

INSTITUTO LATINOAMERICANO
DE PLANIFICACION
ECONOMICA Y SOCIAL



LIMITED
INST/S.8/L.18
April 1972
ENGLISH
ORIGINAL: SPANISH

LATIN AMERICAN INSTITUTE
FOR SOCIAL RESEARCH



International Seminar on
REGIONAL AND URBAN PLANNING IN LATIN AMERICA
Viña del Mar, Chile, 17-22 April 1972

TOWARD A MORE INTEGRATED APPROACH TO PROBLEMS AND
POLICIES OF REGIONAL DEVELOPMENT IN LATIN AMERICA

by

Rubén D. Utría*

The author is United Nations Regional Adviser in Technical Assistance,
attached to ECLA, but the ideas expressed in this study do not
necessarily represent the views of the Commission.

72-4-753

BIBLIOTECA "GIORGIO MORTARA"
CENTRO LATINOAMERICANO
DE DEMOGRAFIA

9465

Index

	<u>Page</u>
I. INTRODUCTION	1
II. MAIN REGIONAL DEVELOPMENT PROBLEMS IN LATIN AMERICA	2
A. Uneven use of territory	2
B. Excessive concentration of development	2
C. Adverse effects of polarization	3
D. Social effects of economic dependence	5
E. Ascendancy as a factor in interregional relations	7
F. Disturbance of the ecological balance	7
III. LIMITATIONS OF THE APPROACHES AND STRATEGIES ADOPTED	8
IV. TOWARDS A MORE INTEGRATED APPROACH TO REGIONAL DEVELOPMENT IN LATIN AMERICA	10
A. The key ingredients of regional development	10
1. A modification of the traditional pattern of dependency in development and industrialization	10
2. The initiation of a dynamic process of social change and local participation	10
3. A rational use, organization and protection of space	10
4. A systematic attempt to raise the level of living	10
B. The key role of human resources	12
C. The specific objectives of regional development	14
1. National integration	14
2. Development of regional economies and assimilation of the population	14
3. Use and improvement of space	15
4. The systematic improvement of living levels and the social status	15
5. Training and local mobilization for development	16
6. Fulfilment of the human being and safeguarding of his dignity	16

I. INTRODUCTION

Underlying their apparent uniformity, the principles and techniques known internationally as "regional development" involve objectives and concepts which differ according to the nature of the problems and the scope of the objectives pursued. Thus, each historical and political context generally presents a different situation.

First, the industrialized countries have the capital, technology and human resources to modify and organize their spatial structure, where appropriate, by efficient measures for redistributing a proportion of the surpluses produced in the most dynamic regions. Some concepts depend on the degree of flexibility or rigidity of the internal economic and political system in permitting the direct or indirect State intervention involved in any effort of this kind; others derive from the nature and location of the country's basic resources, which in some degree determine the spatial structure; and others stem from the size of the region or certain geographical characteristics, which may increase or diminish the region's potential, or facilitate or hamper the desired spatial changes.

Secondly, the developing countries, as distinct from developed countries, lack the necessary resources and at the same time are usually hampered by significant internal and external rigidities of different kinds. As in the first case, they present different concepts. Perhaps the most important concepts are determined by the greater or lesser degree of economic dependence, which is the basis of decision-making powers concerning the nature, location, technology, distributive effects and other key aspects of investment. Other concepts derive from historical and cultural handicaps which are generally equivalent to under-development and affect not only the spatial structure but also social and political institutions and the attitude of human resources. Others have their origin in the stage of development reached by a country, which basically determines its investment capacity and its efficiency in the mobilization of resources. Consideration should also be given to the concepts deriving from the nature and location of the resources and the size and geographical characteristics of the country concerned. Obviously, in view of the nature and multi-dimensional aspects of regional development problems and their solutions, certain countries may present several of these concepts at the same time.

Thus, very different analytical and corrective instruments and attitudes on the part of planners will be required to solve these problems in each individual case. In this context, it is useless to talk of uniform principles and techniques. Therefore, any attempt to train regional planners, especially through programmes of technical co-operation extended by developed to developing countries - specifically Latin America - should be based on as objective an interpretation as possible of the nature, form and concept of the problem. Within this frame of reference, an attempt is made here to identify some of the main features of regional development in Latin America and their possible effect on personnel training.

II. MAIN REGIONAL DEVELOPMENT PROBLEMS IN LATIN AMERICA

A. Uneven use of territory

The spatial structure of Latin American development shows a marked disequilibrium which takes the form of striking contrasts and disparities between regions, both in Latin America as a whole and in each individual country.

