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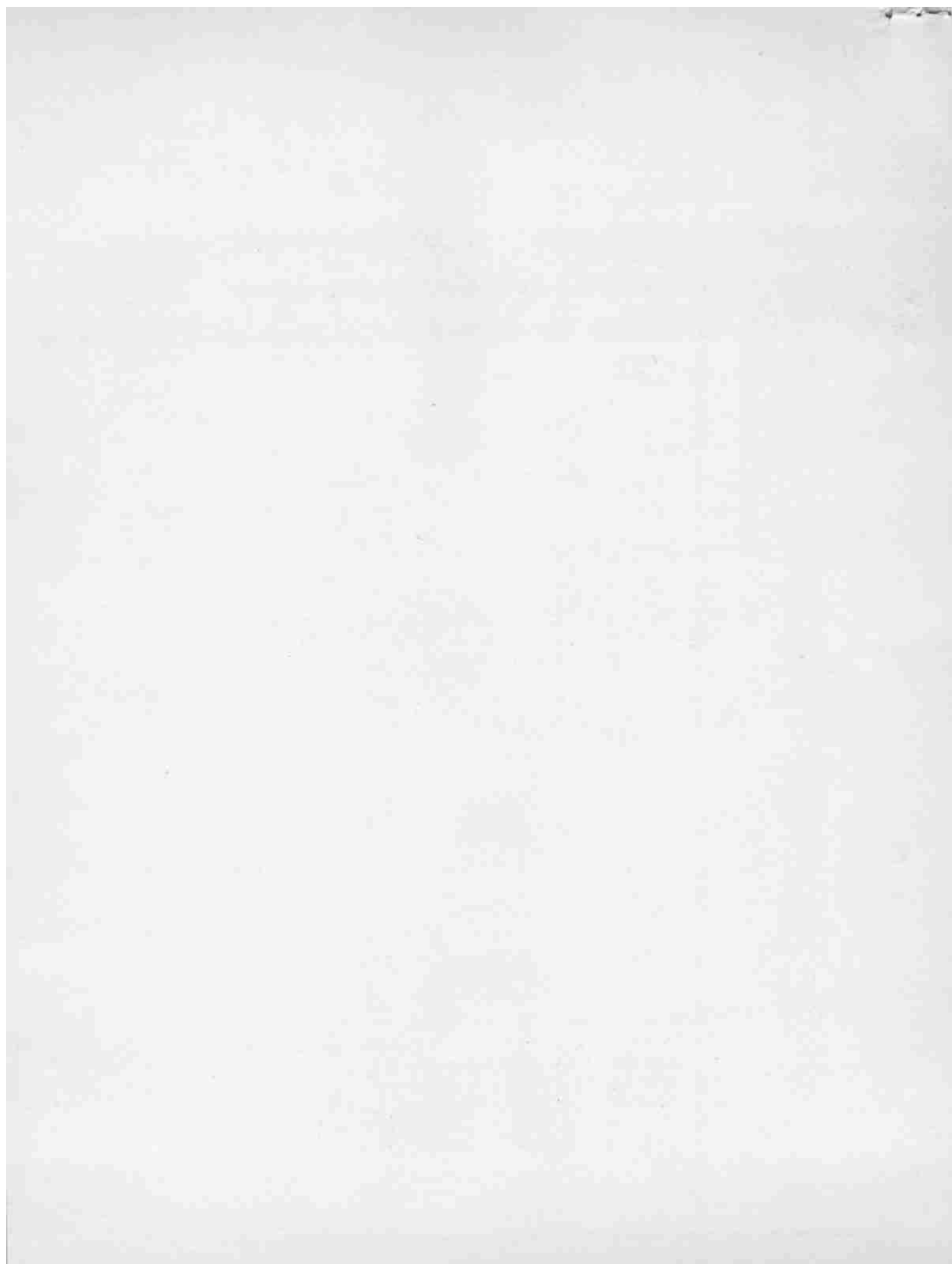
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DEVELOPMENT AS A SOCIAL PHENOMENON AND ITS IMPLICATIONS FOR
SOCIAL POLICY AND PROGRAMS AT THE REGIONAL LEVEL

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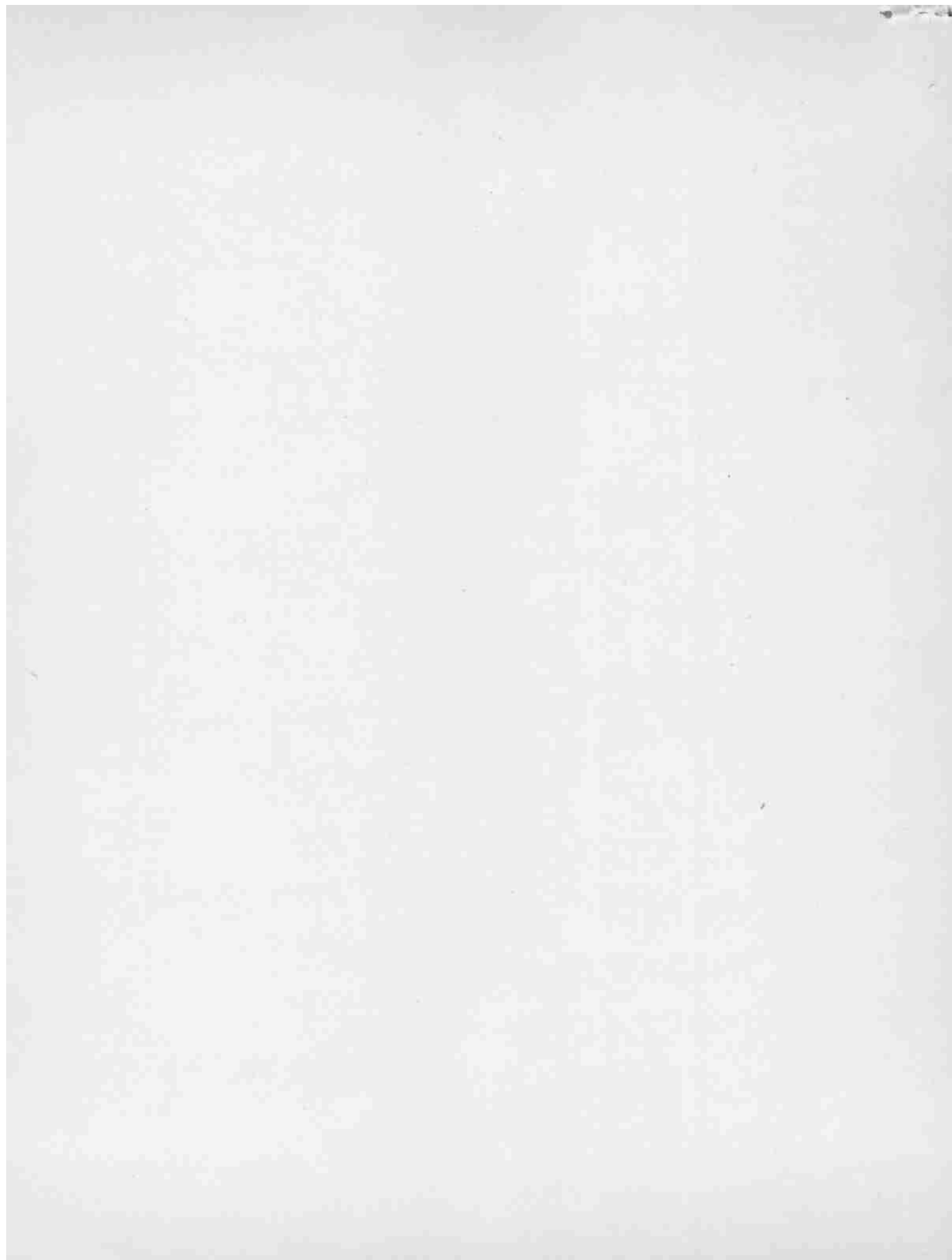
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/FOREWORD



FOREWORD

This article is intended to present a theoretical view of the nature, substance and social dynamics of the development process, and their implications for social policy and programmes at the regional level. It therefore begins by discussing development concepts and their evolution, goes on to explore the role of the region as an organic development unit and the main setting for social problems, and concludes with a number of observations on the regionalization and the scope and aims of social policy.

The development image on which this article is based, the hypotheses regarding local and regional dynamics and their strategic role in quickening the process of development are regarded from a sociological and political standpoint which goes beyond purely economic concepts. This approach has been inspired by the desire to provide more comprehensive interpretation of the complex problems that are part and parcel of the development process in the peripheral countries, which is characterized by sharp social conflicts and structural inflexibilities and limitations. It also attempts to provide a systematic framework for the efforts made by those countries to speed up their development.

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I. DEVELOPMENT AS A SOCIAL PHENOMENON

1. The development process: concepts and their evolution

During the last twenty years, three main models or schools of thought have dominated the concept of the development process and its problems in the less advanced countries, and Latin America in particular.^{1/} The first was based on the idea of growth, and it defined development in terms of the growth rate of per capita income. According to this, the production process and the improvement of productivity were virtually the only subjects of development. Mathematical models were worked out for rational manipulation of the investment-product ratios, and were also used as the basic tools for planning purposes. Planners adopting this approach to development were mainly concerned with the expansion of investment and its effects on the product and employment. The social, political and spatial aspects of development were considered to have little or no significance. The aim implicit in this theory was the country's transition to full capitalism.

The second model regarded development as a five-stage process whereby the country would advance from a primitive to a progressively more modern stage.^{2/} Within that framework, planning efforts were supposed to concentrate on rationalizing and modernizing operational processes. Investment and imports of capital and advanced technical know-how were a decisive dynamic factor. And the explicit aim of those efforts was to create an industrial society in the contemporary Western sense of the term.

