

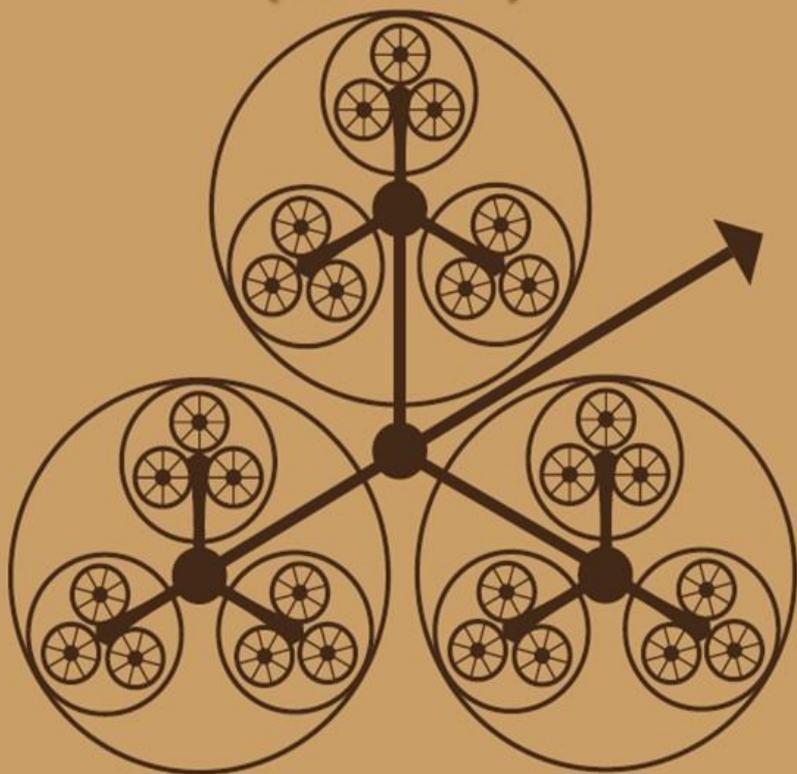
Pedro Sisnando Leite

**INTEGRATED REGIONAL RURAL
DEVELOPMENT PROGRAM**

EXECUTED

**BY THE BANK OF NORTHEAST
BRAZIL WITH THE SUPPORT OF
THE SETTLEMENT STUDY
CENTER DE REHOVOT (ISRAEL)**

(MEMOIRS)



Fortaleza | Ceará | Brazil



Pedro Sisinando Leite

He is an economist, graduated from the Federal University of Ceará, with a postgraduate degree in rural economics and regional planning in Israel. He was a technician in economic development at Banco do Nordeste do Brasil and, for many years, head of the Agricultural Studies Division of that Bank. He taught, as an adjunct professor and holder of economic development, in

undergraduate and master's courses in Economic Theory (CAEN) and Rural Economics at the Federal University of Ceará. In university administration, he was Pro-Dean of Planning for two terms, from 1983-87 and 1991-95. He spent a large part of his academic and professional life studying economic development experiences in developed and emerging countries, visiting more than twenty nations for this purpose.

He published twenty studies and didactic books on problems of economic development, planning and regional development. He has contributed many articles and essays to newspapers and magazines. He belongs, as an effective member, to the Cearense Academy of Sciences, the Academy of Social Sciences of Ceará and the Historical, Geographic and Anthropological Institute of Ceará. He was vice-president of the Brazilian Society of Rural Economics and Sociology and, as a member of the International Rural Economy Society, he has participated as a guest lecturer in several international meetings. He was a research fellow at the National Research Council (1988-1992). He held the role of Secretary of Rural Development for the State of Ceará, in two administrations of Governor Tasso Jereissati, in 1995-98 and 1999-2002.

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Integrated Regional Rural Development Program Executed by The Bank of
Northeast Brazil with The Support of The Settlement Study Center De Rehovot
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GENERAL PROLOGUE

The Training Program in Planning and Execution of Regional Integrated Rural Development Programs was sponsored by Bank of Northeast do Brazil S / A, the Federal University of Ceará and the Center for Regional Urban Studies - Rural of Rehovot (Israel), in addition to the collaboration the Northeast Development Superintendence and the National Department for Works Against Drought. Begun in 1971, seventeen specialization courses were held as part of this Program in Fortaleza, with the participation of 420 technicians from the North region and from all the states in the Northeast of Brazil. The trainees were professionals belonging to the main regional and state institutions for the planning and execution of rural development projects.

With the end of the activities of this Program in 1985, due to budget restrictions determined by the federal government, it resulted in one of the most successful initiatives for training technicians in regional development, in cooperation with international institutions, within an entirely new methodology in the field. Brazil, aimed at presenting effective results for the benefit of the Northeast region.

The Training Program in Planning and Execution of Regional Integrated Rural Development Programs (CPEDI) was structured with the purpose of preparing interdisciplinary teams. The participants were trained theoretically and practically in the use of their own tools

for planning, evaluating and executing integrated rural development projects, tasks that are always linked to a certain area of the Northeast, selected to start a real program.

Another great merit of this training program was the formation, in the various regional and state bodies, of planning teams with the same basic and doctrinal training, facilitating the most effective coordination between these entities in the pursuit of regional development. Disciplines related to the issue of rural development were taught in the course, especially with regard to Economic Development, Agronomy, Physical Planning, Administration and Sociology, in addition to training for teamwork.

The primary objective of the theoretical phase was to provide course participants with a wealth of knowledge needed by an agricultural planner with a global view of socio-economic problems. In addition to this, it was also sought to provide conditions for students to develop a real development project, which constituted the second part of the course.

The practical phase, in which a rural development project for a given area of the Northeast was being elaborated, consisted of two parts: The first aimed at the macroeconomic analysis of the region as a whole; the second focused on detailed planning of the priority area. For this purpose, studies on Pedology, Hydrology,

Production Costs, Market, Sociology and Cartography were initially carried out. For the preparation of these studies, the participants used the existing bibliographic resources, as well as taking advantage of trips to the project area to make direct surveys. A model of spatial organization and development of the three sectors of the regional economy was also conceived, with the purpose of better distribution of the productive units within the physical space, according to the framework of integrated regional planning.

After these studies were completed, the groups were broken up and a large interdisciplinary team was organized to carry out the microplanning of the priority area. This segment of the work covered the studies of Agricultural, Industrial Microplanning, Physical Planning, Irrigation, Organization and Cooperativism.

The duration of the training was six months, full-time, corresponding to 700 hours, of which about 250 were for the practical phase.

As part of this cooperation program with the Center for Regional Urban-Rural Studies, several research works were carried out, jointly with Northeast Bank and the other local sponsoring institutions. In this regard, the extensive studies on the cooperatives of irrigation projects in the Northeast and with regard to rural industrialization, which had wide repercussions in the academic circles of the country, deserve to be highlighted. Bank of Northeast

also published four books by Israeli authors, used in the courses it sponsored and, in many universities, and specialization and postgraduate courses.

To all the institutions and people involved in this training and research project, Bank of Northeast and the Federal University of Ceará have a great debt of gratitude, which is why they agreed to publish this book as a record of this pioneering work and a subsidy for new generations of planners and executors of integrating regional rural development programs.

