardless of legal status or citizenship except for refugees (p45); **Production** or gross national product is the sum of value added by all resident producers plus taxes (less subsidies) (p15); Private **consumption** is the market value of all goods and services purchased or received as income p (211) and **aid** is disbursements of loans and grants made to promote industrial development and welfare in recipient economies (p345) the following is revealed:

Population: ABC=20%, DEFGHI=80%

Production: ABDE=80%, GH=20% Real GNP per capita in 1997 \$

Consumption: ABCDEF=80%, GHI=20% in purchasing power parity terms.

Aid: CFGHI=80%, ABDE=20% in 1996 \$

This means that 20% of the worlds population is responsible for producing 80% of the worlds wealth and consumes 80% of what is produced. Alternatively it means that 80% of the worlds population produces 20% of the wealth and consumes 20% of all goods and services. "ABDE" is 80% of wealth's production and "I" is 80% of aid's consumption. "AB" produces most of the world's profit

and "I" produces most of the world's debt.

It can therefore be said that industrial development was our past, business development our present, and social development our future.

Figure 2. Economic / Development Matrix: Wealth & Consumption

	Industrial Development	Business Development	Social Development
1 st World economies	80% of Global Wealth, Production and Consumption		
2 nd World economies			
3 rd World economies	80% of Global Population and Debt		

Source: Own compilation.

As global unemployment figures continue to grow and world markets reach maturity, a slacking off of demand is experienced. By definition, the 1st world is developed, prompting people to realise that in order for the global economy to grow, 2nd and 3rd world economies now need to be developed.

The basic premise of the production function is that people work (Gills et al. 1996: 41). This is simply no longer true. There are several examples where people are paid not to work, or paid not to produce, with the result that two of the four factors required for economic growth i.e. the size and quality of the labour force and the availability of natural resources, are no longer valid. This has proved technology to be a competitor to employment, as it replaces people in the production function with more efficient machines and can be seen where several of the most successful commodities ever presented on the stock exchange require no natural resources.

Until the start of industrialization during the eighteenth century an extended family of approximately 40 people farmed about one hectare manually. Mechanisation improved efficiency to the extent that 80 people could now farm

four hectares resulting in farms getting bigger and employing more people specialising in the different activities. In the year 2000 technology has progressed to a point that one man can farm 400 hectares on a fully automated farm or milk 400 cows in a fully automated plant. Furthermore, most food production today, is untouched by human hands from breaking the ground to the final product offered for sale at the point of consumption. First world technology deployed in third world countries does not create jobs but increases the number of beggars.

The World Bank and the International Monetary Fund have declared support of social development in lower developed countries to be a failure. At this point in time the world's financial authorities have been requested to scrap the debt of all lower developed countries, as they simply cannot pay it back. It would seem that the key to continued global economic growth lies not in aid but in trade, together with continued technological development which is achieved by more efficient labour - **not educated in knowledge, but skilled in methods of production.**

Expenditure on social development without synchronized economic development to create employment is a lost cause. Baroness Blackstone, Minister of State for Education and Employment in the UK, stated in a guest editorial in Project Magazine (June 1998): "In an increasingly global economy, Britain simply cannot afford to see its economic performance restricted by poor skills. The most successful businesses in the 21st century will be those that invest in the best-educated and trained workforce. As a consequence, the best way of getting and keeping a job will be to have the skill needed by employers. Furthermore, the concept of a job for life is no longer relevant." In Britain, an additional 500 000 people are to be encouraged to further and higher education by the year 2002 (Blackstone. 1998: 3-7).

PROJECT MANAGEMENT

In further consideration of **Fig. 1**, project expenditure by sector could be entered in a modified Pareto principal using a 70, 20, 10 relationship instead of the 80-20 normally used to reveal the following:

Figure 3. Project expenditure

	Industrial Development	Business Development	Social Development
1 st World economies	20	70	10
2 nd World economies	70	10	20
3 rd World economies	10	20	70

Source: Own compilation.

Figure 3 is a result of personal observation rather than scientific fact and shows the change in importance of various kinds of projects to different economies. Of particular importance to project management is the fact that published theory and knowledge exclusively features 1st world industrial development projects. What was found at the Commonwealth Forum meeting on project management in New Delhi in December 1998 was that most 3rd world social development projects fail because of this.

Using a model life cycle of a project (**fig. 4 below**) containing four stages and a strategic work breakdown structure that practitioners are familiar with as a standard reference and applied to the nine sectors in **fig. 3** above theory should be developed to explain the similarities and differences of projects in each sector.

