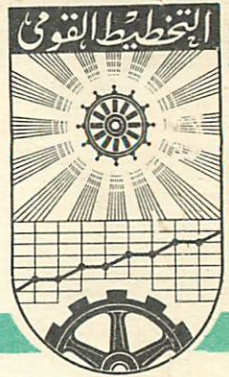


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REGIONAL PLANNING AS A TOOL OF  
STRENGTHENING THE NATIONAL  
ECONOMY

BY

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## Introduction:

The larger part of the theory of development planning has been developed without the inclusion of the element of space. The economy has been usually divided into sectors and within sectors projects, and methods of production have been studied, in addition for obvious reasons, the element of time plays an important part, but a subdivision into geographical areas has had less attention. Recently an intensified interest in the economic aspect of the element of space has been developing and economists are now trying to make their contributions. To be sure there have been economists who long ago paid some attention to the spatial aspects of economics, but they have been somewhat isolated and the subject was given little attention either in general economic textbooks or in the theory of development planning.

The views about the role of the element of space have undergone a radical change. The traditional approach, which consisted in locating facts, events and processes as well as appropriate decisions in a space which in itself was passive and a more resultant of other

factors, is no longer possible. Of course it was possible in the past to take into account the character and suitability of an area for various uses, but those were supplementary premises emerging in the course of the process of decision-making. Quite a number of developmental processes and transformations were taking place without being submitted to any control of their spatial aspect. The uncontrolled character of this type of processes led occasionally even to evident drawbacks and to violating the tenets of rational space policy.

Nowadays the element of space fulfills a strongly active role in determining the economic growth and social development and especially in qualitative and structural transformations. It is unquestionable that by rationally making use of the advantages that a space may offer, we can remarkably stimulate the rate of socio-economic development and to contribute to its optimization in the broad sense.

One of the essential achievements of the post-war period of spatial planning is that integral, i.e., complex location decisions have been granted supremacy. To put it in simple terms, this denotes passing from the location of

individual objects or industrial plants to the location of whole groups of objects, industrial combines or of a series of enterprises. What does make the difference between yesterday and today is the scale and dynamics of the process of socio-economic growth and the scope of structural transformations, which are immense as compared to what was known in the past. For these reasons the necessity to apply a fundamentally different approach to location decisions and to treat them in a much more comprehensive integrated way together with putting the spatial problems into the proper scale has come up so conspicuously. Approaches based on unitary criteria, i.e., applying to the national, regional and local levels, may however lead to actions that are obviously wrong from the standpoint of the intentions of the local regional or national plans. It is constantly necessary to emphasize the indispensability of joint calculations and joint treatment of the cost of different spatial scales and against the background of linking the economic and social premises of development.

## The Sector - Branch Pattern of Planning

By their very nature, transformations of the spatial structure of the national economy proceed at a relatively slow rate and therefore both the policies and the planning of spatial changes involve the perspective and even supra-perspective period. It is only by taking into account a long-time horizon that the desired scale of profound transformation of the existing spatial pattern can be obtained. For needs of the desired spatial structure transformations and possibilities of affecting the developmental processes in the close and remote time horizon are considered.

Thus it is evident that the spatial structure of the national economy, especially its modelling, is inextricably bound up with the planning of growth and of its changes in the distant future. Excessively one-sided, sometimes even functional approaches to both the form and the substance of planning long-term spatial systems may make us blind to certain concrete realistic possibilities inherent in the national economy or to some relevant links with the directions and intensity of social development.

For these reasons, the most crucial problem of the theory of space economy is how to secure its closest possible cooperation with the theory of socio-economic growth and how to join these two theories into a common search for new ideas in their comprehensive treatment of the total body of the phenomena and processes of development both in economic and social life. It has often been emphasized that all growth processes and phenomena occur in space. This fact furnished a sufficient reason for treating spatial planning and the future spatial structure as a point of departure or else as a foundation of the general economic planning.

If planning sticks rigidly to the sector-branch pattern and neglects the spatial aspects of creating and distributing the national income, wrong decisions are inescapable. Moreover various adverse effects in the natural environment, disproportions in the living conditions of the population, what is more important, various losses and damages in the national income of the ensuing periods are - in such cases - bound to occur.

The sector-branch version of growth does fulfill its role in the phase of devising conceptions, when the economic-

technical elements come to the fore within such context as the scientific and technical progress in the world, the international division of labour, the economic integration of different groups of countries etc. But before it can be used as material for the plan, the general outline of a concept of growth must be submitted to a broad spatial confrontation and verification. All objectives of the plan that are elements of growth will be implementation of the tasks which are brought from different regions or mobilised in the latter.

