INT-2292

COMITE DE GEOGRAFIA REGIONAL.

interamericana

SANTIAGO CHILE 3 - 12 SEP 1969



PATROCINADO POR:

Oficina de Planificación Nacional de Chile ODEPLAN/Comisión Económica para América Letina CEPA...//r. 2014 Letinoamericano de Planificación Económica y Social ILPES/Sociedad Chilona de Planificación y Departable (1938-195

LA REGIONALIZACION DE LAS POLITICAS DE DESARROLLO EN AMERICA LATINA

Documento Trabajo Nº 10

REGIONAL DEVELOPMENT PLANNING
Prepared by
Ernest Weissmann *

* The author is Senior Adviser on Regional Development, Office of Technical Co-operation, United Nations. The opinions expressed in this paper are those of the author and do not necessarily reflect the official views of the United Nations.

		,
		•
		•
		·•
•		

Development philosophies

- 1. A great number of development theories, approaches and concepts, and many regional planning methods and techniques are presently confronting each other around the world as they are being daily tested against the very stark reality of underdevelopment and against the complacent and irresponsible neglect of affluence. Now, what are these confrontations?
- 2. The <u>first</u> is between planners who seek scientific objectivity in development planning and those who as administrators and practitioners must face political reality. One approach assumes economics to be an exact science like the sciences subject to immutable laws of nature that man seeks to understand and harness but cannot change. The other approach recognizes that in human affairs there is need for flexibility in concept and method; for deep understanding of the ever changing nature of our society; and indeed for direct involvement of the citizen in the continually evolving forms of human relations.
- 3. In the <u>second</u> confrontation the scientific approach faces the pragmatic. The first is taken by those researchers who persist in finding through massive data processing "the correct" answer to the problems inherent in the behaviour of wealth that man produces, while they tend to neglect the basically human behaviour of men who produce it. But in many instances, development practitioners and administrators are often compelled to plan and decide on the strength of scanty data, whether one considers their comprehensiveness a quality.
- 4. The third confrontation is that of attitudes and values concerning development. One group of scholars sees the present conditions of under development and the world economic and trade patterns as they emerged from long-term colonial relationships to be of a rather secular nature.

Others believe that - while the current revolutions in science and technology, in agriculture and industry, and in health and education are causing a host of social, economic and demographic problems - the social changes and the rapidly multiplying world potential for economic growth, indeed hold also the time keys to their solution in the highly industrialized as well as in the still under-developed countries.

5. The <u>fourth</u> confrontation of approach and concept involves the suitable mix of economic efficiency and social benefit in development planning. Most planners stand by economic efficiency, a relatively simple concept, readily amenable to the use of mathematical methods and the computer, but far less reliable in guiding the human use of a nation's productivity. Others are beginning to conceive new planning tools which aim to blend economic and social criteria, thus adjusting to one another human progress and productivity, or rather projecting productivity for human progress.

Economic concentration and urbanization

- 6. Case after case illustrates the fallacy of development policies relying on short-run economic efficiency of projects productive primarily (or even uniquely) in terms of their contribution to national growth. There is conclusive evidence in many places that such policies create dangerous chronic imbalances between industry and agriculture, and between town and country; and more often than not they cause distortions and internal inconsistencies in the structure and pace of development. But most importantly, such short range development strategies generally fail to create sufficient internal markets for the very industries they promote; and while a relatively small segment of a nation derives direct (or indirect) benefit from such "productive" investments, by far the larger part of the nation goes on subsisting outside the mainstream of development. The more common among these imbalances and inconsistencies are:
 - 1) A critical lag, in the developing countries, between the rate of economic growth and employment and the rate of population growth.

- 2) A slow pace of investment (in the developing countries) in social programmes as compared with investments in their economic programmes.
- 3) A growing gap between the fast rate at which the redundant and underemployed grow in numbers, and the agonizingly slow rate at which industry can offer new employment.
- 4) A rapid deterioration of the "quality of life" in most metropolitan agglomerations, while economic productivity and social investment rise at unprecedented rates.
- The current world trend towards urbanization is a direct consequence 7. of the steadily building pressure of a land that could offer but mere subsistence already to generations before the present agricultural revolution. But the great concentration of activities and people in major cities and metropolitan belts, and the resulting of an acute worldwide urban crisis, are mainly due to the still prevailing traditions of locating new economic and other development activities, primarily on a project by project basis, considering short-run economic benefits rather than the long range benefit/cost ratios of broader sectoral, regional or national development plans. Essentially economic considerations lead often to an excessive concentration on the requirements of the world market in preference to a nations's own needs, so much so that the urbanization pattern in a given developing country may well be a direct result of the demand for certain primary goods in a group of highly industrialized countries. Also, when external investment is sought, the already considerable limitations imposed by the concept of economic efficiency are compounded with political and ideological issues. This then, restricts even further the prospect of using the world's accrued technical, capital and human resources for the establishment of a viable economy in a tranquil world, which in turn would enable the preindustrial nations to use their own natural wealth and human capabilities for their own benefit. Development Planning
- 8. The recognized purpose of any development is social improvement.