Pedro Sisnando Leite
Bank of Northeast Brazil
Department of Economic
Studies of Northeast Brazil

1st part

**Summary of the Workshop
held by the Settlement Study
Center, Rehovot, Israel.**

Workshop Held at the Settlement Study Center, Rehovot
(Israel)
on 10 July 1997

**Urban - Rural Relations in
Developing Countries and Rural
Industrialization in Israel and
Northeast Brazil**

Guest Speaker
Pedro Sisnando Leite
Bank of Northeast Brazil

Rehovot, Israel,
July 1977

PARTICIPANTS OF THE MEETING AT THE RURAL STUDIES CENTER - URBAN DE REHOVOT

Mr Yaakov Vidislavsky, Academic Director of the courses and also directs the Academic Committee of the Center for Regional Studies. Dr. Arie Sheskin, Ministry of Agriculture Planning Center - The Planning Center is in conjunction with the Ministry of Agriculture; Rapahel Bar-El, well known, works here at the Center, is one of the Heads of Research and is a Lecturer, Professor of Political Science at Tel Aviv University; Julia Margolis, you already know; Yehuda Dekel, is Director of the Colonization Department's Industrial Development Company, responsible for all rural industrialization and member of the Colonization Department's Board of Directors; Zeev Unger, is the Director of the Regional Planning Department of the Colonization Department; Zvi Veininger, Deputy Director of the Colonization Department, responsible for the absorption, adaptation of new immigrants in the new settlements and responsible for all social aspects in this aspect; Shinon Ravid, Director General of the Colonization Department; Gideon Vitkon, Director of the Middle Region, Department of Colonization; Dr. Dani Freeman is an Advisor to the Director of the Center and also Head of Research here at the Center. Professor Arie Shachar.

The people mentioned are Israel's best intellectual and scientific forces, both practically and theoretically, in relation to the problems of rural development. Technicians from Banco do Nordeste do Brasil, Acúrcio Alencar Araujo Filho and José Walder Leitão also participated in the workshop.

THEME PRESENTATION

PEDRO SISNANDO: I would like to start by saying that it is a great satisfaction on our part, on the part of Banco do Nordeste do Brasil, to be here in Israel, to strengthen our friendly relations between the Rehovot Center here and Banco do Nordeste do Brasil.

I believe that, for the greatest possible benefit of this meeting, I will mention what our problem is in terms of the need for collaboration from the Center for the Northeast.

The issue we are concerned about is restricted to one region of Brazil, the Northeast of Brazil. The Northeast has a long history of economic policies and programs to develop and reduce regional, economic and social gaps. But it was in the last 25 years that the most important institutions were created, with the objective of establishing political guidelines, organically well-conceived and supported by a more valid economic basis. However, many of these programs have never had any success.

The industrialization program of urban centers in the Northeast has been considered one of the largest and most important industrialization programs in the underdeveloped world. But we all recognize at the government level, at the academic level, at the level of studies, that this process caused several difficulties for the economy of the Northeast.

This process created several difficulties for the region, as I will mention. Problem of concentration of income, urbanization; the depletion of the rural picture and the stagnation of productivity in the agricultural sector.

Therefore, we needed a political-economic review, which would allow us to tackle these central problems of the regional economy head-on and identify what the new policy would be. Based on international experience from around the world.

We envisioned in the experience of Israel's development, in the ideas of Dr. Raanan Weitz, one of the approaches that we felt was appropriate to tackle the central problem of rural poverty in the Northeast.

And that is why we would like to take this opportunity to thank, on behalf of Northeast Bank, the unrestricted and massive cooperation we have received during the last 10 years from the Center, in the sense of spreading this policy, this conception of economic policy in the Northeast.

But we understood that it was necessary to have a doctrine, a comprehensive conception of the problem of rural development, and then train people to make this conception viable and turn it into reality.

We have a special program, POLONORDESTE, for the rural sector that covers a third of the Northeast, and we have a team of trained people who are

vehicles for the pragmatic transmission of these ideas from the Northeast.

There are 39 regions in the nine states of the Northeast.

Our interest in maintaining our relations with Israel is linked, at this stage, when we are entering a decisive phase of demonstrating the viability of this concept, how these things should work in practice, according to the reality of the Northeast itself.

From the experience of the early years of program development underway, we have identified some serious, difficult issues with respect to this adaptation.

The first difficulty we had is that we all understand that economic development will necessarily have to make, as an ingredient of development, a structural transformation, in which the industry will have a relevant position.

But the central question is how to obtain this decentralized industrialization, and how to combine it with agriculture, to avoid the great rural exodus that exists in the Northeast.

The concept of integrated development, constant in Rehovot's ideology, is that we should integrate industry with agriculture, within the rural framework, to allow for these structural transformations without this evasion of activities in the rural framework. We start from the ideological content of this idea, in the sense that we should

support this agricultural development and this combination with industry on family properties.

The question is how to carry out this rural industrialization, so that it achieves what we want, which is greater equality, greater economic opportunity and that this product is appropriated by farmers and not by capitalists as it is today.

All of our agriculture is supported by small fragmented properties, without being associated with cooperatives; or the large landed property, exploited by capitalists.

We are proposing, according to our approach, the cooperative association as the basis for this industrialization. Another form of combination is the participation of the government, businessmen outside the region, and farmers, but supported by a system of farmer's association.

In a way, we started a program with this idea, but the end product of 5 years of experience is that we ended up financing the big businessmen and the big capitalists.

And now, re-examining this issue here in Israel, I am beginning to doubt the practical possibility of internalizing the industry, as we were thinking, just by consensus. Since the rural industrialization here in Israel, as far as we could learn, it was basically carried out on the large property. That the kibbutz is the great expression of this property.

As we were told, the industrialization of the Mochavs was insignificant, it was frustrating, it was disappointing. Only a minority of Mochav have cooperative-level industries.

Because the question seems to us to be a matter of doctrine. In the Northeast, we will have a cooperative with 10,000 hectares or 20,000 hectares. But, from what we are feeling here, it is the problem of association, of lack of links at the cooperative level that allows industrialization.

Because, as we realized, the beginning of the cooperative here in Israel in Mochav, for industrialization were not very strong to allow a joint industry. Then they were too aware and now had enough freedom not to join the cooperative.

The question is: how are we going to make reality in the social and economic structure of the Northeast, the cooperative rural industrialization, to allow the viability of the concept of integration in the rural framework? Or is our interpretation wrong about Israel?

DISCUSSIONS

MR. RAANAN: By way of introduction, you first touched on a central issue of rural development in Israel. I will give my opinion at the end. Here with us we have several experts, both from a theoretical and practical point of view.

I want to explain that in the Northeast it is not exactly the Mochav but villages where the links between individual farmers and the cooperative ... In Mochav there is a complete and absolute identification between the cooperative and the municipal structure, the Council of Administration of Mochav and, at the same time, the local City Hall.

The problem that was raised here is our main problem. This problem has different points of view among those present. I will express my personal point of view and not necessarily the Colonization Department's point of view.

And the problem starts from the point which is the objective: We want to bring industrialization to the countryside. Israel's dimensions, of course, cannot compare with Brazil. Our problem is not that we don't want big cities. But our problem stems from certain political objectives, the dispersion of the population throughout the country.

I want to say that I have great faith in the family unit in agriculture, but not in the family industry.

I think the two main objectives of the rural industry are: to serve as an element to complete the entry of farmers who work in part-time agriculture and to serve as a source of employment and entry for additional people who can live in rural areas, despite not working directly in agriculture.

So, I see two possible ways to organize industries at this level. One is through the cooperative association, when the people who work in the factory, in the company, are the owners themselves. The other possibility is to supplement this own workforce with salaried work.

So, if we do not talk at the moment, for now, or kibbutz, or regional type of industries, I see no inconvenience will private enterprise to rural areas, creating, say, new sources of work that enable complete entry of farmers.

I think that industry should be brought more at a regional level, for example, cooperatives between cooperatives, such as regional companies, and the fact that these companies exist will create the possibility of additional employment, for the same entrepreneurs who work in part-time, and employment, income, ticket, for people who do not work in agriculture.

I don't know agriculture, the rural areas of Brazil very well, but if in Brazil there is no objective to keep or preserve the purely rural aspect of settlements, agricultural

villages, rural settlements, there is no such objective, I see any inconvenience that in village landmark industries can be created.