The annual growth rate attained by the economy is a resultant of the dynamics of growth of the particular regions. What is at stake, though, is to exercise a planned influence on the development of regions in a desirable rate adjusted to that growth which has to be performed. The growth rates of the regions should not be resultants of planned or unplanned production effects but they should be afore-planned tasks which have to be materialized by mobilizing adequate means. Thus the differences in the growth rates of the individual regions which are assumed in the plans should express the tendency to accelerating the economic growth of the retarded regions with a relatively low living standard,

and on the other hand, to slowing down that of the advanced regions which enjoy living conditions that are higher than elsewhere or in which the high development of production caused undesirable handicaps and adverse repercussions in the life and work of the population. By accelerating or checking the rate of economic growth and of its elements in the spatial aspect it is possible to obtain desirable changes in the spatial structure of the economy.

Such policies would directly affect the other economic indexes involved in the plan, primarily the spatial allocation of industrial investments and their generic structure. This problem can only be solved by complex decisions comprising all sectors of the economy in each region and from the point of view of the function performed by the individual regions in the economy of the whole country. The planning of long-run structural transformations in the spatial structure of the economy must therefore be preceded by programming the growth of the discussed indexes in their spatial aspect, for it is only in this way that a desired scope and degree of the changes can be achieved in a planned and controlled way.

R e g i o n a l   P l a n n i n g   a s   a   M a j o r  
S u b s y s t e m   o f   t h e   O v e r a l l   S y s-  
t e m   o f   P l a n n i n g

Primary oriented to the future, regional planning looks to the relation between social purposes and spatial arrangements. Thus we can say that regional planning is the process of formulating and clarifying social objectives in the ordering of activities in supra-urban space. The basic question, therefore, is "How are activities to be distributed in space so as to meet social objectives?" Or put in another formulation, what are the proper social objectives in accordance with which activities are to be allocated in space? This formulation links regional planning to its basis in the pure theory of location without, however, making them identical.

To the extent to which there is national planning there will inevitably be spatial implications of any set of resource allocations. What principles should guide the geographic allocation of resources within the country? Basically in policy planning, the technical, economic and political elements are closely interconnected.

Modern economic development leads necessarily to shifts in the organization of the space economy. Those shifts pose serious problems for the society: where should concentrations be encouraged? How may areas of emigration - the traditional economic regions of the country - be adapted to the new requirements of the economy? What should be done with areas that fail to adapt to the changed conditions? what may be done to assist the process of concentrated development?

The spatial shifts which are implicit in economic development necessarily create regional inequalities. These inequities may lead to serious social consequences where the traditional economic areas are densely populated, and where opportunities in the centre are insufficient to absorb into regular employment all newcomers in the labour force.

But the rationale for regional policy does not derive solely from inequities on the periphery. Regional policy should be thought of as a tool for comprehensive national development in which all parts of the country contribute in their own ways to the attainment of national objectives.

In modern approaches regional planning is treated as a major subsystem within the overall system of socio-economic planning on the national scale. Regional policy is a form of enriching the general tenets of the socio-economic policies with specific problems connected with the need to optimize the factor of space in the national economy, to make the best possible use of all the available resources of both the country and the regions and to protect the natural environment.

The approach to regional issues in the economic policy and in all national planning seems to be mainly determined by the weight of the social, economic and political phenomena that are connected with the disproportions in the level of the development of the individual areas within individual countries. Here we are going to speak of certain models of regional planning which also determine the character of the links and relations between regional and national planning.

1. The traditional model: This model reduces the total body of issues included in regional plans to the allocation of areas to specific uses and construction

development, but it neglects the economic factors of growth. Consequently governments implement their regional policies by means of intervention measures applied for the benefit of one or another area. This model corresponds principally to a low level of development of planning in economic policies on the national scale.

2. The dualistic model: This is a model which corresponds to a higher level of development of planning. Here, the economic and social policies of the state find their expression in programmes for developing the whole national economy, its individual sectors and branches as well as in the programmes for the spatial development of both the country as a whole and of its individual regions. Thus we have to deal with two coexisting systems of planning each of which has its own sphere of interest - Economic planning and Regional planning. The necessity of carrying out an economic policy with reference to individual regions generates two types of regional planning. One type corresponding to the traditional model, i.e., physical planning, the other is regional economic planning.