The third or structuralist model views development as the progressive incorporation of the different population groups into the systems of production and income distribution, and attaches importance to the transformation of the

1/ An interesting summary of this subject has been prepared by Pedro Paz and Octavio Rodríguez. See Latin American Institute for Economic and Social Planning, "Los conceptos de desarrollo y subdesarrollo" (Santiago, April 1968).

2/ W. Rostow, The Stages of Economic Growth (Cambridge University Press, 1960).

political and social structures which block the achievement of that aim.^{2/} This concept brings out the vital importance of the States rôle as promotor of development, and emphasizes the influence of international market conditions in stimulating or hampering the growth of the Latin American countries. The fact that this structuralist model has not yet been fully developed may explain why the image of the society that it is attemptive to create is still unclear, although its proponents all agree that it will not necessarily be capitalist in nature.

The experience gained by the under-developed countries during the last twenty years in development diagnosis, planning and policy-making suggests that the first two models based on growth and phasing have serious limitations as far as interpreting and dealing with Latin American development problems are concerned. The structuralist model is better suited to the analysis of these problems, and offers a clearer conceptual

3/ The positive contributions of the structuralists consist in a pragmatic attempt to diagnose the problems of the Latin American region, identify the structural and institutional bottlenecks, and bring about radical changes in the policies adopted to remedy them. As far as their theories are concerned, the structuralists are best known for their diagnoses of structural shortcomings, and for their belief that obstacles, bottlenecks and internal disequilibria are responsible for the sluggish rate of growth in Latin America. Some of the proponents of this school of thought differ in the relative importance that they attach to each factor, but all of them agree that the difficulties are basically of two kinds: of external origin such as adverse terms of trade and a limited capacity to import, and of internal origin, such as rapid population growth, premature urbanization and the expansion of the services sectors, a backward agricultural sector, limited domestic markets, inefficient tax systems and politically important changes in the class structure. The structuralists have no common list of structural disequilibria and obstacles, since circumstances vary from one country to another and over time, but the ailments they describe are endemic (James H. Street, "Estructuras e instituciones: un puente hacia la teoría del desarrollo" El Trimestre Económico, vol. XXXIV, (4), N° 136 (México, October-December 1967), pp. 564-565.

basis for policy and strategy formulation.^{4/} Although its approach may have been pre-eminently economic, it comprises the essential conceptual and ideological elements for a more comprehensive interpretation of the phenomena that are inherent in the development process, particularly in the less advanced countries. Its frame of reference must therefore be broadened and deepened to cover not only the problems of the production system and income generation but other equally important aspects as well.^{5/} These should include the key role played by social and political structures in encouraging or impeding development, the decisive part played by the individual and the community as the twin axes of development, the social

^{4/} This approach has been largely developed by ECLA, and economists associated directly or indirectly with ECLA. It has been consistently followed in the ECLA studies included in the series published annually since 1948 under the title of Economic Survey of Latin America, and in all other reports on the different economic sectors (see for instance, "ECLA and the analysis of Latin American development" (E/CN.12/AC.6/10), Santiago, Chile, March 1968). Among the authors, the best-known are Raúl Prebisch, Towards a dynamic development policy for Latin America (United Nations publication, Sales No 64.II.G.4) and "The economic development of Latin America and some of its principal problems" (E/CN.12/680/Rev.1) (1950); Aníbal Pinto, Chile: una economía difícil, (México-Buenos Aires, Fondo de Cultura Económica, 1964; and Celso Furtado, Dialéctica del desarrollo, México, Fondo de Cultura Económica, 1955).

^{5/} José Medina Echavarría "Economic development in Latin America. Sociological considerations" (E/CN.12/646) (ECLA, 1963), and Filosofía, educación y desarrollo, textbooks of the Latin American Institute for Economic and Social Planning (México, Siglo XXI, 1967); Gino Germani, Política y sociedad en una época de transición (Buenos Aires, Editorial Paidós, 1968); Osvaldo Sunkel, El marco histórico del proceso de desarrollo y de subdesarrollo, Cuadernos of the Latin American Institute for Economic and Social Planning, II Series (Santiago, Chile, 1967); Fernando Cardoso and Enzo Faletto, "Dependencia y desarrollo en América Latina", Latin American Institute for Economic and Social Planning, preliminary version (Santiago, Chile, October, 1967); Pedro Paz and Octavio Rodríguez, "Los conceptos de desarrollo y subdesarrollo", Latin American Institute for Economic and Social Planning, preliminary version (Santiago, Chile, April 1968); and Rubén D. Utría, "Introducción a los aspectos sociales del plan general de desarrollo de Colombia", Administrative Planning Department (Bogotá, November 1961).

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dynamics or intensive process of social mobilization and action entailed by development, and the interrelationship between the various factors and changes involved in development.

Hence, it is worth while to try to determine a little more clearly what the structuralist model or image of development is at this particular moment in Latin America's history. This attempt will inevitably meet with formidable obstacles, mainly because of the inadequacy of the tools available for social analysis, particularly as regards the integration of values and the dynamic forces in national society.^{6/}

6/ In this respect, José Medina Echavarría points out that sociologists could construct the desired model on similar lines to those of an economic model if they had a set of accurate hypotheses on the mechanisms that bring about the relationships of interdependence and those which are supposed to produce a system of balanced relationships. In such circumstances the variables included in the model could be handled as true functions; and thus, used in conjunction with exact forecasts, virtually any one of them can serve as a starting point. However, without wishing to provoke controversy, it must be confessed that the necessary knowledge is not yet available and that the conceptual precision that sometimes distinguishes sociological theories of a functional kind is attributable to an underlying tautology (See Filosofía, educación y desarrollo, op.cit.).

2. Development as a process of social change

National development, in the broadest sense of the term - and viewed from sociological and political angle - might be described as the continuing or institutionalized process of change and improvement in the basic structure and process of society which is a constant source of social progress. This is an intensive, complex and self-sustaining social process through which the individual and the community climb steadily out of their subsistence conditions and work actively, deliberately and along organized lines for new and better forms of existence. We have here a case of social and economic dynamics in which the national community, with its population, economy, and social, cultural, political and socio-geographical structures, acquires a self-generating capacity for progress based essentially on the progressive and sustained development of its resources and potential. In this dynamic process the country makes full use of its human, economic and physical resources; steadily improves its production machinery; adapts and expands its socio-geographical space; progressively increases income and improves income distribution; steadily raises the population's levels of living; and creates real conditions for the legitimate exercise of individual and collective freedoms, and for safeguarding human dignity and achieving of aims of the individual and the community. ^{7/}

^{7/} Conversely, the term "under-development" might be used to describe those historical phases in which a country or a community remains relatively inert, incapable of making economic and social progress and, therefore, of meeting the popular demands generated by population growth, urbanization and public expectations and requirements, and stimulated by the demonstration effect of the richer countries and social strata. Within this frame of reference, rather than "developed" and "under-developed" countries, it is more appropriate to speak of developing countries and static or under-developed countries as a means of differentiating between those which have achieved sufficient dynamic force to progress and raise their levels of production and of living - as the "industrialized" countries have done - and those which have remained at a standstill. The difference between the developing countries in terms of the stage of industrial development and the degree of modernization achieved and the income levels attained would thus constitute a quantitative problem of development levels.

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Within this concept, the subject of development is the continuing, accelerated and institutionalized process of change in the individual and the community, in the structures created by them, the socio-geographic space, the nature of the social, political and administrative relationships governing these factors, and the methods used for absorbing the results of such changes and profiting by them. Seen from this angle, the processes by which the changes are incorporated in institutions and spread, taken as the basic feature of a country's social dynamics are the essence of development, and they help to differentiate it from merely transitional situations or crises which generally affect only parts of the social structures. 8/

The key ingredients of this broad process of change are the energy and potential of the individual and the community which they use not only to perpetuate themselves in space and time, but primarily to give a sense of value to human existence and to keep their eyes steadily on the new horizons ahead. These are the latent forces which have always driven mankind along the road to economic and social progress and which, freed and set in motion

8/ These are certain asynchronous changes that take place in some countries, particularly in Latin America, which not only do nothing - or almost nothing - to alter the situation of under-development and dependence, but often aggravate it. This happens in the case of rapid urbanization. In some specific instances, the modernizations of commercial services and certain artificial processes of industrial development may also be included in this category.

by certain situations, have always provided the motive force for historical events. 2/

The new social dynamics - which is the subject of development and provides the atmosphere in which change and other phenomena of the process emerge and are set in motion - is rooted in certain historical situations. These situations generally arise in a setting where the crisis in the traditional structures and institutions has deepened and they are incapable of meeting social requirements and ensuring progress. They acquire their own dynamics from the structural changes which eliminate the main obstacles and rigidities hampering development and create favourable conditions for economic and social progress.

