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THE URBAN-RURAL DIMENSION IN NATIONAL ECONOMIC DEVELOPMENT

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I. INTRODUCTION

Urbanization is on the rise throughout the developing world. The United Nations has estimated that by the year 2000, about two-thirds of the world's urban population will live in developing countries.[1] Africa, currently one of the least urbanized areas of the world, with 21 percent of its population defined as urban, is expected to experience an increase in that proportion to about 40 percent by the year 2000. In fact, the 39 countries in sub-Saharan Africa within the jurisdiction of the AID Africa Bureau:[2]

- Are experiencing urban population growth rates more than twice the growth rates of their nations as a whole.
- Are urbanizing more rapidly than countries at comparable levels of income elsewhere in the developing world.
- Have urban populations increasingly concentrated in the largest city in the country (the "primate city").

Thus, even countries which are primarily rural and oriented to agricultural production are facing major urban challenges.

Such developments create major demands on public management, social and economic systems, and development assistance to adjust to the transformation -- as well as to take advantage of the opportunities they represent. These changes are even more challenging in Africa than they are throughout the developing world because they are occurring at strikingly low levels of per capita income and in environments of lagging or even negative rates of growth.

These circumstances ensure that both host governments and development assistance agencies throughout Africa will find urban policies and urban projects prominently on their agendas throughout the upcoming decades. What

role can and should cities play in the economic future of African nations? What are the most sensible approaches to meeting the key needs of basic human services, jobs, and shelter? How should urban and rural development be coordinated? These questions are the subject of this paper.

All too often, debate on such issues has been conducted in terms of urban development versus rural development. In contrast, this paper suggests that the most fruitful way to address these issues is in terms of an urban-rural dimension in national economic development, rather than in terms of urban development as an issue in itself. That is, it argues that urban growth is neither good nor bad in itself but only in terms of whether it promotes the efficient and equitable performance of certain vital economic functions within a nation. The paper presents evidence that much urban growth in developing nations both reflects national growth and development and promotes it. And it argues that urban assistance projects -- when appropriately designed -- can therefore be a useful component of the spectrum of assistance which AID can provide to developing nations, serving the interests of urban and rural dwellers alike.

II. CITIES ARE ENGINES FOR NATIONAL GROWTH AND DEVELOPMENT

At the very center of the perspective which this paper puts forward is the fact that, perhaps above all else, cities are locations of economic activity. Many varied explanations have been put forward concerning why cities exist and grow in developing countries. Historians often focus on the role of cities, especially capital cities, as the seat of colonial governments. Sociologists point to the attraction of the more stimulating and varied activities available in cities ("city lights") compared to the

quietude of village life. However, this paper emphasizes that the dominant explanation for and characteristic of cities is economic: cities, from huge primate cities to market towns, arise and grow because they offer advantages as locations to perform certain types of economic activity. These advantages -- the ways in which economic goods and services can be produced more efficiently in cities than elsewhere -- make some types of urban growth both desirable and inevitable as countries develop. The role of this paper is to explain how this occurs.

The Pattern is Evident Worldwide

One indication that cities play a positive role in national growth and development is the widely-observed relationship between a country's level of urbanization[3] and its level of economic development as measured by GNP per capita. One recent study, for example, examined whether this relationship held statistically true for "small" low and middle income countries worldwide, for "large" low and middle income countries worldwide, and then specifically for sub-Saharan countries within the jurisdiction of A.I.D.'s Africa Bureau. It found that within each of these three groups, including the group of African countries, those nations with a higher percent of the population in urban areas tended to have higher GNP per capita. For example, African countries with 10 percent of the population in urban areas had an annual GNP per capita of about $250, while at 35 percent urban, GNP per capita was about $460.[4]

Not only is there a positive association between levels of urbanization and GNP per capita, but some studies have also shown that large cities are more productive than small cities.[5] Mera, for instance, tested the

hypothesis that if urban concentration of population increases efficiency, then those developing countries with a large positive change in urban concentration should experience a concomitant increase in national product, other things being equal. He did in fact find that the growth rate of GNP per capita was positively related to the change in the "urban primacy" ratio, defined as the share of the nation's population residing in its largest city.[6] A later study done by Mera and Shishido which included indicators for social development as well as economic development found that[7]

> [a]ll in all, a higher growth rate of cities with population of one million or above never seems to work negatively. Productivity is increased, educational achievement accelerated, and fertility and mortality rates lowered with the growth of million cities.

In parallel with these findings, there is a strong tendency for large cities and their surrounding core regions to be the most active, rapidly growing areas of developing nations. For example:[8]

- Dakar, with about 16 percent of Senegal's population, accounted for two thirds of the country's commercial and manufacturing workers, half the employees in transportation, administration and other services and about 95 percent of the electrical consumption in 1970.
- The bay area of central Manila accounted for more than 72 percent of the Philippines' manufacturing firms, 80 percent of all manufacturing employment, and 61 percent of the nation's hospital beds. It produces and consumes more than 80 percent of nation's electrical power and generates 65 percent of the country's family income.
- Lagos in 1970 and 1971 contained more than one third of the total number of wholesale firms in Nigeria and one quarter of the formal sector's retail outlets. In 1975, metropolitan Lagos accounted for over 65 percent of the value added by manufacturing.

- South Korea's two major metropolitan centers -- Seoul and Pusan -- account for 60 percent of medical services, 60 percent of educational services, 71 percent of wholesale establishments, and more than half of transportation services in the nation.

Are these patterns mere accident? Are they the result of government policies artificially favoring the development of urban areas over rural ones? Primarily, evidence suggests that neither is the case but rather that these patterns reflect real economic advantages of urban areas as locales for many types of economic activity. Let us now examine some of the ways in which this is true.

Urban Locations Offer Economic Efficiencies

One of the facts about urban areas which is most striking to even casual observers is that certain types of economic functions tend to be found only in cities and, indeed, tend to cluster into certain individual cities. Banking and financial services, for example, typically are highly concentrated in developing countries in the nation's single largest city; governmental activities tend to co-locate in the capital city; large-scale manufacturing clusters around cities of large size. Economists argue that cities arise, grow, and become the location of such economic functions because bringing related economic activity together in a single location increases the efficiency with which those functions can be performed. To provide that increase in efficiency is the economic function of the city itself. Economists identify two mechanisms by which cities perform this function: "economies of scale" and "agglomeration economies."

