

# CEPAL

## Review

*Executive Secretary*  
Norberto González

*Deputy Executive Secretary for  
Economic and Social Development*  
Gert Rosenthal

*Deputy Executive Secretary for  
Co-operation and Support Services*  
Robert T. Brown

*Technical Secretary*  
Adolfo Gurrieri



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## Review

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### CONTENTS

Note by the Secretariat.	7
International colloquium on new directions for development planning in market economies.	9
Opening addresses.	9
Address by Mr. Norberto González, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC).	9
Address by Mr. César Miguel, Chief, Division for the Regional Programme and the English speaking Caribbean countries United Nations Development Programme (UNDP).	10
Address by Mr. Alfredo Costa-Filho, Director-General, Latin American and Caribbean Institute for Economic and Social Planning (ILPES).	12
Planning for a fresh social and economic dynamic. <i>Latin American and Caribbean Institute for Economic and Social Planning.</i>	19
New directions in planning: an interpretative balance. <i>Eduardo García D'Acuña.</i>	25
A note on new directions in planning. <i>Brian Van Arkadie.</i>	33
The need for multiple perspectives in planning. <i>Harold A. Linstone.</i>	43
Planning in mixed market economies and the paradigms of development: problems and options. <i>Rene Villarreal.</i>	51
Macroeconomic models and planning in the context of an uncertain future: the French experience. <i>Paul Dubois.</i>	59
Long-range development planning. Notes on its substance and methodology. <i>Lars Ingelstam.</i>	69
Beyond indicative planning. <i>Stuart Holland.</i>	75
Planning Today. <i>Yoshihiro Kogane.</i>	91
Governability, participation and social aspects of planning. <i>Yehezkel Dror.</i>	95

Agents of 'development'. <i>Marshall Wolfe.</i>	107
The State, decision-making and planning in Latin America. <i>Carlos A. de Mattos.</i>	115
Decentralization and regional development in Latin America today. <i>Sergio Boisier.</i>	133
Planning and the market during the next ten years in Latin America. <i>Joseph Ramos.</i>	145
Planning and government. <i>Carlos Matus.</i>	153
New technological frontiers of management in Latin America. <i>Bernardo Kliksberg.</i>	171
The validity of the State-as-planner in the current crisis. <i>Adolfo Garrieri.</i>	193
The role of the State in Latin America's strategic options. <i>Christian Anglade and Carlos Fortin.</i>	211
Recent ECLAC publications	

## Decentralization and regional development in Latin America today

*Sergio Boisier\**

The 1980s have been a time of important change in Latin America. The international crisis, on one level, and progress towards democracy, on another, are two of the phenomena having far-reaching effects on the region which are simultaneously imposing constraints and exerting pressure on the future course to be taken by the Latin American societies.

One of these countries' many characteristics is the considerable degree of centralization, in any and all of the specific dimensions of the term, which has been associated with their historical development. While in the past this condition may have helped to consolidate the Nation-State, through-going changes are now required in this respect, especially as regards the articulation between the State and civilian society. This idea has been expressed in various ways in the course of the political debate now going on in a number of countries, and it is therefore appropriate to link the discussion on decentralization with an examination of the constraints that the crisis will impose upon available resources.

The author first explores this question and then goes on to centre his line of reasoning around the development of an increasingly complex interconnection among the processes of decentralization, regional development, planning and concerted social action. Another question dealt with in the article which is of growing significance for the future of any society concerns the possible implications of the current revolution in science and technology for decentralization.

The author's main thesis is that there is a need, at least in many specific cases, to "construct" the regions in a political and social sense so that they will be in a position to receive a greater share of political power, as a result of decentralization, which will then allow them to alter the relationships of domination and dependence with other regions which hinder them from realizing their development potential. The political construction of the regions will result in their becoming "quasi-States", while their social construction is characterized as a process of concerted effort among regional forces and social groups that is necessary in order for there to be a democratic redistribution of power to the regions.

\*Staff member of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES).

## Introduction: crisis and decentralization

Decentralization seems to be a recurrent theme in the history of Latin America. Even since the first years of independence, in the early part of the nineteenth century, the clash between centralization and decentralization, whose political expression is found in the opposing institutional models of federalism and unitarianism, has permeated the history of the Latin American countries and, in more than a few cases, has led to civil war. The net result of this process (the differences between federal and unitarian countries being more a matter of appearance than substance) has been a strong and growing centralization of decision-making which, today, is perceived from a social standpoint as a situation that must be corrected.

