

## OAXACA, A STATE OF ECONOMIC INEQUALITIES.

THEME J: THEORY AND RESEARCH IN REGIONAL STUDIES.  
POLICY EVALUATION RESEARCH, THEORY AND PRACTICE.

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### ABSTRACT.

In Mexico, the concentration of the political and economic power in developed cities like the State of Mexico, Distrito Federal, Monterrey and Guadalajara, has propitiated the concentration of financial resources. In contrast, in Oaxaca state, 85% of population is poor in spite of having a great quantity of natural resources.

The objective of this work, has been the analysis of the existent inequalities among the different regions of Oaxaca state. To respond the question: What of these regions had the highest level in financial growth since 1988 to 2003?.

The state of Oaxaca is divided in eight regions, the most developed are: Istmo, Valles Centrales and Papabapan; they produce 63% of employment, 69% of remunerations and 82% of internal gross product; the contribution of the less developed regions of the state are minimum. On the other hand, Oaxaca has 570 municipalities that integrate the state, only 13 have a some possibilities of growth and in 9, the growth is moderate. These municipalities look like wealthy islands surrounded by a poor ocean, situation that blocks the economic growth of the wholes of Oaxaca.

In our hypothesis, we affirmed that: "the inequalities of the regions have decreased in the period 1988 - 2003", however, it is evidenced that the actions undertaken by the state government and the federal government were insufficient because inequalities are present; therefore, is necessary to design public politics that stimulate the growth of municipalities with financial backwardness, with the state intervention to offer better infrastructure services, fiscal stimuli, better roads and a favorable climate for the enterprise's progress.

We also require enable to the work force according to the productive vocation of each region. The managers must make good decisions in production and commercialization of their products. The entrepreneurs compete with their products; the government must support them

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to generate employments and incomes for the work force in order to knock down the behind economic and the poverty.

It is necessary also to finance productive projects in rural areas, centered in the forest profit, ecotourism, increase the foods production and raises of backyard livestock in order to improve the incomes programmes and life conditions of the population.

The objective of government should be centered in creating conditions that allow to the neediest population, to improve their self life conditions when increasing income and to have labor stability.

## INTRODUCTION

The state of Oaxaca is located in the south region of Mexico. The surface of the state is 95,364 km<sup>2</sup> and represents 4.8% of the national territory. Oaxaca occupies the fifth place in the country (Map 1).

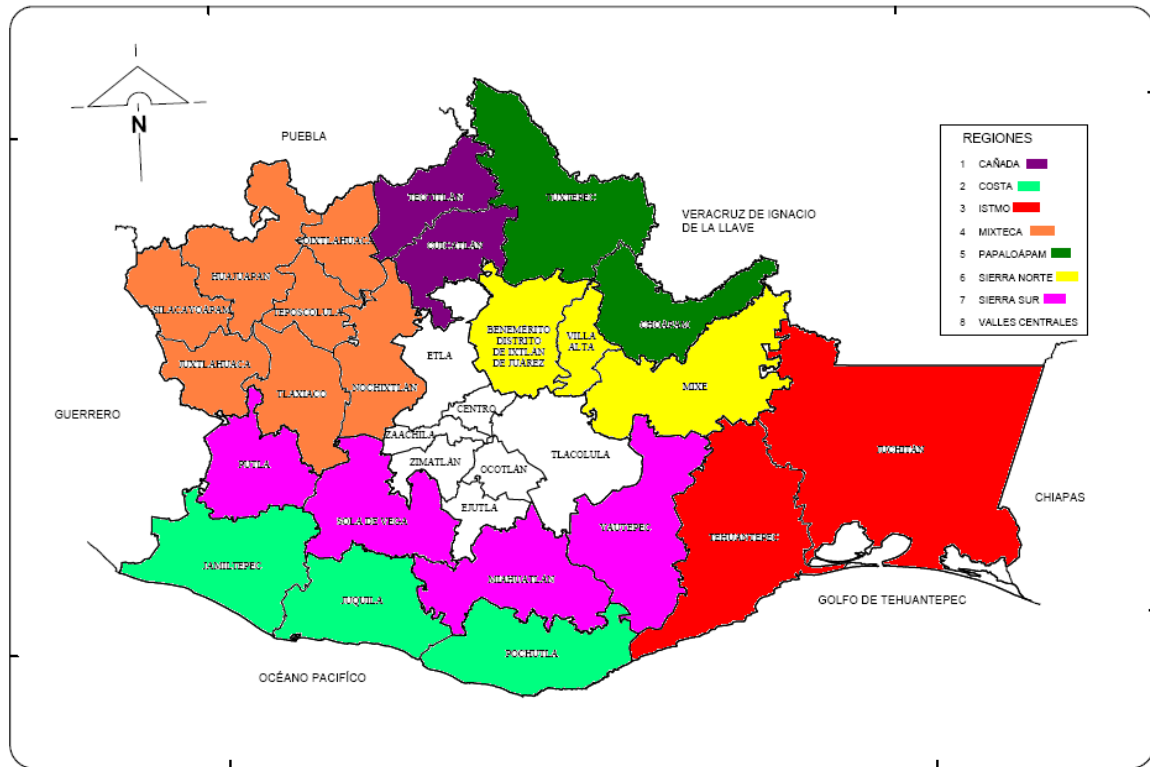
**MAP 1  
LOCALIZATION OF OAXACA STATE**



