

## *Reviews/Comptes rendus*

**The Migration of Labor**, Oded Stark. Cambridge, Mass.: Blackwell Publishers Inc., 1991, 406 pages.

This book is basically a collection of a series of research papers on migration published by the author and his research associates in the 1980s. The papers focus exclusively on the internal (mainly rural-to-urban) migration and emigration of the young adults in developing countries, although some of the main ideas and methods introduced would probably be quite useful in understanding migration in developed countries. For those who are dissatisfied with migration theory based on the maximization of expected income (in the Todaro tradition), the ideas and arguments presented in this book are undoubtedly worth reading.

What are the main motivations for migration in the developing countries? According to this book, there are two: risk avoidance and relative deprivation.

Migration theory based on the notion of risk avoidance starts with the assumption that the family, rather than any young adult, is the meaningful decision unit. It is the joint economic well-being of the family and the potential migrant that underlies the migration decision. In a subsistence rural economy, one of the most serious problems faced by a typical family is the income fluctuations stemming from such things as droughts and pests. When it is based on the assumption that the temporal behaviour of the urban economy is largely independent of that of the rural economy, the decision to send a young migrant to the non-agricultural sector in an urban place can be considered the family's attempt to reduce the high risk inherent in the rural subsistence economy. Income produced by the migrant is expected to help smooth the family's income (and consumption) stream. Marrying daughters to households in faraway villages serves the same purpose. Some interesting implications of this theory are (1) that rural-to-urban migrations are perfectly rational, even though the expected urban wage (that is, the actual urban wage times the probability of getting an urban job) is less than the rural wage; and (2) that rural-to-rural migrations may violate the so-called axiom of distance decay.

A crucial part of this first migration theory is the urban-to-rural remittances without which the family that finances the rural-to-

urban migration would be a loser and rural economic development would be difficult, if not impossible. This book presents an in-depth analysis of (1) the various factors (such as altruism and bargaining power) that determine the size and duration of the flow of the urban-to-rural remittances, and (2) the effects of these remittances on the technological progress, economic growth, and improved income distribution in the rural areas. In my opinion, the integration of remittances into migration research is the most important contribution of this book. Unfortunately, too many researchers of migration in developing countries missed the significance of such remittances and overemphasized the negative aspects of uncontrolled migration.

Probably every demographer is familiar with the failure of Easterlin's prediction of a baby boom based on a fertility theory that was in turn built on the central notion of relative deprivation. One may expect that a migration theory based on the same notion is unlikely to yield promising results, although it is hard to deny that relative deprivation is a strong psychological force. The theory starts by elegantly quantifying the relative deprivation of a potential migrant in terms of his income relative to the income distribution of his chosen reference community. The relative deprivation index of an individual is a product of (1) the percentage of people richer than that individual and (2) their mean excess income. It is assumed that the greater the relative deprivation, the greater is the migration propensity. The origin community is assumed to remain the reference community long after the migration takes place, although the migrant may later choose the destination community as his reference community.

Some interesting results are then revealed. First, rural-to-urban migration tends to be self-perpetuating (because the relative deprivation of a stayer is raised by the departure of the poorer people in his community) and can continue even after the expected urban wage becomes equal to rural wage. Second,

migration by retired persons, especially to communities characterized by a high ratio of retirees, might be construed as a strategic move aimed at preempting the likelihood of an increase in relative deprivation due to an anticipated continued growth in the income of the nonretirees (but not of the retirees) in the retirees' origin reference group.

Third, the return migration to a community with low average income can be a rational choice of a successful migrant because his relative satisfaction can be improved as he replaces his reference community.

The third migration theory formulated in this book is based on the notion of information asymmetry. The theory begins with the central assumption that workers (potential migrants) in a country have full information, whereas employers in other countries have limited information on the skill levels (productivity) of individual workers.

According to this theory, information asymmetry reduces both the quantity and quality of migrants. Thus, the eventual discovery of workers' skill levels by their employers may increase not only the quantity and quality of migrants but also the wages enjoyed by the low-quality migrants.

Though mostly theoretical, this book also includes some initial attempts to test some of its theoretical propositions on real-world observations, using survey data from India, Mexico, and Botswana. The results are, in general, supportive, but because of the serious lack of suitable microdata on migration, the strength and generality of the theories proposed in this book remain largely unknown. This book does contain many thoughtful insights, yet a general theory of labor migration does not emerge. Its main contribution lies in eliminating some serious blind spots in current migration research and preventing hasty formulation of policies to control migration.