In the case of Israel, industrialization brought a greater balance in the distribution of income, mainly because in Israel, in the process of industrialization of rural areas, the government has a very large participation, both in wage policy, as in financing, etc.

I understand that if in Brazil, in order to bring industrialization to rural areas, the Government has to give a series of incentives to remove industries from the large metropolitan centers. In this case, I think that this same incentive policy can serve as a control instrument to avoid an exaggerated accumulation of income in the hands of these industries.

In short, I don't believe in the small industry, the family type, those people, let's say, who assemble the watches and then the cooperative is an association of small watch assemblers. I believe in the possibility of creating industries in rural areas, as a source of income and additional work, but not within this family framework.

MR. YEHUDA DEKEL: According to what has been said here, I understand that you have not had the opportunity to visit some places where you can see the first fruits of the industrial initiative within the Mochav of the region.

Here we are talking about the industry within Mochav, because naturally, at the regional level, you have

seen that there are large industries, cooperatives, regional companies, and also private companies. Despite this, your impression is not far from reality, because really, only in the last few years have we started to develop this aspect of the industry at the level of Mochav.

It is true what Sisnando said, that it is not possible to copy experiences from one country to another for the simple reason that the basic data of each region, of each country are different, and also the policy objectives are different in both cases. If in Brazil there is a massive process of rural exodus, migration from the countryside to the city, in Israel, in recent years, we see that there is a flow of people from the city to the countryside. Apparently, until the differences in income levels between the city and the countryside cannot be reduced, it seems that this process will be very difficult to contain.

As I don't know Brazil, it is very difficult to give advice from afar. From what little I know and in the case of the Northeast, it would be more advisable to create industries at the regional level, rather than at the family level. And the possibility of organizing small industrial companies on the basis of various partnerships among farmers should also be investigated.

You mentioned the concentration of income in the hands of industrial companies, but I think that without a policy of strong incentives, it is difficult to expect private industries, for example, to be willing to locate their enterprises in rural areas, at least in the early stages. Thus,

a differentiation that creates an incentive would be difficult to achieve.

I know Brazil only through music and movies. It seems that everyone wants to know Brazil! Therefore, because of this, I don't know Brazil, I can only speak about what I think about the possibilities of industrialization in rural areas, in Israel, and you would have to draw the necessary conclusions for the case of Brazil.

Modern industry - and so I say - cannot be based in any way on the family unit. Industry has an aggregative characteristic. The family agricultural unit can be maintained for many years, within certain limits, however, the industry - and we are often mistaken about the size of the industry when creating it has to be large, in order to compete, in order to arrive at the technological levels required by the modern market.

The questions are then limited to two basic aspects: aspects of industrialization policy and organizational aspects, with the aspect of marketing, commercialization, being one of the main aspects. The question is: within rural development, in the type of agriculture you are planning, what aspect will the commercialization or marketing of agricultural problems have? Whether it will be done by the farmers themselves, whether it will be done by the Government, or by organizations or people outside the region. This will also show us the path that rural industrialization should follow. What are the political objectives, if the objective, for example, is to eliminate the exploitation of farmers, due to external factors, and if it is

to raise the standard of living of farmers? I suppose that one of the goals is this, to improve the distribution of income, raising the income level of small farmers. So, I propose a very simple technique, in terms of organization. So, let's learn from the success of capitalist companies, let's see what successful capitalist companies do, and let's apply these techniques to the case of a new type of company, organized differently.

So, the organizational problem is: where is the farmer going to sell his product? At the factory door you are going to process it, or after the product has been processed? So, instead of telling the company that makes the selection and packaging of oranges, or any other product that is produced in the region, it can be in private hands, and the farmer can sell the product to that person, or on the contrary, this may be owned by the same farmers. And here in I don't go into technology; technology can be bought, just as a capitalist can buy an existing technology, so another type of organization can buy it. The question is organizational, I mean, where is the farmer going to sell his product? At the farm gate, or after the product has already gone through a stage of elaboration and processing?

The problem here is also one of financing, the longer the product remains in the hands of farmers, naturally if the product is processed, it stays longer, it needs a financing system, working capital, working capital, working capital more extensive. So, the question is: farmers, faced with a capitalist company, if they both have

the same possibilities of getting loans or credits to be able to create companies of this type?

Here in Israel, from a financing point of view, farmers had the same conditions and opportunities as private capitalists to get the capital to create these companies. And not only with regard to investment capital, but also working capital, farmers had exactly the same conditions as capitalists or any other type of company to obtain this financing, granted by the banks and the Government. Therefore, we managed to develop here a marketing system controlled by farmers, in such a way that the product goes through different processing stages, practically reaches the consumer or in its final form, or almost in its final form, when all these stages are managed by organizations belonging to farmers. And also, the commercialization system of agricultural production, practically up to the minority stage, it is in the hands of the farmers, that is, excluding the minority stage, which is private.

This, of course, is a very large organizational system in its scale, quite complex in its structure, but in principle I don't see any difficulties in which this system can be applied in other countries, perhaps starting with successive stages, but always when you can count on the instruments of government support, financial instruments that make it possible to organize a similar system.

As for the detailed form of organization, there can be several variants. I personally support the cooperative system, which I believe is the most appropriate system to

organize people who in the beginning do not have their own resources and need external financial resources to be able to organize themselves.

In Israel, the predominant marketing system is the cooperative system, which allows the small farmer to have access to credit sources and to participate in the organization and administration of the system itself.

Naturally, if the main, single objective is to provide work for the local population, one can think of a scheme where the Government, through its policy of incentives, attracts private companies that set up industries in rural areas and create jobs, as a function of the Government, in addition to incentives, the creation of infrastructure works that allow the private company to work. But if it has as its objective some broader social goals, it would be a case of thinking about the participation of the local population in the creation of these industrial companies.

- I agree with most of what has been said here, and I want to insist and say that from an economic point of view, it is not profitable to create industries at the village level. I see a very big difference between the conditions in Israel and the conditions in other countries, but even though you cannot copy exactly, transplant our experiences, I believe that, yes, you can learn from them.

From my experience in Central American countries with which we work, it seems to me that the initial problem is not rural industrialization per se, but the industrialization of agricultural products in the rural

region. And if the initial problem is not so much of large sums of capital, of the capital intensity of industrial companies, but is a problem of organization, of how to organize farmers, for example, so that they can supply the raw material to be processed in stable and regular way. The problem starts with the organization of the same farmers. If the problem is not just organizational, it is structural, in the sense of being able to organize farmers so that they are able to supply raw material in a stable manner. I saw many cases where rural industries failed because farmers were not able to secure, to guarantee the supply of agricultural raw material.

I see that there is a problem with organizing industrial companies cooperatively, and the fact is that cooperative industries are very few in the world, not just in developing countries, but in the world in general.

So, taking into account the little I know about developing countries, despite the fact that I don't know Brazil, I believe that a serious industrialization, on a large scale, is impossible without the participation of private capital, with its financial resources and with your market system.

So, to avoid the problem of small farmer exploitation, in the hands of private industry, the solution could be to organize farmers into strong cooperatives, which would be negotiators against capitalist industries on equal terms, and in this way the distribution could be ensured. equitable benefits generated by the industrial process.

Of course, we would have to differentiate between two types of industry, at least. A type of sophisticated industry, which are special processes, to special systems for processing agricultural products, as perhaps you could see in Miloto, I don't know if they were there; and companies of another type, which are, for example, companies for the selection and packaging of agricultural products, which are simpler companies, that yes, I believe that farmers can control, that can be owned by the same farmers. Therefore, I would not rush to introduce large industries in rural areas, without first organizing the local infrastructure. And for me, the main element of infrastructure is the organization of farmers. And then, only in a second stage, to try to create more sophisticated industrial companies, already taking into account the experience already accumulated in the organization of the same farmers.