Source: INEGI, 2006. Statistical annual of Oaxaca 2005, consulted in [www.inegi.gob.mx](http://www.inegi.gob.mx) July 17, 2006.

The political division of Oaxaca state, is complex, it is integrated for 8 economic regions, this territorial division was proposed by Enrique Irazoque in 1942 and it is recaptured by the Development Planning Committee of Oaxaca in 1976 (mentioned by Moguel, 1979); these regions are: Cañada, Costa, Istmo, Mixteca, Papaloapam, Sierra Norte, Sierra Sur and Valles Centrales (Map 2).

**MAP 1**  
**REGIONAL DIVISION OF OAXACA STATE**



Source: INEGI, 2006. Statistical annual of Oaxaca 2005, consulted in [www.inegi.gob.mx](http://www.inegi.gob.mx) July 17, 2006.

Oaxaca State has a network of highways of 16,113.40 Km. with an average of 17.26 Km. for each 100 km<sup>2</sup>; there are 6 airports and 115 aerodromes that communicate to the towns that present difficult access and a seaport that is located in the municipality of Salina Cruz (COPLADE, 2004).

In Oaxaca, more than half of the agricultural soil, is seasonal with low productivity Kg / Ha. The soil with aptitudes of automated continuous agriculture is 11.7% and it is located mainly in: Golfo de Tehuantepec, Tuxtepec, Choapam and Mixe. The lands of automated seasonal agriculture, with 0.3%, are located in the districts of Juquila and Jamiltepec, as long as that of animal traction with 8.3%, is distributed in Jamiltepec, Putla, Tuxtepec, Choapam, Mixe and Juchitan (AREGIONAL, 2006:16).

The agricultural seasonal soil of animal traction with 0.3%, is in the districts of Sola de Vega, Cuicatlan and Huajuapam. For the manual seasonal agriculture, with 8.6%, is located in the

districts of Villa Alta, Tlacolula, Choapam, Mixe, Tehuantepec and Juchitan. Manual seasonal agriculture represents 1.4%, it is located in the districts of Miahuatlan, Ejutla, Etlá and Huajuapam. Almost 70% of the soil, they are non fertile land for the agriculture.

In Oaxaca State, the grade schooling average was increased from 4.5 to 6.4 grades from the school cycle 1990 – 1991 up to 2004 – 2005, occupying the position 31th at national level.

The illiteracy decreased from 26.7 to 18.8% in the same period (AREGIONAL, 2006: 25),

The population's 28% is attributed to social security institutions: the Instituto Mexicano del Seguro Social assists to workers of private enterprises and the Instituto de Seguridad y Servicios Sociales de Trabajadores del Estado, assists to state workers. According to the above-mentioned, the population's 72% uses to services of social welfare that is provided by Servicios de Salud de Oaxaca and the IMSS – Oportunidades; minimum population's percentage goes to medical private services (AREGIONAL, 2006: 27).

According to INEGI (2000), in the year 2000 had 738,087 housings in the state being increased to 741,005 housings for the year 2005, being the average for both years of 5 people for housing (INEGI, 2005).

In the period 1993 – 2004, State Gross Product in Oaxaca, shows rates of more growth to 5%, to exception of the years 2001 and 2003 when the rate was of 1.5 and 1.8%. In 1995 and 2002, the rates were -5.0% and -1.5% (Graph 1). However, it is pertinent to point out that the rates of growth of the Gross National Product at national level, went inferior to those of the state, to exception of the years of 1995 and 2002, when the rate of growth was negative (INEGI, 2006).