Precisely because this problem has appeared and then disappeared as a political issue so often, however, the following question must be asked: Will it be now, within the context of the crisis, that decentralization will find its moment in history?

The answer to this question will basically depend upon the extent to which the issue of decentralization is tied into the more global, urgent and structural problems affecting Latin America now and in the immediate future.

There are various ways of describing the current situation in Latin America and its more direct implications for the future of these countries. It by no means seems inappropriate to focus on two of the more global elements which appear to characterize this situation: the simultaneous and interactive presence of an international crisis and a national crisis which, although each has a considerable degree of specificity, nonetheless provide fuel for one another.

The international crisis will, of course, have many repercussions, but if one relatively all-embracing consequence were to be singled out, it would be a new mode of insertion for the Latin American countries at the international level. This new form of insertion will necessarily have to be sought and carried out under the direction of the State, which will have to devote some of its most valuable technical and human resources to such matters as modalities of negotiation, debt management, export promotion, financing and,

at each point in time, using the international situation to best advantage.

The national crisis affecting many Latin American countries is, for its part, essentially a political crisis, one of whose manifestations is the widespread demand for a new social contract between the State and civilian society. Such a social contract would provide for a new State which would be more democratic but also smaller in economic, bureaucratic and political terms, inasmuch as many authorities, powers and functions of the State would be returned to their rightful custodian: a functionally and territorially organized civilian society. In other

words, in overcoming the national crisis, it will be the civilian society which will be at the helm, in concert with the State.

There is, in principle, an obvious contradiction between the State's roles in resolving the international and national crises. In the case of the former, the State is asked to perform new and important functions, whereas in the latter, it is asked to abdicate functions it has traditionally exercised. One way of dispelling this contradiction is through administrative and political decentralization, which can then help to create a more hospitable climate for decentralized activity.

## I

### The many forms of decentralization

Despite the fact that decentralization is a "fashionable" topic in Latin America, this does not mean that its discussion has been blessed with the virtue of clarity, and different meanings and connotations are attributed without distinction to the word "decentralization".

To begin with the simplest concept which is often confused with the idea of decentralization, displacement refers to the act of transferring productive, service or government activities from one territorial location to another. Displacement alone changes nothing from an administrative point of view; it is only a change of location.

A second concept is deconcentration; this is an act whereby decision-making capacities are passed down from a higher to a lower level within the same organization. Deconcentration does not require the creation of new bodies; the lower organizational levels merely receive additional authorities (power). Hence, deconcentrated agencies require neither a legal status of their own (since they operate within the legal capacity of the central body) nor their own budget (since they work with the monies transferred to them from the central organization), and their administrative and personnel regula-

tions are the same as those governing the activity of the body to which they belong.

Finally, there is the more complex concept of decentralization. Within the sphere of the public sector, decentralization involves transferring given areas of responsibility to bodies which are not under the legal authority of the State (i.e., they are autonomous). In order for this to be possible, decentralized bodies need to have their own legal capacity, their own budget and their own operational regulations.

Decentralization may be administrative or functional, territorial, political or a combination of these.

Decentralization is administrative when it concerns sectors or activities within the public sector (e.g., decentralized public enterprises); it is territorial when it involves the transfer of areas of responsibility to bodies having jurisdiction over a given territory (e.g., regional development councils or community development councils); and it is political when it entails handing over areas of responsibility to elected political bodies not subordinate in rank to the State (e.g., an elected national congress). As elected regional assembly or council would be a decentralized body in both political and territorial terms.

## II

## Decentralization and regionalization: an inevitable crossing of paths

If decentralization means the transfer of areas of responsibility (i.e., decision-making and resource management) to bodies not subordinate to the State—in other words, if decentralization means the redistribution of power between the State and the political and civilian spheres of society—then we should ask ourselves who or what is actually on the receiving end in this redistributive process. The answer is clear: the bodies, which either already exist or are to be created, occupying an intermediate position between the individual and the State, and many of these intermediate bodies have been or will be structured on the basis of collective interests, loyalties or problems of a territorial nature. Hence the growing importance of regions (whether they are created expressly on the basis of pre-existing conditions or as strengthened and modernized expressions of prevailing political/administrative units) as sites for the emplacement of a portion of the political/territorial decentralization process.

