

Chapter 2

From Polarization to Fragmentation. Recent Changes in Latin American Urbanization

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In most Latin American cities the polarization between rich and poor quarters in the urban fabric (*ciudad rica* and *ciudad pobre*) is – although still visible – weakening. New rich quarters rising in formerly poor neighbourhoods seem to suggest that the texture of society is changing and that rich and poor are beginning to mix. Yet, on closer inspection, it immediately becomes obvious that socio-spatial segregation has become more pronounced. The millionaires in the hermetically closed off luxury quarters mostly do not care less about the social environment beyond the walls of their communities. They are islands of the rich located within an ocean of poverty. Accordingly, Janoschka (2002a) called contemporary Buenos Aires a ‘City of islands’, and the islanders are the ones who have won. Indeed, they are ‘los que ganaron’, as Svampa (2001) has pointed out.

Nevertheless, it would be too simple to blame only the rich for spatial segregation. Contemporary Latin American cities abound with walls. Middle class neighbourhoods are walled off and even marginal quarters tend to construct fences. Walls and gates protect leisure clubs, shopping centres, office towers, business districts, industrial estates, and even some quite normal public streets. Polarization thus has been superseded by fragmentation, not only in the urban structure but also in the social fabric, the functional pattern, and the infrastructure of the agglomeration. Two decades ago, modern malls, copies of the U.S. American model, were only to be found in the ‘rich city’ (Bähr and Mertins 1995, p. 107); nowadays they are found in towns everywhere.

Urban researchers have taken a while to notice the significance of these structural changes in Latin American cities. Even recent monographs (see e.g. Wilhelmy and Borsdorf 1984, 1985; Gilbert 1994 Bähr and Mertins 1995) contain only few hints on new segregation tendencies. Furthermore, none of the above authors have recognized the implications of these developments for the urban structure. Neither did those few studies published in the early 1990s that focus on upper class quarters (Achilles 1989; Köster 1995). Only the latest publications on Brazilian towns deal with the intensification of segregation and the rise of gated communities (Lopes de Souza 1993; Pöhler 1999; Wehrhahn 2000; Coy and Pöhler 2002), following Brazilian academic research results (Viera Caetano O’Neill 1986; Caldeira 1996). Subsequently, the first studies on the new trends in the Spanish cultural subcontinent

have appeared (Borsdorf 1998, 2000, 2002a; Janoschka 2002a, 2002b, 2002c; Meyer and Bähr 2001; Rovira 2002; Sabatini et al. 2001). Supported by young scholars working on their diploma theses (like Evangelisti 2000; Kanitschneider 2004; Kohler 2002; Goumas 2002), an Austrian research team (Borsdorf, Parnreiter, Fischer, Jäger, Kohler) carried out field work in Argentina, Chile, Ecuador, Mexico, and Peru. The results of these studies form the basis of this chapter.

The changes observed in the socio-spatial structure of Latin American cities brought about a discussion of the so-called 'model of the Latin American city'. Meyer and Bähr (2001) presented a new model for Santiago de Chile, Janoschka (2002b) for Buenos Aires, and Borsdorf (2002b) modified his model of urban development in Latin America. Joining forces, Borsdorf, Bähr, and Janoschka integrated their results and published a new model of the Latin American city structure and development in 2002. Drawing on these reflections, this chapter deals with the conditions, procedure, and results of the restructuring of the urban fabric in Latin America in order to find out whether these developments justify a modification of the traditional 'model of the Latin American city structure'.

Changing Economic and Social Conditions in Latin America

Massive changes have been taking place in Latin American societies since the early 1980s, when re-democratization processes started to replace the military regimes installed 1 decade before. Regardless of whether the orientation of the new democratic governments was left-wing or conservative, the politics they implemented were capitalist and neo-liberal without exception. These political changes coincided with the crisis of the development strategies that had prevailed since the end of WWII. Promoting the substitution of imports by internal industrialization, these policies had been accompanied by restrictions on imports and active economic intervention by the state (Parnreiter 2004). Since the 1980s this development strategy has steadily been replaced by a model that tends towards integration in the world market and involves the reduction of tax barriers. State-owned companies and formerly state-organized services were privatized. The ensuing attractiveness of the market radically transformed the economic activities in Latin America. Foreign Direct Investment and the subjugation to open market laws diminished the importance of the state. Furthermore, fierce competition from imported products induced a de-industrialization process in many countries. This neo-liberal economic path seems to have had a serious impact on the social structure of Latin American societies. Social polarization has increased substantially (cf. Ciccolella 1999) and unemployment has risen markedly, despite the high economic growth rates which most Latin American countries have experienced in the 1990s.