2/ The dynamics of society described here, which has been recognized and studied by many sociologists, both classical and modern, has been approached from various angles. For example, in 1851 Auguste Comte spoke of society's transition by successive stages to a "positivist society" as an inherent phenomenon of society (Systeme de Politique Positive, ou Traité de Sociologie Instituant la Religion de l'Humanité, (Paris). In 1857 Herbert Spencer formulated a "law of progress" which leads society along the paths of freedom, security and wealth ("Progress, Its Law and Cause", Westminster Review, London, 1857). In 1883 Ward referred to an "aggregation law" as the mechanism for transition from the stage of a "cosmogonia" to that of a "sociogonia" in which man controls society and achieves supreme well-being and happiness. Karl Marx in 1848 (Class Struggles in France 1848-50) and in 1867 (Capital) and Frederick Engels in 1885 (Germany: Revolution and Counter-Revolution) developed the idea that the internal contradictions of social systems are the promoters of change and emphasized the role of class struggles in the process. In 1919, Gustav Landauer spoke of the challenge of utopias to the existing social order or "topia" as an instrument of social progress and outlined his concept of "revolution". In 1941, Karl Mannheim (Ideology and Utopia) also analysed utopias and their power to destroy the existing order as an instrument of change. In 1947, Arnold Toynbee stressed the part played by the schism in social change and the importance of the organizations of society in the progress or decline of civilizations (A Study of History, London). In 1957, Pitrim A. Sorokin analysed the importance of values and ideas in the process of social change (Social and Cultural Dynamics, Boston); and there are many others.

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For the dynamics of development to be a continuing force, certain requirements must be met. First, the efforts and stimuli which make for the creation of more wealth and for a more equitable distribution of income must be steadily increased. Secondly, the community must develop its capacity to make rational adjustments and improvements in its institutions in line with the new and changing situations and needs created by development. ^{10/}

The concept of structural change goes far beyond the incidental modifications which affect only operational or organizational processes, and those which may operate more or less artificially in some isolated sectors or areas. ^{11/} It covers the permanent and fundamental changes which affect vital social processes. Such changes should involve a process of quantitative and qualitative expansion on a sufficient scale to modify structures and institutions, enabling them to meet new and continuing social needs, and to impel the community to move steadily and at an accelerated tempo towards new and better levels of living and social conditions.

If these changes are to be authentic and fully consolidated, the development process must operate under certain conditions. First, the

^{10/} In discussing this subject, L.J. Zimmerman says that this explains why, in the past, most societies - both directing and directed - have been unable to adapt themselves to new and profoundly different conditions. The history of man he says, is a succession of great civilizations which ended in disaster because of their inability to meet the challenge nationally and willingly and in a properly planned way. Some civilizations disappeared because of changes in climatic conditions, trade routes, etc. The quotes Fromm is saying that even when circumstances were completely and flagrantly at a variance with their whole structure, such societies went on blindly trying to follow the same way of life until they were no longer able to do so (Poor Lands, Rich Lands, The Widening Gap (New York, Random House, 1965)).

^{11/} In particular, the so-called "economic enclaves" or industrial nuclei in under-developed areas, which operate at a high technological level and are generally foreign-owned, such as mines, plantations of industrial crops, etc.

changes must be dynamic enough to impel society forward along a progressively accelerated course. Secondly, there must be consistency in or a harmonious interrelationship between the whole range of economic, political and social factors involved in development. The different changes should also be complementary. ^{12/} Thirdly, the changes must be self-generating, that is, they must be the culmination of an internal complex of situations favouring such changes, instead of resulting merely from artificial situations, or from stimuli and motivations which are unrelated to the actual effort of the community.

This dynamic, consistent and self-generated process of social change simultaneously affects all key aspects of society - the economy, the social stratification, the culture, the political institutions and the occupation of space - and also all the images, attitudes, motivations and institutions deriving from such structures. This forms an intensive and articulated process of sequence of closely interrelated social factors in which each is at one and the same time with the cause and the effect and they all interact on each other. Although these changes are simultaneous and complementary, this does not mean that they all necessarily take place within the same unit of time, but are spread over a medium-term historical span.

Changes in the economy

In the economic sphere, changes take place in the basic aspects of the productive apparatus and are directed toward obtaining a bigger and better output with a view to accumulating more and more surpluses. ^{13/} These changes include changes in the structure of production, which affect the traditional forms of organization and production, in the type of goods and

^{12/} Some writers rightly maintain that the changes occurring in the industrialized countries have been asynchronous. (See, for example, Gino Germani, Política y sociedad en una época de transición, particularly the chapter entitled El análisis de la estructura en proceso de cambio.) In this respect, a clear distinction must be drawn between the "periods of transition" which are the subject of this excellent study, and the "dynamics of institutionalized changes", which are suggested in the present study as the image of development.

^{13/} This is perhaps the best known aspect of the dynamics of national development.

services produced, in the origin, volume and handling of inputs, and in market management; radical changes in the sectoral composition of production, such as the progressive predominance of manufacturing over agriculture and services; replacement of primitive and artisan technologies by others of a semi-industrialized or industrialized type; transition from production predominantly of raw materials to semi-processing or industrialization, from simple to complex products, from small individual investments to the concept of large collective investments, from the use solely of domestic resources to the absorption of supplementary external resources, from small local markets to wide international markets; changes in the pattern of territorial location of the economy and regionalization and regionalized specialization of industrial nuclei. In other words, the whole structure of production is subjected to an intensive process of change designed to increase and improve production capacity and to incorporate new human, economic and technological resources.

Each change in the production process is accompanied by a change in the structure of employment. Each new technology requires a new skill; each new organizational process requires a new attitude and new training; and as the production fronts broaden and become more complex, so also does employment.

At the same time, as a result of such changes, the income structure is also radically transformed: the steady rise in productivity generates appreciable increments in domestic income; and with the widening of the labour front, new sectors are incorporated in the income distribution process; the increase in productivity and the bargaining power of the trade unions generated by industrial development facilitate wage increases; the increase in personal income facilitates a process of redistribution through the tax system and public investment. The result of this progressive incorporation of new sectors in the income distribution process is an increase in the purchasing power of the masses, with a consequent expansion of the markets. This situation simultaneously provides real possibilities for further expanding the production system, and thus the incorporation of new sectors of the population in the economy is assured.

There is one basic condition for all these changes: that the economy should function essentially as an instrument of national development, which implies the prior definition of a socio-economic policy and strategy for

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accelerating genuine development. This means, first, that it is necessary to throw off the yoke of external dependence typical of under-developed economies which means that decision-making is out of their hands and causes the results of the countries economic efforts to be sucked up by the highly developed nations; secondly, that economic development should follow models and strategies that favour social, cultural and political development. ^{14/}

In this atmosphere of successive and interrelated changes, economic development acquires its own-dynamics. To the extent that the economy is absorbing more of the population and more territory and is producing more and better goods and services and the production processes permit a more equitable distribution and redistribution of income, the community is in full process of development as far as its economic structures are concerned.

^{14/} In certain cases, as occurs in the Latin American countries, the industrial development model and strategy may help to consolidate external dependence, use less labour, generate goods and services which are virtually inaccessible to the low-income sectors, or concentrate economic space. It may so happen, too, that at a given moment the process of accumulating surpluses may serve as a basis for the concentration of income or the flight of capital.

Changes in the social structure

Parallel with the above - and as the cause and the effect of the changes in the economy - the social structure is significantly affected. First, social stratification is the object of a process of social mobility, both horizontal and vertical.^{15/} The rural worker who, instead of being chained to his subsistence economy, is absorbed into semi-industrial or industrialized production activities, and the urban marginal and under-employed population that becomes associated with medium- and high-productivity fronts, are involved in a process of upward social mobility. The skilled worker who through demands for social improvements and a slow but steady increase in income educates his children and alters his pattern of living is undoubtedly on his way up the social scale. The professional who can raise his standard of living and at the same time save and gradually acquire a small amount of capital is becoming socially mobile.

Another aspect of these social transformations is the changing distribution of the population. As the urban economy is strengthened and the cities grow into dynamic nuclei of industrial development, they become more attractive to the rural masses. Moreover, as agriculture is mechanized, manpower becomes redundant, and this accelerates migration to the towns. From the standpoint of social change, urbanization is essentially a process of modernization in the life of the rural workers and in some degree enables them to be more rapidly absorbed by the economy and into national life.^{16/} Of course, this transition is not always the result of economic development. As occurs in developing countries, it may be brought about by negative situations in the agrarian structure, such as inflexible systems of land tenure and out dated social relationships. This may cause a population shift from rural to an urban setting for which the country is unprepared, and this is precisely what

^{15/} See Bernard Barber, Social Stratification, particularly chapters XIV-XVII.

^{16/} See Anibal Quijano, El proceso de urbanización en América Latina, ECLA, Social Affairs Division, 1967, and Urbanización y tendencias de cambio en la sociedad rural en Latinoamérica, Santiago, Chile, 1967.

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is happening in the Latin American countries.^{17/} In these circumstances, what occurs is nothing like upward social mobility; on the contrary, there is no improvement or even an actual deterioration in the people's living conditions, in their integration with the community and the social order, and in their incorporation in political life. Conditions for integration in the structure of the economy thus become as difficult in the urban as in the rural setting. On the other hand, when the development process takes the form of consistent and sustained changes, urbanization operates as an extremely favourable modernizing process.

Another characteristic change in the development process is an improvement in levels of living. Levels of living reflect all the answers given by a community or the various individuals and families to each of the vital subsistence needs and to social needs in general. It is a well-known fact that the main components of the level of living are health, food, housing, education, social security and recreation. One of the most significant changes in this area is a steady and systematic rise in the levels of health, education, etc., of increasingly large sectors of the community; the number of illiterates drops; access to secondary, university, technical and intermediate-level education becomes easier; sanitary and health services are expanded; housing conditions improve; more and more sectors are covered by the social security system; and so on. In other words, there is a gradual transition to improved levels of living and better social conditions.

