The Local Governance of Regional Development

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The Local Governance of Regional Development

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Abstract—Instead of adjusting the local and national development trends and global standards, a national development strategy must take into account local needs and national particularities and potentialities, their economic, political, social and cultural rights as the basis for articulated a more integrated into the globalization process. The aim of this paper is to study the Local governance of regional development.

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I. INTRODUCTION

The role of sub-state agencies as partners with companies and business associations energize economic action networks located locally, is one way to support economic growth and social development. But this unequal social and economic development is far from a true sustainable development defined only by its own culture and local economic morality. To achieve sustainable levels of economic development is necessary in addition to economic reforms is to give political and democratic reforms. Address discussions on sustainable development is concerned about environmental problems and social issues. The environment includes the elements ecological, economic, social and political. The local system is inserted into the ecological environment or ecoware (Vázquez, 1993) with whom relations. The economic, political and social is inserted into the “macro reference system” and standard functions and relations outside the local system that includes the installed capacity (software), financial resources (finware) and organizational forms (orgware). The current economic development mode is being seriously questioned because it is development that encourages ecological sustainability and social justice for all inhabitants of the globe.

This paper first looks to the term regional development and then will study the local development and sustainable development. Then local governance development comes in detail as well.

II. THE TERMS OF REGIONAL DEVELOPMENT

The decentralization of the national state is a trend related to changes in the accumulation mode, the scientific and technological revolution, a restructuring of the state and demands for spaces of autonomy raised by civil society (Marsiglia and Pintos, 2001). Therefore, the reform of state implies a reengineering of the institutions designed to achieve greater efficiency and more equitable participation in regional development processes, so that the results will help to achieve more equal rates. However, the legalization and institutionalized popular participation that strengthens democratic governance and political decentralization is relatively new in the context of local governments in Latin America. The introduction of decentralization of administrative decentralization policy oriented toward the pursuit of democratic governance, the fight against institutionalized corruption, reduce the gap of inequalities, facilitate public participation, etc. Therefore, the encouragement of civic participation through decentralization of political and territorial reorganization, can create conditions to promote regional development.

Unfortunately, this type of economic decentralization introduces externalities and market mechanisms, creating substantial disparities due to social and regional differences in the allocation and provision of public goods and services. To restrain these disparities, it requires the transfer of resources from the center, compensation mechanism to regional development. Transfers of resources to achieve a better territorial redistribution can be effected by financial funds are not conditioned to specific inputs and freely available, and if those transfers are conditional. The implementation of decentralization policies must be accompanied by the creation of new spaces for greater participation in society. Thus decentralization of the state apparatus, must release the democratic potential represented by local and regional movements that operate at the level of civil society to serve as additional opportunities for popular participation, including...
political participation - provided by an electoral democracy more participatory.

Social movements operating at the level of civil society need to be backed by political will of an efficient administration and for the actions of popular movements are effective; they need be with a model of popular participation, which is inherent in their own voluntarism. But this participation, according to Borja and Castells (1988:47), is restricted to consultation, and cooperation with local government and not the decision-making processes, which remain the prerogative of elected representatives. However, we must determine whether release of the productive activities of goods and services to local governments through decentralization, the impact in terms of regional development benefits

III. Local Development

In this case the national development which promotes local and regional development, must move in both directions. Structural development efforts with extensive coverage from the top down and bottom-up efforts that emphasize the particularities of different localities and regions. Van Hermelrick (2001) defines the local space as a system composed of "a set of subsystems that interact dynamically among themselves and with their environment, whose purpose is the satisfaction of needs." The same author refers to the local development as "a process based on partnerships between actors, which is generated in a territorial area immediately in order to promote processes of change for the improvement of collective welfare."