As a result, for some time now the topics of regionalization and (administrative and political) decentralization have been becoming increasingly intermingled—so much so that it would now be virtually impossible to talk about regionalization outside of the framework of political (territorial) decentralization and vice versa. It would be just as anomalous today to discuss the subject of decentralization without relating it to the issue of regionalization and a broad and clearly-defined type of regional development. There are complicated practical reasons for this (the need to improve State and public-sector management), as well as theoretical and conceptual ones (the widespread search for a new kind of political arrangement between the State and civilian society).

As stated in one ILPES document, "The traditional centralism of both federal and unitarian States in Latin America now appears to have come under a crossfire of pressures. These come from territorial communities (the demand for

political/territorial decentralization) as well as from within the State apparatus itself, as it looks for more efficient and concrete forms of action (the 'supply' of administrative decentralization). Proposals for the 'strengthening of federalism' or 'regionalization' raise substantive questions as regards the organization of society and its implications for policy-making and possible planning modalities. How much political decentralization and at what level? How much deconcentration and of which State functions? How gradual or rapid should these processes be?" (Boisier, S., 1986).

In figurative terms, it might be said that at times the paths of these two processes—supply and demand—do not even cross, because they exist on different planes in which the concepts and strategies of action seem to have distinct and independent connotations and because their dynamics apparently spring from different sources. Thus, for example, centralization seems to be self-sustaining in crisis situations such as the present; on the other hand, however, the very dynamics of centralization are what provides the impetus for the demand for decentralization, which, in turn, is driven forward by issues and perceptions of unequal development, domination, colonialism, the revitalization of ethnic groups and cultures, and the penetration of regional and local spheres by what has been called the "mesoeconomic" power of transnational corporations and even of neighbouring States. The task of bringing these territorial and functional movements together, or at least close to one another, therefore presents a challenge to politicians and social scientists, and the regions—which are less segmented, less heterogeneous and larger than traditional political/administrative units—thus appear to be a particularly appropriate (neither completely macro nor entirely micro) sphere in which to attempt such a synthesis. It would, nonetheless, be a mistake to try to limit the question of decentralization to a single territorial level.

### III

## Decentralization, regional development and concerted planning: an inseparable trilogy

As the concepts and purposes of decentralization, regionalization and regional development become intermixed, it also becomes evident that these processes will have to be co-ordinated through renewed forms of socially participatory and institutionally concerted planning. Otherwise, the scope and momentum of the territorial expansion of the economic system, if ruled only by market forces, may heighten the tendency towards concentration.

As was observed in an ILPES document:

"Both theoretical discussions and the results of studies of concrete situations tend to support the hypothesis that the general process of concentration appears to be a basic characteristic of the predominant pattern of development in capitalist Latin American countries. This hypothesis is based on the fact that—in a context where the generation, appropriation and utilization of the economic surplus is allowed to be determined primarily by the interplay of market forces—a large part of the social groups, production sectors and regions that exhibited a high degree of accumulation at the outset of the system's process of capitalist articulation found the initial situation to be conducive to the increase of such accumulation over time, thus giving rise to a structure which is increasingly concentrated in social, economic and territorial terms and in which these dimensions of the process act interdependently and provide fuel for one another" (de Mattos, C., 1983).

At a less theoretical level, the President of the Council of Ministers of Peru explained the interconnection among decentralization, regional development and concerted planning with great clarity when he said:

"It follows quite clearly from what has been said that democratizing the State involves the simultaneous fulfilment of two major national tasks: the decentralization of decision-making and the concerted planning of development. Decentralization makes it possible for decision-making processes to

become firmly established within the country, in the territory where this country's majorities live and work. Concerted planning provides the delegates and representatives of productive, social and political organizations with access to the mechanisms for planning and directing development. Thus, through decentralization and concerted effort, the historical separation of State and nation can be brought to an end and a new stage can begin in which the government and the people will work together in an independent and united national development effort. It will not have escaped your attention that the unification of decentralization and concerted effort lays the foundation for a new and democratic system of public management which will be radically different from the bureaucratic and anti-participatory system that has, historically, characterized State action in our country.

This approach will allow us to rectify the conceptual error of regarding decentralization and concerted action as if they were two separate and clearly-defined processes that should therefore be dealt with in different ways.