Concurrently - and also as the cause and the effect of development - changes take place in the relations between the various social classes. The more under-developed a country is, the more unsatisfactory and general discouraging will be the relations between the different social groups. As changes occur in the economy and the social, political and cultural order,

^{17/} See Marshall Wolfe, "Some implications of recent changes in urban and rural settlement patterns in Latin America" (WPC/WP/66), a paper presented at the World Population Conference (Belgrade, 30 August-10 September 1965) Rubén D. Utría, "The housing problem in Latin America in relation to structural development factors", Economic Bulletin for Latin America (New York, United Nations), vol. XI, N°2 (October 1966); and Jacques Dorselaer, "Quelques aspects régionaux du phénomène urbain en Amérique Latine", Civilisations (Brussels, Institut International des Civilisations Différentes), vol. XVII, N° 3, (1967) pp. 81-110.

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these relations improve significantly. One typical result of this process is the emergence of the middle classes and their eruption on to the political scene, as a direct result of the improvement in levels of income and education.¹⁸ Another is the active and organized presence of the working classes - urban and rural workers - as a decisive factor in social relationships. All this means that the predominance of the traditional ruling classes and groups is at the same time becoming proportionally weaker, and the result is a decisive change in the social structures.

All these changes on the institutional and collective plane are reflected in changes in social roles, status, values and patterns, with consequent repercussions on the individual. Hence, they are also reflected in significant changes in individual personality and behaviour.^{19/}

Changes in culture

A country's culture, which is a synthesis of all the vital experience of individuals and of the community, undergoes the same process of change as that which affects man and the social structures during development. Innovations in the methods of production are the result of the emergence and assimilation of new cultural values; the professional, technological and administrative activities involved in the new production and consumption processes imply new roles, attitudes and procedures. All this also implies that the individual and the community push forward on new creative fronts in the scientific, technological, traditional craft and artistic fields.

^{18/} See ECLA, El desarrollo social de América Latina en la postguerra Buenos Aires, Solar-Hachette, 1965, particularly chapter IV, "Los nuevos grupos urbanos; las clases medias", and chapter VI, "Las nuevas ideologías y la acción política".

^{19/} See, for example, Erich Fromm, The Sane Society (New York, Rinehart and Co., 1955).

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Thus, as the cause and the effect of development, the whole culture changes: there are changes in values, in human activities, in the quantity and quality of the objects and processes created by man, and also in the forms and habits of living and the patterns and standards of individual and collective behaviour. The clearest and most convincing indicators are to be found in the cultural sphere: changes occur in consumption habits, transport facilities, clothing, forms of expression in the plastic arts, music and literature; in customs, procedures and rites; in language and systems of communication; and, through these very changes, in the urban and rural surroundings as well. The horizons of human endeavour also change radically: there is more interest in science, and both national and foreign technological advances are systematically assimilated. Scientific, cultural, economic and political frontiers extend beyond national boundaries to the depths of the sea and the heights of outer space. All this produces new images - more favourable to development - of production and consumption, the organization of social relationships, the orientation and administration of the State and, in general, the whole physical, biological and social universe which surrounds the individual and the community.

Changes in the political structure

Social mobility, progress in education, and the presence of new social groups cause new attitudes, stereotypes and motivations relating to the handling of public problems and the protection of class and group interests, to emerge on the political scene. In the first place, the whole complex of values, attitudes and political motivations is not the same for a marginal peasant as for an agricultural worker, for a marginal city-dweller as for a trade union worker in industry. Secondly, in step with the aspirations of the rising new groups, new leaders, new parties and new methods of political action make their appearance. Other groups to emerge on the political scene are workers' trade unions, employers' organizations and citizens' associations.

The progressive weakening of the traditional leaders and parties and their replacement by new pressure groups indubitably represent an actual

/or potential

or potential alteration in the power structure and an important change in the rules of the political game. This process of change speeds up as the social mobility produced by transformations in the economy and culture permit a significant expansion of the middle-income strata of the social pyramid, with a progressive reduction of the working class and marginal strata at its base, and a steady contraction in the top strata. At the same time, with the access of the lower- and middle-income sectors to the power structure, the stage is set for a more expeditious handling of the changes required by development. This makes it easier for the economy to adopt models and strategies which make for a quicker intake of the population in the production machinery and in a more equitable system of national income distribution.

Thus, transformations in the power structure come about as a result of the greater political awareness and mobilization of the masses, the speeding up and strengthening of the procedures at their disposal for pressing their claims, and the replacement of the traditional leaders and parties defending the status quo by those supporting structural change and accelerated development.^{20/} The innovations on this plane are also continuous and must respond to the constant changes in social stratification which are stimulated by improvements in living levels and social conditions and take place in step with the population's hopes and expectations, which have been raised by the realization that development has come to stay.^{21/}

^{20/} Orlando Fals-Borda gives an interesting sociological interpretation of the changes in political attitudes, in his book La subversión en Colombia y el cambio social en la historia Bogotá, Tercer Mundo, 1967.

^{21/} The continuity of these changes explains some of the present social and political conflicts affecting such industrialized countries as the United States, France, Germany and, to a certain extent, some of the socialist countries. Two studies are worth mentioning in this connexion: Michael Harrington, The Other America, Poverty in the United States (New York, Macmillan, 1962) and Jean-Jacques Servan-Schreiber, Le Réveil de la France (Paris, Denoël, 1968).

Changes in the socio-geographic structure

Transformations in this context represent a change in the socio-geographic structure and a broadening of the socio-economic front.

In the former case, the changes affect the system and forms of human settlement or occupation of the geographical space; new development centres and axes emerge, the urban network is progressively extended, new cities and urban nuclei are established and others decline or disappear. In the latter case, the economically active space steadily expands as it seeks to absorb all the available natural resources. The territorial limits of socio-economic activity are pushed outwards to the periphery of the poles and axes of development, in the quest for new areas of activity and wealth. There is intensive economic exploitation of the mines, sources of hydroelectric power, river basins, and forests. There is a revival of activity in the depressed areas and unexploited areas are incorporated in the country's production; in both cases the market expands significantly.

As the cause and the effect of this whole process of socio-geographic change, the economy is diversified and relocated organically over the national territory, forming specialized production regions or units according to the local resources. Specialized grouping of this kind lead to a new pattern of regionalization and the establishment of a new network of markets and flows of resources, and determines new systems of social, economic, political and cultural relationships and communication, which give rise to changes in the power structure. All this is reflected in greater administrative decentralization and in a strengthening of local and regional initiative and power. This is accompanied by a healthy distribution

/of national

of national resources and income, which strengthens and consolidates the decentralization of development. The final result is that the local and regional cultural values merge at the national level.

This is conducive to the gradual removal of regional inequalities and a greater integration of the resources, interests, initiative and motivations of the various regions in a country, and thus to a new national image. All this represents regional development and, therefore, a modification of the pattern of national development which entails significant changes in the forms and trends of population nuclei.

3. The interrelation and coherence of social changes

The foregoing description of specific changes shows clearly that the changes taking place in the economy, social stratification, culture, political institutions and socio-geographical space are all closely interrelated. Each change is associated with concurrent or preceding changes in the other aspects, so that the development process operates in practice like a complex system of communicating vessels in which every alteration in the economy affects the social, cultural, political, spatial and other orders, and vice versa. The more the changes form part of the real dynamics of a development process, the greater is the interrelationship.

It is clearly impossible to force social phenomena into an inflexible mould, and this is equally true of development, which is pre-eminently a social process. It is necessary to be both cautious and objective if the same global view of development dynamics is to be used to interpret national and local phenomena. For instance, some aspects may change more rapidly than others in certain cases, but this can happen only if they are

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made to do so artificially or temporarily, or if, on the contrary, their transformation is firmly grounded on seemingly imperceptible processes of change.^{22/}

An important corollary to the foregoing considerations is the postulate that intensive and sound economic development cannot reasonably be expected without social development as a foundation, and its converse, that there can be no real social progress without basic financing through sound economic development. A high level of social development cannot be maintained unless the economic structure is capable of financing a high level of living. And that kind of level cannot be achieved or kept up without structures of production, employment and distribution of goods and services that can generate the necessary components and financing. A further corollary is the inconsistency and invalidity of all the policies and strategies that are framed for Latin America on the assumption that development will take place if investment is stepped up in certain dynamic sectors of the economy and at a few points in the countries socio-economic space. This can also be said of the policies and strategies that concentrate investment and planning efforts almost entirely in the public sector, to the exclusion of all private activity. These premises underline the comprehensive nature of the development process at the national level, in which both

^{22/} When this question is under discussion, it is often objected that radical social changes have taken place in the countries of the southern cone of Latin America - Argentina, Chile and Uruguay - which have not derived from favourable changes in the economy. It should be remembered, however, that the significant social progress made there dates from many years ago - in fact, from the period when the international market situation for meat, wool and other agricultural commodities in the case of Argentina and Uruguay, and of nitrate in the case of Chile, gave a vigorous fillip to the economy and raised national income substantially. The process of development in those countries began to falter and finally stagnate precisely when they lost their footing on those markets. In any event, this example bears out the postulate that the changes must be self-generated and open to consolidation if external events are not to exercise a decisive effect on national development.

economic growth and social progress play their part.

4. The role of the individual and the community in development

At the heart of this convoluted process of structural change are the individual and the community, which constitute the main nuclei of development and have the triple role of subjects, objects and beneficiaries of development.

As active subjects, they constitute the prime mover, the creative force and the hub of change. They transform natural and economic resources plus human labour into goods and services; they create, modify and perfect institutions, formulate and launch development programmes, policies and strategies, and improve technologies, increase productivity and use the goods and services produced. It is they who climb the social pyramid towards new and better positions, and who change and raise their level of living and social status. They shift from rural areas to the towns in search of greater opportunities, and equip themselves to take part in the production process and national life. They change the political structures, produce new leaders, formulate new ideologies, organize new parties and pressure groups and lay down guidelines for public institutions. Lastly, it is they who modify their culture and create around them a social, cultural, institutional and physical universe that accords with their own concepts, values, attitudes, motivations and skills.

