

INTERNATIONAL COOPERATION AND
REGIONAL POLICIES WITHIN NATIONS

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1. The Region and the Nation

In the postwar period a great deal of progress has been made in multinational regional cooperation, but as yet there is relatively little to show with respect to concrete measures that have been implemented in intranational regional policies because of international cooperation efforts. This stems in large measure from the fact that multinational institutions have been created to ameliorate disputes among nations, whereas disputes among subnational regional units must find some degree of resolution within the national framework.

It has been argued that "Regional economics starts from the existence of grievances that are identified with particular parts of the country, and from conflicts of economic interest between the predominant parts at least of different regional communities" [1, p.1]. Whether or not this is true of regional economics as a scientific discipline, it is true of regional economic policy. Although the redress of regional grievances is often presented as being consistent with economic efficiency from a national viewpoint, the more fundamental issue is likely to be equity. In all of the major Western nations regional policies have, in varying degree, been responses to demands from regions with relatively low per capita income and/or high unemployment that something be done. These

regions tend to fall into one of two categories. The first consists of rural areas characterized by relatively low-productivity agricultural employment, or by surplus labor that has been released from agriculture as a result of technological advance (mechanization, chemical fertilizers, etc.) and is unable to find local employment opportunities. The second consists of older industrial regions with an over-dependence on declining sectors. In addition, it is often argued that the largest metropolitan area of a country is too big or too crowded, so that policies to direct population and economic activity to other regions would benefit the whole country; this argument is perhaps heard less frequently now than a few years ago because more attention is being paid to the rational management of bigness, though the literature on city size still is marked by considerable rhetoric on all sides. In any case, the demands of those who feel they have been wronged have led governments toward an increasing tendency to attempt to alter the spatial allocation of resources in favor of patterns deemed more desirable than those that would result from market forces in the prevailing institutional setting.

It may be noted that there is, of course, no necessary reason why a region should look to its own national government for its own ultimate self-interest. That regions nearly always do so at present is because of the economic and political power vested in the nation-state. When people

believe that the nation-state is not responsive to their needs, in a regional context, they may be more likely to seek international cooperation and perhaps eventual international integration. The relatively ardent "Europeanism" of the Belgians is no doubt explained in part by the inability of the Belgian state to ameliorate the grievances of the Flemish regions on the one hand, and the Walloon regions on the other. Indeed, there is a strong feeling among many Europeans that Europe cannot cohere without regionalism. In this view the centralized nation-state is too distant from people; the base of Europe should be the region, where people can more effectively influence their destinies. The nation-state should lose power to Europe above and to the regions below [3, 5].

Border regions in particular often have unique characteristics that transcend narrow attachments to any one national perspective. Examples include the Basque country, Alsace-Lorraine, and numerous alpine regions. Moreover, problems common to natural regions cut by political frontiers -- disparities in growth rates, customs barriers, limitations on labor mobility, lack of coherence in infrastructure and industrial location policy, etc. -- have in the past been slighted because of economic and political nationalism. Today the development of the Common Market is drawing attention to the nature and significance of frontier regions.

While it might seem that border regions would be particularly receptive to international cooperation in regional

policies, there is no necessary reason why a region with grievances against the nation-state should seek such cooperation. Regions in nations whose dimensions are continental may seek autonomy as separate nations rather than international cooperation in regional matters. The situation of Québec -- and some might add British Columbia -- in Canada is a case in point. In any event, although it is evident that policy-related research and practice must be oriented toward the historical, social, and institutional perspectives of particular nations, it should not be forgotten that this caveat also is relevant when regions are being considered.

2. Efficiency versus Equity

Even though regional policies tend to be the result of political pressures, this does not mean that economic efficiency considerations should be or are neglected. There are two possible meanings of efficiency in this perspective.

The first is concerned with questions of how to devise regional policies which maximise the growth in real G.N.P., probably with a long-term perspective in mind. The second is concerned with using public resources and public policies in such a way that the goals of regional policy are achieved efficiently. This might imply a rule of minimum social costs for the achievement of a given "quantum" of regional goals [2, pp. 2-3].

Of course, however complicated equity versus efficiency questions may be in the framework of national regional policies, they are even more so in an international context; it was these issues that impeded implementation of the European Community's Regional Development Fund. The problem of who,

on balance, is subsidizing whom is made even more difficult by the fact that national policies that were not designed specifically as regional policies may nonetheless have important differential regional consequences. Agricultural policy in the United States has contributed heavily to a process whereby some 40 million people have been transferred from rural farm areas to cities and suburbs during the past three decades. On the other hand, in countries such as France and West Germany direct and indirect agricultural subsidies have served to keep more people in rural farm areas than would have been the case if only market forces were operative. Similarly, subsidies to the shipbuilding sector in the United Kingdom have served to prop up employment in the industrial centers of western Scotland. The complex interplay and feedback among regional policies and other policies will no doubt continue to be an impediment to international cooperation in the field of regional policies.

