

# Selected Conclusions of the MNA Consultation on WDR09

Marseille, May 5-6 2008

# Unanimous praise for...

- Tackling the issue of urbanization and territorial development, putting it at the core of development policies
- Richness of factual evidence and historical comparisons, and the manner in which they were presented in the report
- Very attractive and thought-provoking graphs and new indexes, including the aggregation of data from different sources
- Simplicity and elegance of the analytical framework (one « I » for one « D »); sequencing of interventions on institutions (spatially blind), infrastructure, and targeted incentives (a reverse of traditional local and regional policies); and application of this framework to all levels (local, national, international)
- Decision to undertake the consultation and the timing of the urban strategy development and the follow up in MENA

# Areas for improvement

- Methodological issues
- Data and analysis gaps
- General policy orientations
- Specificities of the MENA region

# Methodology issues

- The analytical framework may be perceived as too simplistic and mechanistic:
  - need for nuances; better balance of search for universal rules and laws versus contextualization; definition of urbanization and of agglomeration index
- Relevance of long-term historical trends:
  - will they hold in the future?
  - Game changing factors like climate change effects, new technology (IT) impacts, oil and food price shocks, energy use?
- Concentrated specialization and the challenge for new comers:
  - Can we be so deterministic?
  - Way of framing the question; examples: exception or policy prescriptions
  - Are we sticking to a mass industrialization model which worked for countries of the Northern hemisphere over the last centuries, but does not apply to developing countries in a new era?

# Methodology issues (continued)

- Demographic transitions:
  - explain how current urbanization problems in developing countries derive from fundamental issues such as the conditions of the demographic transition,
  - coexistence of traditional societies and production modes with modern and integrated ones in a global economy,
  - effects of globalization,
  - Ill-adapted institutions and governance principles
- Optimal city sizes?
  - Is there a limit to concentration of economic mass?
  - Role of systems of cities or network of cities
  - Initial conditions framing countries' development?
  - Demand for density; density over time

# Data and analysis gaps

- Agglomeration versus localization: is there a need for local development to start the process, before connecting with the global economy?
- Policy and political processes by which territorial development in its diversity takes place
- Role of local actors as agents of development
- Need for better data and measurement on cities' development process, notably for small cities
- Need for in depth analysis of regional integration models
- Inter-country and global migration issues need more treatment in the early chapters, especially given the pro migration bias of the report
- At a more fundamental level, how to integrate quality of life, welfare and non monetary indexes in economic indicators

# General policy orientations

- Context: adapting policy recommendations to Region/Country specificities – at least show what this means
- Approach: to encourage concentration and urbanization processes or to control them? (is there a need for balance/trade off between redistribution and growth– as in the European Union?)
- Congestion: is there a need to compensate for congestion diseconomies which undermine benefits of agglomeration economies?
- Social and environmental factors: need to pay more attention to them in assessing what works
- City portfolios: need to look more at secondary cities as opposed to large/capital conurbations in the examples given. Better balance between investment in large cities or growth poles and other locations
- Niches and specialization: is there a need to consider the diversity of situations and opportunities?

# General policy orientations (continued)

- Attributes of place: need to exploit attributes of remote, rural, and small communities that have cultural and other advantages and support private initiatives in these areas
- Nuancing of policy mix: need to invest in infrastructure (telecoms, autonomous energy, etc) and not only social services and education for helping in local territorial development
- Institutional options: need to analyse more conditions of efficient decentralization (along with deconcentration processes), while not giving an impression that decentralization trends should be discouraged



# Specificity of the MENA Region

- Politics and policy: MENA is already quite urbanized. Spatial disparities as a political risk. Issue is not to encourage further urbanization, but more to deal with politics and policy issues deriving from disorganized, massive urbanization (Cairo example).
- Role of secondary cities: deal with a continuous spectrum of urban/rural territories with creation/maintenance of middle size cities and remote rural areas; confidence in government indicator; limited room for accelerated agglomeration
- Specialization potential of metropolises? « Strips and conflicts »
- Democracy: Accountability gap; human rights; governance; strongly centralized and authoritarian regimes versus democratic (participatory) expression; mobility of the private sector
- Conflicts: consider issues in countries affected by conflicts (role of European Union)
- Spatially blind policies (education; target household rather than spaces)

# Specificity of the MENA Region

- Context: distinguish between resource rich/labour importing countries vs resource poor/labour abundant countries
- Integration: tackle specific MENA trade integration issues, taking stock of progress already made (trade agreements) and funding for regional infrastructure projects (ferry boats)
- Agreements: a kind of social contract is needed: South/South? North/South (Europe support)?