Since the crisis of the financial market in the late 1990s, Latin America's economic panorama has changed enormously. With the exception of Chile and Mexico, the latter country profiting from the NAFTA integration process with the USA and Canada, the growth of the Latin American economies has markedly slowed down.

The Latin American countries slid from boom to bust. Capital flows reversed in 1998 and have been negative ever since. Economic growth has been low and the income per capita has been decreasing slowly. Some countries such as Argentina, Uruguay, or Venezuela fell into serious economic depression accompanied by internal political problems. As a consequence social polarization has surged (cf. Ocampo 2003; Ruiz 2003).

The political and economic changes have also left their mark on the cities. Especially in the last 15–25 years, urban structures have been going through a rapid modernization process. Mainly driven by foreign investment, this process was on the one hand concentrated on basic urban services such as telephone lines and water provision. These are now owned by international companies that provide services conforming to international standards for the middle and upper classes. However, more investments went into urban elements that exemplify the globalization of urban spaces and illustrate the growing importance of a new imported lifestyle oriented towards leisure activities. These include the expansion and privatization of motorways, the establishment of private industrial parks, international hotel chains with integrated business facilities, shopping malls and hypermarkets, urban entertainment centres, multiplex cinemas and, last but not least, gated and access-restricted residential quarters both in urban and suburban areas. These infrastructural novelties are signs of post-modern urban development which finds expression in their exclusive architecture and social target (cf. Janoschka 2002b). As the state did not intervene in urban planning processes, and private investment to a large extent neglected public means of transportation, a new, car-based lifestyle has flourished, causing an even greater degree of fragmentation and spatial segregation.

The changed lifestyle has also become the motor of urban expansion. Before the 1980s urban growth was primarily driven by lower class migration from rural to urban areas. These patterns have changed. While migration declined strongly, the space needed per capita has increased, chiefly driven by changes in residential areas of the upper and middle classes, and this has become the main driving force of urban expansion in the last 2 decades.

Additional Causes for Socio-spatial Segregation and the Rise of Gated Communities in Latin America

Although globalization is a major driver of urban segregation and fragmentation, it is not the only relevant force in this process. This becomes obvious if we take a quick look at the distribution of gated communities in Latin America. These are not limited to the regions heavily incorporated into the global market system, such as the Central Zone of Chile, the Mexican border region with the U.S., or the metropolitan areas of the Iberian nations. Barrios cerrados have also been established in very conservative regions like the Ecuadorian or Peruvian sierra, the extreme South of Chile, and the Yucatán peninsula, as well as in medium sized Brazilian towns

(Lima Ramires and Ribero Soares 2002), in Rosario (Bragos et al. 2002) or in Puebla y Toluca (Rodríguez Chumillas and Mollá Ruiz-Gómez 2002).

The economic transformation towards neo-liberal models enforced privacy and generated deregulation policies that have liberated the real estate market, weakened urban planning and undermined the norms and rules of previous habitat policies. These economic factors have facilitated the rise of neighbourhoods outside the public space.

Another factor in this development is the changing understanding and organisation of governance. New liberal tendencies and the orientation towards individualism and private initiatives are perceived to be important drivers of fragmentation and segregation. Moreover, the economic crisis, growing poverty, terrorism, and the increase in criminality in many Latin American countries have enhanced the demand for safe enclaves providing protection from a dangerous social environment. Finally, we should not neglect basic human demands, such as the desire for a quiet and safe place to live, for a safe environment for children, in other words for a life without fears and horrors. Moreover, the upper classes search exclusivity, individuality and the possibility to realize their own lifestyles.

The changing conditions on these three levels, the global, the national and the private, explain the rise of gated communities all over the world. It really is a global phenomenon as well as a phenomenon of globalization. However, while in many cultures gated communities are limited to the upper classes, Latin America has a wide spectrum of forms and structures and a great variety of types of fenced neighbourhoods.

The global phenomenon produces various forms that depend on local specificities. As demonstrated by Rovira (2002) and Borsdorf (2002a), Latin American cities have been pervaded by trends of privatization and exclusion from the beginning of urban history. The patio house and the monastery cities were early expressions of these demands, whereas modern tugurios, conventillos and vecindades that are closed off from the road by strong doors are striking examples of their persistence. Figure 2.1 demonstrates the causes for the rise of gated communities in Latin America.

