Theories and metaphors on territorial development

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## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>5</td>
</tr>
<tr>
<td>RESUMEN</td>
<td>5</td>
</tr>
<tr>
<td>1. General considerations</td>
<td>7</td>
</tr>
<tr>
<td>2. Systemic knowledge for territorial management in the context</td>
<td>12</td>
</tr>
<tr>
<td>of globalization</td>
<td></td>
</tr>
<tr>
<td>Bibliography</td>
<td>19</td>
</tr>
</tbody>
</table>
ABSTRACT

The thesis presented by the author in this document is that we are witnessing, at least in Latin America, a political and institutional process that has immense potential for modernization, a process whereby the responsibility for government is transferred “top-down”, i.e., from the central and centralized State authority to subnational State bodies lower down in the hierarchical structure (regions, provinces, departments, communes and so forth). The author argues that, within the current neoliberal framework, governing is understood to mean achieving things, or in broader terms, achieving development, an issue which permeates even ad hoc and party policy. The problem thoroughly analysed in the document is that this transfer of responsibility for promoting development takes place without transfer of the relevant knowledge, as if “governing” in one area were the same as governing the country only “on a smaller scale”. Here, according to the author, is the main reason for the paltry results of decentralization in terms of development. Based on this argument, the author develops a complete cognitive framework for territorial development in open, decentralized market economies.

RESUMEN

La tesis presentada por el autor en el documento es que en América Latina, al menos, se está en presencia de un proceso político e institucional de considerable potencial modernizador, proceso que consiste en la transferencia, “de arriba abajo”, es decir, desde el Estado central y centralizado a instancias estatales territoriales de menor rango (regiones, provincias, departamentos, comunas, etc.) de la responsabilidad de hacer gobierno. Según el autor, en el marco del neoliberalismo vigente, hacer gobierno se entiende como hacer cosas, o en términos más amplios, hacer desarrollo, cuestión que permea incluso a la política contingente y partidaria. El problema, ampliamente discutido en el documento, es que esta transferencia de responsabilidad para fomentar el desarrollo se hace sin transferir el conocimiento pertinente, como si “hacer gobierno” en una provincia fuese lo mismo que hacer gobierno en el país, pero “en chico”. He aquí, según el autor, la principal causa del parco resultado concreto de la descentralización en términos de desarrollo. A partir de esta tesis, el autor desarrolla un completo marco cognitivo nuevo para el desarrollo territorial en economías de mercado, abiertas y descentralizadas.
1. General considerations

The seed of a tree is unlikely to thrive and bear fruit if it falls by accident or design, on dry, infertile, barren soil; on the other hand, if the small geographic space it requires for development has rich soil, moisture and a good mix of salts and minerals, the seed will grow into a seedling and that seedling into a tree and the tree will produce flowers, fruits and shoots and the whole cycle of birth, development and reproduction will continue indefinitely in time.

In the same way, the small business and even more so, the family micro-enterprise, require environmental conditions that are propitious for their development. If it is introduced into a hostile environment, it will not thrive or rather it will have great difficulty in thriving. It is not by accident that a whole lexicon of terms (seedbeds, breeding-grounds, nurseries) has developed to describe different mechanisms for nurturing small fledgling enterprises by strengthening their external environment.

An individual’s level of self-realization during his lifetime depends essentially on the quality of the environment in which he develops. Indeed, each person may, from time to time, take stock of the opportunities that his immediate surroundings provide for the fulfillment of his aspirations, and a negative evaluation on such an occasion is usually one of the key factors in a decision to migrate.

Whether, in nature or in the economy, or in the social sphere, the success of a unit, of the basic cell of a structure, which subsequently is swallowed up in the macro dimension, the wood, the productive fabric, the community, is closely linked to the structure and behaviour of its immediate environment, in terms, of course of its social components, (other trees for cross-fertilization, other firms for preparing for input and output processes, and other persons insofar as human beings are by nature gregarious) and also in terms of territorial factors.

The territorial environment is one of the key factors for development. Under different administrative and legal formulas of the territorial environment, the commune, the province, the region, the country, the world, the quality of the territory determines the development of the relevant social structures at each level. The world or globe is important for nations and global corporations, the country is important for organizations at the national level and for institutions (rules and regulations both formal and informal) in this sphere, the regions or provinces or communes, most routine areas, most proxemical, are determinants in the performance of everything that people perceive as affecting them most closely (employment, education, health, housing, etc.). These different territorial categories are not independent; quite the contrary, they interact with each other in a true “nested hierarchy”, since at each level, restrictions are imposed of varying scope on the lower levels. But a nested hierarchy does not imply a systemic overdetermination which cancels out the degrees of freedom as one goes progressively lower in the hierarchy.