We will first discuss so-called internal economies of scale, which relate to individual firms. As the size of a manufacturing plant and the

scale of operations increases, the average cost required to produce a unit of its product generally declines. As a plant becomes larger, more capital-intensive or sophisticated equipment becomes commercially feasible to acquire, more complex production schedules and arrangements can be utilized, and more workers can be trained and assigned as specialists who perform tasks with greater efficiency. In the American beer industry, for example, doubling the number of barrels produced per year from 1.5 million to about 3 million lowers the cost per barrel by about 20 percent.[9] A larger plant also may be better able to utilize an input which cannot be divided. For example, it might be necessary to hire a full-time engineer for a remote plant when he or she is only needed fifteen days a month; by expanding operations, that person can be more fully utilized. Similarly, when a firm is large enough, by-products often become important additions to the revenue of the plant. Large scale meat-processing plants, for instance, can produce commercially valuable chemicals and fertilizers from meat by-products, whereas smaller plants often discard by-products as waste. When individual plants are not producing at levels which allow full utilization of such economies of scale, then the industry comprised of many such plants may be too costly to compete successfully with like industries elsewhere in the world, frustrating a developing nation's attempts to generate employment opportunities either by import substitution or export promotion.

What is the role of urban growth in assisting industry plants and companies to achieve economies of scale? The most direct contribution is through offering a larger-scale potential market for the output of the firm. Urban areas typically not only accumulate a large number of potential customers for production, but these customers tend to have more income to

spend than their rural counterparts; average per capita incomes in the capital city of most developing countries are usually 40 to 60 percent higher than the overall national figure.[10]

Another contribution of urban areas to firms' economies of scale comes by making available to companies the range and quantity of production inputs and supportive services needed to operate more complex, larger scale enterprises; this latter relationship, in turn, brings us to the subject of so-called "external" economies of scale.

Economists, with their propensity for jargon, have subdivided the field of external economies of scale into what they call "localization economies" and what they call "agglomeration economies." The difference between the two is that localization economies accumulate as more and more firms within the same industry co-locate in one place, whereas agglomeration economies derive from the co-location of firms from different industries. However, both operate basically the same way. Within a particular industry, "common pools" develop of labor skilled in that industry and suppliers of services not needed full-time by any one plant. Because of interindustry clustering, firms have access to a larger general labor pool, wholesaling facilities, and commercial, financial, and other specialized business services. Suppliers of services, which benefit from their own larger scale and lower costs, are then able to improve the operation of other firms. A minimal volume of activity (in terms of market, population, and income) is particularly important for the support of major facilities such as airports and ports.

These latter advantages to the firm, it is important to note, have less to do with the expansion of the firm itself than with the clustering of

economic activity -- the collection together in one place of jobs, people, and institutions. That clustering is called a city.

Internal economies of scale, localization economies, and agglomeration economies operate for economic activities in developing countries and developed countries alike. But in the former countries, the general state of underdevelopment of supportive services and infrastructure tends vastly to increase their importance. While in an industrialized nation, locating a plant in a major urban area rather than in a rural area may mean a marginally improved level of productivity, the same decision in a developing nation may make the difference between operational viability and not being able to operate at all. When telephone and communication systems are unreliable, for example, physical proximity is important for communication by messenger or in face-to-face conversation. When "formal" business practices (such as formal contracts or written product specifications) are not common practice, then direct personal interaction, personal relationships of trust, and on-site inspection of products are essential to the daily conduct of business. When government officials exert substantial control over business activity, location in or near capital cities may provide essential access to the sources of power when negotiating licenses, foreign exchange allocations, and other arrangements. When educational, cultural, and medical facilities are available only in urban areas, then educated technicians and managers may refuse to accept jobs in nonurban locations. Such conditions tend to be typical of the circumstances in many African nations.

Cities are Facilitators of Rural Growth

Much of our discussion thus far has been in terms of the role of primate cities and other large urban centers in the economic growth of a developing

nation. But these major urban areas are only part of the full range of city settlements, which also include intermediate-sized regional centers and small market towns with strong linkages to their surrounding rural areas. Accordingly, our attention will now turn to these urban settlements as facilitators of rural income enhancement -- centers which can:[11]

- Provide a distribution system for agricultural products sent to major urban areas for consumption, processing, or export.
- Provide a distribution system for manufactured consumer goods, and agricultural inputs from cities to rural areas.
- Provide urban social and commercial services (hospitals, research centers, educational facilities, government administration) accessible to rural areas.
- Act as centers for social transformation, "modernization," and evolution from subsistence to commercial agriculture.
- Provide opportunities for rural industrialization -- particularly in terms of small scale industries and resource-based industries linked to existing agricultural or extractive activity.
- Provide urban jobs for surplus rural population, thus reducing pressure on rural land.

It is obvious, of course, that many of the means of promoting the growth of agricultural incomes and the well-being of rural dwellers operate directly on the agricultural sector itself. These approaches include land reform, agricultural technical assistance through extension services, improved plant and animal breeds, and related strategies. But the absence of appropriately-developed small urban centers and market towns can substantially constrain progress toward these same goals. Assistance targeted on developing these urban areas and expanding the functions they provide to the agricultural sector can be an important component of a comprehensive approach to rural development.

This principle is well-illustrated in a recent World Bank study of the Sahel.[12] The study concluded that among many factors contributing to the very slow rate of growth of rural incomes in that region was the shortage of crucial agricultural support functions such as: marketing; processing; storage; availability of tools and machinery; education and rural extension; and agricultural credit. Typically, such functions are located in small urban centers within agricultural regions rather than in the countryside itself, for all the reasons of economies of scale, localization economies, and agglomeration economies discussed earlier. Thus, the Bank study concluded, developing these urban-based support functions and the small cities and market towns to host them would be an essential part of future regional development.

The interactions between smaller cities and their rural hinterland operate in both directions, of course: urban to rural and rural to urban. While urban service centers can provide activities necessary for more productive agriculture, their growth in turn depends on the health and growth of their supporting agricultural base. This implies that the growth of smaller cities which are service centers for rural areas is naturally and properly "demand led." That is, generally it is responsive to rural growth needs and opportunities which precede urban development, rather than vice-versa. For example, in a study of the growth of secondary cities in India as agroprocessing and rural service centers (which later diversified into other industries), it was observed that one of these cities, Meerut City, has grown "mainly in response to the felt needs of its agricultural hinterland and it is the latter which has been feeding and sustaining its growth."[13]

This concept carries important implications for the support and spread of small-scale industries, including agroprocessing plants, in rural areas. As Ume Lele has said when discussing the limited success of an A.I.D.-supported small-industry project in northern Nigeria:[14]

> Given the practical difficulty of improving the management and efficiency of many small and scattered rural enterprises, it is only where rural enterprises enjoy a buoyant demand for their services that increases in their profitability can occur. In most cases this implies that rural industrial development must be concomitant with, if not preceded by, a dynamic agricultural sector and a growing rural economy....Frequently, rural industries have been promoted from within a broad but simplistic view of rural development which fails to recognize adequately the important linkage of small-scale industrialization with effective consumption and investment demand in the rural sector.