Types of Gated Communities

Latin American city regions are currently experiencing a phase of strong increase in gated residential neighbourhoods. A typology of these developments would first of all have to deal with the variety of names that are used to refer to the different types of gated housing complexes in Latin America. *Condomínio fechado* (Brazil), *Barrio Privado* (Argentina), *Urbanización Cerrada* or *Conjunto Cerrado* (Ecuador), *Condominio*, *Coto* or *Fraccionamiento Cerrado* (Mexico) describe various products of the real estate market in the different countries. Furthermore, the meanings of the same word can vary substantially between the different countries. The term *Barrio Cerrado* (closed neighbourhood), which is used as an overarching term in recent publications (Borsdorf et al. 2002; Borsdorf 2003a), refers to a wide variety of gated communities. Generally speaking, *Barrio Cerrado* serves to describe a dwell-

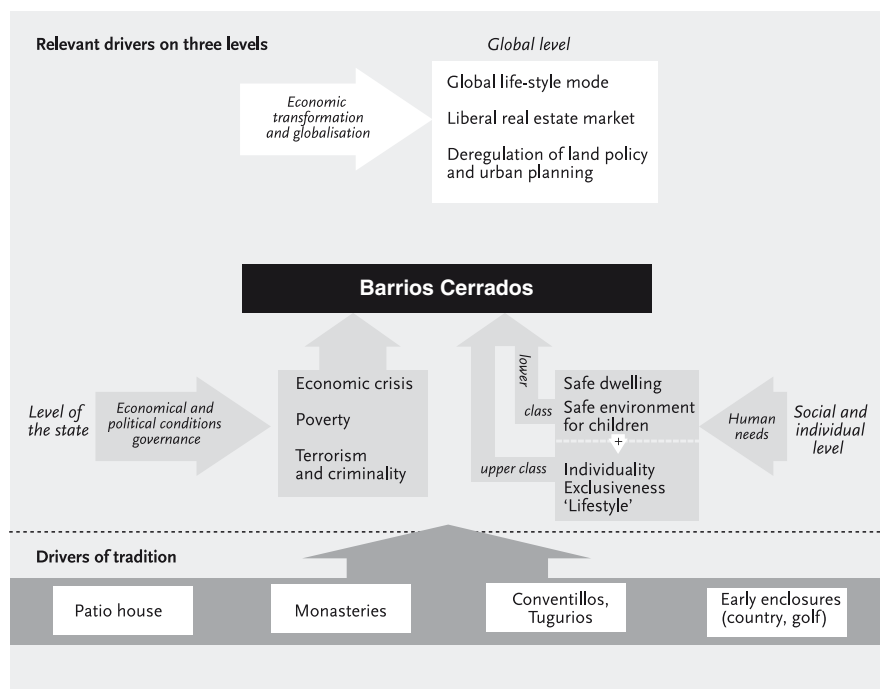


Fig. 2.1 Drivers for gated community development in Latin America (Modified from Borsdorf 2003a)

ing complex that contains more than one unit, has a common infrastructure, and is separated from the public by gates and fences or walls. The infrastructure may include anything from playgrounds, kindergartens, and swimming pools to tennis and golf courts and club houses. Thus a secured apartment building is a gated community if it is fenced off and equipped with a common infrastructure.

Considering only aspects such as structure, location and size, we can differentiate between three main types of gated neighbourhoods.

- *Urban gated communities* are usually groups of attached houses or even towers or skyscrapers that only offer a limited number of facilities. These developments cater for either middle or lower middle class families in intermediate locations (they could even be social housing projects) or upper middle to upper class families in central areas. This concept also involves the massive enclosure of existing areas, in most cases high standing single-family housing areas in central or intermediate locations.
- *Suburban gated communities* predominantly cater for the middle and upper classes. They offer oversized single detached houses and share wide areas for common sports facilities. However, suburban gated communities that are located in the periphery and do not include common facilities may be oriented toward lower middle class income groups.

- *Mega-projects* with integrated cultural and educational facilities are still rare. However, this segment is rapidly growing due to the dynamics and the internationalization of the real estate market, as new transnational developers are mostly involved.

