LATIN AMERICAN PROGRAMME FOR REGIONAL AND URBAN DEVELOPMENT

Draft Programme submitted by the Economic Commission for Latin America for the consideration of States Members of the United Nations interested in international co-operation in the field of regional and urban development.

Santiago, Chile, 30 December 1971

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Introductory note

The present text contains only the basic outline of a Latin American Programme for Regional and Urban Development and is intended for the information of Governments interested in international co-operation in this particular field.

The presentation is completely general in tone, and is confined to the central and most pressing issues that have to do with the structural causes of regional disparities and the over-concentration of development. Hence, it does not include a detailed discussion of certain associated topics, such as urban development and its administration and planning, demographic factors, institutional and political aspects, the protection and systematic incorporation into the economy of natural resources, the use of space, and the preservation of the human environment.

All these topics, together with the corresponding plan of operations, will be discussed in detail in a later presentation which will be formulated in the light of the interest shown and the requirements of the international co-operation agreements on which the Programme will be based.

A. Background and objectives

1. The spatial configuration represents one of the most serious and characteristic problems of the development process in Latin America. In virtually every country there is very marked economic and demographic concentration in certain centres or areas of the national territory, while at the same time there is a widening gap in terms of productivity, income and living conditions between the faster-growing areas and those which, in varying degrees, remain backward or decline in relative importance.

2. The process of concentration continues despite the growing concern of Latin American countries and the adoption, in some cases, of policies directed against it; it occurs, moreover, throughout Latin America, irrespective of the level of development and overall growth rate of the individual national economies. Except in a few instances, regional inequalities have been accentuated by industrialization and modernization and, so far at least, apparently by higher growth rates too.

3. There can be no denying that the spatial configuration in Latin American economies and societies has been affected by natural, economic, social and political factors which have presented, in the prevailing circumstances, justifications of necessity and even of efficiency, and which, however they may be viewed now, are clearly historical phenomena that set their seal on spatial structures that are now hard facts. It is equally clear that well-considered measures and energetic policies are needed to correct the various ill effects that the process has had. Furthermore, it is becoming necessary to think in terms of modifying structural factors and situations so as to bring about a more radical change in the present trend of regional development, in the light of the basic objectives that must be pursued under a global development policy. This necessity is not simply due to an awakening of the conscience of development planners and experts; it also reflects the ever-increasing social grievances of the regions and areas involved, which demand a better and more equitable distribution of the benefits and opportunities that development brings.

The complexity of the problem and the need to study it in greater depth are clearly shown by the following considerations.

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(a) The backwardness of specific regions reflects failure to make proper use of natural and human resources and a fragmentation or inadequate integration of national economies and societies at the regional level.

(b) The spatial structures that are taking shape create situations that tend to make the process self-perpetuating, thereby aggravating the economic and social difficulties that arise as it progresses instead of promoting more balanced and coherent development of the national territory.

(c) It is obvious that some of the main reasons behind the process of concentration, particularly in the big cities, have nothing to do with economic rationality. The exorbitant cost of urban infrastructural investment points to a contradiction between the public good and individual interests.

There is a limit to the capacity of even the most highly developed and dynamic urban centres to provide the growing population they attract with the necessary employment opportunities and essential public services. This gives rise to the all too familiar problems of economic and social marginality and of the human environment.

(d) These situations are closely bound up with structures of power and institutional organization which, in turn, influence political and administrative decisions and tend to accentuate or perpetuate such a state of affairs.

4. These are some of the problems that are the cause of serious concern in Latin America. An effort is being made at the Government level to adopt some appropriate policies, while among economic experts, sociologists and development planners there is growing impatience to conduct further research. So far, however, neither the Latin American countries nor the United Nations have been able to find the time or resources to study these aspects of the Latin American scene more thoroughly or to train officials and thus contribute to the formulation of effective strategies and policies for regional development.

5. As far as the diagnosis of the problems of regional development is concerned, there are four main aspects of the problem: (a) the characteristics and real dimensions of the process; (b) the way in which national economies function in spatial terms: above all, the factors behind concentration and its economic and social pros and cons; (c) the capacity and limitations of the modernization process in urban centres, as far as providing the stimulus for more balanced regional development in economic and social terms is

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concerned; and (d) the study and assessment of the regional implications of Government policies.

6. With regard to the first point, several studies are already available in Latin America and data have been compiled which provide some idea of the magnitude of the problem. With few exceptions, however, these studies are still only fragmentary, being restricted to specific regions of selected countries, and the basic data are therefore frankly inadequate. The available statistical and technical data must be improved and systematic research taken a step further if all the quantitative, qualitative and institutional aspects of the problem are to be identified in the light of all the existing realities of each country, in accordance with the programme to be outlined later.