Whether or not one agrees with the statement that “small is beautiful”, the small scale is indeed important for development. In territorial terms, the commune is important for the provision of services and for local economic development, the region (without, for the time being, going into any specific definition of the term) is important for the achievement of more complex functions, which have to do with development, understood in a contemporary sense. In fact, in an increasingly global context, a context in which Nation-States tend to re-emerge with less autonomy, the organized territories, regions, provinces, communes and cities appear as new actors in the international competition for capital, technology and market niches. In territorial and institutional terms, the main line of support for development is shifting
top-down. As Naisbitt (1997) puts it: "Small is beautiful, but what is really beautiful in this context [globalization] is the proper scale".

Globalization, as has been repeated on numerous occasions, forces countries to undergo major surgery, i.e. opening-up to the outside world, and this is done at no small cost on the domestic front. If opening up the economy, in turn, means that one must compete in a "competitive" way (in comparison to a non-competitive or spurious competition), it is difficult to imagine any chance of success in the harsh conditions that now prevail, if one claims to compete on the basis of centralized decision-making structures, which in itself, lack the speed, flexibility, malleability and complexity required for today's world. Warren Bennis (1997) states that these requirements also arise in the private sector, since companies worldwide are becoming involved in PAL's (Pooling, Allying and Linking), to use the term coined by Rosabeth Moss Kanter. Thus, decentralization, an issue, which, so far, has had eminently political overtones is now being proposed for reasons of competitive economic performance.

This explains in part the generalized and growing tendency, in Latin America and elsewhere, for the national/central Government to pass on the responsibility of government to various newly formed or long-standing subnational government bodies. Under neoliberal globalization, the notion of "government" must now be understood as akin to the function of fostering development. To paraphrase Pope Paul VI ("development is the new name of peace") one can now say that **development is the new name for government**.

Within this new frame-work, neoliberal on the one hand and decentralist on the other, there is an acute awareness that something is going wrong, that things are not functioning as they should, that although there is economic growth, in the usual sense of the term, this is not accompanied by development, which continues to be elusive, as Marshall Wolfe put it. Increasingly, regions rich in natural and human resources which could be expected, with appropriate management, to be prime candidates for vigorous development, expansion of opportunities, expansion of freedom, expansion of options, greater justice and stronger ethics governing interpersonal relations and also the relationship with the environment, remain undeveloped, with or without economic growth.

Clearly, there are no "simple" explanations for lack of development - to the extent that is possible to grasp the complexity of the concept of development itself. From this point of view, our professional culture, immersed as it is in the positivist scientific paradigm is not conducive to working with complexity; to this should be added our strong tendency to attach more importance to entropy rather than synergy when taking concrete action and the traditional disregard for actors, institutions and culture as we move towards development. Bearing in mind the above assertions, it is nevertheless possible to draw attention to a particular question but one that has very far-reaching repercussions on the whole and whose lack or whose deficiencies appear to point to an issue of critical importance from the point of view of action: **knowledge**.

In actual fact, what is stated here is that the process of passing on the responsibility of government "top-down", a capacity which, as already mentioned, tends to be confused with the capacity for promoting development, is being carried out without measuring the creation of relevant knowledge, as if the process of government at the subnational level were a process of government on a small scale, as if development were a mathematically continuous process in the territory, as if there were no qualitative structural changes incorporated into the quantitative change of scale. Fractality, so to speak, does not apply to development management.

Information and knowledge are, from this point of view, key elements of territorial development. Associativeness and collective political power, two other elements that are also crucial for development in any territory, depend, to a large extent, on information and
knowledge. In a recent study published by ILPES, Lira (1997) advisedly maintains that subnational authorities and governments are perceived as lacking information technologies, a commodity which would allow them to perform like intelligent organizations (our underlining). It should be specified, however, that this lack is two-fold: on the one hand, a lack of technology, for generating, compiling and processing the information, on the other, a lack of the cognitive faculty for transforming such information into knowledge.