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**Regional Economic Development: Canada's Search for Solutions**, 2d ed., Donald J. Savoie. Toronto: University of Toronto Press, 1992, 341 pages.

The first edition of Donald Savoie's *Regional Economic Development* was published in 1986. This second edition is organized in three sections: an introduction and background to regional policy in Canada; a long middle section that describes the political and administrative evolution of federal government regional policy from 1960 to 1990; and a concluding section that assesses the progress made in alleviating regional disparities and evaluates the effectiveness of policy. Over half of the first edition is repeated verbatim in the second edition.

The background includes a six-page summary of regional development theory, but as the book wears on it becomes clear that government policy decisions have never followed a consistent theoretical approach. Political pragmatism and the visibility of government expenditures provide a better explanation of the structure of regional economic development programmes. Savoie offers some useful insights into the complexity of economic development planning in a federal state, and he demonstrates that political considerations were usually more important than theoretical consistency. Both Liberal and Conservative governments grew frustrated by the lack of visibility of federal government funding. Thus, some of the changes made in programme delivery were simply expedients to increase the

visibility of federal expenditures. Political, economic, and public administration themes are intertwined throughout the book.

The middle section, entitled "The Efforts", describes the federal government departments, policies, and programmes designed to reduce regional disparities in Canada. Five chapters on the Department of Regional Economic Expansion (DREE) describe its creation, operation, and dissolution. Although the memory of DREE is tainted by highly publicized fiascos such as Clairtone and Bricklin, Savoie portrays DREE in a relatively favourable light. He observes that in spending something over \$1 billion in its 12-year lifespan, DREE managed to have 90 percent of its approved projects still in operation three years later and the cost per job created was quite reasonable in comparison with the costs incurred by other federal programmes (p. 211).

One of the important insights of the chapters on DREE concerns the difficulty of administering a comprehensive set of regional policies that cut across the grain of sectorally structured line departments of both the federal and provincial cabinet systems. While it is tempting to dismiss this problem as symptomatic of petty empire building and jealousy within the bureaucracy, the sectoral structure of Canadian public service poses immutable organizational constraints for national programmes to be planned and implemented at the regional level.

The principal incremental contribution of the second edition is in its 60-odd pages outlining the distinctive regional policy initiatives of the Tory federal government. Savoie is in a unique position to analyze this period of policy transition because he was personally involved in advising the government on the structure of what became the Atlantic Canada Opportunities Agency (ACOA) in 1987. With its head office in Moncton, ACOA assumed responsibilities for the Economic and Regional Development Agreements with the Atlantic provinces, and a new "Action Program" was created to encourage entrepreneurship. ACOA became responsible for a number of transmogrified programmes that can trace their ancestry to DREE. Some have argued that cash grants to encourage business start-ups have an adverse impact on existing firms (p. 139); similar concerns were leveled at DREE some 20 years earlier!

While Savoie dedicates a full chapter to the creation of ACOA, he devotes only 12 pages to the creation of the Department of Western Economic Diversification (WD) in 1988. ACOA and WD are similar in some respects: they were created to shift responsibility for regional development policy to the regions concerned; they were provided with about \$1 billion each; and they both inherited responsibility for existing regional development agreements. WD, however, has developed a corporate culture that sets it apart from ACOA. WD emphasizes that its goal is diversification, not job creation, and that

it will not fund any enterprise that competes with existing business in western Canada. WD confines its contributions to "top-up" funding after all other programmes have been tapped and all contributions to private enterprise are repayable. Quoting WD sources, Savoie observes that "the concept of repayability has been welcomed by western business people, whose philosophy is that they are seeking a hand, not a handout" (p. 150).

In Part III, "An Assessment", Savoie describes the progress made in alleviating regional disparities in Canada and the role played by regional policy in the process. While interprovincial economic disparities in personal income persist, the "disparity gap" (ratio of highest to lowest per capita income) decreased between 1961 and 1988 (p. 193). Savoie goes on to argue that there are no longer any significant regional differences in basic household necessities in Canada (p. 234). The extent to which regional development policies have contributed to this narrowing in disparity is unclear. The federal government never undertook a comprehensive evaluation of its regional development policy, and Savoie argues that such an evaluation is impossible for two reasons. First, expenditures for explicit regional development programmes have been small relative to other federal transfers and macroeconomic forces such as interest rate fluctuations. And, second, the theoretical justification for and thus goals of policy have been both vague and transient. Without clearly articulated goals, there can be no yardstick for evaluation.

