

professionals, both within and outside the discipline, who need to know more about the sophisticated handling of geographical data.

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REGIONAL POLICY IN A CHANGING WORLD by Niles Hansen, Benjamin Higgins, and Donald Savole. New York: Plenum Press, 1990.

This book is a review of regional policies in seven countries: Canada, France, Britain, the United States, Australia, Malaysia, and Brazil. It reflects both the different experiences of the authors, and their different backgrounds, so that the various chapters are not based upon a common framework or orientation. Moreover, the evaluation of policies is rather *ad hoc*, rather than the result of formal evaluation design. Nevertheless, there is much common sense and a wealth of experience reflected in the work, and it provides, thereby, a reasonably representative picture of what has been done, what has worked (at least to some extent), and most important, what the most serious failures have been. Advocates of brave new initiatives in this field would do well to study these experiences.

The wide scope of the book makes it most useful to review the general findings, leaving the individual case studies to country specialists. Among the most important results (for this reviewer) were the following:

1. Most of the theories that were used to support regional policies, and especially growth pole theories, were half-baked and were inappropriately applied. Those who continue to refer to the ideas of Francois Perroux fail to appreciate his distinction between functional as opposed to geographic poles.

2. Almost everywhere, the favored instruments of regional policy are spending on infrastructure and investment incentives. Despite evidence of high returns, only rarely are investments made in human resources as an engine of regional growth.

3. With the exception of the developing countries, regional policy has rarely been integrated into national economic policy making. This is partly for ideological reasons (regional policy tends to be pursued by interventionist regimes) but also due to the tendency to see the regional issue as other than developmental, or even an impediment to national development. As a result, among economic policy makers, regional policy emerges as a lower priority issue.

4. The greatest regional policy successes took place where the policy thrust was genuinely developmental, because that engendered less conflict with national economic efficiency goals. Where regional policy goals are designed to pursue equity or short term economic stabilization there has been more likelihood of policy conflict. In fact, most governments that pursue regional policy emphasize precisely these non-developmental goals.

5. The authors found almost everywhere an absence of clear policy goals, hence no targets, no serious policy appraisal *ex ante*, etc. This sloppy approach to policy planning has led to rapid and radical shifts in policy orientation, which is the antithesis of long term, development-oriented approaches.

6. Despite great lip service paid to the bottom up approach the reality is exactly the opposite, with virtually all initiatives coming from the top, or central government. The reasons are partly political (the government's unwillingness to delegate power to local authorities) and partly the absence of necessary policy skills at the lower levels, which have never been deliberately developed.

7. Successful programs have occurred where there has been full involvement of elected and non-elected leadership at the local level in all phases of the policy cycle. Policy leadership must be entrepreneurial. On the other hand, there is a danger of overdecentralization, which can produce counterproductive competition (provision of subsidies, industrial parks, tax holidays, etc.) that in turn reduces national efficiency. In other words, there is a need for higher level involvement that goes beyond coordination. Also required is funding and macroeconomic policies to enable regions to compete effectively with foreign countries.

8. Finally, the authors point to the need for appropriate governmental machinery. All too often, regional policy responsibility is given to a central agency with little power and no funding. On the other hand, if the responsibility is handed over to a line department, there tends to be no coordination with other key ministries (housing, transportation, industry, etc.). The authors do argue that in practice, either approach can work if the unit is flexible, well funded, staffed by first rate personnel, and is willing to transfer program responsibility to appropriate departments once they are under way. One of the more interesting case studies is the French agency, DATAR, which was a central agency with strong political support and program capacity. As an alternative, they cite the potential of a designated development authority, such as the Appalachian Regional Commission (United States) or the Geelong Regional Commission (Australia). Such bodies must have some autonomy, including their own budgets and management. In addition, they should be given a viable life span and receive continued, high level support. The challenge in all cases is to integrate rather than paper over the diverse requirements of national, sectoral and regional planning.

Most of these findings are eminently sensible. Although highly subjective, they are based on the lifetime experience of some very talented scholars and practitioners. Academics would do well to read the book to re-examine their pet theories, and policy makers would benefit even more if they educated themselves on the basis of this wealth of information before repeating *ad nauseum* the costly mistakes of the past.

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