Among the numerous segments of knowledge necessary in any societal process, such as development, there can be no other of greater importance than the epistemology of territorial development, i.e., to be precise, the scientific basis for knowledge on the phenomenology of territorial development, in other words, there is no knowledge more important than that which sheds light on the determinants of development. In any contemporary effort to foster territorial development, one central question must be answered explicitly: What does subnational development in the context of open, decentralized market economies depend on? If it is not possible to answer this question, it is clear that any attempt to influence the latent process, in order to trigger it off and/or speed it up would be “dicey” and would succeed only but only with a great deal of luck.

But, as we will see below, accumulating knowledge on the causes of development, i.e., identifying a set of causal factors (from more or less traditional ones, such as natural resources to those more modern in outlook, such as the capacity to generate technical progress) would not be sufficient to trigger off a self-sustaining process of development.

The key to development, as it is understood today, is based on the synergy that can be generated through the close and intelligent articulation of causal factors. This in turn presupposes a complex and on-going process of coordination of decisions which may be taken by a multiplicity of agents or actors each with a wide range of options, which must be converted into a decision-making matrix for development.

The social construct of this matrix is in itself a highly complex process, above all, when its construct is understood as a democratic and participatory process, which rules out, ipso facto, rulings handed down from above.

The only way of achieving this in practice is through the systematic generation of information, a basic element of coordination, which is, in turn, an act inter pares. The preparation of the collective or societal development agenda or political agenda, is the way to generate and circulate an on-going flow of information between the “factors” of development (e.g. actors, organizations,) so as to construct systematically the matrix referred to above. Setting up a “synergetic” table (by analogy with a negotiating table), the fundamental responsibility of the respective government, is based on its potential for generating information which reduces uncertainty and transaction costs.

There are three interrelated areas of knowledge which must be explored and elucidated in order to set in motion an efficient programme for territorial development.

Firstly, the further down one goes in the geographic scale, the greater the systemic opening of the territory in question, since at such levels, one does not find the legal and administrative mechanisms such as customs and frontiers that “close off” the country to the outside world. This greater openness of a subnational territory as opposed to its national counterpart (country) makes the environment of the system a fundamental component of the operation of the system itself; the interchange between the system and its environment and the decision-making matrix which operates in the context can assume greater importance than the internal elements themselves, from the point of view of the thrust towards growth and development. But it is not just a matter of the new situations that arise as one goes lower down the territorial scale; to these should be added the changes that occur in the environment of any territory, i.e., technological, economic, political and social. In fact, there is
a new context which it is essential to know, for the very reason that one needs to discover the new forms of coordination and the new elements that shape the environment. This is why one often speaks of the creation of a new environment for territorial development, which is none other than new knowledge. It should be noted - and this is strictly a Latin American phenomenon - that, over twenty-five years ago (as much as a quarter of a century ago), Gutierrez, Ortiz and Villamil (1971), three Puerto Rican planners published an important study highlighting the problems generated in planning open systems; however, one continues to work at the subnational level as if we were operating in closed systems.

Secondly, the very change in the environment causes a change in the internal context (linguistic licence used to refer to the endogenous situation), separate from the fact that the “internal” context already undergoes its own process of change. This may be illustrated as follows: the transition from closed economies to open ones results in the obsolescence of some economic policy instruments commonly used in regional development, for example, differential tariffs (a change in the environment leads to a change internally by invalidating one factor of location and growth); but, at the same time, new internal factors linked to development emerge, such as psycho-social resources (new in the sense that there is a new appreciation of their value), which previously had not even been identified, with one notable exception: that of A. Hirschmann who refers to “moral resources” in development. Hence the need to discover and invent a new body of knowledge, which will be used to create a new internal context of territorial development.

A new “external context” and a new “internal context” for territorial development form a new paradigm, a new cognitive framework for development of the territory. But in order to be able to speak accurately of a “new” paradigm, some time must be allowed to elapse, insofar as a paradigm is not only a purely cognitive matrix but also a matrix of experiences that are obviously empirical.

The purpose of new knowledge, whether speculative or empirical, is to endorse and support the most important operation from the point of view of territorial development: the design of a true process for engineering intervention in territorial development, that is, a process which, given the causal factors of development, can influence them, empowering them and articulating them through the use of social intelligence.