On the other hand, the minds, emotions and abilities of the individual and the community regarded, as the objects of development, are influenced and altered in the course of the extensive and complex process of change involved in development. Each technological innovation, new product, organizational process, new institution and new interest has its repercussions, and helps to shape new images, motivations and attitudes in the individual and the community. In this sense, their active participation in the process is both cause and the effect of development. And it is this fruitful duality that provides the environment and the dynamic force that are required for development.

The individual and the community are also the end or raison d'être of the acceleration of the growth process. All the resources involved and efforts spent in its acceleration are intended to benefit them, and to facilitate
/their achievement

their achievement of new and better living conditions. Man and community are thus the beneficiaries and final recipients of the development process. It is they who benefit from increases in income, from the expansion of the educational, health and social security services and from improvements in housing conditions, and they too who gain by the new conquests in social relations and in political institutions and behaviour.

Generally speaking, changes in the economy, levels of living and other aspects of national life are not an end in themselves but are means or instruments for enabling man to develop and to fulfil his destiny. Moreover, the transformation of the economy, politics, the social structure, the culture and the socio-geographical space entails prior or simultaneous changes in the minds and emotions of the individual and the community. This conviction has led to the redefinition of development on a broader basis as a process of structural change carried out by the community itself in accordance with the modifications that occur in its images, attitudes and motivations.^{23/}

This is true because production does not change without an entrepreneur, a producer, an organization, technical abilities and a disciplined and well-trained labour force. For the process to be set in motion there must be a community that is motivated and trained for development. But the individual and the community cannot be inert and passive they must have a positive outlook, deep-rooted motivations and a capacity for action that is drawn upon to the full. Some inputs, such as certain capital goods and some aspects of technical know-how have to be imported, but the dynamic force required to spark off the productive processes must be generated in the community itself if the changes are to constitute true advancement.

The importance of the role of the individual and the community as agents of change indicates that popular participation is one of the key factors in development.

^{23/} The central role taken by the community does not detract from the importance of certain exogenous incentives and stimuli in internal development, but emphasizes the vital importance of the individual in mobilizing and using all the resources available, whether internal or external.

An appreciation of the key role played by the individual and the community as the poles of the development process does not mean simply that yet another political slogan has been born. Such recognition springs from the growing understanding of development problems, particularly in the less advanced countries. Up to a few years ago, it was believed that the responsibility for the acceleration of national development lay with "men of destiny" or managerial élites. It was also regarded as a simple matter of intensifying certain key investments. At the same time, stress was laid on the vital importance of technological innovation and the modernization of services. More recently, many political and technical groups have claimed that development depends upon the establishment of planning systems and the execution of national plans. But, none of these factors in itself has proved a sufficiently dynamic force. If the reasons for the failure of these efforts are sought, it will undoubtedly be found that the lack of real popular participation in the formulation and implementation of plans and programmes was a decisive factor.

Recognition of the importance of popular participation in the development process is bound up with faith in the peoples' ability to force their own destiny.

/II. THE KEY

II. THE KEY ROLE OF THE REGION AND ITS IMPLICATIONS FOR SOCIAL POLICY AND PROGRAMMES

1. The region as the organic unit of national development

This intricate series of social phenomena linked with development - which at the national level seems to be but an abstraction - acquires concrete form and effectiveness at the local level, i.e., within the context of a community located in a territorial unit, or a population occupying a specific amount of geographical and economic space. It is at this level that the major part of development resources and processes are concentrated, whether they are of local, national or extra-national origin. Variables of a social, economic, historical and geographical nature combine into complex social processes and converge and meet at the local level.

Within this context the individual and the community live in a complex world of values, attitudes, motivations and abilities; technology combines with natural and economic resources to create goods and services; the processes of acquiring, distributing and redistributing wealth are set in motion and the machinery of consumption and savings begins to function; here, too, many social, cultural and political institutions operate, social relationships have their setting, and individual and collective interests meet and conflict. In this context, too, man exploits, transforms and conditions geographical space and expands the boundaries of socio-economic space.

At the local level, boundaries shrink or expand, first, as a result of variables which are inherent in the community, secondly as a result of variables inherent in the geographical space it occupies the economic development model it has adopted, its part history, etc. and , thirdly, in response to political and administrative stimuli and curbs from outside the region. In the first case, the changes which occur are in proportion to the size and level of development of the population. In the second, the changes occur only insofar as the resources and geo-physical characteristic which make the locality a geographical unit are present throughout the

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territory it occupies. In one sense, these characteristics operate more as constant or autonomous values, and they may sometimes be a limiting factor. In the third case, expansion may be induced by the central government through its regional development policy, or as a result of some other political or economic stimulus from outside the region. The same factors may also have an adverse effect and slow down regional development. In the third case, expansion occurs mainly when the economy has reached a self-sustaining stage of development and has abandoned the externally oriented model or dependence on national or foreign poles which control decision-making and are a drain on its resources and population. In general, the local physical boundaries - the socio-geographical boundaries - only actually expand to the extent that the community is capable of using the geographical space and its resources in its own development process. Through this process of expansion and development, the original locality gradually expands towards other localities, absorbing them in some cases and extending them in others, until a regional development complex, or a region, is formed. As is well known, the form and features of this process of expansion vary. In some cases it gives rise to a network of small and medium-sized interconnected urban nuclei which are largely dependent on a large administrative and development centre or pole, when expansion is centripetal. In other cases, the expansion occurs through a gradual process of growth and urbanization, when a large centre absorbs all the surrounding urban nuclei to form a conurbation, in which case it is centrifugal.

As the regional community and its natural resources are simultaneously developed, social institutions are improved and strengthened and the economy expands beyond its requirements in terms of internal consumption. The production net work acquires a capacity to export and at the same time imports raw materials and capital goods from outside the region. When this happens, the region has acquired the dynamic force it needs to speed up its development.

As exports and imports increase, with favourable effects on the internal economy of the region, and as the human and institutional resources which these processes involve are mobilized, the region acquires the dynamic force it needs for self-sustained growth and development.

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Then, depending upon the resources, the vocation, the characteristics and features of the regional community or grouping, and also depending upon exogenous stimuli and influences, the region tends to orient its development in a certain direction and to specialize. Because it specializes, the region then has a clearly defined part to play within the economy as a whole which also means that it has clearly defined status as part of national life. In practice it becomes a kind of specialized organ within the institutional framework of the country and is of key, secondary or marginal importance, depending upon the dynamics and the level of its development, and also on the strategic importance of the specialized sector.

Through this process, which basically begins at the regional level, the national economy is concentrated either on one predominant region as happens in under-developed countries, or on an articulated array of specialized regions, as happens in the industrialized countries. This means in principles that development is generated basically at the regional level and that for many reasons the region plays an important role as the organic unit of national development. Conversely, national development comes to be a combination of development in the various regions.

The outstanding role of the region is more noticeable in underdeveloped countries - especially those of Latin America - where for different reasons national development is generally concentrated in one or two predominant regions surrounded by a broad peripheral area which is either empty or marginal^{24/} It is less important in the industrialized countries, which normally do not have such pronounced regional differences. In such countries, the regions are interrelated to a high degree through the basic infrastructure and an articulated production network, with its ebb and flow of services, and this, together with administrative and operational decentralization, gives the economic space the appearance of a continuum or an integrated whole.

^{24/} See W. Stöhr and P. Pederson, Urbanization, Regional Development, and South American Integration. The Ford Foundation, Urban and Regional Development Advisory Programme in Chile (Santiago, April 1968).

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This is particularly true for small and medium-sized industrialized countries particularly those of Eastern Europe, less so for very large countries like the Soviet Union or the United States.

These characteristics and the region's fundamental role as the organic unit of development, make regional dynamics and the approach to regional problems of highly strategic importance in terms of national development policy and of the efforts specifically aimed at speeding up development. From this standpoint, regional and local dynamics can be taken as both the point of departure and the main objectives of development strategy. This is especially true in under-developed countries, one of whose main problems is that they cannot systematically incorporate into the national economy all the natural and human resources which are scattered over the vast empty spaces of the periphery or the marginal areas of the over-saturated metropolitan centres. Given these circumstances, a systematic and aggressive expansion of the boundaries of the economic space, and the maintenance of a stable population in provincial areas through development are both means and ends of highly strategic importance. The situation is slightly different in the industrialized countries, where the various regions normally already have the dynamic force to operate and develop on their own as organic units. Then, the central problem of development strategy is to maintain and expand the interrelationships of the system and the provision of services, and to ensure that the regional economies as a whole - which are already integrated both operationally and socially - really have what they need in terms of services and facilities and have adequate real markets and an atmosphere of political and economic stability. If this is the case, then development strategy and many of the means employed are more national than regional in scope.

Both the growing amount of specialized literature on the subject, and the experiments in regional development strategy and policy that have been carried out in the industrialized countries,^{25/} fundamentally focus their

^{25/} See John Friedmann and William Alonso, Regional Development and Planning: a Reader (Cambridge, Mass., The MIT Press, 1964); A.O. Hirschman, The Strategy of Economic Development (New Haven, Conn., Yale University Press, 1958).

attention on one basic question namely, how to spread, the intense accumulation of investment resources outwards to new poles and new regions. And in looking for a solution to this problem, other questions, of a more methodological nature arise, including the following. Which are the most effective criteria and methods for the selection of the areas for new investment? And how are the newly created poles to be interconnected with an expanding economy? Against this background, development policy and strategy become merely a question of choosing between several alternative ways of ensuring economic efficiency and of manipulating certain factors and procedures which are usually of a political and administrative nature. This is all possible because adequate resources exist and because the economy has the necessary vigour and dynamic force to redistribute resources and move them to different areas without adverse effect. The effect is in fact quite the reverse, because each time new economic horizons are opened up and new population groups are incorporated into the production and consumption process, the market for both capital and consumer goods and services is expanded. Hence, in the industrialized countries the problem is normally institutional in character.

