

## Editor's Note

**Hideki Kaji**

Director  
UNCRD

Recent years have witnessed tremendous socioeconomic and political changes in many developing countries. The collapse of the central planning system in the former Eastern bloc countries and the internal economic crises of developing countries have triggered drastic economic and political reform policies such as decentralization (including privatization and devolution) and democratization of their polities. These reform policies have increased the role and power of regional authorities to mobilize and distribute resources, and thereby provided an impetus to promote and implement regional development strategies in many developing countries.

While the reform policies are a step in the right direction, developing countries are still facing immense economic challenges. In the rapidly changing economic and political conditions of the 1990s, the socioeconomic problems of developing countries have increased as manifested in declining living standards, growing absolute and relative poverty, expanding rural-urban migration, high unemployment rates, and huge amounts of external debt. Local and regional economies have lost their capacity to sustain the growing populations and generate sustainable economic development. There is intensifying debate among policymakers in developing countries as to how to effectively tackle these negative socioeconomic trends.

A growing number of scholars and policymakers believe that these problems are best dealt with within the framework of regional development strategies. They are convinced that a regional development strategy is not only desirable, but necessary as part of the overall development strategy of developing countries. The rationale to promote a regional development strategy emanates from the fact that such a strategy is more likely to be successful since it targets specific groups and/or regions. Furthermore, it attempts to resolve the socioeconomic problems of developing countries by mobilizing local hu-

man and financial resources.

The increasing importance which policymakers and economic planners in developing countries have given to economic reform policies have further increased the rationale for promoting and implementing regional development strategies.

Since its establishment in 1971, UNCRD has been supporting the developing countries' endeavours to solve their socioeconomic problems through the implementation of effective regional development strategies. In the rapidly changing conditions of the 1990s also, UNCRD remains committed to promoting regional development and improving the capabilities of regional development planners in the developing countries.

To effectively respond to the challenges facing these countries in the field of regional development within the emerging new global order and the new economic reform policies, UNCRD has recently launched this new journal, *Regional Development Studies (RDS)*, published annually (Volume one was the Winter 1994/95 issue). The aim of this journal is to stimulate discussion on current issues, concepts, and problems of regional development with the objectives of disseminating well-developed regional development ideas and case studies among researchers to help them keep abreast of current research. As such, it is intended as a forum for competing ideas and debate concerning various aspects of development in general and regional development in particular.

*RDS* is a supplement to the long-established *Regional Development Dialogue (RDD)* that carries articles initially presented at various UNCRD seminars and workshops. However, *RDS* has a qualitatively different perspective. Unlike *RDD*, which publishes policy-oriented articles, *RDS* carries rigorous research work conducted by UNCRD and other academic researchers.

The first issue of *RDS* contained case studies of regional economies and discussions on such pertinent issues as the problem of urban growth in Mexico, rural-urban linkages in the light of growing environmental concerns, regional development policy in China, the problem of poverty in Sri Lanka, the role of agro-industrial development in regional economies, urban environmental management, the challenges facing developing countries in preserving their historic cities with special reference to the case of Yemen, planning control systems for mega-cities, the dual structure of the land market in Shenzhen, China, the problem of the housing market in the Republic of Korea, and the applica-

tion of remote sensing technology in urban land-use planning.

The present issue of *RDS* covers a similarly rich spectrum of topics. The article by Momtaz Uddin Ahmed, the first of four articles under the theme of "Regional Economic Development," draws attention to the role of rural nonfarm activities (RNAs) in rural development. Supported by empirical data from several Asian countries, Ahmed convincingly argues that RNAs play an important role in alleviating poverty, reducing inequality, and generating employment and economic growth. Since rural nonfarm enterprises are labour-intensive, they generate substantial employment opportunities and income for the rural poor, particularly women. Therefore, Ahmed argues that rural development policy should put emphasis on nonfarm employment-generating activities as a potent poverty alleviation and rural development strategy.