MR. RAPHAEL BAR-EL: I had the privilege of getting to know the region we are talking about, the Northeast, in addition to the movies, I saw "Dona Flor" twice!

I agree with most of what has been said here, but the problem is if we are all bearing in mind, we are relating the region to the problems that have been presented here, and I am not so sure about that.

The presentation of the problem of rural industrialization in Israel is basically a problem at the local level, perhaps it gives more work, more source of income, to the people of Mochav or Kibbutz. I do not know in

Northeast Brazil many examples of rural settlements of the Kibbutz or Mochav type. To the extent that there are some systems of organized settlements, they are a tiny fraction, a minimal percentage within the rural population of the Northeast, as I see the problem in the Northeast of Brazil, the issue is not about providing more work, more source of local income, but it is a problem of magnitude if not national, at least for the entire region, of total development of a very large one. (parallel opinion)

“Here there was a misunderstanding, because the “Rafia” presented that the problem in the Northeast is not like the problem in Israel, when it comes to the local level, in Mochav, Kibbutz, to create a company to complete the farmer's work day. You are talking about the general problem of development strategy for the entire Northeast of Brazil, at the macro level. It is a region perhaps as large as many countries the Europe, for example.”

I believe it is not a question of taking a macro region and dividing it into several micro pieces and thus solving the problem. Not a division, but to have a level where every piece of that division is a small village.

The problem of industrialization in the Northeast is the internalization of this industrialization, and any place that is not Fortaleza, Sobral or Juazeiro can already be considered as part of the rural “interlander”. And here I want to remind you that the results of the research that we did on rural industrialization in Northeast Brazil, indicates that the industrialization strategy should not be based on the village level, on the local level. We divided the

Northeast into sub-regions and the research results indicate that in these sub-regions, which are sufficiently large because they comprise several villages and several urban centers, the research results indicated that the industries to be created should be located in the urban centers in these subregions.

Prof. Gideon Vitrkon: that industrialization should be based on local towns, although not all industries should be concentrated in the city, but the center of the industrialization hub should be the local town, small town. This is not to say that the rural village, which hardly exists in the Northeast, an organized village, should not participate in the industrialization process, but it will not be the main center of this industrial development.

I want to say that I agree with everything that has been said regarding industrialization at the village level. In the case of a development strategy for the Northeast of Brazil, I do not believe that the industrialization process should take place at this village level, although the villages will not be completely outside the process, but the development pole should be located in rural towns and not in villages.

I belong to those who know Israel and the Northeast of Brazil, not Brazil, but the Northeast of Brazil. I want to clarify what can be learned from Israel and what can not be learned from Israel. Israel is the only country in the world where there are two parallel organizational systems, as they do not exist in any other part of the world, and there is a farmer's organizational system on the one hand,

and the urban organizational system, two separate and parallel systems. And we should also have concentrated all our industries in the regional cities, in the “La Frige” zone, but due to political problems in Israel, that didn't happen. This we always have to keep in mind, this peculiar characteristic of Israel, notwithstanding that I believe a great deal can be learned from Israel's experience.

Here we are talking all the time about the word region, but we must keep in mind which region we are talking about, because the solar system is also considered a region, within the Galaxy. And they also use the word region to talk about the European Common Market, the Andean region, for example. There is also talk of the Northeast Region, which is almost the same as the whole of Europe. We must define the region, the concept of region as a functional unit, in which we try to execute a certain development plan, and that includes the villages, the rural population, and the small rural urban centers.

I think that rural industrialization in Northeast Brazil can only be successful if we prepare the infrastructure of small towns, the conditions of small rural towns. From the internal point of view of the region, the industry would be concentrated, but from the point of view of the State of Ceará, it would naturally be dispersed in the various regions that make up the State of Ceará. Brazil had great achievements, great reach, taking industrialization to cities like Fortaleza, Recife, etc., but the problem now is how to start from there and disperse this development to the

interior, creating new industrial development poles in the interior of the Northeast.

I want it to be clear that the efforts we make here in Israel to bring the industry into the village are typical here in Israel. I also saw them in Holland, Germany and Sweden, also in two, three, at the village level, but these are countries or regions that are at the level of sophisticated automation. Perhaps the Northeast will reach them in many years. The problem is how to create conditions, in the small towns of the interior of the Northeast, so that they can serve as a base for the development of the industrialization of the Northeast.

So, I want to present 3 fundamental points here. First, the creation of the appropriate infrastructure in these rural towns. The creation of a system of incentives that lead private industry and cooperative industry to establish themselves in these cities in the interior. In the third place, the urban planning of these cities of the interior, in such a way that they can absorb the manpower, including the second generation, which will settle and work in these industries, including the social point of view.

As for the type of industry, I want to say something that seems very clear to me: that all transformation industries, processing agricultural raw materials, must be in the hands of farmers, and of farmers' organizations. Every other type of industry, neutral industries, for example, must be carried out by the private sector.

Another thing that I think is essential is that without massive government intervention, both from a financial and an organizational point of view, this task will not be able to be carried out.

The incentive system must encompass two aspects: one, the financial aspect, through credit for investments and for working capital, and the other, the organizational aspect, in such a way that the Government is represented in these places, by officials who have decision-making capacity. to make the right decisions at the right time.

I think you should visit what we call here development cities, like Jiderot, so that you can see industries in small rural towns, not just regional companies, cooperatives, but industries that stand alongside cooperative industries, private industries and industries.

I think that in Israel there are two separate, parallel systems, the farmers' system and the urban system, where there is little functional contact between them, but that doesn't mean that in other parts, for example, in the Northeast, it should be repeated, exactly just as it was done here. The fact is that Israel's experience shows that it was possible to disperse the country's industrialization, also in small towns in the interior, where there is also cooperative industry and also private and public industries.

The Kibbutz industrialized to prevent their children, the second and third generation from leaving, from going from the Kibbutz to the city. The Mochav should also do

the same, and is on the verge of a major change in order to maintain family ties, and allow the second and third generations continue living within Mochav. Now, this is a typical problem here, in Israel, but from there you can learn and see that the policy of dispersing industrialization, which is not only concentrated in the big cities, but also in a large number of small towns in the rural interior, was successful. And that's the important lesson you can learn in the case of Israel. From this point of view there is no doubt that Israel has succeeded in dispersing its industrialization.

COMMENT

MR. PEDRO SISNANDO: These various answers have been very useful for us, we are learning a lot, but we are realizing that with each idea that is being put here, we will have a desire to make a discussion and a comment, because they all contain a great element of differences or similar opinions.

So, we are exactly having this ease of recording, and for us, in the Northeast it will be an important source for our discussions, debates, the examination of each of the opinions that were issued in this meeting.

I would just like to comment on everything that was said: as a result of Brazil's development experience, the problems that this policy created, there is a political and social decision to develop the Northeast! And we intend to combine two very difficult things, which is an accelerated growth in income, and a social distribution of the result of this development. We have already demonstrated that we can grow rapidly, over the last 15 years, and that now we will have to demonstrate that we can socially distribute this result, because if we do not do this, we will not have political conditions for survival. We have no options. And, one of the policies established for that purpose, for that purpose, is integrated rural development. And the question now is how to make integrated rural development viable; we already have very concrete conceptions of how to do this. Unfortunately, it

will not be possible to explain what this policy is, but we can say that it is inspired, based on the adaptable experience of Israel, and on the conceptions of Dr. Raanan Weitz regarding the specific project for the Northeast.

The additional big problem to this one, of how to solve the problem of intersectoral integration, is that we would like to raise now, this question of the integration of industry with agriculture and with rural centers; is associated with two new aspects: the first is an almost practical issue, because we understand, according to Dr. Raanan's conception, that we would have to develop agriculture in stages. But everyone claims that staged development would take too long, and when we do, we're all dead. The challenge then is how to break, how to burn these stages, without violating the concept of staged adaptation.