In the under-developed countries, on the other hand, the problem is quite definitely structural. First, the concentration of investment and authority in the capital district and in a few secondary centres is generally an integral part of the national development model, which itself is usually characterized by a high degree of external dependence. In this model, economic and political activity is concentrated in and around the main port for exports of raw materials or for the imports of manufactures.^{26/} This concentration of resources and authority makes for a concentration of population, which, in its turn, provides the only market on a scale large enough to meet the needs of industrialization. Hence, the industrialization process generally inherits all the characteristics of dependence. Given this situation, investment, production and authority cannot be decentralized

^{26/} See, for example: Fernando Cardoso and Enzo Faletto, Dependencia y desarrollo en América Latina, Latin American Institute for Economic and Social Planning (Santiago, October 1967) (Provisional); Carlos Matus, Informe de avance sobre la formulación de una estrategia de desarrollo para América Latina (Santiago, Latin American Institute for Economic and Social Planning, 1967) (Restricted).

without a fundamental change in the structural dependence and ribbon coastal development which form the basis of the national development model.

Secondly, the concentration of resources and production is, generally speaking, somewhat relative. Per capita production and income, and investment resources, are low in absolute terms and not sufficient to ensure stable development and acceptable levels of living.^{27/} To some extent it can be said that there are not enough resources to redistribute and that any attempt at redistribution would be more likely to jeopardize the stability of the minimal level of development attained in the existing pole or poles.

Thirdly, if the economy is not expanding and there are not enough resources to redistribute, then the process of interconnexion - which in principle is an instrument for integrating the national economy - can in practice have the effect of drawing resources and population away from the periphery to the developed poles. The systems of communication that have been established in the north-east of Brazil over the past few decades have not brought development to the interior of the region, but they certainly have enabled many north-easterners to migrate to Recife and then to Sao Paulo and Belo Horizonte. At the same time they have made it possible for goods from Sao Paulo to reach the region, thus accentuating the concentration of resources and population in and around Sao Paulo and increasing the dependence of the north-east on it. The same has happened, for example, in Venezuela, Mexico, Perú and Chile.

All this shows that this problem requires a different kind of approach and treatment in the under-developed countries - particularly in Latin America. In actual fact it is not just a question of redistributing resources which are in short supply, but rather of generating new nuclei of economic and social activity by providing incentives for local initiative and ability. In principle, this presupposes the formulation of a new model and a new over-all strategy for development, within which the creation of local development nuclei is at once a target and a strategic instrument.

^{27/} Perhaps Sao Paulo and Buenos Aires can to some extent be considered exceptions in this respect.

2. The social character of regional and local development

Generating and starting up local and regional dynamic forces, particularly in the under-developed countries, is eminently a social process. Before investment centres are organized or productivity increased a new social dynamics must be generated; the regional community must be motivated, organized and trained so that it is capable of exploiting its own resources and can really benefit from extra-regional stimuli. This is the way that development - irrespective of whether the initial impetus comes from inside or outside the region - is consolidated and acquires its own dynamic force, and the way the regional community stabilizes itself and develops. Merely concentrating investment in a particular place or installing high productivity equipment amounts in practice to establishing a typical industrial enclave and means that equipment, technical staff and an entire labour force have to be imported from outside.

The industrial enclave gives rise to two phenomena which hinder genuine regional development: first a vital and direct link is established with the outside thanks to which the enclave can exist and operate on the fringes of the local economy and community; secondly, this link has the effect of drawing local production and income out of the region. Both phenomena in practice mean that the regional society and a good part of its resources become virtually marginal, its dependence is increased and it remains stationary socially. To this must be added all the social problems stemming from the way the new centre of economic activity attracts population, and the frustrations and complications attendant the rapid urbanization which it encourages.

Organizing and developing a region is more than merely setting up high productivity, an industrial nuclei to exploit one or more natural resources. Industrial projects are necessary and can help to promote industrial development within the national economy as a whole. This is so if it incorporates previously unused resources into the economy, promotes import substitution and constitutes a new export front, and if the net result is an increase in both the product and the over-all productivity of the country. But such projects alone are not enough to release a genuine local dynamic force. The development of a region requires, rather, a social effort to
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revitalize the local and regional community, essentially by liberating and setting in motion all the individual and collective potential of the community, arousing local awareness of the dynamic role the community can and must play in national life, and seeking the realization of that role through accelerated development.

This involves two types of process: an endogenous process whereby human potential and natural, economic and institutional resources are liberated, merged and developed through an accelerated process of social change; and an exogenous process whereby relationships are established with the rest of the national life and the economy as a whole. The former is a local responsibility and is closely linked with the population's set of values, motivations and attitudes, and to the local resources which are available. The latter is essentially related to the central authority's capacity for action and organization, and is therefore basically a national, or supra-regional, responsibility.

3. The region as the main setting for social problems

On the basis of this social view of the development process, the region becomes in practice the principal setting for the social processes of development, and hence for social problems and conflicts.

For it is at the regional and local level that people live and come into contact with social and political institutions; this is where they participate in or are excluded from productive activity through their employment and their purchasing power, where their demand for goods and services makes itself felt, and where the solutions to the complex problems of development put forward by the public authorities and the economic and social system either succeed or fail.

Viewing social problems at the national level is also an abstract process which does not always reveal the real social situation. For example, the image of such indicators as production, income and social services obtained at the national level changes radically when it is reduced to the regional or local level. Regional inequalities immediately become apparent and the indicators take on a completely different meaning. There are striking contrasts resulting from the faulty distribution of the factors of production and of

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income and the distribution of social services and the other benefits of development.

This situation is particularly striking in the under-developed countries, in which regional inequalities are very great and what development there is concentrated in and around the capital district.^{28/} In such circumstances, the shortage of employment opportunities, housing, schools, hospital beds and other social services is much more striking when looked at in regional and local terms.

As a result, the local area and the region are the foci of social conflict. They constitute the setting in which individuals and the community enter into real contact with the socio-economic system and hence the place in which tensions build up and frictions appear. It is the local community that individuals and groups feel that they are either participants in or on the margin of productive activity and the benefits of development, and thus it is at this level that the forces behind social problems originate.

If a country is very under-developed, these tensions may not arise, or will do so at a much slower rate, because aspirations and demands are at a much lower level. But as the situation changes, either because of endogenous circumstances or because people become aware of what is happening in other regions, the most dynamic individuals and groups begin to build up tensions, or emigrate to other regions where they hope to find a solution to their problems. And then the process begins all over again.

Apparently, the special nature of the region as the principal setting for social problems is not clearly identifiable in under-developed countries, mainly because development is highly concentrated in and around the capital district. As a consequence, most social problems are concentrated in that district. Psychologically and culturally, the capital district is generally identified with the national image and, for that reason problems in the capital district generally lose their local and regional character.

^{28/} For example, the capital district of Chile (Province of Santiago) has 33 per cent of the total population and produces 43 per cent of the gross national product, 48 per cent of industrial production and 50 per cent of services, particularly those of the highest quality. See Antecedentes generales sobre planificación regional, National Planning Office (ODEPLAN) Santiago, Chile, 1968, p.9.

4. The region as a framework for social policy and programmes

In many respects, a region constitutes a self-contained unit, particularly if it has been objectively identified and defined in accordance with its natural boundaries. It is well known, however, that this is rarely the case in under-developed countries, where regional boundaries are usually defined according to political and administrative criteria.^{29/} The dominant characteristics of a region which is properly defined as a socio-geographical framework is its unity. The notion of unity comprises the most important structural and institutional aspects of regional development, since the development process involves and effects regional society as a whole and the geographical area it occupies. This means that there must be geographical, demographic-social, economic and political unity and, in general, unity of all the social processes taking place in the region.

Unity of geographical area means unity of natural resources, climate and physical environment; although if the region is very large in area the unity of climate and environment may be somewhat relative, without, however, diminishing the general unity of the region. Demographic-social unity means ethnic, demographic and cultural unity, a unity of social strata, social mobility and social relations, and to some extent a general communal unity of attitudes and motivations. Economic unity means unity in the development of the processes and means of production, and of other aspects of the regional economy - for example, income structure, employment and the market. Political unity means unity of institutions and political and administrative processes. Local government and local social institutions, on the other hand, are more specific and self-contained, and their action is more direct. To some extent this constitutes an additional unifying factor, as do both the positive and negative influences which come from

29/ This is the norm in Latin America where most provincial and regional boundaries were based on the Spanish colonial system of the encomienda. Thus one frequently finds that regional boundaries are formed by rivers, lakes, roads or railways, which tend to unite rather than separate.

outside the region, such as investment, or the harmful effects of an over-centralized an administration, or the marginal nature of many regions in under-developed countries.

The combination of all these elements of unity also determines to some extent the unity of the regional development process and levels and stamps the region with a clearly defined and homogeneous physiognomy. In this context, development problems are likewise fairly homogeneous and may thus be easier to interpret and deal with.

There are two reasons for this. In the first place, efforts to tackle the basic problems can be pooled. The planning and execution of the different programmes thus becomes much simpler and more realistic than when the country is being dealt with as an entity. Secondly, the unity of the region defines and provides a scale of reference for specific solutions. Each solution can be worked out quantitatively and qualitatively on the scale of the local problems, requirements and resources, and this cannot be done in programming at the national level.

