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BOOK REVIEWS

Regional Economic Development: The River Basin Approach in Mexico

By

DAVID BARKIN and TIMOTHY KING
London: Cambridge University Press. 1970.

Pp. 262, \$10.00.

Over the past thirty years, Mexico has experimented with various policies to promote regional development, including the river basin approach, which Barkin and King examine here. According to the authors, this approach has widespread political support; it has successfully cut across normal agency lines, facilitating the integration of both planning and investment processes. Nevertheless, the various river basin commissions have been no more immune to political pressures than other agencies; the Papaloapan Project, for example, was terminated after its founder, President Aleman, left office. Economic factors have often been either summarily dismissed or totally ignored, a scenario that has many parallels in water resource development in the United States.

Barkin and King detail all aspects of river basin commissions from the broad background of regional development policies in Mexico and the political context in which the commissions exist to an in-depth study of the Tepalcatepec Commission. In the process, they successfully penetrate many of the symbolic declarations of the policy of regional development to disclose its actual impact. The authors conclude that the Tepalcatepec Commission was successful in achieving a slight economic return on investment in agricultural production, in influencing a modest strengthening of local labor markets, in generating hydroelectric power, and improving roads, schools and health services. On the other hand, the Commission failed to accomplish other popular goals of Mexican public policy: the number of people benefiting from the project was small; there was little income redistribution; land reform laws were bypassed; the flow of urban migration was not stopped and no decentralization of industry took place. It appears that Mexico is similar to the United States in both its faith in the power of irrigation-induced development and in the mixed results that irrigation has actually produced.

Barkin and King's power of observation cannot be faulted. Unfortunately, the authors have not always been as successful in divesting themselves of the rhetoric of conventional economic theory as they have been in disclosing the realities of Mexican policy. As a result, the book fails to achieve its full potential. In the first chapter, the authors declare that "policy selection must take account of the return on individual investments, to prevent the waste of resources that would result if the commitment of funds in one sector earned a much lower return than in other sectors." But they proceed in the next three chapters to present substantial evidence showing that Mexican policy selection has virtually ignored the concept of maximizing economic returns, being dependent instead on such things as bureaucratic politicking, personalismo (the Tepalcatepec Commission owes a large measure of its survival to the past leadership of ex-President Cardenas), interest groups, and regional demands for public investment.

The authors continually illustrate the limited relevance of conventional economic theory in explaining the political economy of water resource management in Mexico. Yet they refuse to formulate a new theory; they undermine the strength of their own acute observations by retreating to the security of economic shibboleths. In so doing, they fail to utilize fully the facts that they so scrupulously collected.

It is especially disappointing that Barkin and King miss the opportunity to reveal the barrenness of what Professor Charles Lindblom calls the "synoptic" approach—that is, the belief that policies should be selected after a careful and comprehensive consideration of alternatives, evaluated in the light of carefully formulated objectives. The political process by which water resource development decisions are made in the United States has not been perceptibly altered by synoptic planning through benefit-cost or the PPB system, and there is no reason, based on the evidence of this book, to think the Mexican experience is any different. Moreover, these synoptic techniques have not yielded a framework by which the political economy of water resource planning can be understood and evaluated.

Despite the above criticism, the effort of Barkin and King is decidedly worthwhile. The case study approach to public policy analysis is extremely productive; the authors provide a revealing account of the Mexican river basin commissions from which one

is able to make important judgments on Mexican public policy aims, successes, and failures. This book will be valuable to students of developmental economics in general and Mexico in particular, especially those who use the authors' observations to question accepted doctrines.

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