

L A T I N A M E R I C A N C I T I E S : Recognizing Complexities

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- URBAN DEVELOPMENT IN THE THIRD WORLD.* Edited by PRADIP K. GHOSH. (Westport, Conn.: Greenwood Press, 1984. Pp. 546. \$45.00.)
- HOUSING, THE STATE, AND THE POOR: POLICY AND PRACTICE IN THREE LATIN AMERICAN CITIES.* By ALAN GILBERT and PETER M. WARD. (Cambridge: Cambridge University Press. Pp. 319. \$44.50.)
- SHELTER, NEED, AND RESPONSE: HOUSING, LAND, AND SETTLEMENT POLICIES IN SEVENTEEN THIRD WORLD NATIONS.* By JORGE E. HARDOY and DAVID SATTERTHWAITE. (Chichester and New York: John Wiley and Sons, 1981. Pp. 288. \$62.95.)
- SETTLERS OF BAJAVISTA: SOCIAL AND ECONOMIC ADAPTATION IN A MEXICAN SQUATTER SETTLEMENT.* By JAMES F. HOPGOOD. (Athens, Ohio: Ohio University Center for International Studies, 1979. Pp. 146. \$11.00.)
- WHAT DRIVES THIRD WORLD CITY GROWTH? A DYNAMIC GENERAL EQUILIBRIUM APPROACH.* By ALLEN C. KELLEY and JEFFREY G. WILLIAMSON. (Princeton, N.J.: Princeton University Press, 1984. Pp. 273. \$40.00 cloth, \$14.50 paper.)
- THE TRANSFORMATION OF URBAN HOUSING: THE EXPERIENCE OF UP-GRADING IN CARTAGENA.* By W. PAUL STRASSMAN. A World Bank Research Publication. (Baltimore: Johns Hopkins University Press, 1982. Pp. 225. \$22.50.)

The six books to be discussed here represent a variety of approaches in the burgeoning field of Latin American urban studies. The approaches range from the abstract economic model building of Allen Kelley and Jeffrey Williamson to the much more applied economics of Paul Strassman; from the culturally oriented field research of James Hopgood to Alan Gilbert's and Peter Ward's empirical investigations influenced by the concepts of political economy; and from these to the organizationally focused reports of Jorge Hardoy's and David Satterthwaite's team and most of Pradip Ghosh's contributors. When so many disciplines and approaches converge on a field, the result is frequently a variety of nonintersecting conclusions. Like the proverbial blind men

examining different parts of the elephant, each scholar finds some simple formula that explains little about the whole. What is heartening about this particular sampling is that anthropologists are not simply finding cultural patterns, economists, prices, and political analysts, power; instead, the searchers are admitting to the complexity of the elephant, but without giving up their attempts to analyze it.

Particularly encouraging is the waning of past tendencies to view the field in terms of simplifying dichotomies. Latin American studies have long been organized around such dichotomies. Folk-urban and traditional-modern cultural distinctions were linked to an economic distinction between primary and secondary sectors and to a geographic division between urban and rural settings. Recent theories have divided geography into dependent and nondependent areas, and the economy and society into formal and informal sectors. This last distinction has been applied to labor markets and types of businesses, to housing arrangements, and to systems of social support and political mobilization. These dichotomies were, in their time, useful steps in conceptualization. But a dichotomy is limited in its nuances; even when smoothed into a continuum, it remains one-dimensional. A dichotomy may also reinforce a rather rigid either-or form of thinking that can feed a Manichean moralism. It is consequently a good sign when the dichotomies evolve into more sophisticated and multidimensional systems.

The evolution of the folk-urban dichotomy is well known. Initially, it presented opposed ideal types representative of opposing moral orders and presumably embodied in actual societies. But observers soon found elements of urban complexity in rural areas and elements of folk community in the urban neighborhood. Cities seemed to become mixtures of folk traditionalism and urban modernity. Dichotomy gradually became continuum, and the related underlying distinction of traditional and modern itself finally came under attack. Cities came to be thought of as potentially overgrown—as overurbanized rather than modern. Similar problems might be found in city and country, whether traditional or modern in their origin. Innovation and urbanization might be useful or they might impede well-being.