In the first case, culture, the economy and other expressions of development are mainly found along or in the vicinity of the coast, especially in South America. In contrast, the interior is less developed and great tracts of it are practically marginal areas. In the second case, the disequilibrium finds expression in sharp and increasing contrasts in the stages and trends of development in the various regions. At one end of the scale, most of the investment, services, production activity and usually population is concentrated in one or only a few centres and their respective areas of influence. At the other end of the scale there is an extensive area which is relatively static or definitely excluded from the over-all development process in the country concerned. Large areas of Brazil, Colombia, Ecuador, Bolivia, Mexico, Peru and Venezuela confirm this characteristic, and it is also a feature - albeit on a smaller scale - of some Central American countries, such as Nicaragua.

B. Excessive concentration of development

Four large agglomerations - Buenos Aires, São Paulo-Rio de Janeiro, Mexico City and Caracas - account for 17 per cent of the Latin American population (43 million inhabitants), the highest income levels, the greatest density of industrial establishments and infrastructure, and the best public and technical services. The five surrounding metropolitan areas absorb 6 per cent of the total population (15 million). All the small and medium-sized towns hold barely 27 per cent of the population (75 million), and the remaining 50 per cent (130 million) is distributed in rural areas.^{1/} By 1960 nearly one-third of the Latin American population was living in cities of more than 20,000 inhabitants and nearly one-quarter in cities of more 100,000 inhabitants. Therefore, ten cities of over 1 million inhabitants accounted for about 13 per cent of the total population; in fifteen of the twenty-one Latin American countries, half or more of the urban population was living in one city. Others also showed high concentration indexes: 47 per cent on the capital of Chile; 70 and 40 per cent in the two largest cities of Ecuador and Brazil, respectively, and 40 per cent in the metropolitan area of Mexico. In contrast, some areas registered very low indexes of rural population density. In over 40 per cent of Latin America, the population density was less than one inhabitant per square kilometre, and in nearly two-thirds it was less than five.^{2/}

1/ See Eduardo Neira Alba, "La regionalización de las políticas de desarrollo en América Latina". Reference document N° 7, Seminar on Social Aspects of Regional Development, ECLA, Santiago, November 1969.

2/ See ECLA, Economic Survey of Latin America, 1968, particularly Part One, chapter II. Santiago 1968.

It is estimated that over one-third of the value of Latin America's manufacturing output comes from the metropolitan areas of Buenos Aires, São Paulo and Mexico City, and that in several countries two or three major industrial centres account for a significant proportion of the country's total production: in Argentina, two-thirds is obtained from Greater Buenos Aires and Rosario; in Brazil, 80 per cent from the São Paulo-Guanabara-Belo Horizonte triangle; in Chile, 66 per cent from Santiago and Valparaíso; in Mexico, 45 per cent from the Federal District and Monterrey; in Peru, 56 per cent from Lima-Callao; and in Uruguay, 75 per cent from Montevideo.^{3/}

In Brazil, the indexes of average per capita income in relation to the average national income are estimated at 51 for the North-East, 60 for the North and West Central area, 96 for the East and 144 for the South. In Mexico, the average rural family income amounts to just over 40 per cent of average urban income, and the regional indexes of average per capita income in relation to average per capita income in the Federal District are 35 for the Pacific, southern and central areas, 54 for the North and Gulf of Mexico and 93 for the North Pacific area. At the same time, a concentration of income is observable in the metropolitan areas, where most of the modern industry is established. For example, it is estimated that of the gross domestic product of Argentina, Chile, Mexico and Peru, respectively, 45 per cent is obtained in Greater Buenos Aires, 43 per cent in the Santiago province, 35 per cent in the Federal District of Mexico and 40 per cent in Lima. In contrast with this high concentration of income in metropolitan areas, there are large population centres with very low productivity and income levels, such as South Mexico and the North-East of Brazil. There are twenty-five million persons with an annual per capita income of less than 100 dollars living in North-East Brazil, which has been described as the largest poverty area in the western hemisphere.^{4/}

C. Adverse effects of polarization ^{5/}

In contrast to the supposedly positive effects that the concentration of development in certain coastal zones may have, on the strictly economic plane, the neglect of vast regions in the interior has led to the marginalization of vast amounts of natural resources and broad sectors of the population; the latter has been obliged constantly and increasingly to migrate in search of employment opportunities and services. At the same time, the lack of structural organization and communication in the interior has contributed to the flow of migration and colonization towards the coast, with a consequent saturation of the narrow coastal strips connected to the major ports. This partly explains the huge settlements

^{3/} Ibid.