I want to say that the points of view I'm putting forward here are not personal, I have my own convictions, I'm more trying to translate the concept of things we've discussed in the Northeast, this type of problem is what I'm posing. They are not mine; they are general conclusions from the discussions in the Northeast.

From the point of view of what we are observing now in our mission, we observe that the stages that agricultural development are granted are also not fulfilled, here in Israel.

The issue that we face is whether we should put as a condition sine qua non, one indispensable condition that these states are met, stalling to future results, or whether we can actually achieve this development more rapidly through the jumping's, jumps over this rural development.

We are already familiar with Dr. Emano's ideas, and we would be delighted to hear other people's opinions about it.

DR. SHINON RAVID: Regarding the previous question, the first one, we can take into account ideas, concepts in relation to it. It is very difficult to give a concrete answer without knowing the conditions in the country, in the Northeast.

I don't know if it's possible to take leaps, skip certain steps, but I think the answer depends on our ability to create the support system, more than preparing the farmer... if the answer is not with the individual farmer, but in the support system, whether we are able to create it or not.

It is possible to take the individual farmer, some farmers, or their children, for example, and make a leap, skip a few steps, now, to make the jump in a general and collective way, it is a matter of our ability to organize the entire support system, which is credit, commercialization, agricultural extension, etc.

- I think it can shorten or speed up the development process. In the Netherlands there are also development regions, but there candidates to settle in these regions

must have at least finished secondary agricultural school, and have at least the third part of the necessary investment. The question is: how long will it be before the same level exists in the Northeast, let's say? But in the Netherlands there is a support system, already created by others, which easily allows a new region to be developed quickly, that is, I agree with what was expressed earlier, that the existence of a support system is an essential condition to accelerate the development process, and the support system also includes other factors, such as education, the education system, the local government system, the local administrative system, etc., and in this case, whether there are sufficient resources on a large scale, made available by the Government, he sees that it is possible to accelerate the development process, without following exactly all the theoretical steps.

If we are able to include in this process not only agriculture, but also other sectors, such as industry and services, then we will be able to achieve more accelerated development, without seeing exactly the limits, the borders between one stage and another, but with a process continuous.

DR. DANI FREEMAN: I think you can skip, but only those stages that already exist in some region of the country, but it is impossible, let's say, to skip stages that the country itself has not yet reached.

You can prepare a development plan that foresees further stages, but you have to take into account successive stages, even if you can go from one stage to

another in a more accelerated way, but you must go through some stages and this it's an issue that depends on the support system. As, for example, El Ranan mentioned, there is a market or no market for certain types of products, etc. For example, the industrial cultivation stage is an excellent school for the organized marketing system. Without this, for example, the traditional system is not able to successfully fulfill the functions for the case of industrial crops, for example, in which case, everything would fall apart.

PROF. RAANAN: A new industrial initiative, even if the infrastructure doesn't exist, is creating the necessary pressure to create the infrastructure. I don't want to be in opposition here with everything that was said before, but I think it is important to take into account other points of view as well, when we talk about the development process, because these kinds of ideas and thoughts can also make a contribution. for the same development process.

I'm going to surprise you right now. The jump problem is of the first magnitude. It's really hard to believe that we can move forward on the great front and always be balancing all aspects of that advancement. It's a slow and drawn-out process, in addition to overwhelming. On the other hand, I want to remember that all the countries that wanted to take that leap took that leap, but maybe they broke their heads.

When we were in Venezuela, and we saw a country that has financial resources, and we went to regions similar to the Northeast, and regions that have an infrastructure

similar to that in the Northeast, we are proposing for this region, a process that is different from everything we have taught here, which I taught myself here. We propose that the Government encourage the creation of two types of agriculture; family farming, cooperative, at the peasant level, but also the type of agriculture based on the average farmer, a specialized, mechanized agriculture, mainly cereals and industrial crops.

This is under certain clear conditions: let's avoid the phenomenon of the absentee entrepreneur, that is, the one who owns the land but lives in the city. This should not be done at all, as this can make the process go in the opposite direction. They are farmers who have secondary education, they have a part of the necessary capital and they go to live in the countryside, and they go to work together with the salaried workers. For this proposal to be carried out in a balanced way, we need a macro plan for the region; that this plan determines blocks where these two forms of agrarian organization are located with a common denominator: the support system of the two forms of agrarian organization.

We are proposing a development system in which there will be two different levels of development. Two levels of production technology. And the idea is that those with more advanced technology are a kind of leadership factor, which carries the others with it. But here we have two limiting factors, and we have to take into account dissipation. And it is first, that the Government determines a priori, two different levels of income for the

two types of agriculture and in Venezuela we determine the ratio of 1 to 3 in these income levels. It is a clear and declared policy of the Government, which it supports two sectors, let's say, with two different income levels.

The second inconvenience is salaried work, and this group of salaried workers will be part of the structure of the region, and that is a very dangerous thing, because we know that in the future, the agricultural proletariat can be a factor of social destabilization. We are doing this on the basis of a calculation that takes into account the calculated risk. This is a compromise between the goal of better ticket distribution. We know that it is never possible, in practice, for practice to be equal to planning, for a distribution perfectly equal to that of income to be obtained, but here we take into account, a priori, a difference in the level of income, of income. So, this is a compromise between the objective of equality in distribution, and the objective of taking a leap, accelerating economic growth. But, it's a calculated leap, a calculated risk.

In Venezuela, as in the Northeast, there is already a second generation of peasants, farmers, those who already have secondary education, and we have to take this factor into account if we want this sector of the population to continue living in rural areas. This is something new that we are trying to introduce, as part of the concept of integral planning.

In the past we learned from Raanan that there must be a compromise between the economy of free enterprise,

which guarantees high income on the one hand, and the socialist economy, which ensures an equitable distribution of income, income, and the solution of these two opposite poles is a mixed economic system.

The main problem we see in Venezuela is that the existing, prevailing economic system is the capitalist system, and this is, to a large extent, a result of the existence of Venezuela's oil wealth and mineral wealth in general. Because I think every country can set up the capitalist system unless it has the capital to set up those systems, and at the same time we find that there is great concern about the problem of equitable income distribution. And the solution that has been sought, in the case of Venezuela, until now, is the path of subsidies.

Proposing a mixed economy system for a region of a country governed by a fully capitalist system is impossible.

Without wanting to expand the topic, it is clear that regional planning is part, or is part of national planning and Ranan's proposal, in the case of Venezuela, is a bit unusual and it is really interesting to see what will come out of it, what will happen in practice. It is original in the sense that it proposes two different systems within the same planning, within the same region. I hope this solution yields good results, and if so, it could be an interesting model for other countries and regions that are facing the same situations, the same problems. It is interesting in this proposal that it allows you to diagnose or discover who are the entrepreneurs who can develop quickly and immediately, and at the same time integrate,

within the process, the masses of the population that is not in the same conditions to take the initiative as that group. leader of the local population, more prepared, etc. We have to see this as an experience and not yet as a theoretical framework, but if it gives results, we will be able to draw very important conclusions.

MR. PEDRO SISNANDO: I would like to say a final word, first I would like to thank you for your kindness and opportunity, for the opportunity to exchange ideas on this topic.

Second, remember that the Northeast actually constitutes a laboratory of experiences in regional development, and that SERU is contributing to the solution of some of these problems. Despite the problems and failures, we have had, we have also had successes in many other areas, and we constantly receive delegations from students from around the world to examine our experience.

In the specific case of SERU's contribution, we have a cooperative in the Northeast, which is the counterpart of this effort to find a concept for solving specific problems.