In Ethiopia, the Chilalo Agricultural Development Unit (CADU) kept this perspective in mind when designing a training program in small-scale manufacturing. The central element in their design was a consumption survey in the rural area designed to identify goods and services likely to be in strong demand. Similarly, in the Sahel, one development strategy proposed by the World Bank was that urban investment should be increased in regions where agricultural potential exists.[15] And agroprocessing or other industries with strong forward and backward linkages are more sensible candidates for industrial development in such smaller cities in rural areas than are industries unrelated to the economic activity surrounding them. Agriculture and the urban activities to support it can only grow with each other's help.

A final important way in which urban development is supportive of rural advancement is through provision of alternative employment and income opportunities for the rural surplus population. As natural population

increase continues at a high rate throughout the developing world and as the supply of available agricultural land remains largely fixed, then the amount of land worked by each person employed in agriculture tends to fall and, with it, rural incomes per capita fall. To the extent that urban areas offer nonagricultural opportunities to some rural dwellers, then the land available to those who remain to work the land is increased, and the potential productivity per worker and income per family is increased. Some of these urban-based opportunities may arise in distant large urban centers; others -- including part-time employment -- may be available in small market towns or rural centers not requiring movement off the farm. In either case, however, if such alternative opportunities are not available, the growth of rural per capita incomes may be slow or even negative.

III. CONCERNS ABOUT THE GROWTH OF CITIES

Not everyone who has examined these issues fully accepts the arguments made above and the optimistic view it presents of the linkage between urban development and economic growth. To what extent are there valid rebuttals or additional concerns we have not addressed? What are the elements of truth in these counterarguments? We shall examine, in turn, four of the most prominent questions often raised about possible negative effects of urbanization on national growth and development.

Isn't Urban Growth the Result of Urban Bias?

Some economists and other commentators place a different interpretation from ours on the linkages which we have discussed among urbanization, high incomes, and the clustering of public and private investment. While we have

argued that urbanization has helped to generate these higher incomes and has attracted these investments by offering opportunities for increased production efficiency, these dissenting scholars argue that urban growth is instead the artificial result of an "urban bias" in governmental policies -- policies which set prices and make public decisions in ways which favor urban areas and concomitant industrial development more than their potential contribution to economic efficiency justifies.[16]

> The ultimate result of these policies (urban policies to stimulate industrialization) was to create incomes and services in the cities far superior to those in rural areas, leading millions to migrate in search of a better livelihood ....[A]nd if urban population growth is to be reduced and the living conditions in rural areas are to improve, the artificial advantages of cities must be eliminated. As long as income-earning opportunities in the the two sectors remain substantially out of balance, migration will continue and the problems associated with rapid urbanization will intensify.

In support of the contention that public policies have been biased in favor of urban over rural development, these critics cite a number of forms -- both implicit and explicit -- which this bias can take. For instance:[17]

- Trade protection, industrial incentives, and direct intervention in agricultural pricing have turned the terms of trade against agriculture by producing distortions in prices which favored manufacturing.[18]
- Encouragement of investment in capital goods by lowering the effective price through tariffs, below-market interest rates, "overvalued" foreign exchange, and tax incentives to industries.[19]
- Government regulation of economic activities, including the pricing of services such as electricity, water, sewage, and transportation. The number of services available and the degree of subsidization of the services have been said to favor urban dwellers.[20]
- Concentration of fiscal resources and decisionmaking in the capital region.[21]

These critics point out that the cumulative effect of such policies on the location of economic activity can be much more powerful than the usually modest scale of programs explicitly designed to affect location decisions. Some indication of the magnitude of place-to-place differences in implicit governmental support is provided by the following estimate of the support available for firms locating in major urban areas in Brazil compared to those locating in more rural locales.[22]

> For all internally-traded domestically produced manufactured goods, incentives, on average, added 23 percent to the value added obtained by producers. If this Brazil-wide average subsidy is set equal to an index number of 100, the level in GSP (greater Sao Paulo) is 128, with comparable levels (132) experienced by metropolis-dominated Rio de Janeiro state. ...By contrast, the impoverished Northeast region and South region each received average benefit levels well below the national mean; the applicable index numbers are 70 for the Northeast and 51 for the South ....Further analysis is required to examine these impacts... and deciding how much of the location pattern was caused by inappropriate sectoral policies, inappropriate administration, and public refusal to deal with locational barriers that would have been lowered efficiently had the government been concerned to do so. One can, however, advance the following hypothesis: the cumulative effect of pairing subsidies into a city region like GSP has been to dull market signals suggesting alternative locations for economic activity.

Such examples of urban favoritism on the part of governments are easy to multiply.[23] To the extent that there are not sound rationales for these policies, then elimination of such distortions would enhance the efficiency and growth of economic activity in developing nations. To that extent, the critics who raise these considerations have a valid and important point, and elimination of these forms of urban bias should receive high priority. If that were accomplished, then it is likely that the growth of some urban areas would be slower than otherwise, and urban-rural differences in income would be reduced.

Having said that, however, it is all too easy to overestimate the actual impact of these considerations. If "urban bias" had never existed in public policies, there is reason to believe that the majority of the urban development we observe today would still exist. While urban bias may account for some urban growth, that growth reflects other, more fundamental factors as well -- namely, those we have emphasized throughout this paper: economies of scale, agglomeration economies, and other efficiency-enhancing benefits which result from accumulating population and economic activity in a limited geographical area. Thus, private investment will tend to locate in major urban centers and core regions of developing nations to take advantage of these efficiencies. At the same time, many public investment projects are appropriately located in the same areas not for reasons of bias but for reasons of efficiency. For example, port facilities, airports, or similar infrastructure serving the nation as a whole may be appropriately located in urban areas because that is where their greatest pool of potential users are to be found. Earlier in this paper, in the context of smaller cities and market towns, we emphasized the principle that urban development should be demand-led -- responsive to unmet needs which are constraining national or local growth and development. To locate major national infrastructure investment such as ports in urban areas may be economically efficient by this criterion.