^{4/} Ibid.

^{5/} The term "polarization" is used here in the sense of a concentrative and exclusive movement around a metropolitan area, and not in the "perrouxian" sense.

around Buenos Aires and the mouth of the River Plate in Argentina; around Rio de Janeiro, Santos, São Paulo and its productive hinterland, Belo Horizonte, and in the vast north-east strip around Salvador and Recife, in Brazil; around Guaira-Caracas in Venezuela; in the Lima-Callao urban agglomeration in Peru; and around Guayaquil in Ecuador. Mexico and Colombia are perhaps in a different situation, more on account of their topography and for historical reasons than as a result of the pattern of their development.^{6/} The same may be said of Bolivia and Paraguay because of their landlocked position. Such concentration has adverse social effects because the coastal lands are not the best suited for large-scale agricultural development.

On the other hand, development polarization - which has led to the formation of markets and scales of production for industry and has made it possible to take advantage of existing external economies - has been a decisive factor in strengthening and sharpening regional disequilibria. The concentration of investment, services and power has stimulated the concentration of the population in metropolitan areas where population growth rates outrun the capacity of the economy to provide adequate employment and services. This has resulted on the establishment and expansion of broad marginal groups of population which serve to dramatize the services deficit, swell the market for unskilled labour and transfer to the urban centres the burden of social conflicts generated in the countryside by stagnation, poverty and the unfulfilled aspirations of many generations. This process of agglomeration has been a disincentive to the creation and consolidation of secondary poles and medium-sized towns, which in the past constituted development nuclei for many areas in the interior, and whose current role could be that of advance posts for a strategy of regional development.^{7/} The polarization of the population renders more difficult and costly the task of supplying and administering urban services, because too great a strain is placed on organization and financing capacity.

As a result of the polarization of opportunities, the most dynamic and best trained individuals and groups tend increasingly to leave the rural areas and medium-sized and small towns to go to the large development poles. Thus, the former systematically lose the human resources that constitute their growth potential and are left increasingly to the mercy of the more traditionalist groups who are least inclined to fight for local change. Lastly, polarization also leads to a concentration of modernization trends and to the formation of "islands of modernity" which

^{6/} On the case of Colombia see Rubén D. Utría, "Rigideces y potencialidades de la estructura regional de Colombia", Cuadernos de la Sociedad Colombiana de Planificación, N° 4, Bogotá, 1971.

^{7/} See Eduardo Neira, op.cit.

stand out in sharp contrast to the underdeveloped and sometimes primitive periphery and are incapable of stimulating change in the non-modern sector.^{8/}

D. Social effects of economic dependence

The neglect of the rural areas is largely the consequence of economic dependence. The fact that the countries have been producers of raw material exclusively is the historical cause of the privileged status of productive areas and the consequent neglect of areas not involved in the export process. This is the case for the coffee-growing areas of Brazil and Colombia; the sugar plantations of Central America and Peru; the banana plantations of Ecuador and of countries in the Caribbean region; the oil fields of Venezuela; the nitrate and copper deposits in Chile, and the tin mines in Bolivia. However, it should be borned in mind that such "development" has been confined generally to the infrastructure needed essentially for the processing and transportation of goods, and basically has benefited only administrators, intermediaries and traders, and to a smaller extent the workers most directly concerned with production. Within this scheme, net profits are systematically exported to the nation's capital or to the international centres, producing multiplier effects in those regions.

It should be added that, as a result of the gradual process whereby the industrialized countries have been able to achieve a position of self-supply, other factors inherent in the terms of international trade, and because of the impetus given to import substitution policy in recent years by urban industrialization, agriculture, fisheries and small-scale mining have progressively lost their priority status and dynamism. The fact that domestic markets have not expanded systematically has prevented adequate changes from taking place opportunely in the traditional pattern of demand on the international market. This has contributed to the growth of the urban economy and the decline of the rural economy, with consequent adverse effects on the population of the peripheral areas.

Indiscriminate imports of capital goods and technology from the industrialized countries - which have permitted the modernization of certain sectors of production - bring in their wake a number of social problems relating to regional development. Such goods and technology can only be produced efficiently with high scales of production and this leads to the location of industries precisely in the big urban centres, and to the neglect of the rural areas and peripheral regions which are left outside the process of industrialization.