Our approach also, however, has far-reaching implications in the realm of action. In effect, it will require the design of the various local, departmental, regional and national mechanisms for the transfer of decision-making power which will serve as institutional spaces for concerted action by the State and the economic and social agents at each of these levels of public administration. In short, it involves a recognition of the extraordinary importance of the spatial and territorial dimension within which decentralization and concerted action become the basic tools of a new type of development, a development by and for our country, as a way of overcoming the development by and for external elements which made us into a dependent State and society.

For all these reasons, regionalization is, for us, one of the most far-reaching changes that can be made in our country and one of its most difficult challenges" (Alva Castro, L., 1986).

At the technical level, then, one of the fundamental questions to be asked is: What form or what modality of regional planning is needed in order to co-ordinate these processes? Will the traditional and still prevailing concept suffice, or will new ideas have to be devised?

Since regional development planning, as a procedure, is no more than the application of a form of societal control and orientation that strictly corresponds to a particular substantive interpretation of the very problem which is to be addressed, the first step in answering the above question is to expose this substantive interpretation to the light of day and to ascertain whether or not it is functional in relation to a decentralized and concerted form of regional development.

In this connection it will suffice—as a brief example—to consider the definition of regional planning offered by such authors as Alden and Morgan, who, in a widely-known work, stated: "As such regional (development) policy is a component of national planning concerned with the allocation of resources among regions" (Alden, J., and R. Morgan, 1974). This focus, which has been the predominant one in the literature and, above all, in the practice of regional planning, leads nowhere because if regional planning is to be understood merely as a question of the allocation of financial resources among regions, then it is perfectly clear—both theoretically and empirically—that it is by definition a centralized process. This is indeed what was stated at the conclusion of an argument along these lines presented in an ILPES document: "Therefore, the question of decentralization and, in particular, the issue of the degree of centralization versus decentralization cannot be resolved in terms of resource allocation alone, although this does not eliminate the possibility of controversy and conflict regarding the specific modalities of centralization" (Boisier, S., 1984).

For this reason, the following argument was made in favour of an alternative scheme in another ILPES document:

"When a regional development process is advanced as a concerted process in which the

State and the region share responsibilities, it then becomes necessary to examine the specific ways in which the two actors are to be articulated in this process so that the most suitable policies for promoting development can be recommended.

The State influences a region's economic growth through two types of economic processes. Firstly, the State, via the public sector, is in charge of distributing public resources among the regions through capital expenditures (physical infrastructure, social infrastructure, investment in production activities, technological research, etc.) and through current expenditures (wages and the purchase of inputs). Through the public sector of the economy, the State thus performs an important function of the interregional allocation of resources. Identifying and implementing procedures for guiding this process in a consistent fashion has been the traditional function and modality of regional planning.

Secondly, as the only economic agent which can legitimately make use of coercion, the State imposes a given economic policy upon the other economic agents which has indirect effects of a different type and magnitude on each region. In other words, the overall economic policy is not neutral from a regional standpoint. From this standpoint, the regional effects of a given economic policy package may either be beneficial to a region—in which case this indirect action of the State reinforces the direct impact of the allocation of resources to the region—or detrimental—in which case the indirect action may cancel out or even outweigh the actions undertaken directly by the State in the region. Under certain circumstances, this type of situation may give rise to an additional function to be performed by regional planning, a compensatory function whereby through (political) negotiation, an attempt is made to neutralize these negative effects (e.g., through more fiscal expenditure, at least in some regions).

In the best of cases, then, State action in a region creates conditions which are conducive to economic growth; however, in view of the (qualitative) characteristics that differentiate development from simple economic growth, it can readily be concluded



that the transition from the one to the other depends more on what the region itself can do (i.e., on its capacity for social organization) than on the actions of the State.

It is in this sense that the articulation between the State and the region (as a social actor) is a critical factor in efforts to promote a decentralized regional development process. No matter how great an amount of resources the State pours into a region, this will not bring about its development (as shown by a number of examples in Latin America) unless there is a genuine regional society—a complex society having truly regional institutions, a political class, an entrepreneurial class, community-based organizations and its own political initiatives—which is capable of collective and concerted action in furtherance of development. This is why there is a contradiction in terms when it is supposed that only the State can 'develop' a region.

This is the crucial issue in regional development, when it is correctly understood. Everything else is subordinate to the establishment of an active arrangement between the State and the region. A region's natural resources, its geographical position and its comparative advantages are all undoubtedly important and positive factors in stimulating growth and a better balance among the various regions, but they are inevitably conditional upon the social and political factors mentioned above.