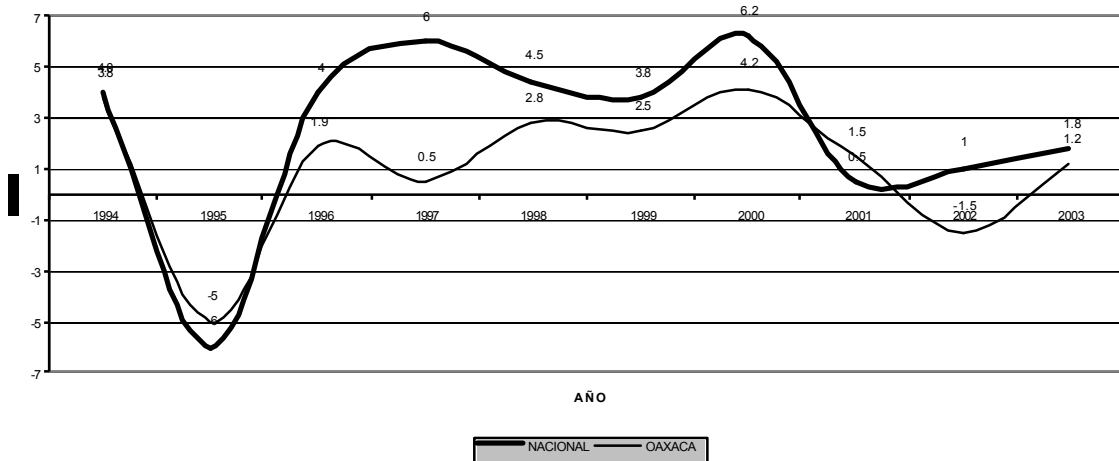
A measure of the formal employment, is through the number of workers insured, in June of 2003 they were 136,520 workers increasing until May from 2005 to 142,233 workers (INEGI, 2006); of the total of insured workers, 86.9% is hard – working permanent, while 13.1% is hard – eventual working.

The GDP per capita in Oaxaca in 2003, was of 26.6 thousands of pesos for inhabitant; the entity was placed in the penultimate position, comparing this entrance with the national average of 59.9 thousands of pesos (INEGI, 2006).

Considering the real income in Oaxaca, the minimum wage had an increment of 0.6% from 2005 to 2006 being of \$ 39.14 and \$ 39.39 in these years. According to Comisión Nacional de Salarios Mínimos (2006), the minimum wage in the period 1995 - 2006, it has shown a

tendency to the drop to leave of 1995, when diminishing from \$ 50 to \$ 40 the real wage showing a reduction of 18.2%.

GRAPH 1  
ECONOMIC GROWTH RATES  
COMPARISON MEXICO AND OAXACA STATE 1994 – 2003



Source: AREGIONAL, 2006. Monograph of Oaxaca state, consulted in [www.aregional.com](http://www.aregional.com), November 25, 2006. P. 33

## MATERIALS AND METHODS

The development, is aspiration of all the societies, therefore, the economic growth should be translated in increase of income to improve the life conditions of the population. Due to the unequal distribution of the wealth, the economic growth, not necessarily takes to the development.

According to Todaro (1988), an economy should have the capacity to maintain an annual increment of the gross product between 5 and 7%, for a bigger period to 25 years; also, it should be conceived to the development like a multidimensional process composed by big transformations of the social structures, of people's attitudes and of the national institutions, as well as for the acceleration of the economic growth, the reduction of the inequality and the eradication of the "absolute poverty". For the Commission of the Environment (1992), the sustainable development is "satisfies the necessities of the present, without limiting the potential to satisfy the necessities of the future generations".

The World Bank (2006), considers to the development like "the sustainable improvement of the life level that understands the material consumption, education, health and protection of the environment. It transcends aspects like: bigger equality of opportunities, freedom politics and civil" freedoms, to "endow from economic, political and civil bigger rights to all the human beings, without sex distinction, ethnic group, religion, race, region or country." Also, for the UNDP (2005), it is "the process of enlarging the range of people's options, offering them bigger education opportunities, medical care, entrance and employment, embracing the total spectrum of human options; from a physical environment under good conditions, until economic and political freedoms". Although, the previous definitions give diverse ideas about the development, Hirschman, notices about the necessity of "rejecting the application of oneself economic model to different realities, affirming that the relationships among developed countries and underdeveloped they don't generate mutual benefits" (mentioned in Bustelo, 1989).

After the second world war, five currents were generated on theories of the development, these they are, the theories of: the Modernization, Structuralist, Neomarxist, Neoliberal and the Alternative Theories of the development that arise in "other development". As explanatory mark for the economic reality of Oaxaca State, it is made a brief summary of the Structuralist and Neomarxist theories. As propositive theoretic mark, are considered, the Alternative Theories of the development.