7. As to the second point, the fundamental objective is to evolve some kind of conceptual interpretation of regional problems. This will require a more far-reaching analysis of such aspects as:

(a) The relationships between overall and regional economic growth. What, for example, is the relationship between the patterns of development during each phase of the countries' history and the main features of their respective spatial structures? To what extent do the more developed centres or areas provide an incentive to speedier development in the others? To what extent do relationships between regions remain the same or change during the process of development? Do the developed centres become capable, after a certain point, of generating within themselves the resources they require for further growth? In what respects does "internal colonialism" continue to exist or change as the situations themselves evolve?

(b) The systematic identification of the mechanisms involved in the process of concentration: location factors, conditions affecting productivity and generation of investible resources, interregional transfer of resources, price relationships, etc.

(c) Differences in productivity or return on investments in different areas, bearing in mind the global and regional development objectives and time horizons. A special effort should be made to investigate conditions that maintain or reduce the relative advantages of investing in more developed areas.

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(d) The real economic advantage or disadvantage of investing in metropolitan areas that have grown beyond a certain point, considering the numerous services and investments required by the enterprises and the population. Of particular concern is the excessive size of big cities, which reduces their functional viability both because of the volume of resources they absorb and because of other harmful social repercussions.

8. The third point, which is closely connected with the foregoing points, has to do with the need for a set of general or specific conclusions regarding the prospects and future evolution of the process which Latin America is currently undergoing. The point can be illustrated by asking whether Latin America is really involved in a process of polarization that is inherent in the very nature of its current growth patterns. There are many indications that existing mechanisms may occasionally bring about partial, sectoral or circumstantial modernization in other parts of a country but have the effect, in the long run, of accentuating the situation under discussion. At this point, one might well ask what relevance the past experience of countries that are now industrialized and are more integrated in spatial terms can have for Latin America. The same doubt arises in respect of the socialist countries and other areas that are accumulating experience in this matter.

9. The purpose of the fourth point - the study and assessment of Government policies - is to discover to what extent such policies have or have not encouraged the tendency towards concentration. This critical approach could be considered as a preliminary step towards an examination of the components that should go into a really effective regional policy.

10. Naturally, the research outlined above should be conducted on an essentially pragmatic basis so as to provide suitable elements of technical judgement and analysis to assist the study of development policies.

Special reference should here be made to (a) the design, preparation and execution of a regional development policy at the national level, (b) the regional social implications of such a policy, and (c) the feasibility of such a policy under prevailing circumstances in Latin America.

11. The first step is to establish what measures (with alternatives) and institutions are needed for more balanced and coherent development in Latin American countries. The main requirement is to approach the problem of

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national development in the light of its actual economic and social dimensions in regional and urban/rural terms. In its most simple terms, this means using suitable techniques to formulate national plans that take into account the efficient location and utilization of regional human and material resources. The social objectives and other fundamental aims that must be pursued in Latin America development, such as the provision of employment and more equitable distribution of income, take on particular significance in a regional strategy.

12. Hence the importance of the second aspect of policy planning. The new spatial configuration towards which Latin America is working should, as far as possible, be so designed as to help close the gaps between social strata. In other words, the objective should be to ensure that the economic growth and increased revenue achieved by the development of backward and rural areas does not benefit only certain social strata but is spread as widely as possible among the population of those areas. In many backward or under-developed areas, the population is very large and the low standard of living is a conclusive argument in favour of a change in the direction of the development process.

13. The third aspect relates to the scope of regional policies. What, for example, can they really hope to achieve? What determines the feasibility of an interregional policy that aims at more than the mere correction of excessive imbalances? This naturally involves analysing the decision-making, planning and administrative centres at the national, regional and local levels, and investigating such matters as political and administrative centralization and decentralization and the participation of the public and private sectors, the population and appropriate representative organizations.

14. The aspects outlined above apply to Latin America generally. There are, however, differences in their degree of applicability as well as obvious and significant national peculiarities, deriving from the varying magnitude of the individual problems, from the factors responsible for the common trends and from the way in which the general mechanism of concentration operates. Moreover, the capacity of each country to determine the scope of its policies also varies in the light of available resources, priorities, geographical size and social and political environment.

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15. It would be unrealistic, for example, to gloss over the differences between the situations of Argentina, Chile, Brazil, Peru and Mexico or between those countries and others that are either relatively less developed or are smaller in size, like the Caribbean countries. The size and distribution of the population, differences between one region and another, the individual importance of each region to the country as a whole, the extent of waste areas, the size and influence of metropolitan areas and the existence or absence of "counterbalancing metropolises", the availability of natural resources, general geographic characteristics, social situacion, level of industrialization and urban development, investment and savings possibilities, position in terms of trade and international relations and political and planning conditions are just some of the variables that make it impossible to consider Latin America as though it were a homogeneous group of countries.