On the Brazilian side, we have one of the most important banks in the country, which is the Central Bank; we have Northeast Bank, which is one of the largest regional development institutions in Latin America; we have Sudene, which is the planning and coordination body for the entire regional development program in Brazil; and

we have an institution of great expression in the execution of agricultural projects, which is DNOCS, the National Department of Works Against Droughts; and one of the great universities in the country, which is the Federal University of Ceará. All of them are the counterpart to the Center, in this program in the Northeast.

We hope and hope that the Center's collaboration can continue for a few years, since our impression is that we will both be able to benefit from this cooperation.

MR. RANAN: I would like to say a few things in the presence of the President of Northeast Bank, but as the President has postponed his visit until after our Easter, I will take this opportunity to express my opinion.

The Center for Regional Studies is currently a member of a European and international working group dedicated to regional and rural development issues. The group is made up of 6 representatives from 6 institutions, perhaps the most dynamic that are involved today, active in the problems of integral rural development: Germany, Holland, Sweden, England, Israel. This group is willing to examine the approach, Rehovot, when applied to a specific region.

2nd part
THE URBAN-RURALES
RELATIONSHIPS IN THE
COUNTRIES IN DESARROLLO
(ISRAEL'S EXPERIENCE)

URBAN-RURAL RELATIONSHIPS IN DEVELOPING COUNTRIES

By: Raanan Weitz

The connection between economic development and the growth of cities in the Western world has not been accidental. The continued existence of an urban population depends primarily on the regular supply of food. While agriculture was based on a subsistence farm, the growth possibilities of the urban population were limited. Furthermore, transportation services were such that cities could only count on their immediate vicinity as a source of agricultural production. It was only when scientific and technological progress gave impetus to greater agricultural efficiency, the development of a support structure, and the expansion of commerce and industry, that the way was opened for the growth of urban centers. The acceleration of this process that took place during the last three decades, contributed to the formation of giant cities covering an ever-larger area and invading rural districts. These gigantic cities depend on a huge interior ("hinterland"), one might venture to say that the entire world constitutes their "backcountry".

THE CURRENT SITUATION IN DEVELOPING COUNTRIES

The fact that urbanization in developing countries has culminated in the formation of gigantic cities lent many planners and policy makers to the conclusion that such a trend was not only inevitable, but desirable. Development policy should therefore aim from the beginning to create large cities. This attitude, which was sometimes expressed openly and others more discreetly, was supported by many academic arguments whose intention was to show that large cities possess a series of advantages that could accelerate the development process.

Is a policy designed to stimulate such an approach desirable? Does it respond to the current needs of developing countries? The question has been raised lately in many countries. There is no doubt that the trend towards increasing population concentrations creates problems that have not yet been solved in developed societies, much less in underdeveloped societies. Without being able to seek a solution to the basic problems that concern developing countries today or in the foreseeable future.

The pernicious influence of these trends is clearly manifested in congestion resulting from overloaded transport; air and water pollution; the increase in the average and marginal cost per capita of public services; the disastrous growth and spread of the so-called "mushroom

cities", unhealthy neighborhoods (ranches, favelas, vile miseries, etc.), whose incidence is not merely physical but deeply cultural, economic and political and which leads to the phenomenon of " primacy" and "dualism".

The various disruptive aspects that are revealed in affluent countries have an even greater impact on traditional societies. Many hypotheses that were put forward only a decade ago as evangelical postulates turned out to be quite different in reality. It became clear that the rapid concentrated urbanization failed to reduce the gap between the city and the countryside or to bring more people into the sphere of influence of the city. The population growth rate in most developing countries is so high that, despite the increased flow of migration to the cities, the rural population continues to grow. At the same time, a considerable percentage of migrants do not improve their standard of living once they settle in the city, but instead substitute rural poverty for a life of urban subsistence.

Countries in developing not be nor should copy the modalities land of the distribution population common to the countries developed. This method is not suited to their requirements of developing economic and even in the countries developed are raised certain doubts regarding to the benefit it brings to the society in view of their n needs , The urban relations rural need one different approach capable of creating one structure space different from the that developed in the country advanced ; one structure that conforms to the conditions prevailing in the countries

in development , capable of accelerating the process of the development , especially in its early critical stages.

There are three aspects key in the process of development that impact directly on the individual: the employment, the services and the relationships social. Taking these three aspects, the pattern of distribution space based in large concentrations urban not provide the answer to the problems fundamental that affect to the countries in development. It raises the question whether it is possible to create one model distribution population that contributes to accelerating the process of the development in the light of the conditions prevailing in the countries in development.

At the beginning of the development in the countries developed and obedience to technological reasons and organization, it was essential to increase the concentration of the probation. The mobility Occupational was linked, therefore, with the invalided geographical resulting in the displacement in mass of the population rural baicai the big cities. The city was turned into the focus of the expanding economy and of the social change. Today day there is the potentialities' technological and organizational allowing, in certain extent, separating the mobility occupational of the physics.

The possibility of transporting energy over long distances and even cost relatively low; the existence of different types of industries that do not require local with special features that only can be found in the large cities ; new methods of construction of infrastructure cheap and

relatively fast; in order , everything what it regards to services technological and organizational , are combined to decentralize the process of urbanization creating a number of cities small scattered throughout the country.

Without But without a thorough understanding of the approach adopted towards the development rural, it is impossible to plan and implement a policy conducive to introduce one change basic in the process of urbanization today,

A then offer a brief overview of the approach bowl the development rural integrated known as "The focus of Rehovot ".

The "Approach Rehovot " came to Principles of the years fifties as a result of the problems atra Vesara the society Israel on receiving the immigration in mass from the Afro-Asian countries.

The immigrants brought with them their traditional lifestyle and tribal patterns derived from a subsistence agricultural economy. In order to establish them she was devised one plan in large - scale realized the creation of more than five hundred settlements rural, kibbutzim, moshavim shiurim and moshavim.

In 1955, the planners and the regulatory authorities adopted one attitude totally different. Under the leadership of the then Prime Minister 's Mr. David Bem Gurion and the Mr. Levy Eshkol, Minister responsible for the Development Rural, was implemented the Plan Regional Lachish. During and l decade that followed, I

conclude to bear fruit and was curdling one new way to solve the basic problems in the sphere economic, social and civic a population rural, whose background was characteristic of the of the Third World. In later, these methods were applied to all the regions rural Israel.

After to have accumulated great measure of experience, it was established in 1963 the Center for Studies Regional Urban - Rural with the specific purpose of distinguishing the phenomena that are exclusively Israelis of those who can have impact in other countries. A group of professionals from the Center began to develop one approach that has application in the countries in way of development of the Africa, Asia and Latin America.

Through courses graduate on Development Integrated Rural and projects experimental pilot it was developed one method of developing rural based particularly on the experience practice. The conceptual framework was presented for the first time in a document entitled "About the Concept of Integrated Rural Development". Towards the end of 1960 MIT hosted a one group study and its findings gave rise to the publication of the book " Development Rural in one Changing World", edited by Raanan Weitz.

At the same time, the Fund Century Twenty lend their support to one Draft research whose results were summarized in "From Farmer to Farmer - one Strategy Revolutionaries for the Development ". It took another

ten years, in the which is defined com more clearly the methodology and the strategy.

During that period they were carried out numerous projects making use of the process of planning manual in Ethiopia, Chile, Peru, Ecuador, Venezuela, Thailand, Ghana, Dominican Republic, Guatemala, Mexico, Kenya, Malawi and other ten projects in the Northeast of the Brazil, all of which found their expression in “Integrated Rural Development - The Rejovot Approach”.

THE BASIC RULES OF STRATEGY

The “Rehovot Approach” is based on a clearly defined strategy and planning methodology that outlines the sequence of activities leading to its implementation. While the details of the methods

and the structures of the plans and their execution vary from one place to another according to the specific conditions of each locality, the comprehensive approach can be applied to all countries of a certain economic level, whose agricultural sector, both for its volume and its effectiveness , continues to be the main economic sector.