Thirdly, the design of intervention engineering presupposes the use of new knowledge concerning the environment and the domestic situation and requires also the generation of information and knowledge in a systematic way to supply the “synergetic table”, i.e., in order to facilitate the coordination of decisions. Intervention engineering takes the form of a political development agenda. Why a political agenda and not just a plan or a strategy? For various reasons, the most important having to do with the recognition that, in practice, a proposal for development is broached by different actors with different logics and behaviour criteria not only with instrumental economic rationality of the ideas of “plan” and “strategy”, and because what is at stake are not just economic market resources but non-economic, non-tradable resources (those which, according to Putman in his study on Italy, generate social capital) and also because the design of a collective agenda implies working with constructivists and inter-subjective schemes, which can scarcely be grasped in purely economic terms. The work of designing and executing a collective development agenda is equivalent to producing coordination and permanent follow-up, and to redesigning also on an on-going basis. It is not a matter of real engineering processes, of achieving a finished product within a given time-frame, but almost asymptotic, continually approaching processes. The project itself is an “item of information” and its very construction is to generate information and knowledge on a daily basis. Collective construction of this agenda generates two very important results: a) it takes the question of development out of area of random
chance and places it in the area of probability and b) it transforms an entropic mass of decisions into a synergic matrix of decisions consistent with development.

In short, the idea is to create new knowledge on the external environment of a territory, on the factors triggering their own growth and especially their own development, and also on the way of organizing or designing a form of intervention designed precisely to set off and/or speed up development, which is of course not territorial development per se but rather development of the human beings who live in it. The need for this new stock of knowledge derives primarily from the obsolescence of the previous knowledge, an obsolescence derived both from the scientific and technological revolution and from attainment of a higher stage of the collective right to development. Development is not the privilege of the few; it is the entitlement of all, and can be achieved through collective processes based on knowledge, through associative action and political leadership.

Why speak of theories and metaphors? Is development not, in fact, an eminently "practical" issue which should be placed in the hands of men of action rather than the heads of academics?

To use the word "theory" in the title of any academic study is already highly presumptuous, except, perhaps, if the author is a specialist in philosophy. Is it valid to speak of "theory" in connection with territorial development? Clearly yes, if theory is taken in the classical sense of the word to mean a speculative creation of the mind, which relates consequences with principles, as opposed to practice, in the order of events, (which is the subject of information for information’s sake, independent of its applications); as opposed to practice, in the normative order (which would be the ideal); as opposed to common knowledge (which is the subject of a methodical “conception, systematically organized and which depends on scientific conventions that are far removed from common sense); as opposed to true knowledge (a construct based on assumption), as opposed to detail (a general synthesis which attempts to explain a significant number of related facts). Whatever the preferred meaning, the relationship of cause and effect that always underlies all former meanings is fundamental for rationalizing any political act of intervention in any particular area. It does not seem sensible to anyone to consider the promotion of subnational development as a casuistic act, which is entirely self-explanatory, by virtue of the time and circumstance. Is it appropriate to speak of theory in this same area? The answer is yes, precisely in order to find this rationale that raises the probability of being successful in interventions aimed at fostering development.

Octavi Ianni (Theories and metaphors of globalization), referring to metaphors, explains: “The metaphor is never absent from scientific thought. It is not a poetic device but rather a way of capturing the imponderable, the fleeting, the hidden or essential, that is concealed in the opaqueness of the real. A metaphor combines thought and imagination. It unveils the real in a poetic, magical way. Although it does not reveal everything, and this may be impossible, it invariably reveals something fundamental. It grasps an unsuspected connotation, a secret, the essence, the aura. So much so, that it helps to understand and elucidate at the same time as to grasp the dramatic and epic content of reality, challenging thought and imagination. In some cases, the metaphor unveils the hidden pathos in the movements of history”.

Theories and metaphors enable us to understand and unravel processes that slip through our fingers. Theories and metaphors enable us to understand that growth is a prerequisite of, but never sufficient for, development; that progressive growth can coexist with retrogressive development; that the two processes maintain between them linkages that are looped and not linear, and that therefore, the mere instrumental rationality of economics can scarcely give an explanation for them. Theories and metaphors enable us to understand
that the key has always been within people and in their personal ethos and their collective pathos. Theories and metaphors enable us to discover that development is an ideal that is asymptotic to the line of collective realizations, an irretrievable Miltonian "paradise lost", but that we must never give up the search, lest we lose all capacity for building utopias. To quote Ianni, once again: "From metaphor to metaphor, one arrives at fantasy, which helps to cast a spell on the world, to produce Utopia".

There is no possible recipe for achieving development in a given territory. Development has much that is heuristic; it involves permanent discovery, looped progress, where the future is based on past experience, but without any pretension of constructing a future based on extrapolation of the past.