16. Consequently, it would be neither desirable nor possible to set about seeking the answer to the questions raised by taking the continent as a whole. The countries have to be analysed individually and research pursued on the basis of the real conditions in each country. Approaching the matter in this way will contribute towards the formulation of realistic policies of national and regional development. Moreover, it is only through such national studies that the necessary data can be compiled for comparing situations, discovering similarities and discrepancies and thus arriving at useful generalizations.

17. Quite apart from the existing limitations with regard to the method of analysis, the available studies and data are, generally speaking, inadequate, and analyses and examples of practical experience of the formulation and execution of policies are scanty. Concrete information is in fact restricted to a few specific situations. Area and sectoral studies are available, but there is a shortage of genuine national analyses and a striking dearth of useful material on the main subjects to which reference has been made. Though the main features of the process of concentration are well known, not enough information is forthcoming on the actual role of its various components; there has been no systematic survey of trends and prospects of regional development processes, and there is little experience to draw on regarding the analysis and planning of regional policies in the national context. Furthermore, overall development strategies are currently undergoing critical

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review. It could be said, therefore, that because of the lack of systematic research, a general atmosphere of uncertainty and vagueness prevails regarding the central issues of regional development in Latin America.

18. This situation is the result of a number of factors. First of all, many countries have only recently become fully aware of the importance of the problem. Secondly, studies of this type require a degree of organization, continuity and depth that it has been impossible to achieve with the resources hitherto available, be they national or international. An equally important factor has been the lack of specialist staff. Such data and analytical work as are available are the result of piecemeal efforts that cannot go sufficiently deeply into a topic that, because of its complexity and the type of data needed, requires minute and costly case work.

19. Naturally enough, this lack of basic analytical work has serious consequences. For example, it reduces the effectiveness of the training and advisory programmes for which the United Nations is responsible and it encourages the interpretation and establishment of policies based on experience in other regions, both developed and under-developed, whose applicability to Latin America is not at all certain, since even generalizing from the particular experiences, frequently restricted in scope, of specific Latin American countries is of no great use for other countries of the region. Furthermore, the lack of specific research into the situation in Latin America obliges regional studies to remain at a highly abstract and theoretical level that over a period of time is bound to lead to intellectual and practical frustration.

20. The United Nations should therefore implement an integrated action programme to promote soundly based regional studies with a sense of continuity that take account of Latin American conditions and needs. This programme would have to include national research into development policy planning and, as a complement to this, training and advisory services in individual countries. The basic objectives of the Latin American Programme for Regional Development can thus be briefly expressed as follows:

(a) To undertake a systematic in-depth study, in conjunction with the countries of the region, of the regional and urban problems of Latin American development, dealing with the central issues

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referred to above and aiming at the analysis and formulation of regional and urban development policy.

(b) To improve the level of knowledge of methodologies and concepts in individual countries and within the secretariat with a view to expanding and improving the training and advisory services provided by United Nations agencies.

(c) To promote, by means of joint research, training, advisory and information activities, the progress of regional studies in a manner consonant with Latin American realities, with a view to helping countries to study their own problems adequately and to evaluate their development policies.

(d) To lay the groundwork and provide criteria for establishing and strengthening permanent national systems, on an institutional footing, for research, training, advisory services, planning, statistical services and information.

The specific programme will have to be formulated and carried out in a flexible manner; it will comprise a number of stages and the main emphasis in each project will depend on the particular situation of each country, the level of technical know-how available, and the specific request made and priorities allocated by each individual Government.

These objectives, and the operational procedures proposed, are closely linked to Economic and Social Council resolutions 1086 (XXXIX) and 1141 (XLI), and are a response to the growing demand for research, technical assistance, training and information from the Latin American Governments.

B. Operation of the Programme

22. The main operational aspects of the Programme will be as follows:

(a) The Programme will consist of a number of country projects covering research, advisory services and training. The projects will be as comprehensive as possible and will be implemented in selected Latin American countries, preferably those in which regional problems have special features. The activities of the Programme could be extended to other countries in connexion with specific matters such as training or short missions.

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(b) The programme's activities will be suitably co-ordinated with the work being done in this field by the ECLA secretariat and ILPES.

(c) In the practical organization of the country projects, an endeavour will be made to establish ways and means of ensuring that mutual advantage is derived from the information and experience of each of the countries considered.

(d) The projects will be undertaken in each country with maximum possible participation by the Government and the agencies responsible for research, planning or regional development policy decisions. While naturally in this, as in other matters, the practical arrangements will depend on each situation, the activities of the United Nations will in all cases have the following aims: (1) to ensure that technical assistance for each project is channelled on a regular, effective and practical basis; (2) to set up or improve national research, training and planning systems; (3) to promote maximum national participation in the Programme to ensure a flow of information and experience and the complete fulfilment of the other objectives.