A more detailed typology needs to take into account social structure, legal status, age, and historical evolution of the respective communities. The mind map, provided in Fig. 2.2, should provide some orientation in the quite complex world of gated communities in Latin America. However, it does not include the – invisible – legal status of these developments, a key element with regard to their sustainability. In legal terms, there are three main types of gated neighbourhoods. The real ‘condominiums’, which are common property, are legally one single unit. Their inhabitants own shares or interests but not individual elements of the community. As the infrastructure, such as roads etc., is included in these properties, they may be fenced in or walled off and gated. However, the right of access to the individual units within these communities cannot be restricted. A wall and gate hindering the public freedom of movement is in this case somewhat semi-legal, even if it was foreseen in the original plan. The establishment of these *fraccionamientos* and *urbanizaciones cerradas*, as they are called in Mexico and Ecuador, has been facilitated by neo-liberal rule that diminished the power of the state. This is even truer for the ex-post facto road closures by gates, the so-called ‘*calles cerradas*’, which restricted open access to public roads.

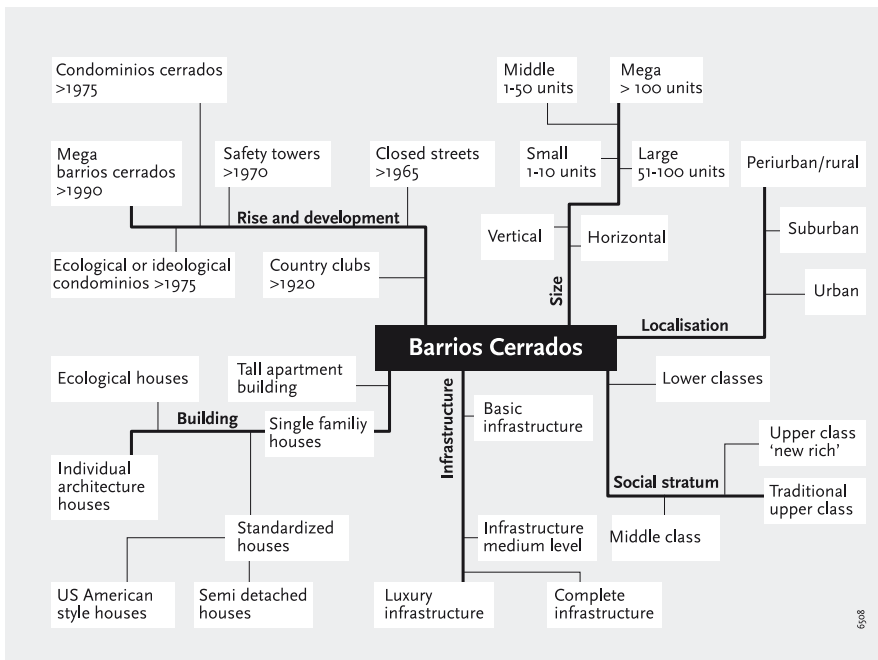


Fig. 2.2 Kinds of gated communities in Latin America. A mind map (Modified from Borsdorf 2003a)

The Distribution of Gated Communities

There has been a boom in gated communities all over Latin America in recent years. In Mexico City alone around 750 new gated neighbourhoods with almost 50,000 housing units were thrown on the market between 1990 and 2001 (Parnreiter 2004). The Argentinean capital Buenos Aires has more than 450 suburban gated communities; a dozen of them reach a size of more than 5,000 inhabitants each (Janoschka 2002a). The exact number of the urban gated communities, called garden towers in Argentina (Torre Jardín, cfr. Welch 2002), is unknown. However, more than 130 of these garden towers offered new apartments in the local Argentinean newspapers in 2002. Estimations of their total number of inhabitants range between 300,000 and 600,000 people. Pöhler (1999) states that more than 100,000 people live in condomínios fechados in Rio de Janeiro's upper class and beach-oriented city expansion area called Barra da Tijuca. Brazil's biggest mega-city São Paulo also counts on a mega-project, 'Alphaville', with around 35,000 inhabitants and more than 100,000 people working inside the gates. Gated communities have also diffused to secondary cities such as Córdoba, Argentina (1.3 million inhabitants). This city has more than 50 gated residential developments, with one of them (Valle Escondido), promoted as 'the new city', offering a cluster of different gated communities for a total population of approximately 25,000 inhabitants (Roca 2001). Curitiba in Brazil has approximately 300 gated communities. Thus gated communities pervade in most big Latin American cities and are becoming more and more common in medium size cities (< 500,000 inhabitants) and in some cases even in small towns (for example Gualeguaychú, Entre Ríos in Argentina; Valdivia, Temuco, Rancagua in Chile).