Local development projects must be founded on the reconstruction of their own reality and not be drawn from the desk of a central government office, so take into account local development needs, resources and capacities available, the priority areas and the involvement of the principal economic and political and social actors. These agents and actors are the same state and government, civil society, private enterprises, etc. Therefore, there is no single model of local development but other proposed projects. Enríquez (2001) presents the opening of the field of local development in three areas: the design methodology of work that drive civil society organizations and promoting actions from below to confront the problem of economic growth and social development as a result of decentralization and democratization of the state, in response to the requirements of international cooperation, promoting state reform and democratization trend. The extreme views autarkic models the lumped model, with different components. However, until now, local development suffer from the recessionary effects of structural adjustment policies and economic stabilization showed a massive rise in unemployment, increased poverty levels and social inequality.

Therefore, local development must be reoriented in its aim to cover or reduce these shortcomings and negative impacts on social development, encouraging and promoting projects involving new forms of organization to increase efficiency levels but also the achievement of greater equality in access to resources and benefits of economic growth. However, the promotion of local economic development remains only one direction in the market area, it would be important not to conceptualize always subordinate to the efficiency of economic agents. Precisely Boisier (1988), the local is the optimal scenario for individual participation in market orientation, but insufficient for public involvement. So conceived, the ideological position of the developed countries focuses on the emergence of a "Tecn.-nationalism" (May 1997) The role of the structure of strategic knowledge in the global political economy is being widely recognized. The future belongs to knowledge-based economies, with implications for technology transfer and institutions through vertical and horizontal methods. The methods facilitate horizontal component of learning tacit or personal knowledge of local and general development. Recent discussions related to national competitiveness in a global capitalist system, have focused on the role of strategic knowledge in productive activities and services in domestic and multinational organizations. Modern economic theory shows that the socially optimal production and distribution of knowledge, where the marginal cost of providing knowledge to another consumer is virtually zero. However, Pareto optimality does not optimize the production and distribution of knowledge, mainly due to intellectual property rights that block the free access.

In the current model of development, social, political and even economic integration, are subject to the dictates of the market and the state has waived its right to guarantee them. However, networking of information and knowledge is one of the main prerequisites for the economic, political and social. The formation of new forms of social relations promotes local development dynamics in the processes of globalization. While many of the NGOs developed an important role in the formulation of complaints against human rights abuses at any time dare to denounce the atrocities committed by their sponsors, usually transnational organizations. Furthermore, to impose the neoliberal economic policy, the NGOs provide financial assistance for self-employment projects, promote local projects, supporting training and job training, promote free enterprise with financial support for microenterprises and provide social and welfare services. The articulation of local development projects and regional or global policies is a priority for NGOs. By
being closer to the communities, NGOs direct assistance to those who truly need it.

For social policy, like all public policies are inclusive and aimed at human development, democracy requires as a platform for decision-making processes. Human development is manifested in the space of local development as an expression of social capital resulting from the participation of all economic and political actors in different decision processes. Decision makers and public policy makers must decentralize the operations of programs to bring services closer to the people who must be served. They must know how to ensure accountability and good practice across the different service units in dispersed units. The predominant trend is the decentralization policy and linking spending with local contributions for infrastructure, education and health mainly. The decentralization of responsibility for the provision of these services also requires the administrative decentralization of social management. The comparison of local development needs involves investments in physical infrastructure that cannot be financed with tax revenues annually, and therefore require external financing through the issuance of public debt.

IV. Sustainable Development

Dunning (1997), argues that changing patterns of demand and technological advances have impacted on transaction costs and coordination of value-added activity. Institutions and cultural infrastructure on which such activity takes place have critically affected the activity. Institutions and cultural infrastructure on which such activity takes place have critically affected the activity. The comparison of local development needs involves investments in physical infrastructure that cannot be financed with tax revenues annually, and therefore require external financing through the issuance of public debt.