(e) Training courses will be held for the greatest possible number of officials concerned with regional issues and will be linked to the objectives and activities of the current research projects; seminars will be organized to discuss from a conceptual point of view the current research and development policy formulations. Efforts will be made to ensure that these seminars are attended by international officials, national officials from the different countries, and officials who are working or have worked in other projects, with a view to facilitating the exchange of experience and thorough discussion of the issue in depth.

(f) All activities will be designed to equip the country concerned to analyse and formulate its own regional policies. Specific decisions regarding the adoption and implementation of such policies in the respective countries remain, of course, the exclusive responsibility of Governments.

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(g) With a view to publicizing the Programme's achievements and disseminating material and experience of interest to Governments and to specialists in regional development, periodical and ad hoc publications will be prepared and distributed as appropriate and as resources permit.

(h) The practical side of the organization of each project, such as the compilation of data, primary analysis, research, training, the study of policies and the establishment of working groups, will take account of the conditions of each country. Organizational and practical arrangements and the main emphasis of the direct activities of the United Nations team may be altered, in the light of particular circumstances. The basic objectives of the Programme, however, will remain the same, and every effort will be made to ensure that the over-all co-ordination of the Programme is kept at the highest possible level.

23. ECLA will assume responsibility for the guidance and execution of the Latin American Programme for Regional Development in close co-operation and consultation with the United Nations Department of Economic and Social Affairs (DESA), and also with the United Nations Research Institute for Social Development (UNRISD) and ILPES. Similarly, to the extent it deems suitable, it may request the co-operation of United Nations specialized agencies and other international agencies in the region, and the co-operation of bilateral and multilateral assistance programmes. The Programme will in any case be co-ordinated to the maximum extent possible with the activities of all such bodies. The initial duration of the Programme will be five years. ECLA will designate an official to be responsible for directing and co-ordinating the Programme.

24. The detailed programme of work will be prepared within the first six months of operation, and priorities will be established in the light of the countries interested in the Programme and the resources available. The practical operation of the Programme must, of course, be sufficiently flexible to be able to adapt to conditions in each country.

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25. ECLA will provide the physical facilities required for the execution of the Programme, as well as translation and documents reproduction services, and it will defray the necessary postal and telegraphic costs.

26. The international staff recruited on the basis of the funds donated for the Programme shall be entitled to the same privileges and immunities as those prevailing for officials of the international staff of ECLA. To this end, ECLA shall accredit such staff in due time with the Ministry of Foreign Affairs of Chile or of the Governments of the countries in which projects are based.

27. The financing of the Programme will be effected from a trust fund granted to ECLA by a Member State of the United Nations in the amount of ... $1,965,000. For purposes of illustration, a tentative budget is attached. This budget may be modified in the light of the specific requirements of the Programme.

ECLA
January 1972

LATIN AMERICAN PROGRAMME ON REGIONAL AND URBAN DEVELOPMENT

Project Budget

DESCRIPTION	1972		1973		1974		1975		1976		1977	
	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$
EXPERTS: (Personal Services) 1/												
1. National Inter-regional Planning	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
2. Regional development and Planning (Intra-regional)	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
3. Social Aspects of Regional and Local Development and Planning	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
4. Physical Planning	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
5. Human Resources Development	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
6. Regional and Local Administration and Financing	1/6	15.000	1/12	30.000	1/12	30.000	1/12	30.000	1/12	30.000	1/6	15.000
7. Consultants (short-term) (agriculture, industry, transport, regional accounting, etc.)	6/12	60.000	12/48	120.000	12/48	120.000	12/48	120.000	12/48	120.000	6/24	60.000

DESCRIPTION	1972		1973		1974		1975		1976		1977	
	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$	m/m	Cost US$
MISCELLANEOUS:												
Intrarregional Travel 2/		10.000		25.000		30.000		30.000		30.000		10.000
Secretarial assistance		5.500		11.000		11.000		11.000		11.000		5.500
Training Programme (national) and Seminars 3/		8.500		30.000		30.000		30.000		30.000		8.500
Meetings of Experts 4/				12.000		12.000		12.000		12.000		12.000
Publications Programme				5.000		10.000		15.000		15.000		10.000
Bibliographical Material		3.000		5.000		5.000		5.000		5.000		
T O T A L	11/60	177.000	14/120	388.000	14/120	398.000	14/120	403.000	14/120	403.000	11/60	196.000

$ 1.965.000

1/ Estimated gross cost.

2/ Travel in the region for field missions to carry out advisory services only.

3/ National training programmes mainly of the in-service training type. Cost include fellowships and travel cost for lecturers and seminars to be carried out in Santiago and in the countries.

4/ One meeting per year is envisaged to discuss the results of the research activities.