Moreover, the geographical, demographic-social, economic and political unity that is characteristic of a well-defined region also determines the natural frontiers which separate it in many respects from the rest of the country. This separation is obviously relative, given the progress made by the means of communication in the modern world, particularly in the industrialized countries. In the under-developed countries, the slightest progress in this respect is offset by the strong tendency of the rural population to migrate the centres of development, particularly from the depressed areas.

These natural frontiers have, in any case, a certain value which becomes greater as the region succeeds in activating its development process and providing appropriate conditions for permanent settlement. Their value will be enhanced all the more as sound regional development policies and strategies are applied in the country thereby strengthening the different regional economies and reducing the flows of migrants.

Moreover, great their relative value may be, these regional frontiers play a significant part in channelling efforts and preventing repercussions on social policy-making and programming. Up to a point, they make it possible
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to mitigate two adverse factors: the first is the loss of effectiveness of the programmes due to the growing influx from other regions of people demanding services; this occurs when the boundaries are artificial. In Latin America, the authorities, and social planners are always complaining that their programmes have no impact because they never catch up with their original backlog. The amount still to be done increase steadily with the benefits offered, because these benefits attract the marginal population of neighbouring regions. The second factor is the risk that services and benefits will often be provided which bear no relation to the community's real needs in terms of its problems and aspirations.

The second factor is the more important. The individual and the community confront specific problems as a result of equally specific conditions. For instance, an agricultural worker in a traditional rural environment needs land in order to become part of the productive process. This is his problem, and his most urgent task is to obtain land to cultivate. But his problem and his aspirations change as soon as he becomes a migrant; in his new circumstances, he demands industrial employment and hopes to obtain housing, education for his children and health services to enable him to keep on working in an urban environment. Similarly, the level of the real demands and aspirations of a family living in a marginal and depressed area is not the same as those of a family living in a big town. Each person and family seeks for solutions in the locality in which they are living because of the causes of their problems and the scale and configuration of their physical and social habitat. Consequently, social programmes, which necessarily deal in terms of specific solutions, cannot operate on the national scale or on the basis of averages and per capita indicators. Each regional or socio-geographical context calls for a particular strategy and method of operation which cannot be imitated in planning and administration at the national level.

Thus, the unity, the clearly defined boundaries and the specific and local character that the solutions must have make the region an appropriate setting for social policy and programmes. It provides a fairly homogeneous and coherent scheme of reference which facilitates planning and makes it more realistic, and enables concerted efforts to be made to solve social problems.

/III. THE REGIONALIZATION

III. THE REGIONALIZATION OF SOCIAL POLICIES AND PROGRAMMES

1. The concept of regionalization

In social terms, regionalization is a complex concept which embraces several different connotations and aims. It can be considered both a methodological operation or mechanism and a substantial part of the actual strategy and aims of social policies and programmes.

In the first sense, several aspects are clearly distinguishable. One is regionalization considered as a breakdown of the activities and aims of national policy and programmes by the different regions of a country. Obviously, this breakdown is not only geographical (the various regions) but also sectoral (with different specific aims). Another is regionalization considered as a process of localization or the functional location of operations at the local level. Yet another is regionalization considered as an adaptation to the micro social level of the national activities and aims originally posited at the macro social level. This involves a typical process of translating resources and parameters from an over-all and abstract level to a real and specific level. ^{30/}

In the second sense - as an aim of policy and strategy - regionalization can be understood and used as a tactical instrument for decentralizing or moving out towards the periphery the resources and activities which form part of social policies and programmes. In this case, the term decentralization also has two different meanings. It can mean either the distribution of resources in terms of needs, aspirations, potential and specified strategic objectives, or the decentralization of the decision-making processes in social policy and programming and their location in the regions.

^{30/} See ECLA, "Concepts and methods of area programming for community development", Economic Bulletin for Latin America, vol. XII, N°1, (May 1967).

In this particular case - as in general with all regional matters -^{31/} the methodology for regionalization has not been tested enough and is now sufficiently systematized. The same is true for guidelines for action in this field, probably to some extent because guidelines basically stem from the concept of the development process used, as a frame of reference for over-all development policy in general, and social policy and programmes in particular.

If the over-all development process is viewed as a simple phenomenon of economic growth, then regional development becomes merely a problem of establishing poles of growth. This means that, development policy and strategy will have as their central objective the achievement of the greatest return on investment; and social policy and programmes will have a marginal and "residual" connotation and approach. Within this frame of reference, regionalizing social policies and programmes becomes a simple problem of localizing the resources available around the pre-established poles. The definition of specific targets will be confined to alleviating some of what are called the "social implications" of economic development. By contrast, within a frame of reference in which development is basically a wide-ranging and systematic process of social change, both structural and institutional, regionalization has much more complex and far-reaching connotations and implications.

In this connexion, there are some general points which should be borne in mind in the regionalization process.

The first point relates to the fact that the region is an organic whole. As was established earlier, social problems at the regional level are the result of a complex combination of variables that are inherent both in the

^{31/} "Public policy has thus become concerned with the manner and pace of economic development of subnational areas, and space and distance are increasingly considered explicitly in the determination of national policies. But the conceptual structure necessary for the intelligent making of policy is in its infancy. The social sciences, principally economics and sociology, have always been laggard in taking notice of space; while geography, which has always dealt with space, has lacked analytic power." John Friedmann and William Alonso, "Regional Development as a Policy Issue", in Regional Development and Planning; a Reader. op.cit., p. 1 et seq.

community and in the regional economy and geography. Consequently, social policy and programmes must necessarily be involved, in interpreting, handling and tackling social, economic and spatial problems at one and the same time and in an integrated fashion. This means that social policies and programmes must simultaneously aim at least three types of problems:

- (a) Social problems proper;
- (b) Social problems caused by deficiencies and incompatibilities in the economy and the spatial structures; and
- (c) Economic and spatial problems resulting from the limitations and inflexibilities of the social structures.

The second point relates to the role the region has to play as the basic unit of national development. Because of this, the region must become functionally integrated with the national economy and society and have powers and responsibilities strictly commensurate with its potential and the strategic role assigned to it within national development policy as a whole. This involves a series of social processes and problems which must be taken into account in regionalization, including, for example, those related to:

- (a) The generation and development of a local-regional society with its own set of values, attitudes, motivations and aptitudes;
- (b) The specialized role that each region has to play within the national economy and society, and the social and psychological implications of the privileges and sacrifices that this entails;
- (c) Ensuring a proper balance between central authority and regional autonomy, and its implications in terms of attitudes, motivations and political, regional and local institutions.

The third point relates to the phenomenon of regional inequalities and to the need to discriminate in order to give each region individual treatment. The strategy for rectifying regional inequalities is similar in some respects to the strategy for rectifying inequalities among the social classes. What is needed is not merely an arithmetical process of distribution, for that would reinforce the existing inequalities. Each region has a range of development needs, levels, processes, and potential which enable it to perform specific and different strategic functions, and hence, the regionalization process must be such that each region can be given the stimuli and the treatment it

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requires, and also such as to ensure that the approach and the activities of each region fit in with national development as a whole. In this respect, regionalizing social policies and programmes raises several problems in connexion with, for example:

- (a) Rectification of the imbalances which form a kind of ballast hampers national development;
- (b) Meeting specific needs, making the appropriate distinctions in terms of the quantity and quality of the solutions in line with real social demands;
- (c) The need for and advisability of creating stimuli or an impact at strategic points.

The fourth point relates to regionalization as a methodological tool, and involves making regional and local activities and targets compatible with the parameters established at the national level for social policy and programmes. National targets are generally expressed as an average which must be adapted to regional and local requirements. This process must basically consist of scaling down national activities and targets to local size, and it raises some specific problems, for example:

- (a) Identifying the differences in the level and requirements of development between the country as a whole and each specific region;
- (b) Identifying the same differences between the mean for each region and its various localities and social groups;
- (c) Identifying the social processes and conflicts which the breakdown and bringing into line may generate (for example, the new institutions that will be needed, and the changes that will have to take place in the values, motivations and attitudes of the different social sectors, etc.).

The fifth point relates to the conception of regionalization as synonymous with regional participation in decision-making and action at the level of social policies and programmes. In this sense, the regionalization process means decentralizing or placing for handling regional and

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local activities and targets in the hands of the regions or local communities responsibility.^{32/} Obviously, this process of decentralization must operate, within the general frame of reference of the resources, requirements and strategy of national development as a whole. This raises some problems, particularly the following:

- (a) What combination of processes and institutions make genuine regional participation possible and desirable;
- (b) What conditions and institutions make such participation possible and genuine at the regional and local level;
- (c) What are the methodological implications of decentralization for the formulation of national social policy and programmes.

2. Nature and scope of social policy and programmes at the regional level

In theory, social policy and programmes at the regional level are merely the result of breaking down and systematically harmonising the policy and programmes formulated at the national level. This means that the general frame of reference is already provided by national development policy and strategy as a whole. On this basis, some considerations may be set forth with the aim of identifying some of the characteristics and objectives of social policy and programmes in the regional field.

(a) In view of the multi-dimensional and indivisible nature of development, a comprehensive policy should be adopted to accelerate it. In other words, this policy should contain proposals and efforts directed simultaneously at the political, social, economic, institutional, spatial and administrative spheres, and all others directly or indirectly related to the phenomena inherent in development dynamics. In this context, it would be meaningless to limit development to "an industrial development policy". Although it is true that industrial development is an important aspect of the process, it is also true that, by itself, it does not have sufficient unity or force

^{32/} On this point, see Walter Stöhr, "The definition of regions in relation to national and regional development in Latin America". Paper presented at the First Inter-American Seminar on the Definition of Regions for Development Planning, organized by the Regional Geography Committee of the Pan American Institute of Geography and History and held at Hamilton, Canada, 4-11 September 1967.

to affect and resolve all the processes and problems involved in development. The comprehensiveness of development applies also to the social plane, in the sense that it affects all sectors of the population.