3. The model of integrated planning: An essential feature of this model is that it includes into the system of planning of the national economy the total process of preparation and decision-making as regards the goals, means and structure of the country's socio-economic development in terms of both the branch-sector and the regional patterns. The integration of planning however, is a difficult and complicated problem. A fundamental prerequisite for achieving success in integrated planning is to know and handle the mechanisms of socio-economic development in terms of time and space. Another important preliminary condition is that the time horizon of national planning should be moved farther into the future, and great significance should be attached to what is called perspective planning within the planning system of the national economy. Integrated planning must have a well-developed system of patterns of passing from perspective plan provisions to activities on multi-year scale and next to current activities.

To conclude it is necessary to assure that the spatial plan is not only indispensable to regional planning but conversely too, regional plans are indispensable conditions of the completeness of the system of planning the national economy and of working out optimum programmes of socio-economic development on the national level.

## Regional Inequalities and Regional Policies

By regional balance we only mean development of regions in such a way that disparities in the level of their development are kept at a minimum. It is rightly said "no single country would be regarded as having a well integrated economy as long as glaring disparities persist between the levels of development and standards of living in different areas within it". Besides, social and indirect economic costs of concentration in particular areas, as well as the social, economic and political costs of keeping certain areas backward may be so great as to offset the economies of concentration in developed regions.

It may be taken for granted that economic growth does not appear everywhere at the same time, and that once it has appeared powerful forces make for a spatial concentration of economic growth around the initial starting points. There can be little doubt that an economy to lift itself to higher income levels, must and will develop within itself one or several regional centres of economic growth. This necessity means that interregional inequality of growth is an inevitable concomitant and condition of growth itself. Thus, in the

geographical sense, growth is necessarily unbalanced.

On a national scale, the centre-periphery structure first emerges during the early stages of the industrialization process. Not only does historical evidence suggest for it a remarkable ability to withstand change, but it has been found to be a significant dichotomy on other relevant scales as well.

Regional policy at the national level is therefore a problem that accompanies a society along a certain period of its evolution. Beginning with industrialization and the recognition of regional inequalities, it will cease to be a major public concern as the economy reaches industrial maturity and gradually passes over into its post industrial phase, where the leading economic activities will be scientific research, education, finance, planning and administration.

Regional inequalities exist in many forms: unequal social opportunities, unequal political opportunities, and unequal economic opportunities. Such inequalities are universal but do not of themselves constitute a case for regional policy. The case for regional policy stems from the inadequacy of free market forces. In an "ideal" economic world, free

market forces correct all spatial imbalances through the price mechanism. Where resources are relatively scarce, their prices rise and, as a result, demand falls and supply rises. Conversely, where resources are underutilised, their prices fall leading to an increase in demand and a decrease in supply. The process continues until equilibrium is attained in all markets. The case for regional policy is partly justified because this "ideal" world does not adequately describe the real world, and partly because, even if it did, we should not regard it as "ideal" in the normative sense.

First, there are reasons why factor prices do not reflect relative scarcities in different regions. Secondly, even if relative scarcities are reflected in factor prices, it does not follow that factors will move freely from areas where the price offered is low to areas where the price offered is high. Thirdly, there is the obvious point that, even if market forces were equilibrating in the long-run, the period of adjustment might be regarded as unnecessarily painful.

The starting point of any programme for the economic development or rehabilitation of an area must be some process by which such areas are selected. The problems of area designation can be classified under two major headings: 1. determining

the welfare criteria or objectives implicit or explicit in the development programme, 2. attempting to specify these welfare criteria in an empirical way.

It may be accepted that both unemployment and low-income status are usually intended as criteria to be taken into consideration when designating areas for development. It is not so obvious however, what relative weights are to be attached to these two different criteria when, as is often the case, they do not occur simultaneously.

It is reasonably easy to demonstrate that a high unemployment rate in an area is not invariably associated with the more common manifestations or measures of low-income status. Furthermore, the persistency of low-income or unemployment status by areas seem to be rather different, specially, low-income seems to be a considerably more persistent phenomenon in a particular area than high unemployment rates. These observed differences in the persistency characteristics of low-income and unemployment have important policy implications.

National regional policy may respond to many goals. Policy focusses on the goals of national economic growth and

the regional distribution of income and unemployment. Recent literature has concentrated on these, usually under the names of efficiency and equity, but it must be recognised that several other goals for regional policy are commonly encountered. The relationship between inequality and efficiency is not very clear. For example, inequality in regional unemployment levels is normally inconsistent with maximum efficiency of resource use, there is not necessarily a conflict with resource growth efficiency. Thus, inequality and efficiency are neither necessarily consistent nor inconsistent. To add a further complication, we should note that the efficiency and equity objectives themselves may be in conflict. It is important to note that this potential conflict means that; to consider regional inequalities as a problem by reference either to the efficiency or to the equity criterion is inadequate.