The outstanding elements of the Structuralist Theory are: the thesis of the deterioration of the exchange terms, the pattern center – periphery, and the industrialization strategy for substitution of imports (ISSI). The strategy ISSI, was successful in the substitution of imports of consumption goods, but it fails when spread actions are not given to promote the substitution of intermediate goods and of capital, especially in the Latin American countries. On the other hand, after the verification of the existence of development obstacles (Flores, 1975) and the influence of the dualism at international level, the Structuralist Theory evolves toward the most radical focus with the dependence theory that controls progressively at the beginning of the eighty years with the incorporation of the interdependence concept in the new Structuralist position.

The difference of productivity and the deterioration of the exchange terms constitute the explanatory elements of the differences of real income between the center and the

periphery. In this system, a tendency exists to the unequal development of both poles (Bismarck and Vasquez, 2005; Palacio, 2006). Horacio Flores (1975), has identified three economic obstacles: the population's strong growth; the insufficient capital accumulation and the regime of holding of cultivation lands and the low agricultural productivity. The social obstacle, refers to a weak state in front of the weight of the foreign investment and the distributive privileges, among other.

For Sunkel and Paz (1970), the dependence is been of a historical process where the development and the underdevelopment are simultaneous and interdependent phenomena, being the two faces of oneself currency; this way, the linking of the local processes of development with the capitalist world system, favors to the focal groups that are linked with the foreign activities. On the other hand, Furtado, Prebisch and Sunkel (in Hidalgo, 1996) put of relief the dependence: cultural, technological and intellectual. They also put emphasis in the competitiveness via progress technician and the necessity is introduced from an integral approach to the productive (social, institutional, political) problem and incorporates the territorial and environmental dimension. However, it is not enough only with creating macroeconomic stable contexts; they are institutional necessary changes to generate political sectoral concerted, accompanied by political redistributive not assistance based on the formation of human capital and the provision of services to the poorest population (Boisier and col., 1992; Fanzylber, 1990b; ECLAC, 1990).

Until here the related with the economic growth that was confused with development, because starting from the years seventy, this was redefined in terms of poverty reduction, the inequality and the unemployment, in a context of economic growth, configuring this way, an alternative thought on the development that has their antecedent "the other development" "or the alternative development" (Valcárcel, 2006), the published by The Dag Hammarskjöld Foundation in 1977 as "The other development." The origin of this conception, is given before the failure of the modernization, Structuralist and Neomarxist theories to solve the problem of the underdevelopment by means of the egalitarian, endogenous and autonomous development that considers the harmony with the nature and the structural change of the society (Hidalgo, 2000).

In 1981 the World Bank puts in first place the satisfaction of the basic needs with the publication of Paul's Streeten report (1986): "First the first: to satisfy the population's basic

needs in the countries in development." In the same sense, Todaro (1988), outlines a development strategy by means of the satisfaction of the poorest population's basic needs starting from: a) to elevate their income and their productivity; b) to increase the public services, subsidies and transfers; c) to improve the education, the health and the nutrition; d) to consider the costs of opportunity of obtaining additional income for the satisfaction of their basic needs; and) to outline a redistributive focus of the satisfaction of necessities inside the family unit; f) to take place by means of technical and appropriate technologies; and, g) to assist their necessities non materials.

To achieve the above mentioned, the necessity is recognized of outlining an alternative model to which was denominated "endogenous development ". One of their more important antecedents, is the echo – development outlined by Sachs (1982) who highlights the paper played in the development process by the population: with the potentiality of their material and human resources, institutions and cultural values and ecosystem that it configures in this focus the base of an alternative development that has their genesis inside the communities and territories. It diminishes this way, the dependence and vulnerability increasing the trust in the societies by means of: the freedom of people and the individual's active participation in the adoption, application and control of decisions that affect at all the levels (family, village, community, city, region, nation, world), as key elements for their empowerment.

The paper of the external help is of little importance in the development, if it is not integrated inside the national effort, based on the self reliance; it should be guided by the society. Todaro (1988), consider the development as a multidimensional “process composed by big transformations of the social structures, of people's attitudes and of the national institutions, as well as for the acceleration of the economic growth, the reduction of the inequality and the eradication of the absolute poverty”.

The sustainable development, according to the Brundtland Report, "satisfies the current necessities without committing the capacity of the future generations to satisfy its own necessities"; the economic model doesn't question based on the growth (UN, 1987). The Summit of the earth, showed the priority of the social and environmental dimension of the development, as well as the responsibility of the developed countries in their environmental debt contracted in their development process (Strong, 1975). The declaration of Rio, places the

human beings in the center of the sustainable development and it shows the indispensable necessity of the eradication of the poverty to get this development.