 But human progress is not an automatic consequence of economic growth.

 To obtain it a nation must allocate to social development a suitable share of the wealth it produces, and plan for an appropriate distribution

of the economic and social benefits it can offer. In this context, a plan is a model of an intended future situation with regard to economic and social activities, their locations and linkages, and the development of requisite land, structures and installations. Viewed from the implementation angle, however, a plan is a programme of action and pre-determined co-ordination of legislative, fiscal and administrative measures designed to achieve the transition from the present situation to that represented by the model. It should be noted that the essential features of both parts of this definition are: (i) a commitment to improve the human condition through economic development and social change; (2) a close integration of socio-economic and environmental development in harmony with an accepted development strategy; and (3) complete interdependence between economic, social and environmental planning, and on the other hand, legislative, financial, administrative and political action planning, which, together, indeed amount to comprehensive planning. The regional approach

9. As the concept of development broadens and planning becomes more comprehensive, a question arises: At what level of government (or scale of operation), can the planning of economic, social and environmental development be most suitably integrated? Or: At what levels of government (or scale of operations) can the implementation of development objectives be conveniently programmed in a rational sequence? Recent development experience may provide an answer. Countries with centrally planned economies have gradually supplemented central national with regional territorial planning (in addition to sectoral planning). They did so to overcome difficulties inherent in detailed planning exclusively from the centre. In the countries relying on the market mechanism to regulate economy, planning was traditionally local and urban. These countries too are now expanding the scope of their "master planning" to

Such as the locational aspects of development, including local resources and aspirations; the presence of adequate infrastructure, both physical and social; and the availability of essential services and facilities, the external economies.

cover at least the area directly influenced by, and in turn influencing, a given city's development from city proper, to greater city area to metropolitan region to megalopolis. Thus atarting from opposite planning concepts, the "region" is now accepted by both as a convenient scale for comprehensive development planning and a suitable level for the disaggregation and implementation of national plans.

10. As knowledge about and experience in comprehensive development planning increase, the inadequacy of traditional indices in terms of national averages becomes more and more apparent. Different geographical areas of a country vary with respect to economic, technological and human resources, the rates of productivity, standards of living, levels of health and education and their endowment with the essential physical and social infrastructure. Once these regional differences are recognized, national development strategy must try and strike a balance between two extreme positions: (one), to equalize as soon as feasible the conditions in all areas, conceivably at the expense of total national growth; or, (two), to favour areas most likely to grow rapidly in the short run, and use the resources so reproduced to bring about progress everywhere in the long run. Decisions of this kind must, of course, be guided by thorough knowledge of alternative courses of action present and their consequences in economic and in human terms.

Regional planning

11. As already quite generally practiced, regional planning combines analytical and graphic methods to project economic, social and physical development in a given geographic area, for a given period of time, and presumably also for the benefit of the region's population in addition to and beyond the "national" benefit to which all regions contribute.

The regional plan is also capable of regulating the timing and. sequence of execution for specific projects and programmes; it furthermore designates viable locations for these projects and programmes; and projects rational linkages and inter-relationships among them. Thus it may help to bridge the gap between "national development" in terms of "objectives" and the effects of "local communities" in terms of "actual"

development. Also, the many services and facilities furnished in a given area by central, local and regional authorities can be so planned on the regional scale as to attract investments from many other sources; and finally, the region offers a framework within development projects of national significance and those based on local initiative and aspirations can be suitably integrated for the mutual benefit of the region and the nation.

12. Like the input/output method, linear programming, or the critical path method in the economic sphere, regional analysis and regional planning cannot substitute themselves for the political process of decision making. But they can help to conceive a broadly based balance among development projects and programmes initiated at the different levels of government by eliminating conflicts in requirements for land and location, or conflicting claims on scarce resources, or conflicts in the pace and sequence of implementation. They can also facilitate the choice of the "best" (optimal, most convenient, or least opposed) alternative and promote the execution of the adopted course of action. Thus, the region emerges as the physical, economic, social and institutional environment in which development processes can react upon each other productively and further, both the development of "local economies" and "national development".

The "city-region"

13. The reciprocal relationships of economic growth, regional development, urbanization and the human condition is obvious. As nations continue advancing and as they adopt new technologies and management methods, as new sources of energy (including atomic power), new modes of transportation and new sources of livelihood appear, regional inequalities and urbanization will tend to attain a highly explosive stage. In these conditions, comprehensive regional planning and sufficient investment in the social and physical infrastructure at an early stage may help to guide the development of industrial complexes and residential agglomerations, of zones of intensive cultivation and of centres of other essential activities into patterns suitably distributing and linking to one another settlements

and people, in territorial entities that are cities in the socio-economic sense and regions in the geographic and administrative. The "city-region" concept suggest itself as a practical approach to the task of moulding an environment in which nature's ecological balance is preserved and its beauty enhanced, in which material growth, human progress and culture can develop and benefit man and community.