Figure 4. Project Best Practise Model

PROPOSAL	PLANNING	IMPLEMENT	CLOSE-OUT
1. BENEFICIAL CHANGE	1. Start up meeting	1. Site establish	1. Contract close
2. Project Manager: Champion:	2. Formal investigation	2. Procure equipment	2. Scope verify
3. Feasibility Study: Project Risk	3. Design	3. Monitor equipment delivery	3. Administration close
4. Resources constraint:	4. Specify	4. Quality Assurance & Control,	4. Financial close

No. Of people: Labour hours: Equipment: Total \$ required		Administer Contract	
5. Communication Plan: Stakeholder Analysis	5. Tender	5. Monitor contractor performance & Progress reports	5. Project report
6. Lobby for support	6. Evaluate	6. Install	6. Final meeting
7. Presentation	7. Risk analysis: Product Risk	7. Commission	7. Asset register update
8. Sponsor meeting	8. Negotiate	8. Hand Over	8. Lessons learnt
9. Sponsor approval: resource use 50% accurate	9. Sponsor approval: resource use 75% accurate	9. Sponsor approval: resource use 95% accurate	9. Sponsor approval: resource use 100% accurate
10. Sponsor(S) accepts resource constraints	10. Contract	10. END CONDITION SMART GOALS	10. Team disband

Source: Own compilation.

In this model (**fig. 4**) work is completed in a logical sequential order 1-10 within the Proposal stage first. When Sponsors approval is gained, permission has been given to proceed to the Planning stage. Work is then completed in a logical sequential order 1-10 within the Planning stage. When the contract is placed, Sponsors approval is sought for permission to proceed to the Implementation stage. Once gained, work is then completed in a logical sequential order 1-10 within the Implementation stage. Acceptance of the product produced and achievement of the end condition gives permission proceed to the Closeout stage. Work is then completed in a logical sequential order 1-10 within the Completion stage. Completion of the project administration places the project on the asset register and gives permission to disband the team.

Fig. 4 represents a model for a project on one page that is continuously incrementally improvable and has a high percentage of repeatability and reuse. If each strategic work package represents 10 Operational level activities and each operational level activity represents 10 Detail level tasks a total of 4000

detailed tasks can be controlled on one page. The stages themselves can exist at set levels of detail when that stage is entered into i.e. Proposal = Strategic level, Planning = Operational level and Implementation = Detail level. This assists rolling wave planning by eliminating long-range inaccurate plans. Because the project is dynamic and the plan is static we know the plan is always wrong but by using levels the plan exists only in the strategic level where the model is always correct. We know the detail exists but it is not recorded onto the plan until the project is ready to achieve a particular stage of the life cycle.

If this concept is used then theory can be developed to describe the 40 strategic level activities, 400 operational level activities and 4000 tactical level activities for each of the nine sectors of development in **fig 3**.

To start I see key similarities and differences in **industrial development** projects as having key descriptions such as chemical plant, power station, bridge, dam, engineering, production etc as part of the title. These projects use resources in different ways such as people are established in dedicated centralized teams working full-time on one project at a time. Mostly contractors are used to perform the work of the project, never own staff. Time taken to peruse the project from inception to conclusion is measured in years. Money required for all project costs are of a capital nature and are seen as an investment, which has a payback period.

Most management effort is spent in the implementation stage. Management of change to the original plan is a key activity. Project risk, once commitment to the project is gained, does not feature. Product risk is managed in the planning stage, where impact affects quality, time and cost in the implementation stage. An in-house design team completes formal design. Contracts based on specification preparation, tender evaluation and contract negotiation, are always a part of these projects.

A contractor is normally used to complete the work of the implementation with the client present onsite administering the contract. Project Close is not seen as part of the project. Commercial Operation is not part of the project. Many formal tool and techniques exist which concentrate on the completion of the task.

Business development projects have key descriptions such as business

processes, strategy implementation, change management, restructuring, systems development etc. in their titles. The use of resources in these projects is established by using people in distributed cross-functional teams, lateral teams or virtual teams working on many projects concurrently, predominantly own staff used, with assistance from some consultants. Time taken for project completion is measured in hours or days. Money is rarely spent on equipment; often there is no capital spent at all. A distinguishing factor in these projects is that the only costs incurred are in labour hours.