This is why a more timely and integral concept of regional development must recognize the coexistence of three complementary functions in what is usually referred to as regional planning. One function, resource allocation, is economic in nature, centralized in its execution and exogenous to the region; a second function, compensating for the negative impact of economic policy, is essentially of a political nature, is deconcentrated in its practice and is also exogenous to the region; a third function, social activation, is of a social nature and is most certainly decentralized and endogenous to the region. This is, of course, a more complex idea and is more difficult to implement, but it is also potentially more effective than the traditional concept" (Boisier, S., 1986).

Although the practical difficulties of a proposal should never be the sole justification for discarding it, concealing these difficulties would be just as foolish, and the problems involved in the concept of "regional social organization" must therefore be addressed.

Firstly, the redistribution of power to the regions requires the existence of an appropriate regional agent to receive it. In order for regional development to be truly democratic, the share of political power given to the region must not be channelled solely to a formal organizational structure. A "socially appropriate" receptor is needed, and the only such receptor is the organized regional society or community. In practice, this means that the region will have to be "constructed" in social terms. To construct a region in a social sense is to maximize its capacity for self-organization, transforming an inanimate community which is divided by sectoral interests, has little awareness of its territorial identity and is, in the final analysis, a passive entity into a community that is organized, cohesive, aware of its identity as a society/region and capable of mobilizing itself behind collective political initiatives, i.e., a community that is capable of transforming itself into the "subject" of its own development. This is clearly a social undertaking and one which has certain particular characteristics, because not all forms of regional social organization will serve to promote equitable regional development; this type of development presupposes a regional society organized on the basis of concerted effort and social participation.

Secondly, there are the difficulties that are inherent in the concept and practice of participation; these problems were discussed in another ILPES document in the following terms:

"The ambiguity and diversity of the concept of participation help to make its proper use more complicated. It is not a clear-cut concept and its increasing utilization, especially by politicians, obliges the analyst to arrive at a definition by convention of the modality which is to be understood as representing its nature and limits. It has, justifiably, been said that the idea of participation can become trivial or, more correctly, can become vulnerable to trivialization. Nobody comes out against participation but, in practice, it is usually the exception rather than the rule. Hence the statement that participa-

tion is a process of conquest; in other words, participation often entails a modification of the structure of opportunities existing in a given society.

There are various difficulties inherent in the concept of participation and just as many objections raised to it. In very general terms, the word 'participation' (as is also true of the terms 'politics' and 'history') designates both an actual social reality and the chosen way of changing it; this is what lies at the root of its ambiguity and, just as certainly, of its frequent trivialization.

At the same time, this one word refers both to the overall effect of power and to certain spheres of sectoral, spatial or functional power. This creates a need to use modifiers to delimit it, such as 'macro-participation', 'micro-participation' and the like.

There are also difficulties in specifying the precise spheres involved in its various modalities (the polity, the production apparatus, the cultural system, etc.).

Furthermore, there are also crucial issues underlying the relationships between participation and political power and between participation and different types of political systems: the extent of the actors' awareness of participation, the quality and intensity of the parts they play, the social processes of mobilization, social activation and leadership, which go along with this, etc.

Finally, there are difficulties in defining the connection between participation and planning" (Palma, E., 1985).

The political and technical task that lies ahead will be neither easy nor immediate because Latin American centralization (its most apparent spatial manifestation being the capital's unassailable ascendancy over the provinces) is a process with such deep historical, political and economic roots that, as one author expressed the idea, it has become a true "centralist tradition" (Veliz, C., 1984) which, for that very reason, has ended up being an idiosyncratic feature that is very difficult indeed to break down.

Hence, as observed in one ILPES document, if centralization is a long-standing, cumulative process having wide-ranging ramifications, then breaking with that tradition will constitute a turning point:

"This moment or point will necessarily be reached when centralization comes to be perceived as a problem that limits or hinders development. In order for this to be a genuinely social turning point, it must—first and foremost—involve a social movement of negation and affirmation of a new institutional scheme. This awareness on the part of those affected by centralization should also have an emotional content. Both dimensions must be articulated within a social movement calling for a new spatial political 'arrangement'" (Palma, E., 1983).