The goal of efficiency is, simply, a goal of national economic growth. It is commonly accepted both at the level of political statements and of technical analysis. Slight variations exist as to how to measure performance. The most easily understood and commonly used criterion is the rate of growth of GNP, more technical measures use the sum of the discounted values of future levels of consumption.

Equity does not enjoy such clarity. Public policy accepts the desirability of assisting the less fortunate, but there is no commonly accepted basis of conventional or scientific wisdom on which to base operational judgements of need or performance. It is extraordinary that there has been so little technical discussions of a concept so central to political economy. In ordinary usage equity is the quality of being equal or fair. The idea, in some form, is at the root of the concept of social justice. But equity is not mere equality. Equity is intuitively accepted as a goal by people and governments, but it remains full of ambiguity and problems of meaning and technical measurement, especially in matters having to do with regional issues.

The geographic scale of regional definition is crucial to the evaluation of inequality. It is well known that the use of smaller regions will result in higher measures of inequality than the use of bigger ones. In brief, a regional measure of inequality or of concentration depends on the variable of regional scale, and a meaningful measure should be based on divisions of the territory that reflect the spatial structure of the socio-economic system.

Because of spatial anti-correlation, the use of the national mean as the expected value in territorial or regional

indices is not desirable in every case. Use of the national mean is suitable for some purposes but descriptive for others. Techniques based on spatial association such as potential mapping, map generalization, and geographic spectral analysis, hold great promise as alternative ways of generating sets of expected values for which useful statements can be made, which link explicitly the level of inequality with regional scale.

## The Importance of Locational Decisions

A knowledge of the theories and principles of economic location must underlie sound regional planning. The purpose of regional planning is to seek changes in the spatial organization of an economy through an improved ordering of economic relations. But interference with existing patterns requires an understanding of the laws that underlie their structure.

The meaning of this approach to regional development and planning may be clarified by reference to the wellknown problem of depressed areas. By definition, a depressed area is one in which economic growth has lagged and in which the population enjoys a level of welfare substantially lower than in other regions. The reason for the region's backwardness is that rapid growth has located elsewhere. Opportunities in other regions draw off its resources, including capital and labour, and its relative inaccessibility prevents its being integrated more efficiently with the focal points of new growth, which are typically metropolitan areas.

As the causes for the economic depression of the region are locational, so are the policy solutions for its problems.

The key decisions are locational, and the problem is one of altering the existing pattern of spatial organization.

The decision of where to locate a new project is as important as the decision to invest in it. Production could not take place in vacuum, it was as inappropriate to decide what to produce without knowing where to produce it as to decide on a location before knowing what was to be produced there.

The choice of a location is of paramount importance and entails many different and persistent effects. The decision to locate a project in this and no other place affects the process of investment from its very beginning and that influence continues throughout the existence of the project. In the latter case the location is a factor that affects the cost of production, especially the cost of transports of raw materials and the shipping of the final products. One characteristic feature of location decisions is that their consequences are long-lasting and difficult to correct.

The policies for industrial location are a useful instrument both for activating economically the less developed regions and for the unburdening of the centers suffering from excessive industrial concentration.

Location policies are materialized by making decisions to locate new projects or to extend existing ones. Such decisions affect the spatial patterns of the national income both created and distributed. Thus location decisions affect both the sphere of production and that of distribution. But those purely economic effects are not the only ones, location decisions of new plants have remarkable consequences of social, environmental, cultural and political character.

In spite of the common realization of the importance of location decisions, there is a great scarcity of well established guidelines for decision-making in this field. One reason for the lack of theoretical achievements may be that the question of efficient regional allocation of investment funds may have equally important political aspects as economic. The political aspects of interregional allocation are by no means the sole reason for the difficulties involved in establishing proper decision-criteria, and perhaps even not the most significant.

Nevertheless, here national and regional social goals are in conflict. On the one hand there is the understandable desire of each region to develop itself as fast as possible, on the other hand rapid national growth may require the concentration of larger resources in particular areas.

The unfortunate conflict arises from the very nature of growth process. Some areas are better endowed with natural resources than others. The exploitation of certain resources has greater urgency than others for phasing development. Investment is lumpy, many projects must be undertaken in large chunks in order to attain a minimum efficient scale in production. Furthermore, there is a powerful motivation to agglomerate industrial investment at selected areas because of external economies consisting of sharing the same social overhead facilities, service industries, skilled labour pools, and expert management. Then again, markets are also unevenly distributed, requiring uneven development in transportation and market-oriented activities. In addition to all these influences there is a natural tendency for agglomeration, because the proportion of resources used in diverse branches of production can be more economically adjusted if larger pools of different resources are pulled together.