In this situation, two new dichotomies came to replace the old. Autocentrism or autonomy replaced modernity as the favored virtue; dependency was the fate to be resisted or endured. At a more detailed level, the dependent nations and their cities were perceived as having separate but interconnected formal and informal sectors. These sectors in some way paralleled the modern and traditional sectors described in earlier writing. But they differed because each had a long ancestry, and it was not possible to perceive a historical progression from informality to formality as one could from traditionality to modernity. Indeed, in-

formal sectors were likely to expand under conditions of dependent urbanization. Similarly, the notion of an informal sector included the possibility of informal activities being either a manifestation of super-exploited dependence or a source of independent strength and freedom for the poor.

The new view (like Robert Redfield's before it) was fruitful as a stimulus to studies. But it ran the risk of making too discrete a distinction and, at least temporarily, leading to neglect of what were seen as formal sectors. Studies of squatter housing, artisan businesses, and neighborhood-based social networks and social movements became the latest hot topics for research.

The books discussed here suggest a new attempt to salvage something useful from the wreckage of the traditional-modern dichotomy as well as a search for flexibility within the formal-informal polarity. One aspect of this creative breakdown is the blurring of the old urban-rural distinction. Within both developed and underdeveloped areas, modern communication and the increased penetration of the world market and the modern state mean that urban and rural areas have come to share an increasingly common fate, although important elements of cultural and income difference between regions remain.

A belated result of this theoretical trend has been the introduction of a conception of urban-rural similarity into the public policy debate. Having worked on both rural land reform and urban housing issues, I have long noted similarities in the political economy literature of the two fields. Although some scholars have moved back and forth between the two fields, separate traditions have existed of work by "land reformers" and "housers." Bringing the two schools together was long overdue. Herein lay the ideological significance of the UN Conference on Human Settlements, HABITAT, held in Vancouver in June 1976, because the concept of human settlements as encompassing both rural and urban settings helps to highlight their common problems and some similarity of approaches.

Hardoy and Satterthwaite's *Shelter, Need, and Response: Housing, Land, and Settlement Policies in Seventeen Third World Nations* takes an important step in this rapprochement between urban and rural studies. The book is a review undertaken by the International Institute for Environment and Development (several years after Vancouver) of policies undertaken by a sample of Third World nations in the areas highlighted by the HABITAT conference. Different research teams wrote continental reports, each examining a few countries: the team for Latin America reported on Bolivia, Brazil, Colombia, and Mexico. For each country, the policy areas covered are settlement policies, including rural-urban balance; land policies, including land reform; and shelter, infrastruc-

ture, and services. General problems, national policies and laws, and specific development projects, both rural and urban, are surveyed in each case.

Needless to say, such a piece of committee work is uneven and reads like a reference work. But the authors do an admirable job of attempting overall summaries and international comparisons. Merely juxtaposing analyses of urban and rural policies is itself a major breakthrough. Along the way, some insightful highlights emerge, such as the discussion of class forces underlying Bolivian land policy. In the end, the myriad details cohere into an overall picture that could be considered uneven at best and not particularly hopeful. Individual country policies, if not purely rhetorical, consist of unreplicated pilot programs or other efforts too small for the existing needs. Some sectoral programs perform better than others, but severe problems remain in the areas of small farm development and land reform, urban housing and service provision, and overall urban-rural and regional population balance.

One wonders whether including the centrally planned underdeveloped nations would have produced a different picture. Hardoy was certainly more optimistic about Cuba in his earlier writings,¹ and the Chinese case shows massive efforts, although perhaps even a massive effort is but a pilot program in a country of that size. The promise of a common urban-rural policy effort, implicit in the Human Settlements outlook, has a long way to go before its potential is realized.

This problem is also implicit in the articles collected by Ghosh in *Urban Development in the Third World*. Most of these pieces deal with economic factors in urban migration, and most are reprinted from journals or anthologies of international organizations or of private groups like the Population Council. A few report intelligibly the basic findings of contributors to the model-building tradition in economics or demography; others are empirical studies or institutional discussions of policy. Essentially, the collection presents papers for and against the "overurbanization" argument, which sees nonindustrial urbanization as suspect and suggests that constraints are needed on urban growth.

