



# Improving the Efficiency of Regional Balance Policies in Iran by Emphasizing the Law of Balanced use of the Country's Facilities

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## Abstract

Regional economic differences are a hot topic in regional economy and are one of the indicators of economic security. This has always been one of the priorities of regional policy makers to reduce regional disparities and distribute the budget and of society equally based on different economic, health, social and infrastructure needs. The purpose of this research is to investigate the provincial inequalities among the provinces of Iran based on the law of balanced use of the country's facilities. Hierarchical analysis method has been used to achieve this goal. The findings of the research indicate that among the four main criteria, the criteria of supervision, executive, legal and institutional management and statistics and information. It is ranked 3rd, 2nd, 1st and 4th respectively. And among the 30 sub-criteria, the lack of a transparent scientific mechanism in the distribution of national balance credits between the country's provinces. The existence of hidden and seasonal unemployment in most of the less developed cities and the lack of inclusion of the city in the use of 32 plans under the unemployment rate index in most of the cities. The low role of the Provincial Planning and Development Council in the distribution of inter-city credits based on the indicators considered by the Council is ranked first, second and third respectively. And it has the greatest impact in the field of inequality, and the criterion, lack of systematic communication the indicators of the balanced law and the plans and projects of Annex No. 1 of the annual budget laws are ranked last and have the least impact on inequality.

**Keywords:** Regional Balance, Hierarchical Analysis, Law of Balanced Use, Inequality, Provinces of Iran.

**JEL Classification:** C66, E26, H6.

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## 1. Introduction

One of the most basic signs of social justice is the spatial distribution of public services. Social justice is the sustainability of maintaining the interests of different social groups based on the optimal increase of cost, income and facilities. One of the balancing strategies is the fair distribution of resources and facilities, the distribution of services and ability among urban areas. The phenomenon of inequality between regions causes problems such as migration from backward and deprived regions to developed regions. Determining the factors behind the cities' backwardness provides the possibility for planners to act more favorably in the field of optimal allocation of credits and reduction of injustice or inequality, which is one of the main goals of planners and the law of balanced use of facilities in order to eliminate the development inequality between provinces. It also gives the policy makers the possibility to implement the necessary reforms in policy making and implementation. During the last decades, creating regional balance has been one of the important and strategic topics in the literature of the public sector economy. One of the priorities of regional policy makers has always been to reduce the regional inequality and distribute the budget and facilities of the society among the regions based on different economic, social, infrastructure and cultural needs. Various regional economies will decrease. For this purpose, the law of balanced use of the country's facilities was formed in order to create balance in the cities of different provinces of the country.

## 2. Methodology

This research has been done with the aim of identifying the challenges and issues of this law and the necessary priorities from the point of view of experts to improve its efficiency. In order to achieve this goal, using the Delphi method, the most important problems and issues of regional balance policies in Iran were identified in accordance with the law of balanced use of the country's facilities, and using the hierarchical analysis method, the most important challenges from the point of view of economic experts were counted in this article. While reviewing the provisions of development programs in the field of regional balance and the law of balanced use of the country's facilities, the issues and problems of the law of balanced use of the country should be identified from the eyes of experts, and while determining the most important challenges and problems of the law related to regional balance policies, suggestions should be provided. At first, after examining the principles of the constitution related to regional balance, an overview of the provisions of development programs and their implementation process was discussed, and then the challenges related to the law on the balanced use of the country's facilities and its implementation process were examined. Using the Delphi method, the challenges related to The law of balanced use of the country's facilities was identified, and then,

according to the experts, these criteria and challenges were compared in the Expert Choice software environment with the hierarchical analysis method and the most important challenges were identified. The main criteria are legal and institutional, executive management, monitoring and statistics and information.

### 3. Findings and Discussion

According to findings, the monitoring criterion was ranked first by the elites with the highest score of 0.272, and it was identified as the most important challenge; And the criterion of statistics and information is ranked last with the lowest score of 0.2, which is the least challenging from the point of view of the elites. Among the 30 sub-criteria, the lack of a transparent scientific mechanism in the distribution of national balance credits between the provinces of the country, the existence of hidden and seasonal unemployment in most of the less developed cities and the non-inclusion of the city in the use of 32 schemes under the unemployment rate index in most of the cities and the low role of the council The planning and development of the province in the distribution of inter-county credits based on the indicators considered by the council with coefficients of 0.048, 0.046 and 0.045 has been ranked first, second and third respectively, and the criterion of the lack of systematic correlation between the indicators of the balanced law and the plans and projects of Annex No. 1 of the laws The annual budget is ranked last with a coefficient of 0.2.

### 4. Conclusion and Policy Implications

Therefore, regional policy makers in order to promote regional balance policies in the country, in addition to increasing the role of the Provincial Planning and Development Council in the distribution of national and provincial regional balance credits, optimal allocation of balance credits to regional economic indicators to reduce regional inequality put them on their agenda. Integrating balance credits into the total of provincial credits and allocating a percentage of it for the balanced use law, integrating balanced credits with provincial credits and determining the provincial balance document agreed upon by the center-province-governor organization, allocating 10 percent of the credits Acquiring the capital assets of the country for the Law of Balanced Use is not three percent of the total general budget of the government, preparing specific executive regulations for the Law of Balanced Use, creating an independent row for the law in the annual budget bills, compiling city development indicators and criteria for credit allocation, not just indicators of balance, use from the balance credits for the purchase of services in some of the covered areas, especially in projects and delegated activities such as technical and professional services, determining reliable and valid indicators for the Law of Balanced Use and requiring the Iranian Statistics Center to prepare and update

them at the city level, assigning a part of Sources of balanced law to maintain, stabilize and continue the existing situation at the province level (improvement of water network, sewage, energy, roads, etc.), - use of various scientific techniques to rank unbalanced areas as a total index and consider it when Allocating credit to provinces can be called as the most important way to improve regional balance.