Unfortunately, it is extremely difficult to estimate the exact market share of gated housing complexes in these cities, not only due to the substantial differences between the countries. Statistical data on the construction sector is poor and in most cases the differentiation between the products is not clear. In Buenos Aires, the number of units in suburban gated communities amounts to about 100,000, while the whole number of dwellings reaches approximately three million. So suburban gated housing represents no more than 3% of the housing stock. However, if we look at the total of suburban housing, the market share of gated communities rises to 10%. Furthermore, if we limit the calculation to the demand group (which are the upper 15–20% of the population, equivalent to 450,000 households), these 100,000 units represent between 20% and 25% of the market share. These calculations exclude the number of 'quasi' gated communities (streets and neighbourhoods with strong vigilance and closure of access during the night or posterior enclosed neighbourhoods) which are not marketed as gated communities in the open real estate market. They also neglect gated housing at the other end of the social pyramid, for example social housing projects from the 1970s which nowadays are walled and gate-guarded, or the whole range of areas that are inaccessible due to the predominance of criminal structures. To resume, it is a fact that in Buenos Aires, the market for single detached houses and the construction of detached

houses in suburban locations are situated predominantly in gated communities. The expansion of gated communities accounted for 80–90% of the urban expansion during the period of macroeconomic stability from 1991 to 2001.

Modelling the Fragmented City

Before the crisis of internal development strategies in the 1980s, one of the basic principles of Latin American cities was the strong polarization of urban spaces. Differentiation in social status was heavily bound to location within the city. Urban space fell into polarized sectors such as the rich and the poor city (cf. Gilbert 1994). This tendency has changed during the last 2 decades. The strict urban frontiers between the rich and the poor have become blurred. High-income members of the population have started to occupy suburban areas that used to be poor whereas poor families have settled in abandoned middle and upper class spaces. This process has been accompanied by a new and strict delimitation of small areas, often by way of private security services. These novel homogeneous, highly segregated and protected islands within the urban neighbourhoods promote the physical fragmentation of urban space (Sabatini et al. 2001; Parnreiter 2004). This change is of fundamental importance for the development of a new model of the Latin American urban agglomeration.

From a geographical or urban point of view, the term ‘model’ has three different meanings. First, city models can be a constructive utopia – a vision or *Leitbild* for further urban development, such as the modern city in its time or the garden city movement. Second, a city model can be the result of theoretical studies based on deductive logic, as presented by Christaller or Thünen. Finally, a model may reduce the complexity of urban life in order to provide a better understanding of a certain type of city (cf. Borsdorf et al. 2002). The last approach constitutes the basis of regional city models that try to analyse social behaviour through the modelling of city structures, from the early urban models of the Chicago school up to the latest works of authors such as Dear (2000) or Soja (2000). Latin American city structures and the question whether models can ever do justice to the complex reality have been heavily debated in the US as well as in Europe from the 1970s up to the present (Griffin and Ford 1980, 1993; Gormsen 1981; Deler 1989; Crowley 1995; Bähr and Mertins 1981; Borsdorf 1982). Starting point of these intense discussions were two models of the Latin American city structure published independently by the German geographers Bähr and Borsdorf in 1976.

The dramatic transformations of the Latin American city regions from the 1980s onwards have only recently generated new theoretical approaches by Ford (1996), Meyer and Bähr (2001) and Borsdorf (2002b). Drawing on the latest empirical data, these authors either redesigned the traditional models or developed new ones (Janoschka 2002b, c). Joining forces, Bähr, Borsdorf and Janoschka updated their individual investigations and produced a new joint model which integrated the different arguments of the three authors (Borsdorf et al. 2002;