From this same perspective of efficiency, unjustified urban bias in public policies should indeed be eliminated. But the objective in correcting policies ought to be that of enhancing national economic development, not that of reducing urban growth per se. And elimination of this bias, it should be remembered does not mean that cities or the growth of cities would -- or should -- disappear.

Aren't Some Cities Already Too Large?

Another concern about urban growth which is frequently raised by planners and decisionmakers is that in many developing countries, the major cities -- most prominently the capital cities -- are already so large that they are inefficient and unmanageable. Within Africa, Cairo and Lagos are frequently mentioned as examples of this situation; elsewhere in the developing world, Mexico City, Sao Paolo, Jakarta, and Seoul are often cited. What evidence is there that such cities are "too big"? At what size does this occur?

The first step in answering these questions is to refine the phrase "too big." Part of what is meant by this notion is that as cities grow in size, the costs per household of providing services (sewage, water, housing) rises. At the same time, new costs are created by crowding people and activities together (pollution, crime, congestion). But such increases in cost justify concluding that a city is too big only if costs are rising faster than benefits are rising, for we must not forget the scale and agglomeration benefits cited throughout this paper as the primary reason for the existence of cities in the first place. Even if the costs of urban living are higher than rural living, if urban-induced increases in productivity are greater than the urban-induced increase in costs, then urbanization is still more efficient than a more dispersed pattern of settlement.[24]

Unfortunately, very little solid empirical evidence is available on the ways in which either productivity or costs vary with city size. More is known about the latter than the former. For example, numerous studies have been conducted on the efficiency with which public services can be delivered

in cities of various sizes. Their findings vary a great deal depending on the particular service being examined:

- In water treatment, economies of scale exist in the sense that large plants have lower unit costs than small plants. On the other hand, higher density of population usually means greater ground water pollution and thus more treatment required, offsetting the economies of scale. This was observed to be the case, for example, in Cali, Columbia.[25]

- For Brazil, a World Bank study has estimated an investment cost of about $500 per urban dwelling for water and $650 for sewage. Estimated costs for rural communities (100-400 dwellings) were only about $450 per dwelling for water and $70 for latrines For isolated rural dwellings, the unit cost was $2,000 per water connection and $400 per sanitary installation. Thus, in rural areas, the per capita costs of sanitation tend to be lower -- as long as one accepts differences in the quality of service to the user.[26]

- For electricity services, the World Bank estimates that the average cost for rural areas is 6 -10¢ per kwh, in comparison to 2.5¢ per kwh for urban areas. There is general agreement that for electricity, economies of scale have an overriding impact on unit cost.[27]

- In the case of health and education services, greater population density and settlement size can reduce unit costs in the provision of services -- especially higher-level facilities (hospitals, secondary and postsecondary education). But for more basic health and education services, the minimum efficient size is smaller.

- The costs of infrastructure needed for industrialization in Indian cities decline as a fraction of output for cities in the range of 20,000 to 1 million inhabitants; economies of scale for most services are achieved in cities of about 130,000 people.[28]

One comprehensive effort to measure a broad range of both the costs and the benefits associated with the growth of a very large urban area is found in a major study of the Cairo region recently completed under A.I.D. sponsorship. This examination of a region estimated to encompass some 16.5 million in population in year 2000 concluded that[29]

> massive decentralization to non-economic locations cannot be justified on the basis of diseconomies or disamenities associated with Cairo's and Alexandria's size.

The study also emphasized that many of the disamenities which are observed in the urban area are not necessarily inherent in any population concentration of that size. Rather, they could be reduced through better public management practices, particularly through reforms in the prices charged for public services. In many developing nations, urban public services are provided at heavily subsidized prices, far below the cost of producing these services. Individuals and business firms thus may find it economically attractive to locate in urban areas -- the benefits to them outweigh the (subsidized) cost -- while from a social planning point of view the costs (the actual costs of producing the service) may outweigh the benefits. One way to ensure that cities such as Cairo grow only to their efficient size and no further is to charge users of public services the full cost of providing the service.

While the study of the Cairo region is far from perfect methodologically -- due to the limited state of the art in methods available to answer such questions -- its findings are nevertheless striking. The Cairo area is an very large urban agglomeration, by far the largest on the African continent. If a case cannot be made there that urban development has proceeded too far, then caution should be exercised before the more typical primate cities in Africa -- involving a population of perhaps a million -- should be assumed to be too big.

Doesn't Urbanization Promote Regional Dualism?

The incidence of economic and social differentials among regions in developing countries is striking.[30] Looking only at differences in gross

regional product, more advanced industrial nations generally have a ratio between their poorest and the richest regions of two to one. In some middle income countries, this same ratio has been estimated at 10 to one (in Brazil) and six to one (in Thailand and Venezuela).[31] Differences between the most remote rural areas of peripheral regions and the central cities of core regions are often even more extreme. The issue therefore is frequently raised whether or not to intervene with public policies and programs to decentralize economic activity, to move it away from primate cities and their surrounding core regions and toward these relatively underserved areas.

There are many reasons policymakers might support policies which spread economic activities beyond their nation's core region: to increase the total size of the national market; to open new regions to raise output; to develop border regions for reasons of national security; to increase the flow of "modernization"; or to reduce inequalities in opportunities or access to services among ethnic groups within the nation. Many of these objectives are political or social in nature, not economic; and many of them emphasize considerations of equity, rather than concerns of efficiency.

To say that the objectives of such policies are often noneconomic is not to say that they are illegitimate, of course. On the other hand, the economic perspective in this paper remains extremely important in evaluating policies for addressing regional dualism, for this economic perspective can highlight the ways in which some decentralization policies are more costly in terms of economic growth than others.

One of the least costly alternatives for reducing the degree of regional dualism is simply to wait for market-based economic forces to perform the process unassisted by government policy. In examining the past history of

nations which are now fully developed, researchers have observed that, while core regions may forge ahead of more peripheral regions for extended periods of time, eventually there is a tendency for differentials to reduce and economic activity to disperse. This stage of development is sometimes labelled "polarization reversal."[32] The evidence is not clear that such a pattern is inevitable in all developing countries, however. Furthermore, experience suggests that it is not likely to occur until levels of income and development are achieved which are far above those of Africa at present; Korea and Brazil are two nations sometimes considered on the brink of such development today. Thus, a simple laissez-faire approach is unlikely to be appropriate in those African nations where regional dualism is an important current concern.