(b) At the same time, because of the interrelationship between all factors of development, it is essential that there should be internal consistency and compatibility in this policy between the different instruments and their respective fields of application. That is to say that the various instruments or measures should be co-ordinated and complementary, and should not exclude or diverge from one another, in the interests of the unified approach and action which the process requires. All this implies that such proposals and efforts should be integrated in a consistent whole conceived and projected on a regional scale. ^{33/}

(c) If this policy is to be effective, action should not be limited to treating the symptoms of under-development, but should extend essentially to the whole complex of factors which directly or indirectly hamper development, and to creating the new conditions which will help to accelerate the process.

(d) Moreover, the efforts aimed at developing a region should be basically directed at establishing and developing a regional community and helping it to develop its own dynamics so that it will be capable of incorporating the available resources and becoming fully integrated with national life as a whole. For this reason, social policy and programmes should be aimed decisively at those factors which are connected with the generation of a new social dynamics and the creation of political, economic and social conditions which will ensure development and the consolidation of the regional community.

^{33/} Within this concept and in the case of the developing countries, it is open to question, for example, whether the best policies are those which seek to increase productivity by indiscriminately accelerating the introduction of capital-intensive techniques at the expense of mass shifts of manpower - which is an abundant factor - and the consumption of huge amounts of capital and foreign exchange - which are scarce factors.

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(e) Lastly, and particularly in developing countries, most of the objectives and instruments of social policy and programmes are bound up with general development policy and strategy. ^{34/} It is therefore somewhat pointless to speak of social policy as the counterpart of economic policy. ^{35/} The question is rather to identify which are the aspects of most social importance within this general framework.

3. Principal objectives of social policy at the regional level

On the basis of the above premise, the following social objectives may be singled out in the regional field:

(a) Establishment and development of the regional community. To achieve this objective, policy and programmes must have three principal aims. First, the generation of an awareness and motivation in respect of regional and local interests and the need to accelerate both economic and social development. It is largely on the basis of such values and motivations that a genuine mobilization of the regional community and self-sustained development can be assured. Otherwise, it would be very difficult to eradicate the traditional inertia generated by a marginal position, economic depression or dependence on centralized authority. ^{36/} The second aim is the creation of a solid and increasing economic base which will guarantee social stability and prevent the exodus of the most active members of the population. This objective will be dealt with again later. The third aim related to political

^{34/} Broadly speaking, this assertion is also valid for the industrialized countries. What happens is that in those countries the basic problems of social policy are solved through the sufficient employment and adequate income generated by the economy. Social policy in these cases is limited to the organization of some social services and the handling of problems in connexion with safeguards for individual rights and other supplementary social questions.

^{35/} See ECLA, "'Social development' and 'social planning': A survey of conceptual and practical problems of Latin America", Economic Bulletin for Latin America, vol. XI, N°1 (April 1966).

^{36/} A clear distinction should be made between this type of regional motivation and mobilization and that originating in the protection of the interests of individuals and groups traditionally holding local power. Such phenomena should be considered as militating against real regional development, because they are generally conducive only to maintaining the status quo.

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stability, which provides the necessary support and environment for attaining and consolidating the two previous aims.

(b) Integration with the national society and economy. At the same time as the regional community is established and developed, it must be emotionally, economically, physically and culturally integrated with the rest of the country. Social policy and programmes should therefore systematically aim at the forging and strengthening of all kinds of links. Naturally, if this process of integration is to be valid and effective, such links must be based on an active and growing capacity for enterprise and regional participation.

(c) Mass incorporation of the population in the production process, i.e., the systematic expansion of employment possibilities for all persons able to work. This purpose is at once the point of departure and one of the main objectives of development and of the efforts to expedite it. In particular, it is an objective and instrument of regional development, in that it ensures the population's stability and discourages the exodus of the most active members of the local community. Moreover, every person incorporated in the production system is a dynamic factor in many different ways: on the one hand, he is contributing his enterprise and creative energy, which makes him automatically an actual buyer or consumer of goods and services, and this ensures the expansion of markets and, consequently, of production. From another, less positive, standpoint, every individual incorporated in the process of creating wealth ceases to be a burden on the community, in the two-fold sense that he does not require subsidized services and his levels of living and social conditions do not deteriorate, or at least they deteriorate less than they would under marginal population conditions. For this and other reasons, this objective may be said to have a simultaneous effect on economic and on social plans, from the individual and community standpoint, thus accentuating the social and economic nature of development. Hence its highly strategic value in accelerating the process.

(d) Speeding up of income distribution, which is designed to give more impetus to the ownership and use of productive resources. This process - which is carried out basically through the wage and profit distribution system - is a key factor in all efforts to accelerate development. A fair

/and proper

and proper distribution of the fruits of the whole community's efforts - capital, labour, the State, consumers, etc. - is not only a matter of elementary equitability and social justice. It is also a decisive factor in the expansion of the production system in a two-fold sense. First, it directly stimulates the workers' productivity; secondly, it guarantees expansion of purchasing power and, therefore, consolidates the domestic markets. Unless accompanied by efforts to improve income distribution, any policy aimed at industrial development and the expansion of services, necessarily comes up against the limitation and contraction of markets. In this case too - as in that of the generation of employment - this objective is obviously social and economic in character and has an eminently dynamic function. Needless to say, minimum wage levels should be examined and set according to the economic potential of each particular region.

(e) Dynamic development of the ownership and use of productive resources, designed to obtain the highest return on productive resources. In view of the many different limitations hobbling the developing countries in this field, the resources available must operate to the full and in the direction required by development strategy. This proposition encounters serious obstacles when ownership is concentrated in the hands of a very few persons. That is particularly true of the Latin American countries, where such concentration coincides with other forms of backwardness, such as concentration of income, of political power and of culture in the hands of a small group and traditional social relationship. Although, in theory, the rigidities actually stem not from the ownership but rather from the use of the resources, in practice these two concepts - ownership and use - operate in close and direct relationship in the traditional societies. For these and other reasons, development policy must act forcefully in this field. Agrarian reform, for example, may be a factor that will greatly stimulate the regional economy and, therefore, regional and local development.

(f) Intensive use of local human resources, in the broad sense of popular participation ³⁷ and in that of the training and incorporation of

³⁷ See ECLA, "Popular participation and principles of community development in relation to the acceleration of economic and social development", Economic Bulletin for Latin America, vol. IX, No 2, (November 1964), and Rubén D. Utría, Desarrollo nacional, participación popular y desarrollo de la comunidad en América Latina, Regional Fundamental Education Centre for Community Development in Latin America (CREFAL), Pátzcuaro, Mexico, to be published shortly.

individuals as productive resources. This makes it possible, first, to utilize the enterprise and capacity of broad sectors of the local population in both the formulation and the execution of programmes. In this respect, the above objective is closely bound up with that of regional community development, particularly in that it seeks to stimulate local resources and utilize them as the social basis for regional development. Secondly, the intensive use of local resources is a means of correcting certain inconsistencies in regional development policy and strategy in many developing countries whereby - in the anxiety to obtain the highest possible return on investment - the new production projects and processes are operated primarily with staff brought in from the capital district. Clearly, this is largely a consequence of the previous adoption of advanced techniques in those projects, whose application requires professional skills and training which are not to be found in the depressed and marginal regions. In this respect, in those productive processes where this is possible, there should be some relationship between conditions on the local labour market and the techniques envisaged for regional development projects. This relationship should obviously operate between reasonable limits of comparability of real costs, both economic and social. ^{38/}

(g) Organization and operation of social services. This objective is connected with the share which the different regions should have in the benefits deriving from the country's investment in the social infrastructure, and with the regional organization and functioning of the social services. These objectives have traditionally constituted the basic subject of social policy. Its attainment involves efforts and action in three main directions. First, regionalization or decentralization in the execution of programmes and in the administration of the relevant institutions and operational processes; secondly, matching the quality and quantity of the services and solutions that are provided with the real needs and aspirations of the local population; and thirdly, the level of efficiency and motivation at which such services should operate.

^{38/} The relationship should be in terms of equal real costs. There are many productive processes, or phases of productive processes, which can operate on an artisan basis, with real costs that are the same as or lower than those of industrial operations. This is particularly true of the developing countries, where skilled manpower is concentrated in the capital district and its transfer to peripheral regional projects entails a significant rise in costs.

(h) Fulfilment for the individual and the community and the safeguarding of human dignity. Although this objective is usually set at the national level, regional social policy should aim at its achievement at the local level. It is common knowledge that in the shadow of marginality and economic depression in the peripheral regions broad sectors of the population lack the incentives and the means to fulfil themselves, and everything connected with human rights and dignity is generally played down or trampled upon.

(i) Furthermore, on a more general scale, the basic objective of development policy is the institutionalization and activation of the process of change described in section I. This process should be promoted, channelled, and converted into the basic rule of the institutional process at the regional and local level also. In developing this objective all the important development processes and institutions should be subjected to a continuing and systematic process of evaluation, adjustment and improvement in order to adapt them to the changing course of society and the requirements arising successively from each new phase and each new development target. Since the dynamics of these continuing and successive changes is the basic subject of development, a policy designed to stimulate development must act systematically as the motive force and guide for the transformations that are required.