The proposed strategy is based on three fundamental premises: Agricultural growth is the key to rural development; the development of agriculture requires the concomitant development of the secondary and tertiary sectors; social forces play an important role in agricultural development. This last principle is extremely important as agricultural production is the result of the efforts of a multitude of individual producers, whose willingness and ability to participate in a program of change are crucial.

Here are five basic requirements that make up the strategy to achieve the proposed objectives.

1. AGRICULTURAL GROWTH MUST OCCUR GRADUALLY AND IN WELL-DEFINED STAGES

The development agricultural advances from an economy of subsistence to an economy oriented bacía the market through three stages well defined - the diversification, the specialization and the automation.

Programs of developing country should take em account the inevitability of the process gradual transformation that affects the structure of the unit of exploitation and the conditions of opportunities for employment in the agricultural sector, factors decisive in all planning and implementation of policies of development rural.

2. AGRICULTURAL GROWTH DEPENDS ON ECONOMIC AND SOCIAL FACTORS:

The development rural can be achieved only if it is based on the growing economic, on which in its turn would not be possible without the use effective and advantageous for part of the population rural of its plenitude of resources in labor, land and capital. It is at this stage, when the country strives for out of the level of subsistence , that the transformation agriculture is essential . For him therefore argue that the growing economic is the giving impetus to the development

rural and the whole plan should be able to propose one specific program to achieve this. But this is not enough

One of the problems most important concern to the programs of development rural, is related to the ownership and the management of the units exploitation agriculture. Both those who formulated the policy development as the planners, must choose between two models basic of organizing agricultural:

- The farm family, in the which the greater part of the needs of labor, from the work field until the of administration , are covered by the family itself .

- The farm managed, which observes a separation between the management and the other tasks and uses greater amount of labor of the that can provide the family .

For our purposes, we have grouped all the forms of managed farm: you haciendas commercial or plantations that employ large number of employees ; small private farms that use low labor wage , different types of farms state farms and collective , such as the kolkhoz in the Soviet Union, the ejido in Mexico, the kibbutz and the moshav shitufi in Israel. In all these farms are agricultural lies au sente the family labor that characterizes the family farm. In the majority of the cases are the considerations economic of that deteminan the structure of the operation .

With often it ignored the enormous force social representing the structure of the property and its impact

on the motivation of the population agriculture. There is evidence to show that for what usually the farmer longs to manage your own farm. The Falaj dei Middle East, the farmer in South America , the coolie in the Southeast Asia - all want a farm itself and what contemplated as the achievement of their aspirations more prized . The desire universally shared by an operating farm itself derives from reasons social , psychological and economic deeply rooted in the past history and in the conditions prevailing in the countries in way of development .

3. THE SUPPORT SYSTEM IS AN ESSENTIAL REQUIREMENT FOR AGRICULTURAL DEVELOPMENT

The growth and the development of the agricultural sector depend on the system support both the provision of the services economic, social and municipal as for the management and the development of the products agricultural.

The support system consists of three main elements : The physical infrastructure and the facilities necessary for its operation ; the structure institutional adapted to the considerations local ; the availability of hand labor qualified and motivated.

In the stages initial of the development of those who occupy the DRI, the operation of the services is hampered by often by limitations inherent to the

system, such as the low productivity agriculture, the low level of capacity technology, the absence of a network of infrastructure , the shortage of capital and above all, an acute shortage of manpower qualified . At this stage critical of the development , the system support must meet three requirements fundamental : accessibility to places of service , efficiency in function of the economies of scale and concentration space in specific locations.

The first requirement implies the maximum dispersion territory of the installations of service to order to reach the largest number of small producers spread over a large extent not count with the means as transport appropriate . The accessibility to the services is essential in order to compete with success with the suppliers traditional that are generally-mind in or near the village itself and whose services are more expensive and less efficient. The term " accessibility " applies not only to the distance and time required to obtain a service , but also to the dispensary manner .

The second requirement implies efficiency in the provision of the services in terms of cost and quality . The efficiency is a function of scale. For each type of service there is one level at least below of the which not can function effectively. As greater is the basic population and the volume of the goods handled, the more efficient will be the service . At the same time , the scale of operations is limited by the amount of

capital available for the development of the support system and by the payment capacity of the users .

The third requirement stipulates that the services that operate on a similar scale are located in one same location , such as one "Center Services ". The advantages are many : In the first place, the concentration of the service , so it is particularly important in places where the transportation is inadequate . In Secondly, the costs of infrastructure are reduced to the used roads and other facilities to provide a range of services . In third place, the proximity of various services promotes the cooperation and finally , this kind of "Center Services " can attract a staff qualified .

4. THE ORGANIZATION FOR AND BY THE FARMERS:

The organization of the farmers farming, are farmers, laborers or farmers, it is a condition essential for the transformation of the sector.

The transaction of agriculture Subsistence traditional to commercial agriculture diversified, requires structures organizational adequate to maintain the mutual relations between the producers individual and the system support . Such structures can help to the farmer to adapt to the changes , necessary inside of your unit of exploitation as the community rural. It could be

formulated in a law conceived locally and executed by the government .

The greater part of the programs of development for the areas rural prescribe the organization cooperative as the main instrument for the transformation , the renovation and the expansion of the system support force. There is not yet one high degree of confusion with regard to the character and the functions of the cooperatives.

The cooperative can be divided in two groups, each with completely different purposes and functions. One group includes the cooperative activities multiple functions only to level of village and the other , cooperatives of purpose only, that operate outside of the village .

The farmer of the countries in development still has not adapted to the services necessary for the transformation of their livestock, mainly because they lack the means , the competition and the power to make against the intermediaries in one foot of equality . That is why that the providers of services not compete among themselves and can impose its own terms to the producers . In Instead of paying one service to the farmer, it operated with frequency .

For it is therefore essential that the farmers to pool their efforts to establish one organization of such force and volume of operations that is capable of them

against the intermediaries . An organization of this kind is the cooperative level of village .

The cooperatives located outside of the village not are necessarily better or worse for the farmer than any other provider of services , whether private or public. They should be judged on its own merits and compared with the degree of efficiency of other suppliers in what it concerns to the satisfaction of the needs of the farmer.

5. INDUSTRIALIZATION IS AN IMPERATIVE FOR RURAL DEVELOPMENT:

The growth agriculture and the development rural depend on the industrialization for the production of inputs; the processing of one portion increasingly greater of the production farm and the absorption of material premium; the increase d the job as well as the increase in the demand locally for products agricultural, especially foods perishable . In the countries in way of development , the industrialization practiced until the moment not produced these results, it reflects just an imitation of the process by the which traverse the rich world makes some time . It is thus that the intruducción inadequate business industrial sophisticated, with high intensity of capital and low coefficient of labor within of the world in development , only managed to create the modern phenomenon and undesirable dei "dualism".

URBANIZATION AS A PROMOTING FACTOR OF DEVELOPMENT

The structure urban decentralized is essential for the countries in way of development because in his round tour all transformation rural. In order to accelerate the process of the development is necessary to establish one system of cities country that has based on a hierarchy of functions. In the absence of one system such , it is almost impossible to create the structure Industrial necessary for the development of the agriculture, the which in its turn could accelerate the development national. The cities rural are required to order of desemperiar three important functions in the process of development of the countries underdeveloped .