#### IV

### The technological revolution and its ambiguous effects on decentralization

At the beginning of this article, it was said that decentralization might now find its "moment in history" depending upon its articulation with the international crisis and with the national crises of the Latin American countries. Another variable must be added to this future scenario, however, and that is the current revolution in science and technology, at least in so far as two of its possible dimensions are concerned: new industrial technology and information sciences.

The social impact of today's technological revolution are difficult to determine, as noted in a recent study commissioned by the Club of Rome: "What repercussions will the second industrial revolution have on these countries?... the answer is not certain: the consequences of the present industrial revolution may be disastrous or beneficial. In all probability they will be both, and this is likely to mitigate the impending danger" (Schaff, A., 1985).

The most evident effects of new industrial technology (miniaturization, computer sciences, robotics, etc.) on the matters of interest to us here would appear to be that of facilitating the territorial disaggregation and dispersion of industrial processes, thereby shifting the importance of economies of scale from the final assembly stage to the manufacture of components, and making industry more flexible in its response to changes in demand. Dornbusch made this argument in discussing the manufacture of automobiles:

"The 'European Escort' is an interesting case because it demonstrates that the economy of scale does not imply that industry need be located in one place rather than another. On the contrary, it shows that the issue of economies of scale arises during the stage of the specification and production of parts and, to a lesser degree, that of assembly. This in no way means that the production of parts cannot be spread out. Indeed, it is entirely possible that the gains to be had from comparative advantages and economies of scale can be achieved together with the creation of a broader market for automobiles and the regional emplacement of the automobile parts and assembly industry so as to reflect the comparative advantages within the union" (Dornbusch, R., 1986).

This example of international integration could —*mutatis mutandi*— perfectly well be replicated within countries, especially in the larger ones. Another type of effect that the industrial revolution may have on the industrial landscape can be seen in high-technology industries which operate on a small or medium scale, involve a great deal of know-how, and have considerable freedom as regards their choice of location (strongly influenced by environmental considerations, as is clearly illustrated by the highly publicized case of Silicon Valley). Viewed from a broad perspective, then, new industrial technology may have a favourable or positive impact on decentralization.

On the other hand, high technology in the field of information sciences and communications in general may help to increase even further the visible geographic separation between productive and directive processes within entrepreneurial units and, consequently,

may be regarded as encouraging greater centralization. This is, however, a case in point of an ambiguous situation, because a proper handling of information sciences and communications could just as well serve to further decentralization by providing communications systems that would be an almost perfect substitute for face-to-face interpersonal contact (the need for such contact being one of the reasons traditionally used to justify centralization).

The revolution in science and technology is also spurring a more global type of process that has been going on for quite some time: the internationalization of the economies which might, in principle, be regarded as having a negative effect on regional development due to the standardization and homogenization of the production of goods, services and functional structures prompted by this process. To speak in terms of the categories used by Friedmann, the ultimate triumph of function over territory would appear to be inevitable.

Nevertheless, it is precisely this process of internationalization that is, in turn, sparking a local and regional reaction, i.e., the re-emergence of the territorial economy, which has nothing bucolic or pastoral about it and which is, quite to the contrary, based on an appropriate use of the potentials of this new technology. In a recent article in *Le Monde* concerning the state of Michigan in the United States, this phenomenon was discussed in very definite terms:

"For some years now, a two-fold trend has been gathering speed. Its first aspect is a very familiar one: internationalization or globalization. This is occurring at all levels—the circulation of scientific and technical information, the design of new products, the growth of subcontracting, the reinforcement of the international division of labour, the increase in trade—and all of these areas are coming under growing pressure from international competition. The second aspect, which is a more recent phenomenon and only seems to be contradictory, is the trend towards decentralization, territorialization and the revitalization of local economies and industry. It is no longer the United States, as a nation, which sets off to conquer international markets, but rather its states, either individually or in regional regroupings..." (*Le Monde Diplomatique*, 1986).

This interaction and interdependence between internationalization (which primarily operates through transnational corporations) and the positive regionalist reaction was anticipated by the American sociologist Alvin Tofler in the first of his many well-known books, as well as in an ILPES document, where it was noted that:

"On the one hand, the transnational corporations' very recent appearance on the scene conjures up the apocalyptic image of a dismembered world of nationalities reorganized on the basis of these corporations' functional interests. The ultimate triumph of function over territory at the international level is, with each passing day, moving farther away from the sphere of political fiction and closer to the realm of political prediction.