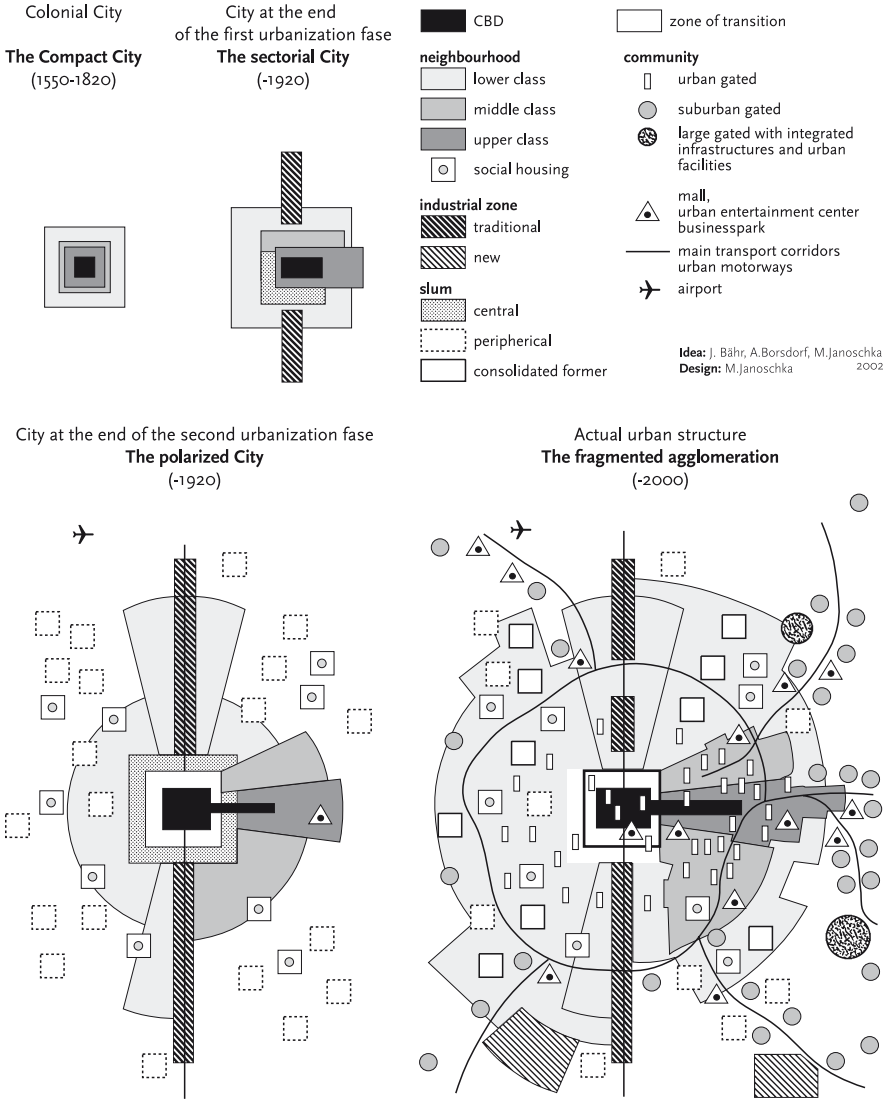


Fig. 2.3 Model of Latin American urban structural development (Adapted from Borsdorf et al. 2002)

see Fig. 2.3). According to this model, city development in Latin America falls into four phases which correspond to different degrees of state intervention (urban planning) in the real estate market.

The model departs from the observation that these different phases of urban development are each characterized by specific structural principles and urban policies. In the early phase, the colonial time, the urban body was compact and the social status of the inhabitants decreased with the increasing distance from the

central plaza where the central social and political functions were located. This compact urban model was a realization of the royal instructions for the foundation of cities in Spanish America. The central plaza and its immediate surroundings were reserved for the most important functions which in turn attracted the colonial elite.

After independence, linear structures began to intersect this compact city. The upper classes moved into new houses along a main street – the Prado. Vegetable growers and craftsmen settled along the most important roads to the countryside. Later on some industrial sectors were established. These sectoral patterns did not dissolve the ring structure but strongly transformed the cities.

From 1930 onwards the flight from rural areas to urban centres caused a strong increase in the population. The ensuing agglomeration process was accompanied by the polarization between rich and poor areas – a phenomenon that is typical of the modern industrial city (Marcuse 1989). The upper classes abandoned their central locations for suburban areas. At the same time the poor areas in the cities grew enormously. Political guidelines for urban development became obsolete – not only due to the high growth rates but also because corrupted and polemic policies alternated with authoritarian regimes during phases of dictatorships. The main characteristic of urban development was the growing polarization, superimposed on the sectoral principle of urban growth. Only some time later, a process of cell-type growth came to be established in the peripheries. Social housing communities were built in suburban or outer urban areas, as well as illegal marginal settlements. Hence the cellular principle can be traced back to this earlier phase of urban development.

During the last 2 decades, urban expansion has again followed a different scheme, mainly driven by the following principles (Janoschka 2002a, p. 65).