Moreover, such equipment and technology were designed to produce goods and services which are for popular consumption in the industrialized countries but can be bought only by the higher income groups in Latin America. Thus,

^{8/} See José Medina Echavarría, "Filosofía, Educación y Desarrollo". Textos del Instituto Latinoamericano de Planificación Económica y Social (México 1967).

the import substitution process in industries producing motor-vehicles, electrical household appliances and other electrical goods, cosmetics and other luxury articles, has been aimed at creating and satisfying demand in the higher income brackets.^{9/} At the same time, the lack of tools and manual equipment, raw materials and goods for popular consumption has probably led to a downturn in the growth of the economy of the peripheral areas and has determined the stagnation of popular demand in those areas.

Owing to this fact and to the relatively high cost of goods and services produced by that type of industry, the market can only expand "vertically", that is, the same group of buyers can buy more things, or the same things more frequently.^{10/} Thanks to the concentration of income and market demand, the traditional poles have strengthened their position and have contributed to the marginalization of the population of the peripheral areas.

Lastly, as a result of indiscriminate technological innovation, the increase in industrial and agricultural output and consequent investment activity have not led to a corresponding increase in employment. In 1968, about one-quarter of the total active population (25 million persons) was estimated to be unemployed or underemployed.^{11/} Moreover, the proportion of the population employed in agriculture is estimated to have fallen from 53 per cent of the total in 1950, to 42 per cent at the end of 1970. But this relative decline did not involve significant increases in the proportion of the population employed in the sectors producing non-agricultural goods and services, which rose from 23.5 per cent in 1950 to less than 25 per cent today.

The unfavourable effects on employment of this pattern of industrialization can be projected for the next few years. It is foreseeable that the possible future growth of the external market, including expansion derived from integration and subregional economic complementarity agreements, will not have a favourable impact on employment owing to the need to raise productivity and quality because of the stiff competition on the international market. It is therefore likely that the rural population will continue to migrate to the metropolitan areas in search of employment and this will cause greater urban congestion and increased disequilibrium in the regional structure.

^{9/} See Basic aspects of Latin American development strategy (E/CN.12/836).

^{10/} See Carlos Matus, "El espacio físico en la política de desarrollo". U.N. Seminar on Social Aspects of Regional Development, ECLA, Santiago, 1969. Document of Reference 21.

^{11/} See ECLA, The Latin American economy in 1968 (United Nations publication, Sales No.: 69.III.G.3), pages 7 and 8.

E. Ascendancy as a factor in interregional relations

Relations between the various regions within countries follow the typical pattern of ascendancy and dependence and are characterized, as is well known, by a series of deformations. One of these is internal colonialism,^{12/} where the super-region of each country presses the other regions into their service and exercises the same type of pressure on them with the same pernicious effects as is the case in relations between industrialized and underdeveloped countries; in other words, they are made to produce raw materials at decreasing prices and to buy manufactures at rising prices. Moreover, much of the resources and income of the background or underdeveloped areas is drained off to the super-regions.

F. Disturbance of the ecological balance

Owing to the inflexible structure of the tenure and use of productive resources, particularly rural and urban land, and the concentration of development analysed above, the expansion of economic and social space has not kept pace with the steady population growth. This has meant more intensive land use through the minifundio, which has resulted in the increasing destruction of natural resources, especially land, forests and sources of water. For example, it is estimated that in one country - Colombia - the equivalent of 98,800 hectares of agricultural land are lost every year.^{13/} In addition to the irreparable loss of basic resources which this represents in countries with mainly agricultural economies, it also means a disturbance of the balance of nature, which is reflected in adverse climatic changes and accompanying phenomena, such as prolonged droughts or uncontrollable river flooding, with their sequel of destruction of crops and livestock, infrastructure and human lives. Recent experience seems to indicate that many countries - particularly the Andean nations, Mexico and some Central American States - are already condemned to endure constant and increasingly serious disasters in economic and human terms owing to erosion and other phenomena. Moreover, the unnecessary concentration of industry, combined with certain meteorological phenomena are reaching undesirable levels of air, water and in some cases land pollution. This is particularly noticeable, for example, in the metropolitan areas of Santiago, Buenos Aires, São Paulo and Mexico City.

^{12/} See Pablo González Casanova, The Internal Colonialism in Latin America. In Latin American Radicalism, ed. Irwin Luis Horowitz, José de Castro and John Gerassi. A Vintage Book (New York, 1969).