The human development understands the expansion of the capacities of people (Sen, 1990; Streeten, 1995), instead of the increment of the benefits or the economic well-being. This way, the human being, is the central objective of the development, expert this like process of social and economic change centered in the person, dedicated to develop his capacities and to assure a worthy life, like process of amplification of the capacities and people's options, and therefore, his opportunities. The most essential are to enjoy a lingering and healthy life, to acquire knowledge and to have access to the necessary resources to achieve a worthy level of life; in the amplification of opportunities and of possibilities option, the human being should have freedom politics, economic and social; of the possibility of being creative and productive; of guarantee of the human rights and of self-esteem.

The concept of social capital, comes from the initial works of North (1990) and Putnam (1993), and of the sociology, with the works of Coleman (1990), when supposing, an encounter point among the development, the sociology, the politics and the anthropology. The inclusion of ethical values in the development proposals, only means not to re-evaluate the theoretical, political and institutional outstanding instruments to the development processes; but thinking of the notion of life's quality, overcoming the material sense, as a reflection of the social relationships among the human beings (Sen, 1990).

The territory, as scenario of localization of companies, responds to the flexibility of dynamic social that they develop or they block the continuity of productive processes and its linkages that the limits fixed administratively transcend and still the social same relationships. In this sense, the local development, emerges as a new development model that includes the companies, the innovation capacity and the use of the potential of existent development in the regions. In the local development the development process arises "from below", in the search of the reduction of the dependence of the governments and economic agents with the exterior. However, the intervention is necessary because the market for if same it is insufficient to assure the emergence of local talents, the creation of competitive companies and the survival in a global market.

In this context, the small and medium enterprises require of a territorial environment that allows them to give answer to the global demands and stimulate to the local development.

The financial progress of the enterprise, generates the economic growth and at the same time, the macroeconomic appropriate conditions that allow them to maintain its internal and external competitiveness; for such a reason, the lack of managerial spirit, produces economic backwardness, especially in the underdeveloped economies. On the other hand, the regional development based on learning processes, generates a strong advantage that improves its products and it impregnates them of added value making them competitive in the international market. The conformation of strong regions, toasts to the companies, the necessary tools to be productive and incentives that strengthen even more its competitive advantages, creating strategic centers of location that develop to the regions and the excluded sectors of the system. In the methodology, the analysis of the economic growth, is carried out for the Oaxaca state so much in the municipal level as in the regional one understanding the period 1988 – 2003, the information is taken of the Economic Censuses elaborated by INEGI which are available in internet. With this analysis it is looked for to give answer to the question: What of these regions had the highest level in financial growth since 1988 to 2003?.

The variable to analyze is the economic growth, integrated by the following indicators: employment generation, remunerations to the personnel and gross internal product. These indicators are used by the objective to represent potential growth in each region. Once calculated these indicators in a compound index using the method of Wroclaviense Taxonomy (Zebrowski, 1984), the obtained index, it is classified in three categories or levels to determine if the potential economic growth is: high, half or low.

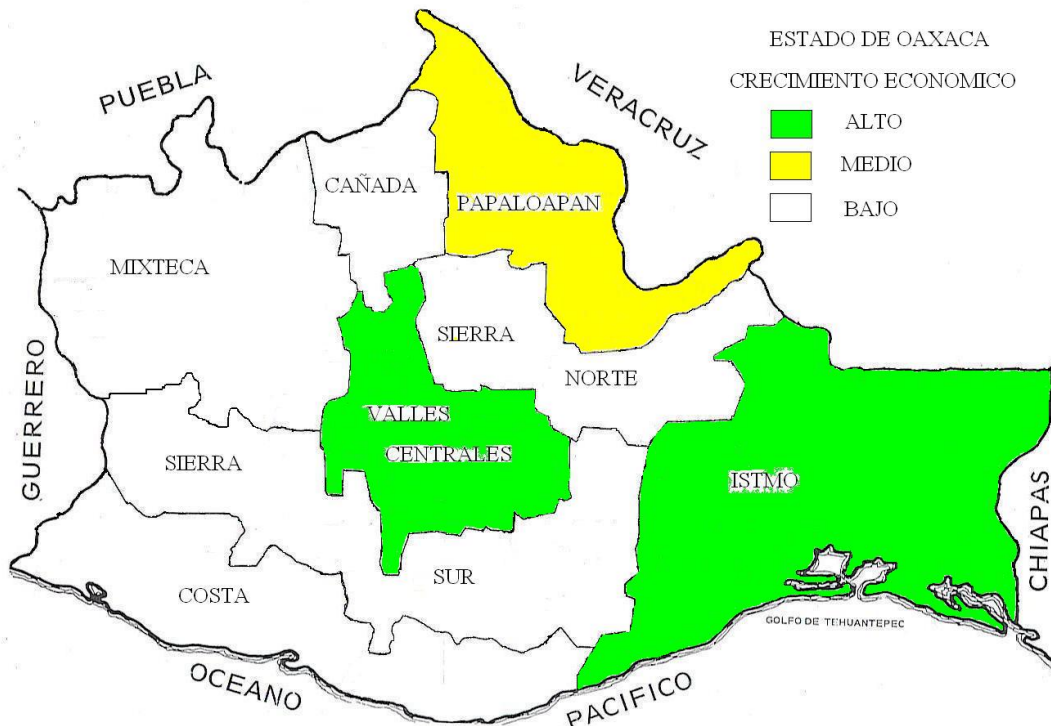
To prove the hypothesis, we take into account the increase in the number of municipalities with economic levels of high and half growth and the decrease of those that accuse economic arrears situation. The hypothesis is accepted, when it is appreciated that the economic inequalities have spread to diminish, in the contrary case it is rejected.