On the other hand, a second force is emerging and making its way upward from the local, provincial and regional communities which are its source, a force that is jeopardizing, if not the very concept of the Nation-State, at least the form which it has taken in practice. Throughout the world, in capitalist, socialist, developed and developing countries, regional communities are demanding greater autonomy in decision-making. Inasmuch as a collectivity's (social) decision-making capacity is necessarily fixed at any given point in time, what is being asked for is nothing other than a redistribution, in this case at a territorial level, of political power.

While apparently independent of one another, these two forces ultimately join together, as pointed out by Sunkel and more recently, Villamil. The latter did so in the following terms: Transnational capitalism forms various types of alliances with sectors of the national bourgeoisie, which then go on to form part of what Sunkel and Fuenzalida have called the transnational community.

These sectors, whose power has been growing in relation to sectors of the bourgeoisie whose economic base is national, foster a development style whose main characteristic is the national economy's insertion in transnational capitalism. It also has other facets. Development policies are linked to the maximization of the growth rate of the product; the technology that is used is capital- and energy-intensive; and production is skewed towards the products consumed by relatively high-income sectors (e.g., durable goods). The consequences of this have been the subject of a great deal of discussion: the concentration of income and wealth, the displacement of traditional sectors, geographic concentration, and the marginalization of the population.

This development style tends to generate a particular type of *regionalism* that, in turn, is the element which unites the various regional movements demanding, to repeat it yet again, a larger share of resources" (Boisier, S., 1984).

## V

### Coda: decentralization, regionalization, regional development, planning and concerted action

As we have seen, a political decentralization scheme sets off a series of other phenomena and ties in with other variables which, in turn, reflect the presence of a considerable number of subjects, agents or actors, including the State, the region as such, groups within the State and within the region, etc. The range of such actors is so broad and varied as to cast doubt upon the

possibility of establishing a definite, directed course of action for such a scheme.

It may therefore be of interest to look more deeply into the connection between regional development and decentralization which, as noted above, now seem to be regarded as two sides of a single self-contained process. Some, but not all, of the ideas which should be consi-

dered in a decentralization programme are discussed below.

Seeing regional development as a societal issue, i.e., as being in the interests of everyone in society, would appear to be important in winning sufficient political backing and in initiating processes of concerted action. For example, regional development is a concern, first of all, of those living in the provinces, who see the opportunities for individual and collective self-realization in their lives becoming further and further removed from the opportunities open to people living in large metropolises, at least relatively speaking. Provincial residents then have two alternatives: either they emigrate or they fight for their province's development. Secondly, regional development is a concern of the inhabitants of large metropolises, who watch anxiously as their habitat very rapidly becomes uninhabitable (environmental deterioration, crowding, insecurity, conversion to a services base, etc.). City dwellers also have two alternatives: either they emigrate (always a difficult proposition) or they fight for regional development. Clearly, the interests of provincial and metropolitan inhabitants complement each other. Thirdly, regional development is a concern of politicians or statesmen, who see that the traditional political organization and the central and centralized State are incapable of absorbing the heavy load of social demands now being made upon them and who see that decentralization is not possible without regional development. In short, regional development is ultimately a concern of all those who wish to build a society free of the extreme tensions caused by internal differences in levels of well-being and participation.

Decentralized and concerted regional development implies the alteration of frameworks of domination and dependence which are an intrinsic part of the behaviour of the system and of the State itself. This statement is rather complex, and the complete line of reasoning underlying it goes beyond the bounds of this article. It is obvious, however, that in order to achieve regional development, it will be necessary to modify the pattern of interregional growth by changing the existing configuration of dynamic regions and regions of slow growth. Many of the regions where growth is slow and needs to be boosted are in that situation because they are

dominated by other regions. Such domination holds back the potential development of some regions; this is a logical outgrowth of the need to optimize the performance of the interregional system from a production standpoint, and this need is expressed through the State's coercive power and transmitted through the regions of rapid growth. The dependent regions are dominated in a very real way by other regions (the more developed ones), which impose styles and forms of economic growth upon the former that serve their own interests more than those of the dominated regions (one might, for example, think of the articulation between the north-eastern and central-southern regions in Brazil).

This domination by the more developed regions exists by virtue of the fact that the interests and power of the State are being expressed through them. In other words, from the standpoint of the dominated regions, the "general interest or the interests of the national system" (which are represented in the State) and the "interests of the more developed regions" are one and the same. These relationships of domination/dependence are a concrete manifestation of an asymmetry of power. Hence, if a given region is to be developed, and if this involves altering a situation of dependency, then power will have to be redistributed among the regions.