Although there is no set of recipes that can be delivered to the authority responsible for an intervention, there are nevertheless two important assertions that we can make: if development is in our future, it will not be with the ideas of the past that we will achieve it; if development is a product of the community itself, it will not be constructed by others but by the members of that very community.

2. Systemic knowledge for territorial management in the context of globalization

Theories and metaphors have a role to play in "enhanced" territorial management à la Deming, where attempts are made to achieve "total quality" so that management may indeed be used in the service of the "featherless bipeds" that inhabit the regions or other territories, and so that in the twenty-first century people will not be mere consumers but de jure citizens. Theories give shape to knowledge that can be useful in the context of globalization and increasing liberalization, since territorial management will have to be broached in this kind of context, a context of constant flux. These are theories that are aimed not only at procedural issues, such as are fashionable nowadays in the flurry of transfers of management technologies from the private to the public sector, but substantive theories capable of unravelling the complexity of the structure and dynamic of the phenomenon.

Globalization viewed as a systemic phenomenon (to use the expression of F. Bervejillo) should be contrasted with a cognitive system required for attempting to be the subject intervening in it and not an object or instrument that is merely passive. It should be recalled that perhaps the principal effect of globalization is the creation of a global network of territories, organizations and persons that develop rapidly as a function that generates economic growth in the twenty-first century. One central idea, one urgent slogan that emerges is: You have to be on the web! If you are, you grow,... if you are not, you do not. However, this bald statement should be nuanced by a very subtle addition: You have to be on it and you have to know the right way to be on it. It is one thing to have a personal computer on one’s desktop and another to know how to create a home page and navigate on the information superhighway.

I will use the expression "cognitive system" to denote a set of information that is more horizontal, more interdisciplinary than the term "paradigm", which implies deeper knowledge in a specific field of activity, would suggest. It is clear, however, that here we are dealing with a limited "cognitive system" which equates only some territorial effects of globalization with a manner of confronting them proactively. The idea of globalization as a "systemic phenomenon" implies a certain recursiveness and, as such, a number of subsystems or "systemic phenomena" of varied scale may be discerned, to which diverse scales of "cognitive systems" are opposed, once more according to Ashby’s principle of necessary variety.
What knowledge, from the territorial point of view, does one therefore require for the "right way" of being on the web and for operating within a global context? In reply, I would say that at least two sets of knowledge are required if the territory and the range of new emerging regions are to face up to globalization in a positive way. The first of these relating to the role of the contemporary State in its relationship with its own territory and the second shaped by the three cognitive areas indicated above (the external context, the internal context, intervention). Globalization can be, for many territories, what the lamp is to a moth: a fatal attraction, if one approaches (the flame, globalization) in a slightly careless or rash manner. And who but the State, itself, can provide the social wisdom so that the approach is not fatal?

From this viewpoint, on the one hand, the country as a whole requires specific knowledge which gives shape to a regional policy in the context of globalization, in order to allow interaction with the new emerging geography of globalization; on the other hand, each one of the new regions which may emerge in the future (and some may coincide fully with existing ones) requires specific knowledge in order to maximize their potential for growth and development, so as to enhance their integration in the global economy by bringing into play contemporary factors of economic growth and development, bringing into play above all the synergetic capacity of the whole range of factors. Both forms of knowledge have recently been developed by the author (1996b, 1997), and will be summarized below.

In the absence of a regional policy of modern conception, what will occur initially is that the national territory will assume an "order" dictated strictly by the logic of capital in its process of territorial penetration and global expansion; this order is an order of omission, since capital is not governed by territorial standards but rather by standards of microeconomic profitability. However, this is no reason to fail to produce a land-use policy (amenagement du territoire); the question which arises is whether such an order is consistent with the higher interests of the society represented in and by the State.

A contemporary regional policy, i.e., a regional policy for the twenty-first century can be illustrated as a matrix of four vectors, each representing a more specific policy and each vectorial element representing a policy instrument.

The first vector corresponds to land-use planning, which comprises instruments such as: a] a politico-administrative division, which may imply changes to the current division, but which may equally well not modify it; b] assigning functions to each unit of this division, under the so-called: "national agenda"; c] specification of territorial priorities of development for a specific time-frame; d] a proposal for a system of human settlements; e] a proposal for macro uses of land.

A second vector corresponds to political and territorial decentralization, using instruments as: a] institutional and administrative architecture of each unit of the politico-administrative division; b] assignment of spheres of competence; c] fiscal policy; d] system of control and settlement of conflicts.