## RESULTS

The Economic Growth Index (EGI), calculated for the regions of the Oaxaca state, for the years of 1988, 1993, 1998 and 2003, it shows deep inequalities. Taking into account the classification of the regions as for the growth level, the regions of the Istmo and Valles Centrales present the best levels of growth in the state; as long as the Papaloapam region was

in the half level. The regions with economic arrears were: Costa, Mixteca, Sierra Norte, Sierra Sur and Cañada (Map 3).

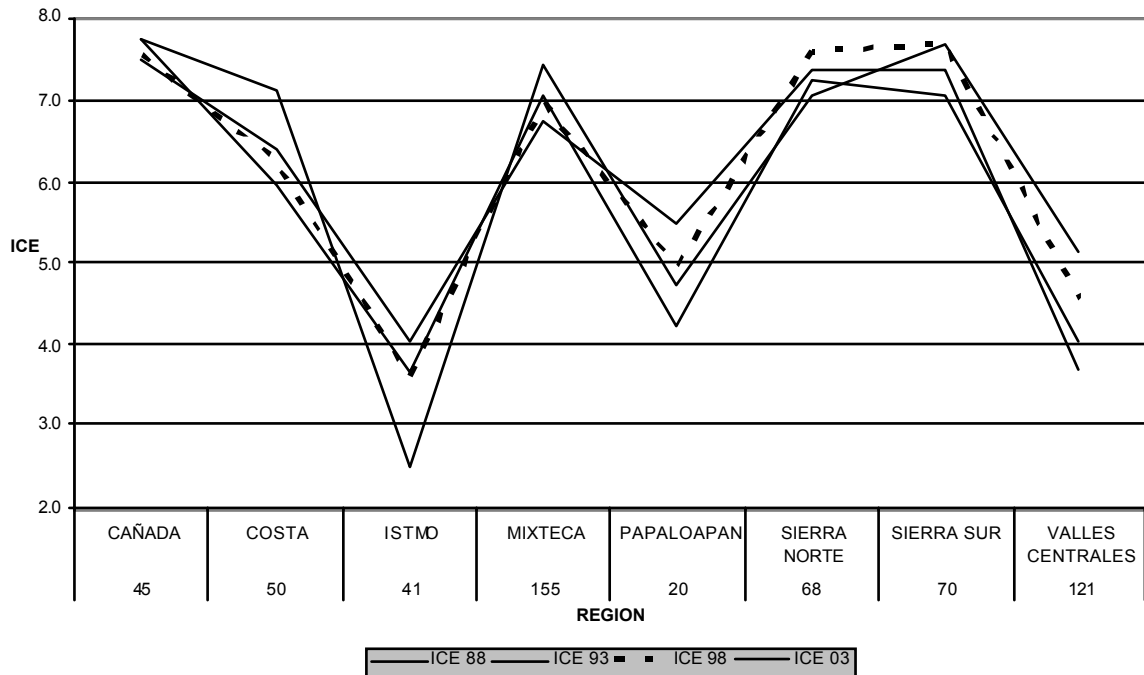
**MAP 2  
ECONOMIC DEVELOPMENT  
OAXACA STATE, 2003.**



Source: Elaborated with information contained in the economic census for Oaxaca State, year 2003.