Urban Development in the Third World is a reasonably good compilation of articles written in the 1970s within a mainstream tradition, accompanied by useful appendices and bibliographies. But the overall effect shows the overurbanization argument to be a dead end. Each side can make good arguments against the other's generalizations, suggesting that there may not be a clear either-or answer to the question of whether cities have grown too large. Some authors, particularly Harry Richardson, mention the possibility of intermediate-sized settlements as an alternative (an approach that has been noticed more readily since HABITAT).

Kelley and Williamson's modeling effort, *What Drives Third World City Growth? A Dynamic General Equilibrium Approach*, is an ambitious attempt to explain the growth of Third World cities and to project their future course. As such, it is centered on the urban-rural dichotomy. But unlike many of the more traditional economic models of urbanization, this work does not simply equate the rural with a traditional agricultural sector and the urban with its modern industrial opposite. Rather, taking its cue from the idea of linked formal and informal urban sectors, the work defines two urban sectors—one with high capital and skill intensity, the other with low usage of capital and skills—and posits market relations between the two. Although the rural sector is still presumed to be low in capital intensity (a modern agriculture sector might be a useful addition), the greater complexity attributed to the urban areas represents an advance over the previous models. What is more, housing and service sectors are presumed to be associated with the three basic sectors.

The relationships between these sectors are summarized in a complicated series of "computable" equations. Some of these are estimated econometrically using data from a sample of forty Third World nations; others are ad hoc specifications, roughly compatible with the data set. Put together, the model is used to simulate a "representative" less developed country (LDC), which is given average attributes for the sample as "around 1970." The model is then used to simulate growth over the period from 1960 to 1976, for which it performs in a manner relatively consistent with observed data, and to project growth forward to the end of the century, in which it predicts a slowing down, but not a cessation, of city growth.

The sort of simulation attempted is unavoidably limited in applicability because of the simplification and unverifiability of the assumptions used. This drawback was abundantly illustrated in the reaction to a well-publicized earlier simulation, the Club of Rome's "World Dynamics" model. But Kelley and Williamson are more judicious in their claims and build more apparent richness into the assumptions.

The result, while it cannot be conclusive, is at least suggestive. Intersectoral linkages allow the plausible claim that a modicum of manufacturing growth and investment may spill over into growth in other urban sectors, so that "pull factors" for migration may exceed the raw number of industrial jobs and their wages. By looking at the cost of living, particularly as affected by housing prices, the model illustrates the potential importance of low-capitalization ("informal") sectors to the "formal" economy. Most important for the evaluation of development economics, Kelley and Williamson's model suggests that other factors besides the eventual drying up of a pool of rural poverty (such as Fei and Ranis's turning point²) or the associated scarcity of food in

the urban areas may limit city growth. Rising costs of housing and urban services may be important constraints. This insight reveals the model's familial link to the land economics tradition at the University of Wisconsin, where both authors formerly taught.

Paul Strassman's *The Transformation of Urban Housing: The Experience of Upgrading in Cartagena* is also part of the land economics tradition, here applied at a microscopic level. Strassman is concerned with the supply of housing, from new construction and most particularly from altering, repairing, and readapting existing housing. The reuse of existing housing has been emphasized at times in studies of the United States, where the "filtering down" of old urban and suburban neighborhoods, the recent "revitalization" or "gentrification" of some inner-city areas, and the subdivision and consolidation of units have all been important factors. But this reuse has been ignored in studies of Latin American housing, perhaps because rapid population growth has implied that so much new housing is continually required. Even within the United States, however, few studies have presented as much detail on family decisions to adapt housing as Strassman derived from his Cartagena survey. The study proves the importance of readaption for supply, an option that Strassman argues should be recognized by the World Bank and other lending agencies. But his findings are also significant because the process studied is one in which the lines between "formal" and "informal" activities prove to be quite permeable. Housing built in the formal sector is often transformed by means of informal sector labor and methods. *The Transformation of Urban Housing* deserves the attention of more culturally or sociopolitically oriented urbanists who might normally tend to ignore the work of a World Bank economist.