^{13/} See Armando Dugaud, "Ruptura del equilibrio biológico: deforestación", Magazine Dominical, El Espectador, Bogotá, 31 January 1971.

III. LIMITATIONS OF THE APPROACHES AND STRATEGIES ADOPTED

The regional, economic, social and ecological maladjustments characterizing the spatial structure of development in Latin America, which are commonly found in many developing countries, and the measures to correct them implicitly involve a conceptual and programme approach to the regional development policies and strategies that may be applicable. They also largely determine the group of basic tools that are required for analysis and programming.

In view of their structural character, it would not make sense to regard development problems in Latin America as a case of dephasing or desynchronization in the rates of development of the different regions, or in the light of the duality theory, according to which developed regions co-exist peaceably with depressed or under-developed regions, achieving their dynamic impetus independently of them. Such an approach leads to the well-known policies of subsidies and temporary or systematic transfers of investment resources, with the results described above. Any policy whereby the development of marginal regions depended on the exploitation of one or several basic natural resources, such as hydrocarbons, mineral products, forests or water, would have the same results. It is common knowledge that such a policy leads to the establishment of industrial enclaves whose limited impact has already been discussed. The same observation is applicable to those approaches and policies in which the emphasis is on means of access and communication with a view to physical integration, which in Latin America appear to encourage migration from rural to urban areas and to consolidate the economic power of the central regions and other countries rather than to stimulate self-generating local development in marginal areas. Nor would there seem to be much sense in urban-functional approaches in which attention is centred on urban metropolitan planning, their essential aim being merely to organize the space and environment or urban centres on a functional basis. Other approaches which would obviously be meaningless are those which reduce development policies to the simple terms of emergency action to solve occasional problems, such as regional public disasters or political and social conflicts deriving from local attitudes and movements involving wage or other claims.

At the same time, for the structural reasons mentioned above, certain analytical tools and strategies deriving from them - such as some of the "development pole" and "growth pole" theories - which seem to be valid in several industrialized countries with market economies, may not be applicable in countries where regional maladjustments are decisively bound up with a state of dependence and notable rigidities in the social and political structures. This limitation is important, first, because it is generally impossible to adopt internal policy decisions

regarding location, sector and production system for the investment concerned; and, secondly, because of the lack of entrepreneurship.^{14/} The same is usually true of the theories and strategies peculiar to a mature capitalist system, particularly in relation to countries with centrally-planned economies - such as Cuba - or where there is strong State intervention in the economy, like Peru, Chile and Bolivia.

Judging from recent trends, Latin America's new development policies basically represent a reaction against the centralized and polarized approach created and sustained by the obsessive search for the maximization of benefits from external economies and cumulative effects; a horizontal growth option vis-à-vis the vertical growth of markets and economic space; an attempt to secure fair and equal treatment for the population in all regions alike; a strategic endeavour to carry the economic impetus to wherever the population and the human and natural resources are to be found, so as to avoid population shifts at a high social cost; and, above all, a formal record of the failure of the traditional development model and strategies.

Thus in the developing world, and in Latin America in particular, the organization and development of a region is a somewhat more complex and challenging undertaking than the mere establishment of individual industries or a highly productive industrial complex for the exploitation of a basic natural resource. This kind of solution is necessary and undoubtedly plays an important part in industrial development within the national economy as a whole in increasing the national and regional product, replacing imports and incorporating unexploited resources; but it is not enough on its own to set off a really dynamic local process. In many cases, it may so happen that the local population will become even more dependent and that, in general, the non-industrial economy will suffer an appreciable recession.

^{14/} In this regard, for instance, the Venezuelan Centre for Development Studies of the Central University (CENDES), says that "the main criticism that can be levelled at the application of Perroux's development pole theories is based on the argument that Venezuela's dependence on a centre which exercises hegemony over it imposes such characteristics on its development process (passivity and complementarity) that theories based on completely different circumstances are inadequate and therefore not generally applicable to conditions in Venezuela." CENDES, "Desarrollo Urbano y Desarrollo Nacional", a study prepared for the first Venezuelan Congress of Architects. Cuadernos of the Venezuelan Planning Association, Nos. 84-86, January-March 1971, Caracas, page 89.

IV. TOWARDS A MORE INTEGRATED APPROACH TO REGIONAL DEVELOPMENT IN LATIN AMERICA

A. The key ingredients of regional development

Given all the complexities of regional imbalances in Latin America, the structural factors underlying these imbalances and their adverse social effects, a realistic approach to regional development strategies and objectives will have to revolve around at least four main components.