- Gated communities for the upper and middle classes have spread throughout the metropolitan area, undermining the sectoral class structures.
- Malls, shopping centres and urban entertainment centres are no longer restricted to upper class sectors but can be found in the whole agglomeration.
- The gated communities tend to get larger and to include more and more urban functions. Major gated communities in large cities such as São Paulo and Buenos Aires and even smaller cities such as Córdoba, Argentina now surpass small cities in complexity and size.
- Transport infrastructure has come to play a key role in urban development. Thus proximity to a motorway entrance determines the attractiveness and price of detached suburban housing areas.
- Industrial production has been transferred to suburban areas and is located in peripheral industrial or business parks or centres of logistic activities.
- The access to poorer communities and marginal areas has been restricted by walls or informal ways of separation.

These changes demand new theoretical approaches which are mirrored in the new scheme of the Latin American city structure. The fragmentary and urban nodal structure has been facilitated by the transformation of the transport infrastructure. Private investment has turned the insufficient and congested motorways into a modern and effective system. The ensuing major reduction in commuting time has been

decisive for attracting middle and upper classes, whose time is restricted, to suburban locations. In this way private and privatising urban development in the neo-liberal political and economic system is driven by private interventions which respond to the demands of the real estate market.

The second important structural change also follows the principles of post-modern urban development. The cellular elements in the periphery (in former times predominantly marginal areas) have been integrated into the market sphere and have become increasingly interesting for investment by real estate enterprises. Furthermore, fragmentation cannot only be observed for housing but also for functional spatial units, such as the retail sector. Although the urban centres gain new importance due to renovation programs and other upgrading interventions, they cannot compete with suburban malls, which represent a north-American lifestyle of rising popularity. These islands of consumption and leisure do not restrict access by walls, but exclude anyone who does not have private transport. The first malls were clearly oriented towards the upper class market in the urban upper class sector. However, due to the dispersion of the upper and middle class population, they can now be found in the whole urban area.

Poorer areas have also changed during the last decades. Some marginal areas have been integrated into the urban space – and in a number of cases were upgraded. Others were kept apart and now are almost inaccessible nodes of criminality. The transformation of the Latin American city structure shows that the desire for differentiation through enclosure and restriction of access is not reserved to the population with high income, but represents a general societal principle. This should have become clear in the historical account of the rise and diffusion of gated residential neighbourhoods.

Whether the structural changes in the contemporary Latin American city are a symptom of the transformation in mobility (Borsdorf 2004) or whether they reflect an even more fundamental shift in global social and urban systems remains to be discussed.

Consequences for the Social Contract in Latin America

In the last couple of decades the internal structure of cities has changed rather markedly throughout Latin America. Concomitantly multi-level and multi-actor policy processes have unfolded in Latin America during the 1980s and 1990s. Authorities at urban levels have been faced with new challenges and new ideas about privatisation of public space, enclosures, and new social ghettos. The urban community – once seen as a unique and, from a governance point of view, unified organism – is now divided in different spaces with different underlying norms, structures, and also control. Urban governance involves actors at different scales, following their respective interests and objectives. It may be too early to give an evaluation of this change, but there are first indicators of a loss of community consciousness, social responsibility, and socio-spatial coherence under the new conditions.

The physical fragmentation processes have thus had a serious impact on the quality and the understanding of urban life. Inhabitants of gated communities change their lifestyle rapidly and the access-restricted areas accommodate their daily demands. Public spaces lose their basic role as points of interaction between different classes, as each class develops its own homogeneous space. The growing size of these spaces and their integration of complex urban functions further accentuate this tendency. As a consequence inhabitants live in bubbles which are detached from the local political and social environment. As put forward in this article, the Latin American elites never did show any interest in their own society, but rather followed lifestyles imported from Europe and later from the US. The life behind walls in gated neighbourhoods removes these elites even further from the social reality of their 'home' society. Yet, neither the Latin American media (press and broadcasting), nor politicians, urban planners, or architects have interpreted the gates as a severe problem for society in the past 2 decades. This is hardly surprising since all of these groups, relevant for urban and economic progress, directly or indirectly benefit from the gated communities. There is an urgent need for more research and an objective assessment of the new and accelerated segregation trends in the urban world of Latin America. Will we have to tear down gates in the heads in order to undermine the perceived necessity of physical ones, as some authors contend, or are these gates an indicator of the basic human need for safety, transparency, privacy, and personal realization?

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