A third policy vector relates to the policy of economic promotion. The basic instruments in this case are: a] assistance for competitive purposes; b] assistance in productive restructuring; c] assistance in the area of social equity and poverty within the region; d] assistance for the generation and diffusion of knowledge. As may be observed, the principles of subsidiarity and solidarity clearly come into play.

Lastly, a fourth vector relates to the policy of interregional consistency based on the use of instruments such as: a] creation of models; b] convergent iterative information procedure and feed-back; c] solution of consistent regional/national economic growth. This last policy, a highly instrumental one, seeks to ensure that decentralization does not degenerate into a veritable chaos of inconsistent proposals from the regions.
An efficient regional policy must be strictly compatible with the “global style of development”. If this style is economist and shows an excessive concern with efficiency, this will be reflected, like it or not, in the regional policy. Almost twenty years ago, J. Hiihorst, at an important international seminar on styles of development and national strategies for regional development, held in Bogota, in 1979, drew attention to this point in commenting on the naivety of attributing social objectives to a national policy for regional development if it was not in keeping with the global style of development. From this point of view one has to bear in mind that today the State is challenging the regions to contribute faster and more clearly to the achievement of the most important national objectives (growth, competitiveness, conversion, fiscal balance, etc.). Within this framework, one must find a legitimate space for territorial solidarity; otherwise, the entire social structure begins to operate entirely on behalf of the winners who are always the few although not always the same ones. Although it is now fashionable to refer to “winning” regions and “losing” regions, one should not lose sight of the fact that a priori, it is impossible to know which regions will be winners and which losers and that they all set their sights on becoming winners or run the risk of turning losing into a self-fulfilling prophecy.

Little of this is relevant specifically, for instance, to Chile. In reality, at present, there is no regional policy in the country, although some elements of their different component vectors are recognizable. At present, partial decentralization, the proposal (now a dated one) for regional division, the emerging policies for promotion of production seem to be the only recognizable elements.

Based on this consideration, it is possible to move on to the question of a new paradigm on territorial development that is useful for action. This paradigm, this cognitive matrix, is made up of two major elements: the new context of territorial development (new circumstances and configuration of the external environment against which a proposal must be projected) and the new internal context, i.e. the factors of economic growth and development (while a look at growth within the territory will immediately call for a look at external conditions, which proves how complex the issue is).

The new context of territorial development is shaped by two scenarios of this same development. A new contextual scenario, based on external and internal liberalization; a new strategic scenario, set up through processes of territorial reconfiguration and through the emergence of new methods of territorial management and, lastly, a new political scenario, linked to State modernization and the appearance of non-traditional functions in the form of government of the territory.

The new contextual scenario arises from the interaction between the process of economic liberalization to which globalization urges upon countries and the political process of internal liberalization toward which they are also being urged by the force of decentralization. Globalization and decentralization are two megatrends, which, in turn, recognize various trigger mechanisms. Globalization, may be explained as already suggested, in terms of the new techno-productive model which makes constant innovation its raison d'etre, a process that is increasingly capital-intensive and which generates products with shorter and shorter life-spans, all of which are geared to the formation of a single world market, the “global shopping centre” where the capital is recovered. In turn, globalization of the market calls for a new international order which, in the political sphere, is characterized by “unipolarity” and in economic terms by the “tripolarity” of the major trade agreements. Decentralization, for its part, is due to the “atmosphere” created by the conjunction of the Scientific and Technological Revolution (and its effects on production, communications and transport), political State reform, the autonomic demands of civil society, and the trend
towards privatization. External liberalization leads to internal liberalization on account of the speed required for competition.

Whatever the territory, this new contextual scenario implies compulsoriness, at the risk of being condemned to be part of the "losing" team, and finding oneself in four niches of contemporary society: competitiveness, modernity, equity and participation. The first two referring to tradable goods and services and the other two to population.

The new strategic scenario is constructed at the juncture between the new modalities of territorial configuration and the new modalities of territorial management. In relation to the first two, it is worth repeating that a new geography is emerging which belongs as much to geographical space as to cyberspace. International political geography has been changing rapidly since the early 1990s and national political geography is cracking and, in the struggle, even the stronger countries are resorting to string-pulling. New regional categories that have been circulating from monographs to the organizational and institutional arrangement in the field: pivotal regions, based on new nested hierarchies, associative regions, including those with constitutional authorization and virtual regions, peculiar to the twenty-first century, strategically organized to transcend national and international frontiers as demonstrated or proposed in Argentina, Colombia and Mexico, to cite just a few examples. On the other hand, an attempt is being made to pursue territorial management by incorporating into it the planning practices of major private corporations (strategic planning, total quality, etc.) and regions are being referred to as quasi-firms while, at the same time, the main challenge for growth and development in the territory is recognized in the accumulation of power and finds expression in the idea of regions as quasi-States.