3. The Quest for Administrative Decentralization

International cooperation is also made difficult by the fact that regional policies often are motivated in large part by peculiarly national desires to decentralize decision making with respect to regional and local problems and the means needed to solve them. The nature and importance of this issue are very largely conditioned by the institutions and administrative structure of each nation. France, for example, has a highly centralized system of government, and most

decisions that would have significant consequences for particular regions are made wholly or in part in Paris. Despite a great deal of rhetoric surrounding the importance of the twenty-two planning regions into which the country has been divided, there has in fact not been progress toward giving the regions the fiscal capacity to be more independent. Italy has recently made some progress in this respect, but it is too early to evaluate the consequences. On the other hand, regional planning is in fact decentralized in West Germany because of its federal structure of government. But a federal structure does not necessarily guarantee decentralized decision-making authority. In the United States the national government has acquired increasing control and influence over regional matters, through there has been a recent effort to reverse this process by substituting revenue sharing with state and local governments for categorical grant programs.

It should also be noted that some regions with strongly held grievances about real or alleged neglect want funds from the central government but prefer to be their own masters in other respects, even at the cost of some degree of economic disadvantage. These regions often have large concentrations of national minority groups, for example, the French in Canada, the Basques and Catalans in Spain, and Indians in the United States.

4. The Case for International Cooperation

Despite the difficulties that have been pointed out, there are a number of reasons why it would be at least potentially fruitful for nations to cooperate in the area of regional policies. For the most part such cooperation could involve measures less grandiose than schemes to create a Europe of the Regions. (It is nevertheless worth noting that the latter possibility has been taken seriously even at the highest levels in France. Michel Debré has written "To create large regions strongly independent of central power -- is this not to prepare an 'integrated' Europe, where the idea of France would have only a folkloric character since the nation would be 'disintegrated'?" [4, p. 237].)

First, it is highly useful to exchange information on how regional data sets are gathered and organized, and on techniques for applying economic and other social science theory and methods to the analysis of regional and urban processes and problems. Certainly the activities of the Regional Science Association, the Association de Science Régionale de Langue Française, and other international professional groups have proven valuable in this regard. But few would argue that the possibilities for more and better exchanges have been fully exploited.

A related area where international cooperation would be mutually beneficial is research on how academic and professional work is, or can be, linked with potential users of data and methods, and especially those users who

are decision-makers or persons in a position to influence decisions. In the United States, for example, research funds from the Economic Development Administration virtually created and sustained regional economics programs in a considerable number of major American universities. Despite this effort, agency officials have continually complained that scholarly research has been of little use to them in making their policy and program decisions. Has this been because agency officials are too interested in the political aspects of their work or because they have not made a genuine effort to make use of research results and their implications? Or has the research really been devoid of policy relevance? Such shortcomings have no doubt existed on both sides, yet it seems likely that a major fault -- perhaps the major fault -- has been a lack of any systematic mechanism for linking research and decision making. This is, of course, a general problem in governments and institutions of all sorts. Nevertheless, if perfection will remain elusive there is substantial room for feasible improvements. Foreign experience may provide useful insights in this regard. After all, the Swedish government regularly works closely with scholars on regional and urban policy matters, and the royal commissions have had a decided influence on similar policies in the United Kingdom. This is not to say that the formal or informal arrangements of one country are readily transferable to other countries; but they may, with appropriate modifications, provide serviceable notions for reform.

5. Mechanisms for Cooperation

Unfortunately, it is far easier to make a case in principle for international cooperation than it is to delineate precise mechanisms for such cooperation. Exchanges among scholars and professional persons are often difficult enough within countries; though the situation varies among countries, the feudalism of research institutes is notorious.

Similarly, when a foreigner studies regional policies in another country his open-mindedness may be a virtue; but too often a lack of preconceptions may indicate intellectual fuzziness rather than an opportunity for the positive application of a different perspective. How many times have legislators and senior civil servants concerned with regional policies received foreigners with questionnaires which reflect no real understanding of local problems or institutions? Good intentions are no more a guarantee of success in international cooperation than they are in other aspects of life.

How then should international communication on regional matters be fostered? Should people be brought together in a systematic matter? If so, how should they be brought together? What networks should be used? Which persons should be involved? And from which disciplines or organizations? Should cooperation be highly structured and directed? Or is it best to take a relatively laissez-faire approach, with maybe an occasional organized conference

thrown in? After all, a certain amount of disorder and luck does not always lead to bad results. (Serendipity has, or should have, a place of honor in the history of whatever progress man has made.)