## I n d u s t r i a l   L o c a t i o n   a n d   R e g i o n a l D e v e l o p m e n t

It was emphasized by UNIDO in the field of location and regional development, that it is necessary to exercise great caution when making broad generalizations. Any conclusion must therefore be viewed in the light of the structural characteristics of the individual country, its stage of development and its institutional and political conditions.

While it is widely recognized that industrial development is indispensable for sustained national economic growth, it does not necessarily follow that regional development should also be pursued through industrial location policies in preference to assistance to other economic sectors. Thus, some regions could be aided more through programmes of infrastructural development, agricultural improvement and other measures than through industrialization. To a large degree, much depends on the time perspective adopted, although industrial development of a less developed region might be desirable in the long run, it might not be at all feasible at early stages of national development.

Regional development must be viewed as a total problem and not merely from the standpoint of industrial location, because regional development itself affects, and is affected by, the location of industry. Thus, regional planning cannot deal

only with industry but use an integrated approach, incorporating all activities that contribute to a region's development. However, we could profitably focus attention on industry and examine other factors from the standpoint of their impact on regional industrial planning.

A dynamic approach to industrial location and regional planning should be employed, taking into account not only current short run and structural characteristics of regions in developing countries, but also projected changes in these characteristics, including those that can be brought about by conscious location policy decisions.

Though the problems of industrial location and regional economic development and planning in developing countries differ from those in more industrial economies, the problems are equally if not more relevant. Developing countries cannot afford mistakes in the geographic location of industrial projects, because of their generally limited economic resources.

Development of a region should be viewed as part of national welfare. The broad objective of national planning is to increase national social welfare. All components of social welfare are interdependent. This is one necessary view

and the level of planning skills prevailing in underdeveloped country. Costly and complex planning tools should be used with great caution. Simple techniques and indicators, especially when used in conjunction with one another, may often be preferable, in developing country, to complicated methodology. The appropriate tools of planning vary with the level of development, and only techniques appropriate to the conditions of developing countries can be used effectively.

It is very useful to distinguish between project planning and comprehensive planning. In project planning most of the attention is concentrated on the detailed technical and economic specifics internal to the project and, therefore, there is a tendency to assume that the structural environment is fairly constant. Comprehensive planning, on the other hand, is concerned with the interplay effect of many projects generating structural changes industrially, socially as well as spatially. It derives its objectives from structural goals, and is essentially of a long-term coordinative nature. It aims at establishing guidelines for project planning.

Efficient use of resources requires both types of planning. Therefore, in-as-much-as development necessarily depends upon structural transformations, comprehensive structural planning appears to be the more important. Rational

interregional allocation of investment projects can be achieved only when the decision criteria to be used in project planning are based on guidelines derived from comprehensive plans which take into consideration the effects the project has on existing and future projects.

### The General Locational Problem in Developing countries

At early stages of development there is a very strong economic and technical tendency for industry to concentrate geographically. The experience of developing countries shows, that economic activity, especially industrial activity, tends to be concentrated in one or a few urban areas with many economic advantages. The problem of interregional allocation of investments presents itself as a choice between a fairly well developed part of the country, consisting of one or small number of geographically limited urban areas, and a large backward hinterland. The developed area usually contains the administrative and institutional centre of the country, it has some modern industries, and a level of income considerably higher than the hinterland. The developed areas of the country are, as a rule, better mutually integrated and also often tend to be more integrated with developed areas in other countries than with their hinterland. The urban areas are furthermore characterized by, a very high in-flow of migrants from the hinterland, a large amount of unemployment, big

disparities in income and unbalanced internal growth leading to problems of overcongestion, diseconomies and social unrest.

The hinterland, on the contrary, is characterized by a very low income, subsistence agricultural economy, weakly developed internal and external communications, weakly developed internal and external communications, low levels of education and skills, and an increasing outmigration to the developing areas. This polarity, which is the spatial manifestation of the dual economy, raises the question of the possible overdevelopment of the urban areas to the detriment of the rest of the country, as a paramount issue of interregional policies and planning in many developing countries.

The goal of regional policy, however, cannot be to develop industrially all regions equally but to develop each region to its maximum potential. Regional development should follow the criterion of "selective dispersal", choosing growth points within the less developed areas of the country.

Efforts to counteract the strong tendency towards industrial concentration should be smooth and gradual and based on

the general criterion of achieving that balance between economic profitability and social profitability which corresponds to the national objectives of individual countries. In regional as well as national planning, national profitability should have priority over commercial profitability.