Hopgood's *Settlers of Bajavista* is also based on a neighborhood survey, along with field observation. It falls into the tradition of studies of "informal" settlements. Bajavista is a *colonia* of Monterrey, Mexico, that includes both squatters and buyers of illegally subdivided land. Issues of employment and the use of family networks and neighborhood organizations are considered, along with housing. The study confirms other recent accounts of the importance of informal networks in different Latin American cities, as well as confirming linkages between the settlement and more formal sectors of the city (through employment and the political ties of community juntas). The study also shows that settlers frequently came from other parts of the city, not directly from peasant agriculture. The permeability of the formal-informal line is once again illustrated: squatters can still have formal jobs in factories or licensed occupations. The same workplace may contain formal and informal participants, for example, a registered *albanil* (mason) with unregistered assistants.

In terms of urban theory, what is interesting here is that Hopgood is exploring “informal sector” issues within the context of a test of the modernization model. He is concerned with comparing the traditional family of northern Mexico with the current urban families he observed to see if significant changes have occurred. Finding a variety of kinship-related residence patterns (such as joint residence by families of siblings) in both urban and rural areas, he concludes that the basic cultural pattern has always allowed for flexibility and hence is adaptive to specific shorter-term opportunities. Once again, a simple traditional-modern dichotomy must be modified.

How to make this modification without slipping into a purely ad hoc recitation of empirical topics remains the problem. Gilbert and Ward's *Housing, the State, and the Poor* suggests the difficulty as well as the potentials. This book is an impressive work that represents major scholarly efforts in data gathering and interpretation. Like the Kelley and Williamson volume, Gilbert and Ward's study is an ambitious effort. It represents the “state of the art” in urban studies as accomplished by two experienced students of Latin American cities. Because it is so good, however, the book also reveals how much further the “art” still needs to evolve.

Gilbert and Ward set out to compare housing and living conditions of the poor in three cities and to examine the role of state and local organizations in affecting housing. The cities chosen—Mexico City, Bogotá, and Valencia, Venezuela—are all rapidly growing metropolitan centers in countries that had civilian government and reasonably strong economic growth in the 1970s. To develop comparative discussions of several themes, the authors use overall city data and other documentary sources, intensive interviews with city officials and other leaders, and sample surveys of several low-income neighborhoods in each city. These analyses are informed by theoretical debates and positions in recent years (including the arguments over informality and dependency) and recent work on theories of the state and on grass-roots organization, but they are eclectic rather than being tied to any one paradigmatic version of political economy.

Reflecting their state-of-the-art vantage point, Gilbert and Ward reject the dualistic model of formal and informal sectors as unrelated, citing the now ample literature on the connection between the two spheres. They appear uncertain, however, as to whether formal and informal are just ideal types, with actual activities not found at either pole, or whether they represent actual separate but interconnected sectors. The authors are most concerned with neighborhoods of “informal” housing, whether they be squatter autoconstruction, illegal “pirate” subdivision, or unregulated resale and rental within squatter or pirate barrios. Gilbert and Ward make some mention of public housing

and other housing tenures but do not focus on them because in the cities under study, they are not central to the experience of the truly poor. When dealing with the provision of urban services, however, the authors discuss a number of formal agencies (like water departments).

Their comparative study reaffirms the results of other “informal sector” studies: informal housing construction is confirmed as an important part of overall housing supply; informal sectors are seen as tied to the state and the outside economy; and community organizations are shown to have only limited autonomous power. Less is said about labor markets and informal social networking, topics that are peripheral to the authors’ main theme.

Differences between informal and formal sectors do not prove to be impermeable, even in housing. Gilbert and Ward examine housing sale and resale prices and costs of regularizing titles to determine whether, in certain senses, a unified land market prevails in each of the cities, with type of tenure affecting value and rent but not creating fully separated markets. Similarly, and less surprisingly, community organizations turn out to be a mix of formal and informal aspects: they are generally responsive to formal programs set up by the state for reasons of cost saving and social control although they do also incorporate the informal relations of the neighborhood.