Decentralized regional development therefore has, first of all, a political component. The statement which was made earlier brings out this political dimension of regional development. In practice, this means that the regions will have to be "constructed" in a political sense, or as it has sometimes been expressed, the regions must be "politicized". In other words, the regions must have bodies that will form an independent political and administrative structure such that the regions can become autonomous territorial political organizations with their own legal status in public law. These bodies may have various names: elective or semi-elective Regional Authorities, Regional Assemblies, Regional Economic and Social Councils, or agencies of Regional Government.

The redistribution of power to the regions requires, as noted earlier, the existence of an appropriate regional receptor. In order for regional development to be truly democratic as well, the share of political power given to the region must be channelled solely to a formal

organizational structure or a single hegemonic social group. A "socially appropriate" receptor is needed, and the only such receptor is the organized regional society or community. In practice, this also implies the need to "construct" the region in social terms.

Regional development, then, also has an important social dimension. To construct a region in a social sense is to maximize its capacity for self-organization, transforming an inanimate community which is divided by sectoral interests, has little awareness of its territorial identity and is, in the final analysis, a passive entity into a community that is organized, cohesive, aware of its identity as a society/region and capable of mobilizing itself behind collective political initiatives, i.e., a community that is capable of transforming itself into the "subject" of its own development. This is clearly a social undertaking and one which has certain particular characteristics, because not all forms of regional social organization will serve to promote equitable regional development. The premise here, even though it may not meet with unanimous acceptance, is that this type of development presupposes a regional society organized on the basis of concerted effort and social participation, i.e., on the basis of a synergetic process.

The political and social construction of regions leads them to become true "quasi-States", since they then take on, at least partially, the three characteristics which define a State as an association of people, namely: i) the particular power relations which link the members of this association (an acceptance of the idea that the association as such can legitimately make use of force); ii) the territorial demarcation of the association; and iii) the compulsory nature of membership, with rules governing entry into it and departure from it. Achieving such a situation is important because it makes it possible for the region to confront the State in its quest for a concerted type of structure whereby interregional dependence can be transformed into interregional interdependence, thus establishing a functional relationship between the development of the region and the development of the system as a whole. This is exactly what has been done in relation to the regions in France on the basis of the decentralization of 1982, which has

thus permitted the introduction of "planning contracts" between the State and each region.

Regional development and decentralization entail a change in the pattern of resource allocation; a concerted arrangement between the State and the region is one of the ways of altering—to the region's benefit—its share in the interregional distribution of national resources, which is a *sine qua non* for comprehensive regional development. This would then build a new type of "stage" on which two actors—the State and the region—would appear on an interdependent footing rather than one being subordinate to the other. In this sort of concerted situation, the State takes on the responsibility for creating the conditions for economic growth in its dual role as a direct allocator of resources and as the manager of overall economic policy, including its indirect effects on the regions; for its part, the region takes on the responsibility of transforming growth into development by means of its own capacity for social organization.

As may be seen, the job of articulating regional development with territorial political decentralization involves sufficient complexities and challenges to warrant an exceedingly cautious approach to their implementation. The two processes will have to be gradual in terms of both time and space, since it will be necessary to "rehearse" a scheme of this type in a few regions first in order to generate a process of true social learning so that it can then be reproduced in other regions. In one sense, this is what has been done in Spain with the Autonomous Constitution of 1978.

Concerted action, both between a region and the national State and among the various classes or sectors in a region may rightly be viewed as a synergetic process, as a way of overcoming conflicts which could otherwise lead to chaos and to situations that have run out of control. Inasmuch as, from a systemic viewpoint, the regions are open systems, one of the conclusions reached by Herman Haken in his theory of synergy is applicable to them: "The principle that the disorder of a system, when it is left to itself, constantly increases does not hold for open systems. Boltzman's long-standing law that entropy is a measure of disorder and tends to reach its maximum is only valid for closed systems... In an open system, its various components are constantly

trying out new mutual positions, new movements or reactions in which numerous individual components of the system are always involved. Under the influence of constant inputs of energy or matter, one or more of these collec-

tive movements or reactions will show themselves to be superior to the rest" (Haken, H., 1984). In the case of political decentralization, this energy is the collective will to achieve a higher state of democratic development.

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