Any developing area or "growth pole" can be the starting point, in 14. some cases, the aim may be the concentration required for development. At other times it may be a loosening of urban agglomerates for higher efficiency or simply for obtaining a "human quality of life". The cityregion can take any shape and structure that geography, technology and human ingenuity can produce. Its main characteristics, however, should always be total flexibility and a capacity to respond to the human need for dignity, freedom and continued growth. From a static art of "projecting" regional planning must shift to dynamic "action planning" sensitive to rapid advances in science and technology, fast rising productivity and a growing amount of resources and time the average citizen will have for leisure, learning and culture. Most of all, what is suggested here is not a prescription or a static image of a glorified "city of the future" but "ground rules" for a dynamic process of balanced socio-economic and environmental development.

Conclusions

- 15. A few conclusions emerge from the above discussion:
- (1) The concept of planning is shifting from predominantly sectoral (economic, industrial, educational, etc.) to comprehensive planning. This does not mean however, planning for all sectors in all detail for all times. Instead, comprehensive planning aims at integrating of the different sectoral plans into a coherent whole capable of accomodating and indeed facilitating a productive interaction among related development factors. It pays particular attention to such areas and activities where the interplay of development factors can be made more productive in terms of the total development effect by increasing the ability to mobilize more of the latent resources, by reducing the need for scarce resources and by causing less hardship to the average citizen.

- (2) The regional approach to planning can be an instrument for meaningfully disaggregating the national development plan and its sectoral components into comprehensive regional plans; or a means of aggregating local plans, programmes and projects into comprehensive regional development plans; or again a means of implanting new growth poles in strategic locations of underdeveloped regions. In either case, the objectives of national development are being promoted through regional development as an instrument of implementation. However, strategies must blend and effectively combine the inputs from central sources with the development based on local resources, aspirations and action, and they must ultimately benefit the region's people.
- (3) Regional development is the cummulative effect of a complex system of interacting development processes influenced or controlled by governmental and non-governmental interventions and by collective and individual decisions made at the local, the central and the intermediate (regional) level. These interventions and decisions concern resources located in a given territory and they consequently primarily affect a given group of people. Planned co-ordination of such interventions and decisions could influence the interaction among the different single investments (or inter-related groups of investment activities) thus accelerating or retarding the realization of projected social and economic objectives.
- (4) Current regional development concepts, theories and approaches generally assign to the region a subordinate role in the hierarchy of levels at which development is planned and implemented. Instead of being a mere instrument of territorial disaggregation of the national plan, or an instrument of aggregation of local developments into more manageable regions for implementation of national plans, comprehensive regional planning will assume in the future a more dynamic role of identifying development possibilities, and stimulating and controlling development in harmony with national goals. Consequently regional planning bodies will assume greater development responsibilities while central planning and controls will correspondingly diminish in importance. At the same time, social criteria will take their appropriate place in the planning and development of regions (or city-regions).

- 16. In the context of discussions on comprehensive regional planning it may be said that over-emphasis on technical and economic efficiency in development normally leads to technocracy at the expense of real social benefit; and undue stress on "ease of administration" tends to foster bureaucracy, which is damaging both to technical and economic efficiency and to social benefits. A suitable accommodation, however, among the requirements of technical, economic and administrative efficiency, combined with ready access and rising quality of service to the citizen would undoubtedly strengthen democracy through citizen participation and foster identification with community, region and nation, first of all as objectives and plans are formulated, and then, as these, their own plans are implemented.
- 17. We have become so preoccupied with the need for economic growth that in creating new capacities we often forget the purpose itself of development and lose sight of the wider meaning of development - the creation of new qualities of life. For the sake of economic efficiency we still accept as inevitable all kinds of restrictions and violations of human dignity. This mentality was perhaps necessary in an era of scarcity when social development had to be limited to what would further the society's economic goals. But now as the world is reaching the threshold of affluence the dilemma facing the rich nations is to define the way of life they desire as a society, as well as the contribution they are ready to make to creating a viable world economy; or to continue to arm and "police" the world. In fact negotiating the necessary shift in attitudes and values concerning national development and international aid away from exclusively economic criteria and foreign policy considerations, may well become the major issue our society will face in the remaining years of this century.
- 18. There are, of course, limits to the ability of the rich nations to divert resources to alternative uses; and limits to the capacity of the developing countries to absorb such resources effectively. But how are we ever to discover where these limits lie unless we move from speculation in onference to a real test?

^{2/} The world annual outlay for armaments amounts to over 200 billion dollars. Five nations alone spend more than 80 per cent of these resources.

				• • •
				,
		,		
	,			
			. *	