Caution should be exercised, however, when considering more activist regional dispersion policies. Particularly careful thought needs to be given to the potential confusion between urban development issues and regional development issues. In light of the economic efficiency considerations highlighted throughout this paper, it is difficult to imagine that policies seeking to keep population and economic activity in the rural countryside can be pursued very effectively or without great cost as a means of reducing the relative growth of a nation's primate city and core region. Rather, some form of alternative urban development in peripheral regions may be a more effective competitor to urban locations in the core region. A strategy of changing a nation's mix and location of urban activity will generally be more appropriate than a strategy which rejects urban activity altogether.

Another element of realism which must be kept in mind in planning for regional decentralization is that in many cases, it is unlikely that urban economic activity currently found in core regions could be relocated even to

urban locales in peripheral regions. To the extent that accelerated growth in peripheral regions of a country is a national priority in a developing nation, the most likely paths for that development involve expanding the agricultural and extractive sectors of those peripheral regions, industries with strong backward and forward linkages to those agricultural or extractive sectors, and the smaller cities and market towns in the region which can provide supportive services to those developments. Industrialization and advanced economic functions which may be developing concurrently in the core regions and major urban areas of the nation are generally not readily transferable to peripheral locations -- because of the economic efficiency considerations discussed repeatedly throughout the paper.

Doesn't Outmigration Drain The Countryside?

Observing concurrent rural stagnation and rapid urban growth in many developing nations, some observers have tended to blame the latter development for the former one. That is, they have argued that, were it not for rapid rural-to-urban migration, taking with it many of the most vigorous and best educated rural dwellers, then rural areas would be developing far more rapidly. To what extent is this perspective correct?

Certainly there is at least one key element of fact underlying this argument: it is true that, on average, the individuals who migrate from rural to urban areas are younger, more highly motivated, and better educated than those who remain behind.[33] Thus, the labor force in rural areas is of lower average "quality" than it would be if no outmigration were to occur. This fact presumably leads to lower rural incomes than otherwise, as well as representing a constant removal of potential key human resources for local economic development.

Rural-urban migration produces a number of other effects on rural areas, however, which have precisely the opposite effect on rural incomes. Perhaps the most important one, mentioned earlier in the paper, is that outmigration helps to reduce the labor-to-land ratio in rural areas and thus increase agricultural output per worker.

A second important factor is that migrants to urban areas send substantial amounts of their urban earnings to support relatives who remain in the countryside. One study, using a large sample of rural households throughout Ghana, estimated that one-third of that population received money from in-town relations. About 70 percent of rural Yoruba households surveyed in a study in Nigeria received some help from urban children.[34] Another study estimated that in 1967, the equivalent of about 5 million pounds sterling were sent out of Accra each month in the form of small remittances (e.g., less than two pounds per month).[35]

Finally, the exposure to modern institutions, techniques, and life styles which urban migrants receive gets partially transmitted back to their rural home areas, through visits and return migration. Thus, the faster urban formal sector employment grows, the faster is the growth of both the urban-based non-farm income stream in rural areas and of rural productivity and agricultural innovation among small-holders.[36] On balance, prosperity in urban areas and prosperity in rural areas have more a complementary relationship than a competitive one.

IV. SOME IMPLICATIONS FOR URBAN POLICIES AND PROJECTS

The most basic implication of all the considerations discussed so far in this paper -- both the "pro-urban" considerations set forth in Section II and

the "anti-urban" questions raised in Section III -- are easy to state: Getting economic activity located in the right place along an urban-rural spectrum is important to the national growth and development of the nations of Africa. This section presents six specific rules which embody past experience concerning what "the right place" might mean in the context of these developing nations.

Rule 1: Be Guided By Local Circumstances, Not Theoretical Models.

Nothing is more obvious to observers of African nations than the tremendous diversity among them. Their topography, size, climate, natural resource endowments, colonial backgrounds, level of political, economic, and institutional development, and ethnic composition differ widely, even among immediate neighbors. In consequence, no standard formulas, abstract patterns, or prefabricated solutions can provide very complete guidance on any aspect of their national development. Exactly the same is true in terms of spatial policies and urban development programs.

One particularly important implication of this rule is that policy makers should stay away from city-size targets as an element of spatial planning. There is no simple relationship between the size of the city and the economic activities it supports. Cities of the same size, for example, may coexist because one is a large rural market; another is the center of a region of oil refineries; a third is supported by government services; a fourth is the recipient of refugees fleeing rural drought; and a fifth is a convenient satellite of a still larger city. Similarly, the ideal size for a nation's primate city will depend on the size of the nation, on the nature of the nation's economy, and on a myriad of other factors. There is no "magic

number" derived from the experience of other nations which should be given major attention in planning for a particular nation; the specific facts of that nation itself are of paramount importance instead.

The simplistic notion of a target city size is complicated further when considering a city's place among other cities in the nation -- its place in the urban hierarchy or system of cities. It would generally be counterproductive -- as well as probably impossible for a country with low per capita income -- to seek to "fill in" its city hierarchy in order to have a regular "pyramid-shaped" rank-size population distribution among cities so that it conforms to the pattern observed in many developed nations or reproduces the pattern suggested in abstract models of urban hierarchies. Many African nations, in particular, exhibit a distribution of population which is more concentrated in primate cities than is typical in nations of higher income levels. To seek to alter that fact, as a goal in itself, would be to invest scarce development resources in a way which will not contribute effectively to national well-being.

Rule 2: Promote Better Management of Major Urban Areas.

Overall, urban incomes are higher than rural incomes, a smaller proportion of urban people live in abject poverty than in rural areas, and migrants from rural to urban areas feel that life is "better" in the city than the country. However, these averages hide the range of conditions found in cities.[37] Unemployment, poor and congested shanty housing, and limited access to services are the fate of far too many urban dwellers. In fact:

- It is estimated that about 25 to 50 percent of the urban population in every African country is defined as having less than one-third

of the national average household income. This translates to about 25 million people, one half of whom live in Nigeria, Egypt, Morocco, Ethiopia, Zaire, and Algeria.[38]

- By the end of the 1990's, it is estimated that over half of the absolute poor will be in urban areas. For the urban poor, mortality rates, health and nutrition levels, and access to curative health services and eudcation services are close to, or in some cases, below average rural levels.[39]

Thus, even though many urban dwellers may be better off than many rural ones, there is still a great deal to be done to relieve poverty within cities themselves. Development assistance programs targeted on urban areas should thus not be assumed to be inequitable in the sense of serving a better-off population than would be served if the resources were instead targeted on rural areas. This fact provides one important rationale for support of urban-targeted development assistance projects.