The policies directed to counteract the tendency towards geographic concentration of industry in developing countries, for whatever national objectives, should take into account the possible detrimental effects of industrial decentralization attempts upon the achievement of other national objectives.

A very important question here is: at which stage of development does it become possible to follow industrial decentralization policies without impairing national economic growth? Here the most important thing is to reach some balance among conflicting national goals. Sustained economic growth is one of the main objectives of national planning. It is important, therefore, to recognize that, at least in the early stages of development, national growth is fostered by geographical concentration of industry, and that a policy of industrial dispersal involves an interaction between reduction of interregional inequality and national economic growth.

## The Planning Regions in Egypt

The increased importance of the regional and spatial aspects of planning was shown and emphasized by issuing the decrees No. 70 for the year 1973. Act 19 of this law states that planning can only take place by coordination between the following three levels:

1. The central level of branches and economic activities, i.e. the administrative system of the government and public organizations.

2. The regional level i.e. regional planning bodies which are formed by a decree of the President of the State according to the proposition of the Planning Minister.

3. The local level i.e. planning departments of the local bodies.

It was realized that comprehending both the sectoral and the spatial aspects into the national plan, necessitates dividing the state into planning regions. These regions are planning regions and not administrative ones. Hence these regions and the regional planning bodies are not an intermediate stage between the governorates and the central government.

The suggested division of the state into planning regions includes eight such regions:

- |                       |                |
|-----------------------|----------------|
| 1. Metropolitan Cairo | 5. Matrough    |
| 2. Alexandria         | 6. North Said  |
| 3. Suez Canal         | 7. Asuit       |
| 4. The Delta          | 8. South Said. |

1. Cairo Region:

It includes the governorates of Cairo-Giza- and Kaliobia. It has a population of 9.150 thousand and the cultivated area in it is 490 thousand feddan. Cairo is the biggest urban, industrial agglomeration in Egypt. It is the capital city where all government administration is located, where all social services and economic activities and many higher education institutes. Thus, it has many problems of agglomeration which stem from the rapid increase in population and continuous in-migration.

Giza and Kaliobia are rural agricultural governorates.

2. Alexandria Region:

It includes the governorates of Alexandria-Beheira and the new suggested governorate in Nubaria district. It has a population of 4.600 thousand and the cultivated area is about 835 thousand feddan.

Alexandria is the second biggest urban industrial agglomeration, and it has its own character of industries, marine business, international trade and internal tourism. It also has one of the biggest and oldest universities in Egypt. It has similar problems to those of Cairo, though they are not yet as acute. Beheira is an agricultural rural governorate while the new governorate is entirely a desert but have some cultivable areas.

3. The Suez Canal Region:

It includes the governorates of Port-Said-Ismailia-Suez-Sharkia-Sinai and a part of the Red Sea governorate /The Suez Gulf/. It has a population of 3.784 thousand and the cultivated area in it is about 702 thousand feddans.

The Ismailia canal connects most of these governorates, which together form an integrated unit from the point of view of defense and military requirements. It has the university of Zakazik as well as many natural resources. In Sinai there

are mineral resources, petroleum, tourism sights, land suitable for agriculture and also fishing. There is the Suez Canal with its importance to international navigation.

Sharkia governorate has a rural agricultural character, which has many possibilities of vertical agricultural expansion.

#### 4. The Delta Region:

It includes the governorates of Dakahlia, Damietta, Kafr El-Sheikh, Gharbia and Menoufia. It is noted that governorates boundaries are respected. Its population is 8,240 thousand and the cultivated area is about 1.914 thousand feddan.

The region is characterized by an agricultural environment, where traditional agricultural, fruits and vegetables and animal breeding, all exist. There are also many industries which are based on agricultural production. There are two universities and a number of cities and industrial centres. The main problems of the region are over-population especially in relation to the cultivated land, the primitive agriculture and its low productivity, low living standard and very bad conditions of both the cities and villages.

5. Matrouh Region:

It includes Matrouh governorate except for a part of it where the new governorate is supposed to be. Its population is about 131 thousand and the cultivated land about 5 thousand feddan. The region has low population density and many natural resources which can be further developed such as the touristic areas on the Mediterranean shores, harbours, electricity generation in Katara, petrochemical industry and other industries, and vast cultivable area. This region when further developed can help solve the over-population problem of the Delta region.

