

BARRANTES, Roxana; Ricardo CUENCA and Jorge MOREL, 2012, *Las posibilidades del desarrollo inclusivo: dos historias regionales*, Lima, Instituto de Estudios Peruanos. 212 pp.

Does growth based on mineral resources allow for inclusive development? While the authors are careful not to straitjacket their study in a way that would force them to respond definitively to the question of whether or not there really is a «resource curse» - whether in Cajamarca and Arequipa, the Andes, or Peru - I think the book's great strength is precisely that it does deal with this issue. Actors and researchers ask themselves the same thing: can growth «trickle down» more equitably? Is mining-based development a curse or not? Are institutions important? For each question, Barrantes, Cuenca and Morel contribute to the development of a novel and important agenda, opening up issues that go beyond a discussion dominated by the themes of economic growth and political conflict.

The authors construct an argument regarding what they call rural territorial development - a key reference is the book by Julio Berdegué and Alexander Schejtman, *Desarrollo territorial rural* published in 2004 (Santiago de Chile: Rimisp-Centro Latinoamericano para el Desarrollo Rural). Barrantes, Cuenca and Morel's book is organized into the following sections: introduction (historical context, historical framework, and methodology), cases, synthesis, and appendices. The central argument that runs through the text is that rural territorial development demands both productive transformations and institutional transformations. Viewed within this framework, Arequipa and Cajamarca, two regions with similar potential, have ended up following differing trajectories, including during the period from 2001-2009. The authors claim that the formation of human resources plays a central role in this divergence of economic and institutional processes.

With such a persuasive argument, it is surprising that the importance of initial conditions, especially of institutions, is not treated in sufficient depth. The legacy of human capital, social capital, and state institutions before the extractive boom seems to be central to the hypothesis of the study. The significance of these «parameters», however, is not always made explicit. Certainly the authors point out that the comparison does not require conditions of inequality similar to those during the period of analysis, but that the importance lies in the direction of change (p. 44). Nonetheless, it is indicated later in the text that these are regions with similar initial conditions which obtained different results in terms of inclusive development (p.45). It is noted that there are good reasons to expect initial institutional conditions to be important for «the direction of change» and thus this relation should be studied in detail and subsequently reported.

The case of Arequipa is presented as a relative success in inclusive development due to productive transformations and a «clear commitment to form human resources in the region»² (p. 57), emphasizing the Proyecto Educativo Regional (PER) as a platform that articulates public efforts. Arequipa is one of the few regions that have initiated an organizational reform of the education sector in the period studied (pp. 52-54). The importance of PER in the formation of human capital, however, has to be contextualized within the initial conditions of the process under discussion. Appendix 3 of the book - *Monografía de Arequipa* - attests that this was a region with high human capital formation at the beginning of the period under study, as evidenced by the quantitative indicators of enrolment in secondary schools as well as the qualitative indicators of the presence of traditional universities and the demand in other regions for professionals from Arequipa. This description should have been part of the main text of the book instead of being relegated to an appendix and it ought to have been discussed in depth in relation to the «institutional transformations» of 2001-2009.

In the case of Cajamarca, the authors argue that territorial fragmentation is a key limitation to possibilities for inclusive development. As a case of institutional legacy, I think that this should have received more explicit and detailed treatment in the conceptual approximation and the discussion of methodology (Figure 4, for example). That is to say, the «parameters» or initial conditions that appear to be of key importance for the argument about rural territorial development – institutional legacy as well as territorial cohesion – are not alike in Arequipa and Cajamarca. This does not negate the comparison, of course, but it does suggest that a more complete development of the argument is needed, all the more so since it is not particularly evident that within the proposed approach, mining income will produce similar trajectories when key parameters are different to begin with. However, this too does not contradict the argument of the book. In particular, it does not contradict the thesis that between 2001 and 2009, Cajamarca failed to improve its human and institutional capital while Arequipa was relatively successful. Nevertheless, it provides another context for explaining the whys and hows.

The conclusions section perhaps illustrates some of the above-mentioned weaknesses when the authors point out that the objective of the study was not to compare the two regions (p. 69); however, it is obvious that the objective of every comparative study is precisely to compare and to draw conclusions on that basis. They also refer to «historical-cultural liabilities» which are left unexplained. This indicates that the methodology needs to be refined in order to provide a clearer and more robust exposition.

2. Translation by *Apuntes*.

We congratulate our colleagues for advancing such an important research agenda which, as they point out, requires new and integrating multidisciplinary approaches. Studying and discussing «inclusive development», territorial change, and institutional change requires those barriers that have been self-imposed by the social science disciplines to be overcome: regarding what questions to ask, how to respond to them, and what assumptions to make regarding the agents and social phenomena that we study. For this reason, it is very interesting and motivating to read the results of a collective effort by an economist, a social psychologist and a political scientist.

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