Most management effort is spent in the planning stage. Due to very short implementation periods, changes to an original plan, result in automatic failure. Managing people is the key activity as own staffs are used who have other work to do; loyalty to performing the tasks of the project is critical. Project risk requires alignment with the company's strategic direction while the marketing window of opportunity remains a constant threat to the project. Product risk is managed in the planning stage as part of design, and normally does not feature during implementation due to the extremely short duration of this stage.

An in-house design team, including some consultants, completes formal design. A contract between departments for the supply of labour is a further feature of these projects. Implementation is completed by the same in-house team who did the proposal and design. Project close uses formal approaches but due to work pressure the team members rapidly deploy back to their functional position or move on to other projects. Thus, project closure is not often formally completed. Commercial operation life cycle entertains ongoing modification and changes to project deliverables, often obscuring the end of the project. Few formal tool and techniques exist concentrating on the management of the individual team member.

Social development projects have key descriptions containing words such as rural, poverty, education, healthcare, transport, sanitation, housing, policing, etc. as part of the title. Resources required for social projects use local residents managed by consultants to perform the work. Time consumed for project duration is measured in weeks or months. Money consumed is made up of grant aid, donations and/or government finance, and spent mostly as administration overheads with very little of the money going towards paying the workers or completing the project.

Project managers spend most of their effort in the proposal stage communicating with stakeholders to gain commitment from the community at large, as without this support no effort spent in planning or implementation will meet with success. As the local community supplies labour, education and skills development are key activities during the planning stage to assemble a workforce for implementation. Project risk originates in and impacts on the proposal stage, while product risk is managed in the planning stage and impact effects quality, time and cost in the implementation stage.

Consultants complete formal design. Contract management including specification prepare, tender evaluation and contract negotiation is always a part of these projects, including contracts within the community for the supply of labour. The community complete implementation of the project with very little help from outsiders. Project close is a major event with formal handing over of the project deliverables to the community, done with much fanfare to score political points. Commercial operation of the project is not part of the project. Almost no formal tools and techniques exist concentrating on the involvement of the community.

CONCLUSION

It could be expected that projects are managed and therefore that management theory would apply to the management of projects but this research has revealed that the commercial nature of the origin of management and the industrial nature of the origin of projects has kept these two theories on separate paths. Of particular interest has been the discovery that neither management nor project management, despite their importance to society and longevity of application, have to date not been ascribed professional status. That is to say that no formal accredited body represents the "profession" in either case. If one is to consider that these two occupations are responsibly for practically all of wealth production and consumption, then greater is the surprise that no governing body exists.

Development of economies, businesses or people must be seen in a coordinated holistic manner where improved efficiency means more work for people, not less. Careful consideration should be given to applied technology in first world economies with high and increasing consumption while population diminishes, as apposed to third world economies with low consumption,

increasing population and unemployment. Education is of pivotal importance to improve efficiency of man and machines. However, what is required is not education in academia, but in skilled methods of production.

The development of the business has progressed along two parallel paths over the past one hundred years. Business processes, the mechanics of the organisation, chain of command and human behavioural processes: I think, I speak, I do, have developed equally but have, like the tracks of a railway, never actually met.

The historical divergent nature of management and project management has to be converged by the future needs of both to become recognised professions.

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Summary CV

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Andre Philip van der Merwe is a qualified Electrician and Communications Electronics Technician. He holds a post graduate Diploma in Project Management from Henley College Oxfordshire and was the first South African to hold a Project Management MBA from the University of Brunel in London. Andre concentrates on business transformation through project management methodology as well as effective and efficient management of multi projects within an organisation leading, to the financial success of that organisation. Business Development: A project management approach, is the topic of his Doctoral research at the Rand Afrikaans University.

Andre van der Merwe has published several papers and regularly speaks at international workshops, seminars, congresses and symposiums on the education of Project Managers, Social development and tools to prioritise and control multi-projects of which the Project/system (Pencil and paper approach to project management) is attracting interest. His latest publications can be seen in the International Journal Of Project Management published by Elsevier Science. A recent manuscript entitled; "Implementing Strategic Objectives As Projects In The Third World" is being considered for publication. He has hosted several conferences and corresponds with interested parties on the Internet.

Andre is the Founder and past Chairman of the Association for Project Management in South Africa, a full member of the Association for Project Management in the UK, Council member of the International Project Management Association in Zurich, Regional representative of the Commonwealth Forum for Project Management, a member of the South African Qualifications Authority Standards Generating Body for project management and a member of MENSA Society.