6. The North Said Region:

It includes Rayoum, Bani-Suef, Menya and a part of the Red Sea Governorates. It has a population of 3.957 thousand and the cultivated area is about 1.032 thousand feddan. It is an agricultural region where traditional agriculture, fruits and vegetables, animal breeding and some industries based on local agricultural production exist. There are a few faculties which form the basis of a future university. There are also a few medium size cities. The problems of these regions are quite similar

to those of the Delta region. There is a possibility of vertical agricultural expansion and an urban expansion in the desert near the end of the Nile Valley.

#### 7. Asuit Region:

It includes Asuit and the New Valley governorates. It has a population of 1.957 thousand and the cultivated land is about 349 thousand feddan, most of it in Asuit governorates. There is the Asuit university in the region. Asuit governorate's problem are about the same as the North Said's. The New Valley is a vast desert area with some oases there, namely El-Kharga, El-Dakhla and Farafra. But there are mineral deposits such as phosphate, there is also vast area which can be cultivated and can absorb much of the population of the Nile Valley.

#### 8. The South Said Region:

It includes the governorates of Sohag, Kena, Aswan and the southern part of the Red Sea governorate. Its population is about 4.156 million. The cultivated land about 694 thousand feddan. It has some higher institutes as a basis for a future university. There is also the High Dam with an annual production of electricity of 10 million KW. There are so many mineral ores such as iron, phosphate Manganize, caolina and also granite, along the Red Sea there are so many areas suitable for tourism and

harbours. Along the Naser lake shore, there are vast areas suitable for cultivation, not to mention the huge quantities of fish in the lake. This region can be one of the biggest industrial centres in Egypt when it is fully developed.

However it should be noted that this division was not the first of its kind. Two important proposals were made in 1966 and 1969. The first was proposed by one expert of industrial location and economic geography. She emphasized the importance of establishing a Higher Regional Planning Body to formulate the general framework of regional planning of the whole state. She also proposed a division of planning macro-regions and leaves the final division to the body to be established. The suggested division was as follows:

- The Delta region including the governorates of Alexandria, west of the delta, mid-delta, east of the delta, canal governorates and Cairo.
- The Nile Valley region: North /Giza-Beni Suif-Menya/ - Mid /Asuit-Sohag-Kena/ South /Aswan-Sinai/.
- Eastern Desert.
- Western Desert.

This division takes the existing administrative and geographical boundaries of the governorates for granted, for it includes - from the point of view of the expert-natural, geographical and economic homogeneity. Nevertheless, the proposal neglects the special importance and character of some big regions like Cairo-Alexandria and Aswan. It also says nothing about the growth poles which should be created in order to guarantee the development of these regions. The second proposal was given by the Ministry of Local Administration in 1969. It suggested six regions.

- Greater Cairo region: Cairo-Giza and Kaliobia governorates.
- Mid Delta regions: Menofia, Garbia, Kafr-El-Sheikh, Dakahlia and Damietta governorates.
- West of the Delta region: Alexandria - Behera and Matrouh governorates.
- North of Said: Fayoum - Beni Suif - Menya and Asuit governorates.
- South of Said: Sohag - Qena - Red Sea - Aswan and the New Valley governorates.

This proposal is not quite different from the previous one, for by grouping the first three regions we get the Delta

region, and grouping the last two regions we get the Nile Valley region. It also takes the administrative boundaries of the governorates for granted, while it should not be taken so strict. The main objection to this division is that its main basis is a complete economic integration and diversification of each region in order to be quite an independent unit. Economic integration does not necessarily mean that each region should contain all kinds of economic activities. The economic base of a region can be very much specialized which gives place to export and import activities. Besides the existence of such a completely economically independent region is very rare in practice.

This proposal, however, is considered to be the base of the latest division which is more developed and realistic. It was based on deeper studies of the socio-economic conditions of the different parts of the state and the future requirements of development planning.

One last remark should be mentioned about the administrative division of Egypt into governorates. This division is a historical one which was used for security considerations and tax collection. It does not provide any base for optimal regional units. This goes for planning and technical proficiencies, for economic integration, and political integration.

## Bodies of Regional Planning in Egypt

Before discussing the description and construction of these bodies, a few remarks about the nature of these bodies are worth mentioning:

- Regional planning bodies are considered integral parts of the national planning system. Therefore a great resemblance with the structure of the Ministry of Planning is necessary to produce regional plans similar to the national plan.
- Regional planning process necessitates the training of experts of planning on the regional and local units levels, and the preparation of studies on regional development and optimal use of resources.
- These regional bodies and the community development departments and research and training departments attached to it are capable of moving the social structure of the regions in a dynamic way, more than the traditional bodies of the governorates.
- The regional planning bodies have no administrative executive Power of its own, and therefore it is directly related to the central planning body. It is not the same

case for local planning bodies because these are parts of the local authorities and its administrative system. So even though these local bodies are directly related to the governorates, they must have a technical direct relation with the regional planning bodies.