When analyzing the tendency in the growth, the Istmo region presents a constant deterioration, this situation is also in Sierra Norte so much in 1993 as in 1998 to remain in that level in 2003. In Valles Centrales, their economy improves in 1993 to present a deterioration in 1998 and to improve in 2003, this same situation shows up in Sierra Sur region. Papaloapan improves in 1993 but its growth deteriorates in 1998 and 2003. The Mixteca region improves in constant form in the analyzed period and Cañada maintains its potential of constant growth starting from 1993. Lastly, in Costa region their economy improves from 1988 to 1993 to deteriorate since 1998 (Graph 2).

**GRAPH 2  
EVOLUTION OF REGIONAL ECONOMIC GROWHT  
OAXACA STATE 1988 - 2003**



Source: Elaborated with information contained in the economic census of Oaxaca State, years: 1988, 1993, 1998 y 2003.

In the Istmo region, the economy is linked with the Refinery of Petroleos Mexicanos "Antonio Dovalí Jaime", being the most important region in the state; the predominant activities are industrial, commercial and services.

The capital of the state, is located in the Valles Centrales region and therefore, the federal, state and municipal governments' official multiple dependences; the economic predominant activities are the trade and the services; and in smaller scale, the agricultural in some of their municipalities. The Papaloapan region, is the third economy in the state and the activities are industrial and cattle raising.

In the other regions, the economic growth is low, prevailing the agricultural activity, these regions are: Cañada, Costa, Mixteca, Sierra Norte and Sierra Sur.

In the territorial context, to the inland region, deep inequalities show municipalities with high potential of growth that are surrounded by municipalities that accuse serious arrears economic, persist. This situation, it is originated by the lack of economic integration among the municipalities that have potential of growth with those that surround it and whose growth is almost null. Before this situation, we can expect that the municipalities with potential of growth cannot achieve better results being translated this situation especially in underdevelopment, backwardness and poverty for the economies that don't have an economic appropriate growth.

To the low economic growth, it should be added that a high percentage of agricultural products comes of other states of the republic, especially of Veracruz, Puebla and Mexico due to the inadequacy of the production in the state to satisfy the population's requirements. The same thing we can point out as for the manufactured products, being constituted this situation in an important drainage of resources to other economies, what limits the economic growth considerably in the state.

Regrettably, this situation will stay long term, if they are not carried out spread actions to generate changes in the productive structure to revert this process. Oaxaca State requires to be carried out considerable investments in infrastructure, urban equipment, communication roads, qualification of the work force according to the productive vocation of the regions, besides creating financing sources that respond to the requirements of the micro, small and medium enterprise.

Of the 570 municipalities that integrate to the state; in the period from 1988 at 2003, thirteen are those that are considered with a high potential of growth; the municipalities with moderate growth increased at 9. Lastly, the number of municipalities with low growth, diminished at 548.

Concluding, the economic inequalities in the territorial context have not decreased, therefore, the politicians dedicated to stimulate the economic growth, they have not offered the prospective results (Table 1).

TABLE 1  
NUMBER OF MUNICIPALITIES CONSIDERED FOR LEVEL OF ECONOMIC GROWTH  
OAXACA STATE (1988 – 2003)

REGION	1988			1993			1998			2003		
	HEG	MEG	LEG	HEG	MEG	LEG	HEG	MEG	LEG	HEG	MEG	LEG
CAÑADA	2	2	41	3	0	42	3	0	42	2	1	42
COSTA	3	1	46	1	1	48	2	3	45	2	2	46
ISTMO	1	0	40	1	1	18	1	0	19	1	1	18
MIXTECA	2	1	152	1	1	153	1	1	153	1	2	152
PAPALOAPAN	1	0	19	1	0	40	1	0	40	1	0	40
SIERRA NORTE	1	0	67	2	2	64	1	5	62	3	3	62
SIERRA SUR	2	0	68	1	2	67	2	0	68	2	0	68
VALLES CENTRALES	1	0	120	1	0	120	1	0	120	1	0	120
TOTAL	13	4	553	11	7	552	12	9	549	13	9	548

Source: Elaborated with information contained in the economic census of Oaxaca State, years: 1988, 1993, 1998 y 2003.

## DISCUSSION

The regions with more contribution to the employment generation, remunerations to the personnel and gross total product are undoubtedly, Istmo and Valles Centrales, continued by Papaloapan. The contribution of the other regions is minimum, what shows a scarce integration of the prosperous economies with the late ones, situation that is constituted in an obstacle to the economic growth in the state of Oaxaca.