In the final chapter, "Prospects", Savoie proposes directions for future regional policy initiatives. He is critical of traditional strategies to attract exogenous capital.

Outside firms lured into a region solely on the basis of incentives have not performed as well as initially envisaged. Indeed, we can confidently report that large cash grants to businesses to see them locate economic activities in slow-growing regions have never lived up to expectations (p. 257).

Consistent with contemporary regional development theory, Savoie champions the cause of small-scale endogenous enterprise and community-based entrepreneurship. Small firms are expected to grow in concert with local markets and are likely to maintain their local roots. Cash grants and repayable contributions may help to foster the establishment of small business, but there are over 400 different federal and provincial schemes targeted to small and medium business in Canada (p. 260). Savoie advocates approaching entrepreneurial development more broadly, and he stresses that funding is only one among many factors limiting the design and creation of enterprise. Approaches that encourage locally based business call for a regional development infrastructure that is also locally based but at the same time articulated with national policy mechanisms and global trends.

One of the most frustrating aspects of this book is the paucity of maps and graphic devices to illustrate programme mandates. Designated areas began with a small and carefully defined set of growth poles in 1969, but by 1980 they included over 93 percent of Canada's land area and 50 percent of the population (p. 210). A set of maps showing the evolution and expansion of designated regions and the various tiers of assistance would complement the text. In evaluating the variety of different agencies and programmes that existed for brief periods of the 30-year span of the book, some sort of tabular time line would help to compare the various generations of regional agencies and illustrate the succession of programmes, departments, and legislation.

There is also nothing in Savoie's account about the nitty-gritty of specific subsidiary agreements. It would be useful to offer some case studies of specific projects, which outline the theoretical justification for spending and an evaluation of the outcome of the expenditure. Readers need a better sense of the rationale for some representative projects and how they contributed to regional development goals. Savoie, however, says very little about the mechanics of policy implementation and programme delivery.

The book is prone to errors that should not have survived a second edition. For example, Savoie discusses the Canadian Industrial Renewal Board (which provided for new investment in the textile and footwear industries found mainly in Ontario and Quebec), but he describes it as the "Canadian Regional Industrial Board" in both the first (pp. 94-95) and second editions (pp. 165-167). There has never been any such thing as a Canadian Regional Industrial Board. Another example—western Canada exports canola not granola (p. 142). And there are some frustrating bibliographic errors in the notes.

All this being said, the second edition of *Regional Economic Development* is a comprehensive review of federal regional policy initiatives that belongs in every research library that supports Canadian regional science. It would be a useful text for a course in regional development policy but not without a more generic and theoretical companion volume. It is a pleasure to read and a useful source to have on the bookshelf.

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**Commerce international et économies régionales**, Maurice Catin et Paul Djondang, éd. Paris, Economica, 1992, 342 pages.

Ce livre est issu d'un colloque organisé en 1988 à Aix-en-Provence. Quatorze auteurs y traitent du rôle de la dimension régionale dans le commerce international et, inversement, du rôle de l'international dans le développement régional.

Les coéditeurs visaient à trouver les clés d'une théorie régionale du commerce international. Comme ils le signalent à juste titre, il est devenu impératif de réviser les approches traditionnelles du commerce extérieur. On a d'ailleurs vu se multiplier, ces dernières années, les écrits sur le commerce international qui introduisent explicitement l'espace dans l'analyse. Certes, des économistes et des géographes tels qu'A. Weber, A. Marshall, F. Perroux et Ph. Aydalot ont fait appel aux notions d'espace, de distance et de marchés extérieurs, mais il reste beaucoup à faire pour capter les effets de l'intégration économique sur les flux de commerce et sur le développement régional. Les coéditeurs insistent, de concert avec leurs collègues du GREMI, sur la dimension spatiale associée à la création technologique, laquelle joue, avec la qualification de la main-d'œuvre, un rôle essentiel dans l'explication du développement régional et des flux de commerce. Ceux-ci deviennent de plus en plus interrégionaux et internationaux, sous l'effet du progrès technologique, des ententes intergouvernementales de libéralisation des échanges, de la tertiarisation des économies, de la concentration toujours croissante des sièges sociaux des firmes multinationales dans les grandes agglomérations, etc.