A second rationale for such projects derives once again from the basic theme of this paper--that urban areas provide real economic efficiency benefits to its resident firms and citizens. So long as this is true, then major cities will continue to grow even when nations pursue decentralization initiatives such as secondary city development programs. If large cities are here to stay, then activities to promote their efficient functioning seem to be one sensible form of urban development assistance.

Among the most prominent authors arguing that such projects should receive priority is Johannes Linn of the World Bank. He contends that the quality of management of cities has a tremendous influence on how a city grows, whether it prospers, and the size to which it can grow without sinking into disorder. For example, he argues that the differences in the quality of urban management has had much to do with differences in the success of two pairs of similar-size cities -- Bombay over Calcutta within India and Medellin over Barranquilla within Colombia -- in their ability to grow and to

absorb urban labor. Singapore provides another example where local investment in a comprehensive effort to improve urban management has increased urban absorptive capacity.[40] Among other reforms, Singapore has streamlined the administration of its local taxes and regulations, provided marketing facilities, and instituted cost-covering charges to improve public utility services and roads. In Linn's opinion, common elements of urban management which are important targets for management improvement assistance are:[41]

> [t]he provision of adequate public utilities for industry and commerce;...a well-functioning urban transport system ...; availability of developed land for new industrial developments; adequate public marketing facilities, both wholesale and retail; a good communications system; and a public administration that minimizes efficiency losses and compliance costs for regulations and taxes.

Given the inevitability of ongoing urban growth and serious urban poverty within the nations of Africa, development assistance projects focusing on such concerns seem appropriate uses of some bilateral assistance resources.

Rule 3: Avoid Direct Controls on Migration and Location.

The rapid growth of major urban areas -- and especially of primate cities -- has driven some policymakers in developing nations to look for ways to control migration into the city as one method of slowing growth. The spectacular rates of growth of many primate cities have provided legitimate cause for concern. Manila, for example, has had to absorb about half of all Philippine rural-urban migrants over the past 20 years.[42]

Various governments have experimented with both direct controls and indirect controls to affect migration flows. Direct controls on migration into primate cities include such instruments as identity cards, entry taxes,

and entry passes. Other measures tried by developing countries have included local restrictions on employment and informal sector activities and bulldozing squatter settlements or withholding services from them.

When tried, as for example in Jakarta, these systems have generally proved largely ineffective. They have proved extremely difficult to enforce.[43] In Korea, direct controls were somewhat more effective in slowing immigration into the major cities of Seoul, Pusan, and Taegu. However this effort was "probably more successful in encouraging suburbanization than in promoting interregional location to other cities."[44]

Furthermore, while such control policies have not affected migration flows very much, they often have "seriously impeded the efficiency of large segments of the urban factor and goods markets, destroyed valuable capital stock, and wreak(ed) havoc with the lives and welfare of the majority of the urban population affected by the policies."[45]

Indirect methods of migration controls generally accept the notion that local controls are nearly impossible to enforce and instead are based on the belief that changes can occur only by changing economic and social conditions at the origins and destinations of migrants.[46]

> Three main possibilities arise: improving conditions in rural areas so as to stem rural emigration; making conditions for immigration into large cities even less pleasant; generating opportunities, especially jobs, at intervening locations somewhere between the areas of origin and the dominant cities attracting migrants.

Korea instigated indirect controls in all three of its major urban areas to redistribute population and economic activities. The government used four policies to affect concentration: agricultural and rural development; national land use plans and regulations; financial and other incentives to

decentralize industries from Seoul; and investment in infrastructure and services in other cities.[47]

While the scope of such policies is too complex to be discussed here in detail, the basic wisdom inherent in them is important to note. The gist of that wisdom is the realization that policies to control migration into the primate city must be national development policies, not ones of local control. The circumstances that generate the motivation to migrate are most appropriately addressed through national sectoral policies (such as agricultural pricing, land availability, rural health initiatives, rural employment opportunities, and rural educational opportunities and not through a system of passes to enter a city or periodic bulldozing of urban shanty towns.

Rule 4: Understand the Reluctance of Industry to Locate Outside Core Regions.

The objective of narrowing interregional income differences is often promoted by governments through policies aimed at dispersing industries from their nation's core region. As we have already described, there are strong economic and managerial reasons why industries tend to cluster in or near major cities. When implementing decentralization programs, all too often decision-makers ignore these considerations and the heavy influence they will exercise on the success or failure of decentralization policies. They also often ignore the behavioral processes by which firms reach these decisions, processes which often frustrate the effectiveness of public initiatives by not even allowing consideration of alternative locations away from the core region.

Consider, for example, some of the following characteristics of the decision-making processes within firms making location decisions in the Sao Paulo region of Brazil:[48]

- The decision to move or branch out is a complex one, and businesses generally do not have to face this decision very often. A typical strategy to make this decision in such circumstances is to limit uncertainty, risk, and the cost of information gathering.
- Of firms starting operations, transferring plants, or opening branches, only 8 percent even considered moving out of the Sao Paulo state, and only 16 percent considered another region of the state itself.
- When a move took place, it tended to be local -- 82 percent of the branches and 51 percent of the transfers never left their original muncipality. Only 13 percent of branches and 23 percent of all transfers were made to points more than 30 kilometers from the borders of their original municipality.
- Beyond 150 kilometers from Sao Paulo, almost all new activity was locally generated.
- The process for gathering information concerning different locational options was very limited. Few firms used cost comparisons among alternatives. Once the region was chosen, only the immediate neighborhood selected was considered.
- Movement outside of Sao Paulo into the surrounding region did not occur, it is thought, in spite of the good infrastructure available in the countryside because managers continued to believe that good infrastructure was not available.
- Wage variations appeared to play a secondary role in the locational decision even though real wages for all types of labor were less in the hinterland.

Such considerations suggest that because of the decision-making process (infrequent, risk-averse, and lacking information of alternatives) involved in locational decisions:[49]

> The economic growth of any area is likely to draw upon local resources rather than diverting activity from GSP (Greater Sao Paulo) itself. Dependence on long-distance branching and transfer, based on market signals

highlighting input price variations over space, is simply not a viable option for most communities to base their economic development.