The Wroclaviense Taxonomy Method, used as grouping method to evaluate the economic growth, offered results that they allow to make an appropriate classification of the agreement municipalities with its potential of growth, that which is considered indispensable to be able to formulate proposals that they support in the formulation of the development politicians that are necessary, in order to reduce the economic existent inequalities.

According to the obtained results, the regions that had an economic high growth were Istmo and Valles Centrales; the region of Papaloapan is with moderate growth. The regions Costa, Mixteca, Sierra Norte, Sierra Sur and Cañada, were classified with low growth, accusing considerable arrears economic. Carrying out the analysis at municipal level, the municipalities that have levels of high and half economic growth, are those that have a decisive participation in the employment generation, revenues and of gross total product. In short, of the 570 municipalities; with economic high growth were located 13, and 9 with a moderate growth. They are 548 municipalities with low economic growth, this gives us the

idea that the municipalities with economic moderate and high growth look like surrounded islands of poverty ocean.

When contrasting the outlined hypothesis, it was determined that the economic inequalities didn't decrease, being insufficient the actions undertaken in the period 1988 - 2003 to stimulate the growth.

To counteract the economic inequalities, is necessary to formulate strategies that stimulate the growth in those municipalities that have economic backwardness. In the face of the impossibility of generating the endogenous growth, is necessary the intervention of the state to stimulate and to detonate the growth by means of the support to the private investment. This action, should be sustained in offering better infrastructure services, fiscal stimuli, improvement of the communication roads, as well as the power to guarantee an appropriate climate to increase the establishment of enterprises in the entity. Everything to generate scale economies that they impact in the reduction of costs supporting the capacity of competitiveness of the enterprises.

It is also required, to enable to the work force according to productive vocation of the regions, as well as to the administrators and managers of the micro, small and medium enterprises in the taking decisions specifically in the related with the administration, production and commercialization of their products.

It is important to clarify that they are the managers that with their products, they compete in the national and international market, and the governments support them in a real process of growth that impacts in the generation of employments and income for the population with the purpose of knocking down the levels of poverty and social exclusion.

To complement the previous actions, it is necessary to support productive projects in rural areas to increase the production and to improve the entrance and conditions of the population's life that it carries out agricultural activities. This action should be sustained in the creation of production nets and to support them in the commercialization actions to rescue them of the monopolizers that pay ridiculous prices for their products.

The basic objective to guide to the government programs is the creation conditions that they allow the neediest population to improve for itself its conditions of life when increasing their income and to have stable work sources. The use of the technology, the qualification of the human resources and the environmental conservation, they are the three more important

topics to achieve an economic sustainable development from the economic, social and environmental point of view.

To achieve the above-mentioned, it is necessary the education of people so that they are critical, analytic and that have the capacity to change their future starting from the analysis of the present; it is vital to change the current expectations of the poor, by means of a positive attitude, to leave the poverty. In this sense, the government is under conditions of being able to shorten the existent breaches of infrastructure, investment publishes and private, in fomenting the education, to control the population's growth, to maintain the budget low public control, to improve the economic growth. Now we show up the following proposals:

- The faulty systems of communication limit the transport of goods taken place at level inter and intra regional, that which is constituted in an obstacle for their commercialization. This generates the dependence of the production of agricultural and manufactured goods of other states, especially of Veracruz, Puebla and the Distrito Federal. A construction program and improvement of communication roads, would allow the displacement of the products with a considerable saving in time and transportation costs.
- Before personnel's lack that works in companies producers of goods and services, it is necessary a qualification program according to the productive vocation of the regions.
- The inefficiency of the administrators in the taking of decisions, results in that non efficient many enterprises. To solve this problem, is required to enable them in decisions taking to improve their competitiveness and better perspectives of economic progress in the future of the enterprises.
- It is necessary the financing of productive profitable projects for the creation and the amplification of enterprises; the formation of managerial and social networks is also required whose objective is to share production costs and of commercialization of its products under better conditions applying outlines of strategic planning and organizational development.
- The shortage of water in Oaxaca State, is evident, hence systems of retention of water should be designed that they allow its later use for human consumption and to use it in the agricultural, and cattle raising production. These works of retention of water go from the construction of systems of terraces, dam, reservoir, etc.

- The contamination of soil, of the water and of the air for exhibition of garbage to opened sky is a derived problem of the excessive consumption and of the lack of environmental education, hence it is necessary to make aware the government and the society on the construction of systems of sanitary filler to confine on high in them materials that are polluting grade.
- The contamination of soil, the air and the water, with served waters, it demands the construction of plants for the treatment of residual waters in residence groups and entrepreneurs that generate contaminated waters by their production processes.

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