(1) A modification of the traditional pattern of dependency in development and industrialization to promote an organic and efficient distribution of the economy throughout the national territory, a steady expansion of socio-economic space in interior regions, and genuine participation by the population in all regions in the production process, all this as a basis for a new system of interregional relations that will promote national integration and the systematic incorporation of all human, economic and natural resources into national life.

(2) The initiation of a dynamic process of social change and local participation in the peripheral regions, that will enable the population to slough off the inertia generated by longstanding stagnation and marginality, participate actively and consciously in all the social processes, develop the skills required to make efficient use of local and extra-regional resources, and advance in the economic, social and cultural spheres.

(3) A rational use, organization and protection of space with a view to ensuring, *inter alia*, greater efficiency and social benefit in the distribution of the population within the national territory; in urban and rural population settlements; in the functioning of public and community services; and in safeguarding the quality of the human environment, protecting the natural environment and preserving the ecological balance.

(4) A systematic attempt to raise the level of living of the population in all regions,^{15/} which is the supreme reason behind all efforts aimed at speeding up development, provides the population with a stable existence, and brings in the notion of a fair share for all of the benefits achieved by the economy as a whole.

These four components involve two types of process: an endogenous process whereby human potential and natural, economic and institutional resources are liberated, blended and developed through a process of

^{15/} See Kazimiers Secomski *et al.*, "Finalidades de la política regional y objetivos de la planificación regional", (United Nations, ECLA-ILPES, Regional Development Planning Course, Santiago 1970, document C/6).

accelerated social change. And an exogenous process whereby - by breaking or modifying the pattern of domination - the right conditions are created to interrelate all the components of life and the national economy. The first of these processes is a local responsibility and is very closely linked to the population's set of values, motivations and attitudes and to the local supply of resources. The second is basically related to the capacity for action and organization of the central power and its dominance and power both internally and externally, and is therefore really a national or supraregional responsibility. In both cases, however, the problems faced are quite unequivocally of a social and political nature.

Given this inseparable combination of exogenous and endogenous factors, the regional development processes in under-developed countries would appear to acquire dynamic impetus when a country adopts policies and strategies that create an atmosphere conducive to national integration and make available to the peripheral regions the tools that they need to speed up their development; and also when an organized 'regional community' that is sufficiently motivated and capable of making efficient use of human, economic and natural resources emerges and consolidates itself. Natural resources are a constant, while human resources and power relationships are variables that depend on many processes inherent in man's values, attitudes and capabilities and in the social and political institutions that they engender. Nevertheless, the discovery, exploitation and conservation of natural resources do, to some extent, depend on man and on his institutions and in this sense natural resources constitute partially social variables.

Looked at from this viewpoint, the basic strategy for regional development involves two parallel flows of effort and social process: one moving downward, consisting of liberation, protection and incentive on the part of the nation-state; and the other moving upward, and consisting of organization, mobilization and creative activity.

Regional development in countries such as the Latin American countries then appears dependent on two sine qua non conditions: the existence of a socio-economic development model that is relatively autonomous and inward-oriented, and of an active and intense process of popular and local participation. If these conditions exist, then the question of regional development policies and programmes ceases to be the responsibility of the regional planners and moves into the sphere of major national decisions which define the nature and operation of basic social and political institutions and national development goals and strategies, and also these processes become dependent for the most part on the efforts of the local population. To clarify this latter point, it should be borne in mind that regional development in the industrialized countries is to a large extent a question of distributing and locating in the less developed regions all the surpluses generated in the highly developed regions. In the developing countries, however, it is not so much a question of transferring surpluses, but basically of creating the proper local social conditions to enable

other regions to join in the productive process and steadily raise productivity and levels of living. This difference in the socio-economic context explains the clear distinction drawn between "distributive" and "innovative" policies by Friedmann.^{16/}

Hence, the stress in regional development strategy in most of the developing countries should be placed initially on interregional rather than intraregional policies, or mono-regional policies as they have been so graphically termed by Kuklinski.^{17/} The latter can only be successful within the framework of an over-all strategy that covers the country as a whole.

B. The key role of human resources

All these comments on regional development implicitly recognize that man and the community play a key role as subject, object and beneficiary of the entire development process.