At first, try the basis for putting em action the system support . The creation of one system support that can lend support to the process of development in the areas rural , involves much more than the creation of something that did not exist before. With often be awakened the antagonism of groups concerned that from time immemorial collected easy profits. The merchant retailer of the village who also is the lender, the merchant wholesaler of the city nearby that also grants credits during times difficult and sometimes even the official of government is considered the symbol of the authority , all combine to oppose to any change and resist any new organization . The limitations are manifested in the small

quantities produced at the beginning by each farm, in the low level of technical knowledge of the farmer, in the lack of infrastructure, in the scarcity of capital available for this purpose and above all in the insufficiency, of hand work qualified able to take charge of the system. Inhibited by such conditions, the support system has to struggle to prevail. The role played in this initial and critical stage of the process of development is critical, it is intended to provide support active during the period of transition in the which the farm structure economic closed happens to produce quantities increasingly greater oriented bacía the market.

Before developing and activating one system again so kind, makes lack make the participation of one staff professional and business, such as teachers, doctors, engineers, technologists, planners, extension agricultural, etc. Said staff is not ready for it generally live in the village, but neither is necessary that each other is because they attend to the population of one number of villages. What you need is one urban center that will provide s ervices and other conveniences of level acceptable. To not be a city large enough rural and adequate to meet the needs of such personnel, were accommodated in the cities major without that can perform the tasks that impose the needs of the development. C onvendría remember in this context that certain countries in development suffer from the inability to provide employment to those who have acquired fitness professional. The opportunities for employment in the big city are limited and the presence of a class of intellectuals unemployed carries with it a threat

to the stability policy as necessary for the stimulus constant dei development .

In the second place, the cities rural can serve the town appropriate for the promotion of the industries that should be dispersed in the regions rural . The agriculture will not be grow if same , the development concomitant of the industry is essential not only for the growth of the economy nationally but also for the progress of the sector , agriculture , the agricultural sector not- should be able to absorb the surplus labor agricultural work and the products resulting from more efficient agricultural production . At the same time , it should provide him with the agricultural sector all the goods and be- vices essential for their development .

This action synchronized no can follow the guidelines that determined the wealth present in the countries developed , although the orientation general is similar. The industrialization can be converted into one instrument development only if it adapts and commits to the solution of the problems central to the countries in development , or whether, to the advancement of the agriculture and the creation dei greater number of places of work incurring in one minimum capital investment .

This type of industry must be based on units of production relatively small , making use of technologies simple no need of workers with one highly competitive professional and allows leverage with greater efficiency the labor available in the countries development , for the general lack of training professional advanced .

Due to its size and nature , the industries with lower intensity of capital, not be located necessarily in the big cities . On the contrary , one portion significant could spread through the areas rural with headquarters in the cities rural . In such a way , will contribute to promoting the interrelationships between the agriculture and the industry without resorting to investments in large scale in one branch system of facilities basic that link the major urban centers with the agricultural interior.

The companies could be varied in character, but are of greater importance of which is dedicated to the transformation of the production farm.

The location of such enterprises in the districts rural enjoys several see - tages : Reduce the displacement of the population towards the big cities in search of work and allows the professionally capable to find employment in their own region . The significance is twofold: on the one hand contributes to preserving the stability of the society rural during the process of the development and the other not require new investments in the major centers urban, for the housing and the expansion of the services .

More still , the presence of workers industrial inside of the disfigures rural, creates one local market for the production agriculture, particularly the products perishable , that there can be transported over long distances without that there is an infrastructure organized for this purpose. Being that l to profitability per day of work of such products is very high, the existence of one local market would be one incentive for the farmer

incorporate these crops to the farm and increase in this way their income .

Such luck , the establishment of companies industrial , along with the introduction of improvements in the production agricultural, p Odran complete the economic cycle as essential to the process of development whole and in the conditions prevailing in the countries development .

The closing of the cycle linking the industry with the agriculture in the stages early in the process of development can become for so much, in one possible practice if disperse the companies industrial through to the rural area. This implies the location of relatively small factories , with an adequate technological level , in small urban centers scattered throughout the country. At the same time it is clear that not all the industries are adapted to the districts rural and should be done one study of feasibility for the different types of industry taking into account the particular conditions of each region .

The cities cottages are essential , therefore , for the development linking the industry with the agriculture. There could concentrate the agricultural industries and other industries auxiliaries and take advantage of the surplus labor work that leaves free agriculture improved .

In third place, the cities rural can bring to the country 's urban culture and accelerate the process of moderni sation . The proximity of the city represents for the farmer a source of stimulus in search of change and a

better future . In the city you can find a market for your production , better services and an alternative source of nearby employment in case you leave the agricultural activity . A T hose who abandon their farms will continue to maintain contact with their villages native, given the short distance that 's separated from the town rural. In case of desire , they can continue living in the village and work in the city .

This type of development city offers other advantages : In the stages initial will be possible to reduce the investment in the system support limiting the creation of the links between the city and the countryside to restricted areas, without investing in one nationwide system designed to conform to the big city . Also the investment in the services is lower. We can conclude by saying that the development of the cities rural is essential for all the process of development in the conditions that prevail today in the countries development .

Rehovot
March 1982.

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ICONOGRAPHY

INTEGRATED RURAL DEVELOPMENT SEMINAR – POLONORDESTE



Pedro Sisnando Leite, Banco do Nordeste do Brasil; Raanam Weitz, Settlement Study Center; José Lins de Albuquerque, coordinator of POLONORDESTE David Bruhis, head of the Israel/SUDENE Technical Mission

Técnicos discutem política de desenvolvimento agroindustrial



O colega aposentado Pedro Lourenço, aqui na OFC, fala no ambiente de sua experiência sobre agroindústria.

Banco discute plano de ação para a agroindústria



Mostrando sobre população e renda.

O Governo Federal se dispõe, até o próximo mês de julho, de um plano de ação para o fortalecimento e crescimento da agroindústria na Região. Para isso, técnicos de órgãos envolvidos com o Programa Nacional de Irrigação (PRONAI) participaram, dia 26 último, no Banco, em Fortaleza, da terceira reunião do Comitê de Acompanhamento do Estudo sobre Agroindústria no Nordeste, criado pelo Escritório Técnico de Estudos Econômicos do Nordeste (ETENE).

Iniciado em setembro do ano passado, o estudo, no qual será enfocada a formulação da proposta política de desenvolvimento agroindustrial, leva em conta os pólos de produção irrigada na Região, considerando-se o fornecimento

adicional de matérias-primas a ser gerado pelo Programa de Irrigação do Nordeste (PRONAI). Do trabalho, além dos técnicos do BNB, participaram também representantes do Centro de Aperfeiçoamento dos Economistas do Nordeste (CAEN).

Estudos básicos

No encontro, foram apresentados os estudos básicos, atualmente em fase de conclusão, que subsidiarão o relatório final do estudo. O economista e funcionário aposentado do Banco, Pedro Vinando Leite, por exemplo, mostrou o "Retrospecto e Tendências da Renda e População". Já o técnico José Luciano Babelo, do ETENE, falou sobre a "Situação

Atual e Perspectiva da Produção de Agricultura Irrigada", trabalho feito em conjunto com José Milton Nogueira e José Pajeuan Coelho.

José Dartes da Silveira e Francisco Correia de Oliveira, ambos do CAEN, apresentaram, empilhadamente, "Análise Macroeconômica da Agroindústria Nordestina", e um "Estudo do Consumo e Exportação de Produtos Agroindustriais". Outro trabalho em elaboração está a cargo do agrônomo Alfredo Lopes Neto, engajado ao estudo como consultor externo.

Conclusões

Para o Chefe do ETENE, Lincoln Cordeiro de Aguiar, "esse estudo poderá servir também o Programa de Desenvolvimento Agroindustrial do Nordeste (PDAN) como proposta principal de política do setor na Região".

Já o Coordenador do Comitê de Acompanhamento do Estudo sobre Agroindústria no Nordeste, Antônio Enock de Vasconcelos, acha que o relatório final cunharia elementos de pesquisa de campo que chegar às conclusões de que tipo de agroindústria melhor se adéqua à Região.