In fact, solutions to social problems and the environment seems to be implicit in the cultural backgrounds of the people. Thus, sustainable development makes severe challenges to social practices, cultural and environmental policies with respect to organizational activities. Sustainable development requires economic reforms and institutional reforms. Bebbington (2000) prevents using the term sustainable development to mean "good environmental stewardship." In other words, does the efficiency of use of the environment, or eco-efficiency in the long term. The moral imperative of sustainable development is oriented to social justice for all people in the world, ie an economic justice between generations and within each one of them. This eco justice has an impact on the operations of the business-activities that have traditionally been oriented to deliver material wealth to certain high-consumption sustainable global development requires that those who are richer, adopt lifestyles according with organic media. However, the relationship and development environment where they located the source of sustainable development and development that recognizes its structural limits of natural origin and is oriented to sustainability.

Sustainable development is development that meets present needs without compromising the ability of future generations to meet their own needs. Meets the basic needs of all and extending to everyone the opportunity to realize their aspirations for a better world (UNWCED, 1987:8). Sustainable development is defined as development that meets present needs without compromising the ability of future generations to meet their own needs. Sustainable development is a value that can make a moral choice to accept the equity and social justice. The concern of sustainable development is meeting the needs of all people in the world now and in the future, and therefore, profits and development costs should be distributed among everyone. Streeter (1992) refers to the term "sustainable development" has six different meanings: 1) maintenance, replacement and growth of capital assets, both physical and human, 2) maintenance of the physical conditions of the environment for the establishment of welfare 3) the recovery of the system to allow you to adjust to shocks and crises, 4) avoid the burdens on future generations of domestic and foreign debts, and 5) fiscal sustainability, administrative and political. The policy must be credible and accepted by the citizens, so that there is sufficient consensus to carry out, and 6) ability to manage projects by the administration by the citizens of developing countries which are carried out, so that foreign experts may be removed without jeopardizing its success.

Redclift (1987) suggests that "development should be subject to redefinition, since it is impossible that the accumulation takes place within the global
economic system we have inherited without environmental costs are not acceptable. Above all, the development poses challenges to human values and attitudes as well as the goals set by society and criteria for determining the costs that have to be done and by whom. Sustainable development, if there is an alternative to unsustainable development would imply a break in the linear model of growth and accumulation that ultimately serves to weaken the support systems of life on the planet. "Sustainable development is used to motivate economic initiatives, policies, laws, which aim to solve the problems of the environment, economic and social development. Should ensure sustainability in the economic, social, political, cultural, scientific, technological and environmental development, therefore, is limited to the environmental costs accepted. However, current economic development is not sustainable because the human costs and the environment are unacceptable. However, the current development is economic development that privatized profits and socialized costs. The same process of integration is supported by the nation-state that is attentive to pay socializing the costs and risks of business. The corporations are required to direct their energies to the satisfaction of all aspects of the development of current and future generations in the industrial context.

The concept of sustainable development should be related to the competitiveness of the economy, the level of social development and a model nation. To achieve sustainable development is necessary to achieve results in economic reforms and institutional. Meeting the needs of the population is influenced by the level of economic and social development. The epistemological roots of unsustainable development can be located in the linear progress of the modern era. Nor is it easy to determine to what extent supranational regimes and national governments need to modify their agendas and policy prescriptions under the increasing mobility of resources. At one extreme, the definition for an increased role for market institutions to self-regulate forms of economic organization and allocation of resources, and at the other extreme, the neo-structuralist conception of the limitations of the market and optimal allocation of resources. It is in this sense that the economy is closely linked to sustainable development of peoples.

The practice of public policies and economic policies that promote economic growth to provide resources to support a social policy capable of improving the equitable distribution of benefits is a necessary but not sufficient to expand the choices and opportunities to full human development. Thus, the preservation of the environment is necessary for future human development, which is a necessary but not sufficient for sustainable development. Raised sustainable development as a State policy has not produced the expected results or changes in behaviors and attitudes required. Therefore, in a capitalist economy, the ways in which economic activity is organized such as the roles of markets, hierarchies, alliances between companies and governments have become more complex. In developing economies, the free market forces that guide the objectives of economic growth and social development, the proposal of the developed capitalist countries, but do not indicate how to achieve a sustainable balance in achieving these objectives once they have exceeded the initial encouragement.