At both the national and the local levels, changes in production structures, consumption and savings; the incorporation of technological progress in a suitable manner; changes in systems for the distribution and redistribution of income; the capacity to incorporate, administer and multiply productive resources; the elimination of adverse regional imbalances; the modernization of institutions; the proper control of external factors of dominance and power; popular participation; and many other key aspects of development are all processes which are decisively linked to the values, attitudes and efforts of man and society. An the changes they involve become reality only to the extent that society - through the right leadership and institutions - guides itself, motivates itself and equips itself to bring them about.

Such intense and decisive social participation in all key aspects and phases makes development a clearly social process, in which all the specific variables - whether economic, spatial, political, administrative or cultural - are basically direct or indirect functions of man and of the values and institutions that guide and regulate his efforts, and also of the margin of manoeuvre that exists to help overcome the internal and external barriers to development.

This intricate web of social phenomena involved in development - which may appear an abstraction at the national level - takes on form and substance in each socio-economic space or locality, i.e. within the context of a community located in a territorial unit, or of the population

^{16/} See John Friedmann, "A Conceptual Model for the Analysis of Planning Behaviour", in Administrative Science Quarterly, vol. 12, N° 2, September 1967.

^{17/} See Antony Kuklinski, "Metas y políticas regionales y objetivos de la planificación regional", (United Nations, ECLA-ILPES, Regional Development Planning Course, Santiago 1970, document C/2).

associated with a geographic and economic space. This happens because, as Hilhorst has pointed out, 'human beings need space in which to undertake their activities'.^{18/} This is where most of the resources and development processes operate, whether they are of local, national or extra-national origin, and where social, economic, historical, geographical and other variables converge and interact and blend together into social units.

Within this context - whether it is termed an "open" region or a "closed" region, or a combination of the two - man and the community exist in a complex world of values, attitudes, motivations and capabilities; technology joins with natural and economic resources to produce goods and services; the process of collecting, distributing and redistributing wealth is set in motion; and the mechanisms of the market and savings enter into operation. It is also where a substantial number of social, political and cultural institutions operate; it is the stage for social relations; and it is the place where all the various individual and collective interests converge and collide. Within this context, too, man changes and adapts geographical space and extends the borders of economic space through the exchange of goods and services and the attraction or export of human and economic resources.

A number of theories exist on the management and immediate course of this local process which to a large extent explain the dynamics and mechanics of development in its early stages.^{19/} And history and social research provide us with continuing updated versions of the course of development in the past and the present. In all of these it is easy to pick out one central character: man and the community; a constant dynamic: social change; and an implicit motivation: the ceaseless search - whether conscious or not - for new and better conditions of existence, and above all for opportunities for individual and collective self-fulfilment.

^{18/} See J.M.G. Hilhorst, op.cit.

^{19/} See, for example: F. Perroux, L'économie du XXème siècle (Paris, P.U.F., 1961) and Coexistence pacifique, vol. II: Pôle du développement ou Nation (Paris, P.U.F., 1958); Albert Hirschman, The strategy of economic development (Yale University Press, 1958); Gunnar Myrdal, Economic theory and under-developed regions (London, Duckworth, 1957); John Friedmann, Cities in social transformation (Comparative Studies in Society and History, 1961); J.M.G. Hilhorst, "Una teoría del desarrollo regional", chapter II, (ECLA-ILPES-CLACSO Regional Development Planning Course, Santiago 1970, document B/1); and Karl Marx, Capital (New York, Modern Library, n.d.).

C. The specific objectives of regional development

Around this broad framework of goals aimed at reducing regional disparities and their social effects there is a wide range of specific objectives that provide concrete form and guidance for operational policies and strategies. Some of these objectives are described briefly below.

1. National integration

This objective is at once an end and a basic means of achieving regional development. It represents the dynamic integration of different types of economic and social space in national life on the basis of conditions such as: (a) increasing and self-sustained economic and social development; (b) effective regional contribution to the country's over-all development; (c) cultural, psychological and physical links with the rest of the nation; and (d) adequate local and regional participation in national decisions, particularly those affecting the life and interests of the region. To achieve these purposes, regional development policy should include the necessary objectives to ensure dynamic integration.

Some political objectives could be: (a) the inculcation of a national conscience regarding the elimination of regional disparities; (b) an adequate degree of administrative decentralization; (c) the establishment and strengthening of an agency to promote and plan regional and local development; (d) an adequate regional share of national public power; (e) the systematic enhancement of the region's role and status.