K. N. Ninan then provides an insight into the state of rural poverty in India by highlighting the trends and factors behind rural poverty in the country between 1957/58 and 1986/87. His article also attempts to link the problem of rural poverty with a structural adjustment programme (SAP) (the neoliberal fiscal and monetary stabilization policy that advocates a free market economy, establishment of private property, and a limited role for the state). Based on empirical data computed for all-India and across states, the article argues that the incidences of rural poverty were positive and significant in the first period (1957/58 to 1968/69) and negative and significant in the second period (1969/70 to 1986/87). The article also discusses the socioeconomic dimensions of SAPs and argues that the belt-tightening policy of the programme will exacerbate rural poverty and income inequality while adversely affecting rural economic growth.

Liqun Jia and Clem A. Tisdell discuss the problems of resource movement and internal trade within China, and the impact on regional disparity. The authors argue that despite the economic reform policies implemented after 1979, the Chinese economy still suffers from administrative rigidity that hampers the free movement of resources and impedes internal trade. Because of this political rigidity and other structural problems, the regional spread-effects of development from the growth pole regions of the coastal areas to the poor regions such as Gansu, Guangxi, Guizhou, Qinghai, Shaanxi, and Xizang are minimal. Consequently, "the absolute income gaps separating rich from poor are widening."

Migration has always played a pivotal role in the socioeconomic develop-

ment process of a nation. Supported by data and information furnished by the 1990 census of China, Wang De examines the internal migration trends and the "push-pull" factors. According to Wang, migration in China is mainly from west to east and is highly influenced by distance and the difference in personal income. Wang also argues that "the pulling force is about three times greater than the pushing force."

The first of two articles on environmental management is by Kang Yang Suk who analyses the opportunity costs involved in using green areas for development projects such as gymnasiums, public libraries, and cultural centres. Taking Seoul as a case study, Kang attempts to calculate the value of the natural environment and then to compare it to the profits generated by altering its natural state as envisioned in a local development plan. To study this problem, Kang uses the contingent valuation method (CVM) and data gathered through interviews in the target area. The study cautions against evaluating the natural environment solely on the basis of the market price of the land when conducting cost-benefit analyses of the conversion of green areas into development projects, and argues that other social and welfare benefits that are foregone due to the loss of green areas to development projects should also be taken into account.

A second article, by Antonio L. Fernandez, discusses the problem of integrating environmental considerations into regional planning, and the role of environmental impact assessment (EIA) in incorporating environmental and social concerns into development schemes. Based on a case study of Leyte Industrial Development Estate (LIDE) in the Philippines, he argues that the:

success of integrating environmental considerations into regional development planning does not depend so much on whether a law providing for an EIA system exists in a country, but more on the open flow of information and communication, and the existence of participation mechanisms for stakeholders in the decision-making process for planning and implementing a development project.

Anoja Wickramasinghe focuses on the theme of "Women in Development" and examines the various income-generating projects initiated under the Integrated Rural Development Programme (IRDP) of the Government of Sri Lanka. Particular attention is paid to the important role these income-generating schemes play in improving the income levels of the rural poor. Among the issues under discussion are the role of grass-roots organizations in empower-

ing the rural poor, particularly women.

Linkages between foreign aid and government expenditure behaviour have always been arenas of controversy and dispute. The article under the theme of "International Development," by Asfaw Kumssa and Haider Ali Khan, provides an analytical framework as well as empirical evidence to shed light on these complex and intricate linkages. Using time-series data and a model of a rational policymaker, Kumssa and Khan argue that the fiscal behaviour of the Government of Kenya shows that "foreign grants and foreign loans are mainly used for public investment purposes". On the other hand, "taxes are used to finance consumption expenditure." Unlike previous studies, their work also found a small leakage out of loans to consumption.

Finally, in the age of computer technology, simulation has become an important aspect of the planning process. Hidehiko Kanegae and Toshiyuki Kaneda present a gaming simulation model known as PANGAEA for training regional development planners. They discuss computer-aided gaming simulation methodology and techniques that could be a powerful and effective tool in planning sustainable development training programmes for planners.

It is to be hoped that this collection of wide-ranging articles, constituting the second issue of UNCRD's new journal, will be of interest to both scholars and practitioners in the field of regional development planning and that the views and information herein will be a useful addition to the expanding literature on this subject.