Of course, here the concept of sustainable development is focused on obtaining a means-ends rationality according to the Weberian concept. In a free market system, for example, there is no forcing to produce agreement on anything, so that any action can be taken, but in line with this reasoning in the means-end relationship. Meanwhile, the socialist system proclaimed that the means of production and distribution should be owned and managed by the State in lieu of the market. Tensions between economic growth and development are based primarily on the concept of sustainable development, which makes serious social, cultural and environmental practices of organizations. To achieve sustainable development is necessary to achieve positive results in economic and institutional reforms. Unfortunately, this development approach has not produced the expected results.

In this sense it is necessary to establish new patterns of collaboration between the company and the market. Endogenous changes in economic development processes are rooted in new combinations of those resources, already described by Schumpeter (1962, 1943), as a creative destruction as an evolutionary process that "incessantly revolucioniza economic structure from within, incessantly destroying the old structure and incessantly creating a new one." The discussion in the pursuit of greater significance to the value of labor versus capital is still not complete forms of economic organization in market economies consist of various forms of conduct and coordinate economic activities within and between different units of action economic. If sustainable development is closely related to these forms of economic organization, therefore, business activities play an important role in this development, because they create the basis for economic activities.

V. Local Governance Development

The development of projects and reforms for the transformation, always modified by the dynamics gestated by the actors (Giddens, 1984; Clegg, 1990). The costs and benefits of economic reform and social policy can be shared by different agents within
institutional frameworks that facilitate participation. Economic reform is the political system reforms, the development of political institutions and government reform. The participation of citizens in governance is one of the objectives of democratic governance processes. For partnership and participation as a democratic instrument gain value must be accompanied by freedom of expression. Organizational flexibility is manifested in the lowering of production and storage systems together with the perspective of transaction costs enable organizations to become more flexible through vertical and horizontal disintegration. The friction of distance is increased in importance by providing a strong incentive for geographic agglomerations (Appelbaum and Henderson, 1995)

This flexibility is expressed in structures that facilitate the inter-networks that have developed in different spatial levels: local, national, regional and global levels, giving rise to the emergence of a networking society supported by information technology. The training and integration of a network system of direct participation in local governance can Reinventing geopolitical space and give local governments the skills required to meet the challenges of globalization.

It is better to talk about transformation of the functions of nation-state of their impending removal. However, transformations and mutations of the nation state are not always following the same direction. It is no longer the nation-state modeled as an actor that has coherence and its own destiny within a hierarchy of international power and as a result of a rationality of interests. The political space of nation-state and does not identify the sovereign exercise depends on a distinct national territory. The territory is being redefined to focus more on local governance under a new local territorial structure. What the reform of the state is doing is transferring responsibility for managing and resolving social conflicts to local governments, which is conditional on the local social structure. The instrument of government reform and modernization policy is the decentralization of political power from the central authorities to local bodies. For state reform will focus on a redefinition of relations between society, the market and the state requires decentralization to achieve a more efficient public management.

Territorial construction of the space of public decisions from the bottom up, which favors greater autonomy to local government must consider the responsibility of powers in governance. Local development is a process-driven strategies and policies to coordinate efforts and resources of economic and political actors capable of territorial action to achieve goals of economic growth, social development and greater well-being of the population. They are all actors and agents who make decisions that affect the territory (Marseille and Pinto, 2001). Therefore, there is no single model of local development but other proposed projects. The actors are individuals and institutions that develop direct actions in a territory, as well as to structures, organizations and people that the task or action have a place and a role in the workings of local exchanges (Chacon, 1996). Considering that the local term is associated both with defined physical territory, as a group moving in a mobile, go Helmerick (2001) defines a town or a localized system as a set of elements in dynamic interaction located within the boundaries of a particular physical space, organized according to an end. " A redefinition of the territory is the basis for the new geopolitical space required by the new local governance to involve different actors and stakeholders in promoting the development of society.