It would be difficult if not foolish to attempt to give blanket generalizations in response to these questions, but reasonable choices can be made if the objectives of cooperation are defined with some precision. One of the most common pitfalls in collaborative research is to draw up at the beginning a set of goals to be achieved. I recently directed a comparative study [6] of public policy and regional development in nine Western nations. At the conclusion of my summary it was suggested that the clearest generalization that could be drawn from the diverse national experiences was that what is most needed from the whole range of persons concerned with regional policies is not hasty selection of general goals, but rather a better elucidation of what the problems really are. After a year and a half of collaboration, none of the eight colleagues who worked with me on the study questioned this finding, and a number expressed strong agreement.

International exchanges which are solely concerned with the advance of tools and techniques can benefit at the outset from the widest possible range of participants. In this area the community of scholars is truly international, even though national institutions and policies may influence to some extent the direction of theoretical work. Given that resources

to support such exchnages are highly limited, it might seem appropriate to devote most of them to translating key contributions and giving them wide circulation. The main reason why this simple expedient is not used more often may be that those who manage to command the relevant funds are more interested -- as are their colleagues -- in the touristic externalities that accrue from international meetings. On the other hand, a case can be made for such meetings on the basis of the long time lags that occur between the time when new concepts and methods are first formulated and their eventual publication, not to mention translation.

A stronger case can be made for the need for face-to-face contacts when policy issues are the major concern. An understanding of historical, social, and institutional differences and the ways in which they condition and are conditioned by regional research demands considerable direct communication.

It is particularly important for an organizer of international cooperation on regional policies to be clear in advance about what he wishes to accomplish. This may seem a trivial observation, yet again and again one finds that the papers presented at international meetings do not seem to have any common thread. Variety may be the spice of life, but in international regional policy exchanges it rarely results in a product which is of real usefulness to all of the various participants.

One approach to organizing a meaningful exchange would be for the host country representative to decide what he really wants to learn from other countries' experiences. He must decide if he is primarily interested in intraurban problems, rural development, systems of cities and their relations with hinterland areas, institutional mechanisms for implementing regional policies, or some other issue.

Once a focus has been established it is equally important to select the appropriate participants. There is always a great temptation to involve persons who have become familiar through established networks. Often as not, however, they will discuss their own latest research whether or not it is directly relevant to the issue in question. The person with the freshest and most relevant insights frequently is not the easiest person to identify in advance. In a related vein, if the host country organizes a conference to learn from foreign experience about how to deal with its own problems more effectively, it is advisable to invite foreign scholars or officials, as the case may be, who are at least somewhat familiar with the host country and its regional problems. Otherwise the information imparted is likely to be irrelevant.

There are other situations where the purpose of international cooperation is not focused on the problems of one country, but on the common problems of the participants. Contrary to what many of my colleagues may feel, I believe that such cooperation should, at least initially, take

place among countries with relatively homogeneous problems and institutions. If the Western industrial nations, the Socialist bloc countries, and similar groups of countries cannot cooperate effectively within their own contexts, why should they be expected to learn more from countries with quite different characteristics? The question is not one of impeding communication between nations with widely differing official values and institutions, but rather one of proceeding in stages: first make progress where it should be relatively easy to achieve, and then put more emphasis on the more difficult tasks that would be involved in East-West or industrial-developing country exchanges.

Perhaps the best place to begin international regional policy exchanges is with broadly regional considerations rather than specifically urban or specifically rural development issues, though these orientations might be subsumed in varying degree. If the purpose of an exchange is for one country to learn from the experience of the others -- which is likely to be the situation when the financial support comes from a single country -- then the host country should define the agenda. On the other hand, when funding comes from a group of countries, a foundation, or an international organization, the participants will expect to discuss problems of mutual interest rather than those of any one country. This kind of exchange runs the danger of lacking the focus of a meeting addressed to the carefully defined problems facing one country. It is therefore

highly desirable that the group members identify at the outset the policy issues that are of significant interest in all or most of the countries represented. This task is by no means as easy as it may appear. After an initial meeting to identify mutually relevant issues the participants should have a period of from six to eight months to prepare comparable papers covering such topics as: (1) description of general regional tendencies, (2) policy issues and goals, (3) regional development policies and tools for their implementation, (4) evaluation of policies, and (5) indications of likely future directions of regional policy. The drafts of these papers should be circulated among the participants (and interested parties within the participating countries) for comment and then revised to conform to the mutual expectations of the group before a second meeting is held. If these preliminary steps are taken, the results of the second meeting should prove valuable to all of the participants. Moreover, a basis will then exist for the participants to proceed to the discussion of more specific issues (such as the management of intraurban problems) following similar procedures, or for possible meetings involving a broader range of nations (such as East-West discussions).

Given that many nations have now been actively involved with regional policies for two decades or even longer, it would seem that the time has come for the creation of

more permanent and systematic means for international cooperation on regional issues. Presumably this effort would involve a mutually supported international organization created for this purpose, or at least be an activity within an international organization. It could probably be regarded as a pilot project to demonstrate whether it would be in the mutual interest of the countries concerned to sustain a long run program. If the latter proves not to be feasible it will not be because the issues lack importance, but rather because of lack of genuine cooperation.

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