Lastly, the new political scenario defined in terms of the necessary State modernization, seen from the perspective of territories themselves (a modern State from such a perspective is a State which exercises territorial leadership as much as political leadership) and of the new emerging functions for any territorial government, functions that are strictly political such as the development of a strong bargaining power and social functions such as boosting community development, in order to create synergy and manage entropic information.

In short, the "new external context" of territorial development forces one to think that any future proposal based on the positioning on international markets, on a more significant role of civil society itself, on a more equitable distribution of profits with sufficient flexibility for accommodating the territory in different spheres and territorial configurations by administering it as if it were a business concern, governing it in a way that empowers, demanding that the State adopt a territorial vision of itself and understanding that a contemporary management requires "equity" without which it exhausts itself in the use of traditional material resources.

On the other hand, the "new internal context" of territorial development attempts to explain in contemporary terms the factors of economic growth and the factors of territorial development.

The starting point for this discussion lies in the recognition of the exogenous nature of growth in any territory in the future as a direct consequence of globalization, which for these purposes, produces an increasing rift between the decision-making matrix behind the growth factors and the local socio-economic matrix, at the same time as the endogenous nature of development is recognized as dependent on this same socio-economic matrix.

If the most modern economic growth theories (referred to as "endogenous growth" and associated mainly with names such as R. Lucas and P. Romer), one must concede that territorial economic growth becomes a function of the following: a] the territorial management
of the country (and the role assigned to each territory in question); b) the national economic policy framework (and the specific effects that this framework has in the territory in question); c) accumulation of capital; d) accumulation of knowledge; e) external demand; f) human resources. Since capital that could be used to generate projects and employment in the territory will be of external origin, knowledge and technical progress will increasingly be of external origin - and the smaller the territory, the more this applies - knowledge and technical progress will be embodied in the imported machinery or transferred through the parent company/subsidiary link, exports and non-resident expenditure originate abroad, economic policy and also the land-use management policy are defined by the State, hence the region or territory can only influence this decision-making matrix without ever being able to control it (which does not mean that there are no cases of endogenous growth, both because of the simplicity of a structure and, alternatively, because of its size and complexity).

This capacity to influence exogenous decisions is based on the bargaining and promotional capacity that the territory is able to develop for itself. Complex scientific, political, social, semiotic and trade issues underlie the foregoing affirmation. No less important in this regard is the need for a true cultural change in the way of attracting capital, from passive attitudes (the trapper culture) to highly aggressive attitudes (the hunter culture). With capital now circulating freely through countries and across national frontiers and with technology of similar characteristics available in many areas, the chances of it settling will depend on the fishing and hunting tackle that territories are able to wield and on their skill (the fiscal war between the States in Brazil does not seem to be resented by the Governors who believe they can hold their own in battle, although the common good would seem to dictate that it should be regulated by federal authorities).

The elusiveness of development, according to the "Hirschmanian" vision, seems to depend more on the combination of resources than on the existence of each one of them in particular, or on its material resources. The six following factors of development should be examined: a) resources, including four categories (material, human cognitive, psychosocial); b) actors, i.e., individual, corporate and collective; c) institutions, including the rules of the game and the organizations for bringing this concept into line with the thinking of D. North and the institutional development school; d) procedures, of a societal nature, in particular those associated with government, public administration, and handling massive entropic flows of contemporary information; e) culture, in two senses of the word, as a generic concept based on a cosmogony and an ethic of particular expressions in the territory in question and which now enters into international competition enabling the generation of particularized market niches based on the concrete expressions of that culture (products protected under a registered designation of origin, for example), and as a concept linked to development (the culture of development) with the two polar models that require a virtuous combination, a culture dominated by competition and individualism on the one hand, or by solidarity and cooperation on the other; f) the external context, that is integration of the territory in, and linkages with the State, with the market and, currently with the new (horizontal)modalities of international technical cooperation.