What can policymakers do to overcome this strong locational inertia and the strong economic pressures in favor of core growth? One sensible approach is to focus on industrial promotion of local industry in peripheral regions rather than on industrial relocation such as transfers and branching from the core region.[50] Such an approach often emphasizes the development of resource-based or agroprocessing activities in regions where there is potential for that, as well as the expansion of existing, local firms. Better promotional information concerning opportunities outside the core region represents another approach with some potential, particularly if this information is prepared and distributed with careful targeting in terms of the comparative advantages of the peripheral area and the specific needs of different types of firms.

A final point in this discussion of locational inertia and industrial promotion concerns the construction of infrastructure and industrial estates in peripheral regions as incentives for relocation.[51] The record of such initiatives where they have been tried in the developing world (Korea, Pakistan, Ghana, India, and other places) is that such developments can be successful — but only when the locale to which firms are being lured actually makes sense as an efficient place for these firms to locate. Supplying industrial infrastructure will not by itself create or attract new plants and employment opportunities if there is no efficient way to produce in a locale or no reasonable way to market and sell the output of firms. Infrastructure is a necessary, but not sufficient condition for industrial decentralization and promotion.

A related mistake made in infrastructure investment projects and especially in the development of industrial estates, is the tendency to over invest in the quality of estate facilities and services, to create environments appropriate for large, highly modernized firms, rather than to match them to the needs of the more likely occupants of these estates in peripheral regions, namely small-scale firms, artisans, and other relatively unsophisticated enterprises. Similarly, the informal sector should not be ignored as an important source of employment and income opportunities -- whose promotion often involves other types of government actions than those targeted toward more formal firms.[53]

Rule 5: Develop Secondary Cities with an Eye to Economic Effciency.

It is not unusual to find the promotion of secondary cities as a component of a developing nation's urbanization strategy. As was mentioned earlier in this paper, such activities often reflect concerns for social equity at least as much as economic growth. While equity criteria should by no means be slighted, economic development potential should certainly be carefully considered in designing such projects, for two reasons:

- Developing countries face severe capital and management resource constraints. Resources must be carefully rationed among possible projects and cannot afford to be wasted on less than optimal choices.
- Good economic prospects, and the income and employment opportunities they offer, are the key to achieving social, political and equity objectives.

Thus, a "hard-nosed" perspective is appropriate when selecting cities to serve in the role of secondary cities for development. The development potential of the city -- based on the economic efficiencies which the locale

can offer -- must be given priority attention. Some of the indicators of this potential are:[54]

> population of the city and hinterland as a measure of agglomeration economies; measures of economic structure; rate of growth of gross urban product; industrial development potential; accessibility; attraction for migrants; depth of the regional resource base; the quality and level of public services; the fiscal strength of local government; the supply of indigenous entrepreneurship; and measures of social development elite.

These measures indicate the potential of an area to support the economic functions which drive production and growth. The idea is to choose secondary city projects which "swim with the stream, not against it."[55]

An equally hard-nosed, realistic perspective is appropriate when thinking about the economic activity to be promoted in these locales. Generally, the key to success in developing secondary cities is to build on the comparative advantage of the city and region. We have already discussed one implication of this rule concerning the location decision of firms. Industrial relocation incentives or industrial estates in secondary cities designed to promote transfers of large firms or branch industries to regions outside the nation's urban core are risky ventures indeed. Typically, a better use of resources would focus on the expansion of local activity already present in the secondary city or to encourage the development of activity with strong potential linkages to economic activity already in the area. Assistance activities such as promotion of agroprocessing firms, credit for small commercial and service firms, or relatively inexpensive site preparation for local artisans and small-scale industry often make sense in these terms.

Chiangmai, Thailand provides an example of a secondary city development effort whose success may in large part be attributed to conformity to such rules. Investment there had a strong "multiplier" effect which contributed

to sustained development which benefitted both the urban population and the adjacent rural one. In Chiangmai, economic and social benefits were generated in several ways:[56]

- Investment and reinvestment was provided in locally-based generators of income such as mining, tobacco, and tea. A development bank, other credit facilities, and revamped cottage industries were emphasized.
- Urban-based industries dependent on rural suppliers (tea, tobacco, mining, timber) in turn supported networks of assistance to farmers (providing such assistance as credit, technical advice, and seedlings etc.). They also provided part-time jobs for farmers and a local market for equipment and service.
- Local leaders aggressively promoted the advantages of the area, encouraged reinvestment and expansion, introduced new ideas, and were responsive to rural and urban opportunities alike.

In brief, there are many prerequisites for successful secondary city development -- prerequisites not by any means automatically met simply because a peripheral region or rural area needs economic development. The laudable objectives of many secondary city development efforts can achieved only if targets are chosen with a serious eye to real economic potential.

Rule 6: Be Cautious About "New Town" Developments.

Many developing countries, often encouraged by western planners, have tried to move population and economic activities out of their core region or primate cities through the development of new towns.[57] These planned cities are located outside commuting distance to an existing city (they should not be confused with planned suburbs or "satellite" towns attached to a larger urban area) and are expected to attract business and industry to support their population. In most cases, new towns represent the most expensive and least successful way to encourage decentralization.

The first reason this tends to be true is that new towns are all too often motivated by little else than the abstract concept of an optimal city size. We have already discussed the problems inherent in the use of this as a policy variable, as opposed to more pragmatic and ad hoc attention to the actual activities in cities in their specific national contexts. Second, new towns tend to be very expensive. When first developed, they absorb large amounts of capital investment because they must be built from the ground up. Then after initial construction, new towns often require government subsidies to support the town over many years because of the absence of a local economic base. Even with this subsidization, the cost of living tends to be higher in new towns, often requiring a typical household to pay at least 50 percent of its income on utilities and housing alone.[58]

Not only are new towns expensive, but they also typically do not perform well in terms of one of their prime objectives: the absorption of urban population. Brazilia, for example, even after 10 years of government investment, had a population in 1970 that was only equal to the annual increment of the population of Sao Paulo.[59] In Gwangju New Town, Korea (later renamed Songnam), 60 percent of the initial relocatees to the community eventually left the city to return to Seoul or to move to the peripheral area of the town. This pattern is related to yet another criticism of new towns -- that often they become havens for elite, high income groups using the newly developed area to flee the congestion and pollution which lower-income groups cannot avoid. Lower income groups (many of whom originally came to build the new city) end up living in a shanty shadow town on the periphery of the new construction. These shadow towns simply represent a relocation of the poorly serviced, unplanned shanty towns which abound on the perimeters of large cities throughout the developing

world. Three examples of this pattern are provided by the new towns of Chandigarh, Brazilia, and Islamabad.