Now we can discuss the construction and responsibilities of both the regional and the local planning bodies:

1. Regional planning body: contains a planning department - a research and training department - and a community development department.

It has the following jobs:

- studying the present and future socio-economic conditions of the region,
- studying the determination of the regions potentials and resources, its development and optimal use,
- suggesting the development trends in the region and translating these trends into specific and well studied projects,
- preparing the necessary technical staff for planning and the related research works,

- Paying special attention to the development of local communities and trying to adapt these communities and absorb them in the comprehensive planning processes in the region.

2. Local planning bodies: are formed within every governorate to assure starting the planning process from the very base and also to guarantee the role of the localities in developing itself. These bodies study:

- conditions and needs of the local environment,
- possibilities of comprehensive local development on the sectoral level,
- transforming these studies to the form of appropriate projects and a development plan of the governorate.

These bodies have the following units:

production planning - productive services planning - social services planning - economic and statistical department - local plan and follow-up department.

### The Process of Planning on the Regional and Local Levels

It was suggested to form a high commission of regional planning in each region. This commission connects planning

in its local and regional levels, and approves the regional plan before submitting it to the Ministry of Planning for final approval and including it into the national plan. Accordingly, the planning process on the regional level is supposed to proceed as follows:

- the general framework and alternatives of the regional plan are elaborated by the regional planning board,
- a general framework of a plan for the governorate is elaborated by the different branches of activities in the governorates,
- these governorates' plans are studied by the planning departments in the governorates in collaboration with the regional planning board,
- after these plans have been approved by the peoples councils, they are presented to the regional planning body,
- all the governorates plans are studied by the regional planning body taking into consideration all the available studies about the trends of regional growth, and the main basis of the national plan. They are connected and elaborated in one regional plan, after adding some additional projects which may be necessary for the region as a whole or some national projects,

- this plan is studied and approved by the high commission of regional planning before sending it to the Ministry of Planning.
- all the regional plans are pooled in the central department of regional planning in the Ministry of Planning which study them in collaboration with other sectoral departments of the Ministry in order to determine the spatial aspects of the national development plan and to include all the regional plans in the framework of the national plans.

## C o n c l u s i o n

In conclusion, it can be stated that regional growth results from a set of decisions made inside and outside the region, most important of which are those of inter-regional investment allocation. Adequate redistribution of investments is needed in Egypt to minimize the strong polarization effects of first the primate region of Cairo, and second of the Alexanria region. This needs to be handled within an integrated economic, social and administrative context.

The development efforts and growth process during the last three decades has tended to create regional disequilibrium. This trend of development indicates the possibility of growing differences among regions in terms of income, employment, rate of growth and standards of living. This requires the adoption of a policy aimed at overtaking such differences by speeding-up the development pace of the backward regions.

Agriculture is still the most important sector, in spite of its slow growth as compared with other sectors due to many indigeneous and exogenous factors. The key solution to its underdevelopment is to shift a large portion of the agricultural population to other sector, this can be done by expanding industrial activities. However, the spatial aspects

of this process are of great concern to the regional planning. It is irrational to leave the process to follow its present trend which will cause more problems to accumulate for the present unhealthy agglomeration. Development efforts should be directed towards the backward regions and location of generating activities should be induced in some well selected centres in the rural regions. By developing the backward regions, more welfare will be realized and continuous accumulation in the big agglomeration will be avoided.

Population distribution seems to be far from the optimal situation, this mainly due to the concentration of economic activities, other than agriculture in a few locations. This tendency attracted continuous waves of immigrants from rural to urban regions, especially Cairo and Alexandria. The urgent problems facing these agglomerations are consequently becoming very costly. At the same time, without a basic solution to such a distribution of centres, increasing annual allocations are required to keep the present agglomerations from deteriorating. It would seem more rational to create new centres of attraction, thus relatively decreasing the required allocations for big agglomerations. At the same time, the

new centres will sustain the growth of other regions.

Social justice does not require pure equality among the population but that the vast gap among population of different regions should be narrowed. Regional differences are concomitant with economic growth, but they should not be permitted to differ tremendously. Therefore, a policy towards greater equalization should be maintained.

The strategy of regional development policy depends on many factors but largely on the country's stage of development, its political and economic systems, its spatial patterns and resources. Policy strategy is strongly related to the desired goal which is chosen as a long-term solution to the prevailing spatial pattern in the given country. Policy strategy in our case is a strategy of concentrating activities in a few centers in the rural regions which seem suitable to the present stage of development.

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