This set of elements referred to people who usually live and economic units established in the territory. Marsiglia and Pinto (2001) conceptualized the local area / regional "an economic dimension, a dimension and historical identity, a community of interests and as space with a local potential to enhance development. Reinventing local government geopolitical space implies a new territorial structure in which the municipal governance is manifested as the setting in which different actors and agents interact in joint collaborative projects to solve their own problems. The creation of a democratic system in the field of local and municipal government, will allow the close involvement of citizens in governance issues and is designed to build community identity. Reinventing local government policy is expressed in spatial strengthening the powers of the municipality's development. The three most important relationships in the reform of state regulation are those that occur between the private and government, monitoring and supervision relationships that exist between politicians and bureaucrats and the relations of responsibility and accountability (accountability) that occur between citizens and politicians.

The evidence suggests that the positive connection between growth and incomes of the poor have not changed much during the period of globalization, as above. The analysis of poverty and inequality variables to social spending in Latin America, show a negative correlation and a low efficiency of public administration in the social area over the past two decades, as it has given priority to macroeconomic stability. This governance, in the words of Molina (2001) should rest on five variables that explores the challenges following a citizen participation and decentralization, effective citizenship, local economic development, territorial management, information society and sustainable development. However, this social spending in Latin America rose almost 25% during the decade, but the returns on investment are very low due to various factors such as corruption.
Local government is increasingly involved in a strong and persistent attachment to the concept of self-sufficiency and autonomy. The local government has been relegated to a decentralization policy that limits the government reform and to be executors of policies and decisions made at other levels of central Florida. The reconstruction that privileges the territorial local government in the independent determination of areas of public decision from the bottom up, has to promote stewardship of public management skills at different levels of government and agreement of joint development between public and private sectors. This among most of the leaders of the groups represented on the boards (Leach et al, 1994), although not all decisions can be decentralized to the local power bodies. The political participation of citizens in local government should not be limited exclusively to the election of representatives. Can assume responsibility for the institutionalization of social policy and public services that are less centralized. Can participate in local governance decisions, such as public spending and investment, as well as fundraising and revenue budget.

To overcome some of these problems, a new territorialization is desirable in order that by forming partnerships to pool resources and efforts of various municipalities are drawn up specific proposals for development through the creation of support tools for municipal management in keeping regional development. Local governance requires a delimitation of the territorial structure to take advantage of the negotiations and strategies of the association. These new forms of association of municipalities for the production and delivery of public services, cut across the political divide itself in having joint solutions to similar problems more effectively and by creating economies of scale, given the space constraints, capabilities and resources. Municipalities oriented economic development strategies based on the market, so that the satisfaction of the requirements and demands of economic agents aims to increase competitiveness.

In the administrative decentralization, administrative decision-making implies territorial policies at local levels lower. Local governance requires a new design and a new territorial structure reengineering to take advantage of local social participation. Participation in the administration extends to political and social organizations. Citizen participation in the processes of political decentralization is very limited. Political decentralization allows local governments to encourage citizen participation for better redistributive, more equitable, more differentiation and efficiency in the provision of public goods and services. Citizen participation should be encouraged by local governments in governance processes, such as decisions on spending and revenue budget, especially in decisions that affect the efficient use of their own resources and the provision of public goods and services.

A successful decentralization policy must create structures of regional self-government while allowing the development of social actors able to self-administer and develop an identity, which implies the need to "build" the region in social terms (Boisier 1987: 143; Schönwälder, 1997:763). The lack of flexibility of the nation state to react to rapid changes in economic globalization and the inertia of heavy structures that do not meet the current demands of citizenship is necessary to strengthen the regions. The region is generally defined as "an area of land on which it can identify a distinct unit of human problems and physical characteristics with a strong tendency towards such unification. That is, with the prevalence of certain common as well as additional factors that create a kind of identity "following Boisier (1988). A new delimitation of territorial local government is a requirement to promote public management aimed at achieving social participation of key actors and agents in the direct solution of their problems.

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