The formality-informality dimension also allows Gilbert and Ward to gain some new insights into the relationship between government and barrio. Governments, even somewhat similar ones (civilian with elements of authoritarianism) are found to utilize different mixes of technical-bureaucratic, partisan-political, and privatized systems to provide services. Just how the rational-technical versus partisan-clientelistic distinction, taken from the modernization paradigm, relates to the formal-informal distinction is one of the theoretical issues left unresolved by *Housing, the State, and the Poor*. The different mixes might be explicable only with detailed histories of services in the different countries. But the comparative setting does raise thought-provoking questions about how the different mixes of formality and informality and of bureaucracy and clientelism affect the poor.

In one provocative example, Gilbert and Ward suggest that a partial formality of housing tenure (which would give some security of possession, but not full title) might be the most advantageous state for possessors too poor to use mortgage credit, even with a title. In other instances, they suggest a number of possible advantages and disadvantages to the poor from interparty and interagency competition as compared with opportunities under a more simplified one-party machine or a streamlined technical bureaucracy. The importance of “give” and informality within the public sector (a familiar theme to students of Eastern Europe) deserves more attention in the Latin American literature.

Examining the linkages between poverty housing and the state is not entirely new. Wayne Cornelius, David Collier, and others have begun such work.³ Gilbert and Ward also cite numerous other authors in their bibliography, although further work by Manuel Perlo Cohen and Emilio Pradilla Cobos might have been considered.⁴ But the study of urban policy has a long way to go. Gilbert and Ward complain of a lack of studies on neighborhood leadership. But I sense an even greater neglect in recent years of studies of municipal and regional government, and only a few central government service agencies have been carefully analyzed.

Studies of urban politics in the 1960s were too caught up in yet another dichotomy—that of pluralism and power elites. Since that time, little analysis has been undertaken of the formal state apparatus in its “local state” manifestations in Latin America. Gilbert and Ward briefly discuss some recent work on the theory of the state, but recent European and North American debates over state apparatus go beyond the paradigms that they review. Filling in the analysis of the local state and the local apparatus of national states and parties, in relation to both formal and informal local sectors, is clearly an important task for future research.

Another goal requiring future research is to situate the existing studies within an international context. Dependency and bureaucratic-authoritarian models consider outside pressures on national systems as crucial conditioners of local and national activity. The frameworks for analyzing the state and the informal sector that Gilbert and Ward use are influenced by these formulations, but the links are never made explicit. By treating three countries with a roughly similar developmental level in a parallel period of civilian rule and economic growth, Gilbert and Ward have deliberately limited this problem. All three countries studied are oil producers (although Colombia is not a major exporter), and the time frame ended before the collapse of oil prices and the recent debt crisis. The impact of the state on the housing of the poor may well differ when whole states are reduced to debt servitude, when foreign demand makes illegal products the only profitable exports, or when foreign intervention becomes more important. State impact on housing will certainly vary in periods of greater political instability, when revolutionary threats to the political order are more credible. This dimension too needs further exploration.

NOTES

1. See Jorge E. Hardoy, “Spatial Structure and Society in Revolutionary Cuba,” in *Cuba: The Logic of the Revolution*, edited by D. Barkin and N. Manitzas (Andover, Mass.: Warner Modular, 1973).

2. See J. C. H. Fei and G. Ranis, *Development of the Labor Surplus Economy* (Homewood, Ill.: Richard D. Irwin, 1964).
3. See Wayne Cornelius, *Politics and the Migrant Poor in Mexico City* (Stanford: Stanford University Press, 1975); and David Collier, *Squatters and Oligarchs* (Baltimore: Johns Hopkins University Press, 1976).
4. See Manuel Perlo Cohen, *Estado, vivienda y estructura urbana en el cardenismo* (Mexico City: Universidad Nacional Autónoma de México, 1981); and Emilio Pradilla Cobos, "La política urbana del estado colombiano," *Ideología y Sociedad* 9 (1974):3–38.