In brief, new towns typically are not a desirable form of urban development initiative because they are expensive, tend not to be successful in absorbing labor, and risk becoming enclaves for higher income groups wishing to escape common urban problems. Because they do not draw their life and breath from the fundamental economic function of cities, they become resource users and diversions from national development rather than the resource producers and promoters of national development which cities ought to be.

V. CONCLUSIONS

The perspective of this paper has been that of cities as economic entities -- as locations of economic functions and as contributors to economic growth. This perspective carries two major implications for spatial development policies in Africa and throughout the developing world.

The first of these implications is that both host governments and those involved in development assistance need to be sensitive to the fact that urban growth may be part of the natural and necessary process by which a nation grows and develops. We should think twice before tampering with that process because of the priority which must be attached to the increased income opportunities it represents.

The second major implication is that when we do intervene in the process, we should do so in ways designed to build upon the strong economic forces already at work. The rules in the final section of this paper have suggested ways in which some development activities conform to this rule while others do not.

When cities and urban assistance projects are evaluated from within the framework of national economic development, then decisions will follow which maximize their potential to promote the interests of rural and urban dwellers alike. The clash of interests between the two arises when this perspective is forgotten and urban development is evaluated -- either positively or negatively -- as an end in itself.

FOOTNOTES

[1]United Nations (1980) p. 12.

[2]PADCO (1982a), p. 1. See also Rivkin and Rivkin (1984), Hermanson (1983), and World Bank (1981).

[3]Urbanization is defined as the percentage of population living in urban areas. Renaud (1981), p. 17. However, there is no uniform definition used in data gathering to define what constitutes "urban." Each country has its own definition based on population, administrative functions, or other criteria.

[4]PADCO (1982), pp. A1-A14 In this study, the dividing line between small and large countries was a national population of 10 million. The study was based on data for 1980 drawn from the World Bank's World Development Report 1982.

[5]See Alonso (1971), Williamson (1965), Mera (1980), Wheaton and Shishido (1981) and Beier et al. (1975).

[6]Mera (1973), p. 321-324.

[7]Mera and Shishido (1983), p. 35.

[8]Rondinelli (1983a), pp. 29-30; Hance (1970), pp. 209-210; Hanna and Hanna (1981), p.3; and Ayeni (1981), pp. 128-129.

[9]Elzinga (1977), p. 234.

[10]Renaud (1981), p. 81.

[11]See Rondinelli (1983b), pp. 115-175, PADCO (1982), pp. B-6 - B-7, and Chetwynd (1976).

[12]Cohen (1979) p. 8-9. See also D.R.F. Taylor (1973).

[13]Sundaram (1977), p. 207.

[14]Lele (1975), p. 166.

[15]Cohen (1979), p. 41. See also Mellor and Lele (1971) and Johnston and Kilby (1975a, b).

[16]Todaro and Stilkind (1981), p. xi and 35.

[17]Renaud (1981), pp. 102-106.

[18]See Ruane (1979).

[19]See Barret (1972).

[20]See Linn (1982).

[21]See Kee (1977).

[22]Hamer (1983), p. 70-71. The "incentives" are the combined effects of tariffs, fiscal exemptions, and interest rate subsidies during 1980-81. See W. Tyler (forthcoming).

[23]Caution should be exercised when measuring the distribution of public expenditures. In Malaysia, for example, it was found that rural areas were favored most on a per capita basis by public expenditures, then large cities, and finally small urban areas. For Colombia, the opposite was true in that health and education subsidies were higher in urban rather than rural areas and access to services was better in large cities than rural and small cities. And while measuring the incidence of taxation is difficult, rural areas generally have lower average tax burdens. Linn (1982), pp. 644-645. See also Meerman (1979), Selowsky (1979), and McLure (1975).

[24]See Alonso (1971).

[25]Linn (1982), p. 635.

[26]Linn (1982), p. 638. See also Rovani (1979) and Kalbermatten (1980).

[27]See Hufbauer and Severn (1975).

[28]Stanford Research Institute (1968).

[29]PADCO (1981) p. 47. See also Gilbert (1976).

[30]See Williamson (1965) Friedmann (1973), and Gilbert and Goodman (1976).

[31]Renaud (1981, pp. 116-128) points out that even if decentralization results in greater gross regional product, "place prosperity "does not automatically guarantee "people prosperity." Equity objectives of decentralization projects may not be met because of leakages of project benefits out of the region and the failure of benefits to "trickle down" to the majority of the population. Gross regional product may increase without affecting interpersonal equity.

[32]See Richardson (1977), pp. 18-23.

[33]See Peil (1981) and Pfeffermann (1968).

[34]Caldwell (1976), p. 233.

[35]Caldwell (1967), pp. 142-143.

[36]Collier and Lal (1980), p. 43.

[37]See Rondinelli (1984), p. 5, World Bank (1980), p. 3, and Squire (1981), p. 68.

[38]Cohen (1982), pp. 11-12.

[39]Linn (1983), pp. 22.

[40]Linn (1983), p. 57. See also Watson and Holland (1978).

[41]Linn (1983), p. 57.

[42]Rondinelli (1983a), p. 62.

[43]Richardson (1981), p. 276.

[44]Richardson (1977), p.45.

[45]Linn (1983), p. 45. See also Yap (1975) and Findley (1977).

[46]Richardson (1977), p. 46.

[47]Rondinelli (1983b), pp. 9-37.

[48]Hamer (1983), pp. 49-56, 60-64, 81-82.

[49]Hamer (1983), p. 59.

[50]Richardson (1982), p. 103.

[51]See Richardson (1982), pp. 105-107; Darkoh (1974), pp. 118-127; and Lewis (1953).

[52]Richardson (1981), p. 279. See also Rivkin and Rivkin (1982).

[53]Linn (1983), pp. 50-64.

[54]Richardson (1981), p. 280.

[55]Richardson (1977), p. 60.

[56]Rondinelli (1983a), pp. 184-188.

[57]New towns as capital cities come about primarily as a result of a political decision. One of their objectives is to be a symbol to the nation (i.e. Canb rra, Brazilia, or Islamabad) and a model for other cities (Renaud (1981), pp. 115 and 161-162).

[58]Renaud (1981), p. 115.

[59]Renaud (1981), p. 114.

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