The economic objectives could include: (a) favourable conditions for interregional trade in order to guarantee self-sustained local development; (b) interregional economic integration and complementarity in order to harmonize the various regional interests and capabilities; (c) attraction of investment resources from outside the region; and (d) incentives to regional production.

Among the physical objectives, it is essential to include simultaneously: (a) interregional road infrastructure; (b) inter-connecting interregional road infrastructure; (c) the infrastructure required to provide the regions' exportable production with access to international markets.

Some cultural objectives could be: (a) consolidation and strengthening of the different regional cultures; and (b) cultural dissemination and exchange between regions.

2. Development of regional economies and assimilation of the population

The aim is to assimilate the human, economic and natural resources of each region in increasingly efficient production processes from which direct social benefits are obtained. Some of the main instruments could be: (a) the incorporation of regional production in national production,

consumption and export plans so that it will be sure of a market; (b) the subsidized construction of basic economic infrastructure (power, transport, etc.); (c) the systematic transfer of investment resources to the various regions, and appropriate incentives and safeguards for investors; (d) development of local human resources; (e) regional economic and social planning; (f) technical assistance in the discovery of natural resources in the various regions; (g) absorption of the population into the production process by means of production policies and techniques designed to create employment and a goods and services production structure that will meet not only the requirements of national economic policy but also the needs and purchasing power of all sectors of the local population; (h) an income distribution system calculated to ensure a steady expansion of the market and a fair distribution of production benefits (from the strictly economic standpoint, this is a very important method of ensuring the stability of the local population); (i) adequate expansion of the regional tax base; (j) more flexible structures of the tenure and use of productive resources - rural and urban land, credit, technical assistance, etc. - so as to incorporate them fully into the economy; and (k) production and industrial development strategies involving a large proportion of raw materials and local labour, such as those governing agricultural-industrial activities and a combination of artisan-type and factory industry.

3. Use and improvement of space

This objective requires three main types of action: (a) that relating to the process and form of land use, which involves land settlement, population stability and migration policies; (b) space improvement, mainly in terms of the organization of urban development, the protection of nature and the ecological balance, and safety of the human environment; and (c) measures to expand the internal economic and social space, aimed at greater population density in under-populated areas, land settlement in marginal land and the creation and development of socio-economic border areas as a basis for multinational border integration programmes.

4. The systematic improvement of living levels and the social status

This is a vital objective ^{20/} since it is precisely in peripheral areas that the levels of living and social status are lowest. In general, it involves four major goals: (a) a steady improvement in the well-being of the population through adequate nutrition and health levels, sanitary services, housing and related services, community services, recreation, etc.; (b) the establishment of a satisfactory social security system to protect persons who are too sick, old or poverty-stricken to attain those levels on their own; (c) a steady improvement in social status through guaranteed access to education and professional training, and genuine facilities for upward social mobility; and (d) the protection of society from offences against life, personal honour, public morals and the household economy.

^{20/} See Janusz A. Ziolkowski, "Problemas metodológicos en la sociología del desarrollo regional". Course on Regional Development Planning. Document B/7, ECLA-ILPES, Santiago 1970.

5. Training and local mobilization for development

Whether or not regional development policies are successful in developing countries depends basically upon the population's ability to respond to the challenges of development with motivation, organization and efficiency. This is valid in the case of both national and regional objectives.

To attain those factors, regional development policy should include measures for: (a) inculcating in the population new values, attitudes, and motivations favouring the acceleration of development and leading to the emergence of the "new man" and the regional or local community; (b) establishing and constantly strengthening the various functional and representative organs on the main social, economic, political and cultural fronts, to provide the necessary leadership and operational machinery for active social participation; (c) providing those organs with incentives and guiding principles so that they will adopt an aggressive and constructive attitude to specific goals, especially in connexion with policy-making, production, consumption, social services and community; (d) consolidating and developing the group of regional cohesive symbols and rites and the motivational image of the future regional society, which is the aim underlying many of the acts of popular participation.

6. Fulfilment of the human being and safeguarding of his dignity

As part of the effort to raise the levels of living and social status, regional development policy should also facilitate the fulfilment of the individual and the community in peripheral regions and safeguard human rights. It is precisely in these regions that personal frustration, sub-human living conditions, the lack of opportunities of success or personal fulfilment, and deficiencies in the legal system are known to be most dramatic. These objectives might take concrete shape in such measures as: (a) decentralization of opportunities of employment and personal success; (b) priority action to promote persons and sectors that have been by-passed; (c) the more efficient organization of justice and other services which safeguard personal freedom and protect the community.