Le livre aborde le rôle des économies d'échelle internes et externes, des coûts de transport et de communication, des phénomènes d'agglomération, des processus d'apprentissage en milieux synergétiques régionaux, des interdépendances et des relations des entreprises avec leur environnement. Cependant, ces éléments sont insuffisamment mesurés et introduits dans les analyses empiriques des stratégies d'entreprises, du développement régional et du commerce international.

Les effets positifs de la recherche industrielle sur les exportations des régions françaises sont manifestes selon G. Bertin (chapitre III : «Niveau technologique et performances à l'exportation des régions françaises»), malgré les long délais qui séparent l'effort de recherche des résultats à l'exportation; Bertin signale les avantages des regroupements et collaborations pour éviter les dangers de la «mono-recherche». Des travaux empiriques permettront d'approfondir ces questions, de même que la conclusion de J. Bourdon (chapitre IV : «Niveau de formation et performances à l'exportation des régions françaises») à l'effet que la formation du capital humain a des effets sur les exportations surtout dans les régions d'industrialisation récente.

J.-P. Fines (chapitre V : «Les déterminants des exportations de la PACA 1») et M.-F. Calmette et C. Loustalan (chapitre X, sur la dimension internationale en Midi-Pyrénées) présentent des analyses empiriques complémentaires. Ils caractérisent l'espace régional qu'ils étudient à l'aide d'un indice de spécialisation exprimant le poids relatif des secteurs (Fines) ou des filières (Calmette et Loustalan) dans l'économie régionale par rapport à leur poids dans l'économie française. Fines calcule la spécialisation interne avec des données d'emploi, Calmette et Loustalan avec des données sur les chiffres d'affaires. Cet indice, quoique révélateur, ne satisfait pas ceux qui voudraient introduire directement le «milieu synergétique» dans l'analyse. Il représente tout de même un pas en avant par rapport aux études nationales où ne figurent que des indices macroéconomiques. Les deux articles comportent une analyse croisée entre l'indicateur de spécialisation interne et un indice de spécialisation externe. Pour Fines, il s'agit du poids d'un secteur dans les exportations régionales par rapport à son poids dans les exportations nationales; pour Calmette et Loustalan, il s'agit du solde relatif (indice de Balassa), indicateur dont le numérateur représente la balance commerciale par produit, et le dénominateur le total des exportations et des importations par produit. Cette analyse croisée permet de mieux comprendre le développement économique des régions étudiées ainsi que le rôle de l'extérieur dans le développement intérieur (et vice versa). Elle fait espérer la réalisation de travaux additionnels sur les relations 1) entre solde relatif (d'une part) et investissement direct étranger et commerce intra-firme (d'autre part), et 2) entre un indicateur de commerce intra-industrie (1 moins l'indice de surplus relatif selon Grubel et Lloyd) et le solde commercial.

B. Desaignes, dans son examen des spécialisations régionales de 1860 et d'aujourd'hui (chapitre II), utilise un indice de l'avantage comparatif régional qui est un indice de la spécificité de la région étudiée mettant en relation (au numérateur) les exportations régionales et les exportations nationales d'un secteur et (au dénominateur) les exportations régionales et les exportations nationales totales. Elle constate, pour la période contemporaine, une assez bonne corrélation entre le degré de spécialisation d'une région et sa valeur ajoutée ou son revenu, alors qu'à l'ouverture des échanges les différentiels de productivité n'expliquent pas les différentiels d'exportations. Elle en conclut que la localisation (et donc les coûts de transport), l'aptitude à répondre à la demande internationale et le dynamisme de la population sont des variables structurelles dont il faut tenir compte, et va ainsi dans le sens des coéditeurs, qui insistent sur le rôle des variables régionales dans le

1. Région Provence-Alpes-Côte d'Azur.

commerce international. En montrant que la croissance des exportations dépend d'abord de la dynamique régionale, puis de la dynamique sectorielle (avantage comparatif national), elle souligne l'importance de tenir compte des deux niveaux dans les travaux empiriques sur le commerce international et le développement régional.