These six factors are not difficult to find in any organized territory, although clearly in different strengths. The important point is that development will not be the result of their mere existence nor even of a figurative aggregate, but of the way in which they are coordinated. This coordination in turn may be of two types: diffuse and without any clear directionality, in which case, development will not occur or close and focused, in which case development will follow a predictable course. Still more important, however, a close and focused coordination could occur by chance (countless examples exist in history that are evidence of wise and
erroneous choices), as A. Peyrefitte (1996) maintains with respect to the first industrial revolution, but also such close and focused coordination may arise as a result of **intervention engineering**, or the application of social intelligence to the set of factors (flour, water and yeast do not make bread but are ingredients that enter into the dough). This intervention engineering is based in part on the **relevant knowledge** thus completing the circular argument.

Scientific knowledge on the "external context" (current determinants for choosing the right site for a proposed development) and the "internal context" (existing factors of growth and development) are simple inputs in the key issue of territorial development. How can one intervene effectively? The accumulation of knowledge should enable the community itself to prepare a work routine on the basis of which a proposal may be worked out which, in the perspective unfolded here, is simply a regional political agenda or a future collective or societal project. When one claims to make civil society itself responsible for preparing the proposal, it is not sufficient to continue to use less complex terms such as "regional plan" or "regional strategy", not for reasons of purism but simply because the two concepts correspond to contexts of much less social complexity, contexts where absolute control of the "milieu" by a single agent (the State, under the old regulatory planning system) or by the hegemony exercised once again by a single agent in a situation where there is power-sharing (the State, in the more contemporary versions of planning from its position in the public sector). It is now a matter of working with a multiplicity of agents with different approaches (not only an economic approach), with constructivist paradigms, with intersubjectivities, with non-material resources, in respect of which economic criteria are irrelevant, creating spaces in which language, conversations and forms of communication take precedence over calculations of percentages, rates and coefficients.

Whereas the practice of cooperation and collective work is self-inventive, the author has, on at least two occasions (1992 and 1995), written methodological proposals that should assist in the "difficult art of regional government". In Brazil, there are also new methodological proposals for the North-East (ARIDAS project) and for Ceará State, in the second case, strongly influenced by the thinking of E. Deming.

One issue that these ideas help to place in its true perspective is the complexity and difficulty of **coordination**, in any real situation. It is not difficult, for example, to imagine that 200 important regional actors have gathered around a "synergetic table". Let us suppose that this meeting takes place towards the end of any year and that each actor is requested to explain the range of possible decisions facing him for the following year; let us imagine that each actor reveals only five options or independent courses of action. The question, now, is how to convert these 1000 options into a **decision-making matrix that is consistent with the collective proposal for the future**, which even there has been worked out. Neither political nor market coordination can solve this enormous problem in a satisfactory way. Lechner (1997), based on studies by Messner, proposes the network **coordination** in contexts such as this. Lechner himself maintains that at present it is through networks that regional development plans are being negotiated. One problem in this respect, in Latin America stems from the lack of trust in social relations at a time when coordination through networks is based, precisely, on trust.

If these methodological proposals are contrasted with the practice of preparing regional development documents, in each one of the thirteen regions in Chile, for example, the shortcomings are evident otherwise the work done would be largely undervalued without any assessment by the State and its agencies, of previous processes of creation and dissemination of knowledge. But a great deal of ground remains to be covered.
In short, globalization as a broad and systemic phenomenon, will produce, on its own, a variety of territorial impacts and effects in each country. Each country can adopt a passive attitude to this phenomenon, which would not be very wise, since it can equally well adopt a proactive attitude which seeks to reverse the terms of the situation, thereby maximizing benefits and minimizing costs. This attitude implies intervening in an intelligent way in certain processes; this intervention assumes the concrete modality of policies of regional/national scope, on the one hand, and policies for promoting growth, on the other. It presupposes an active partnership between the State and civil society in its territorial expression and is based on the relevant knowledge of the territorial and regional questions, i.e., in knowledge capable of revealing the systemic structural complexity of the territory and of each region. There is therefore always an epistemology to be constructed for being on the web and knowing how to be on it.

Theories and metaphors, in short, because that has been the keynote of the this author's personal studies from Regional planning: What can we do before midnight strikes? in 1977, to Fly your kite: a metaphor for a theory of territorial development in 1997 and from Planning a System of regions in 1976 to Elusive regional development: between the "black box" and the political agenda in 1996. Theories and metaphors because science can go hand in hand with poetry for the benefit of knowledge.
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