S. Dubost et C. Longhi (chapitre VI) se servent du coefficient de Balassa, entre autres choses comme indicateur des échanges croisés, dans leur examen du commerce extérieur de biens industriels de la PACA. Selon eux, la PACA est une région «intermédiaire», riche en capital par rapport à d'autres moins industrialisées, et riche en travail vis-à-vis d'autres régions plus développées, d'où une explication du paradoxe de Leontieff et des résultats contradictoires obtenus avec le modèle Hecksher-Ohlin. Ils signalent que les flux de la région PACA vers les économies nouvellement industrialisées sont plus intenses en investissements, en productivité et en travail qualifié que les flux dirigés vers les nations développées. Cela prépare une suite intéressante, où certaines régions de pays en voie de développement exporteront des produits intensifs en capital vers les pays industrialisés. Nous observons présentement une telle situation en Amérique du Nord, entre les maquiladoras mexicaines et le Québec.

À défaut de pouvoir commenter ici tous les articles de ce recueil, on peut relever quelques résultats ou constats. J.-C. Donnellier, dans son étude sur l'ouverture des régions vers l'extérieur (chapitre premier), constate que, même s'il est admis que le taux d'exportation croît avec la taille des entreprises, l'effet de la taille n'est pas discriminant et n'explique que très peu les disparités de taux d'exportation au niveau régional. Cette conclusion, et une seconde, également inattendue, selon laquelle les entreprises dont le siège social est en Île-de-France ne semblent pas avoir des taux d'exportation plus élevés que les autres, vont sans doute inciter nombre de chercheurs à revoir leurs méthodes et à réestimer ces relations. De même, F. Martin (chapitre VIII), au moyen notamment d'un coefficient de protection effective bilatérale, montre que le libre-échange suscite une concurrence interrégionale impliquant l'ensemble des régions canadiennes et américaines et que les économies d'agglomération sont, après le taux de change, le principal facteur de localisation dans un espace économique intégré : cette conclusion nous oblige à aller au-delà de nos théories des avantages comparatifs et à tenir compte des avantages absolus dans l'explication du développement régional en contexte de marché commun ou de zone de libre-échange.

J.-C. Perrin propose une lecture territoriale du marché unique européen (chapitre IX); faisant appel à la notion de croissance ou de déclin cumulatif, il soutient que l'intégration intensifiera la dualisation des régions; il nous invite à effectuer des travaux sur un phénomène déjà

observé par R. Camagni en Europe, soit l'affaiblissement du processus de convergence régionale (effet que nos travaux en cours identifient pour l'Amérique du Nord). Il suggère la mise en place de projets interrégionaux de transfert technologique et de développement commercial.

Les coéditeurs posent une question fondamentale : «faut-il viser une unification des conditions générales de concurrence et corriger par des aides les effets déséquilibrants au niveau régional; ou plutôt valoriser en parallèle les ressources locales aptes à faire émerger des réseaux innovateurs et des complémentarités (inter)régionales ?» (page 159). On devine leur réponse à une question qui occupe présentement les esprits au Québec.

La distinction que font J.-L. Fuguet et D. Peguin (chapitre XIII) entre l'espace marché (où la clientèle est localisée) et l'espace fonctionnement (où l'entreprise acquiert ses ressources), de même que leur examen de la dimension spatiale de chaque espace, nous paraît conceptuellement féconde pour mieux comprendre l'articulation entre développement régional, organisation industrielle et commerce international.

Enfin, M.-F. Renard et N. Richez, parlant des réseaux et de l'internationalisation, font ressortir comment les réseaux (de transport, familiaux, de services, de coopération...) matérialisent les relations de l'entreprise avec son environnement proche ou lointain et permettent la circulation de l'information ainsi qu'un processus d'apprentissage collectif; ils en viennent ainsi à établir un rapprochement entre compétitivité des entreprises et compétitivité territoriale.

Les textes présentés ici contribuent sans nul doute à l'effort de renouvellement de nos explications du développement économique, spécialement en ce qui concerne le commerce international et les économies régionales. S'ils ont perdu, en raison même de leur intérêt, une partie de l'originalité qui les caractérisait au moment de leur présentation, au colloque de 1988, les concepts et les résultats que l'on trouvera dans ce livre conservent toute leur pertinence. En outre, ils sont intégrés dans un ensemble où, conformément au vœu des coéditeurs, sont abordés simultanément des domaines de connaissance qui ne peuvent que profiter de tels rapprochements.

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