

UNITED NATIONS

ECONOMIC
AND
SOCIAL COUNCIL



LIMITED
E/CEPAL/CONF.70/L.3
2 October 1979
ENGLISH
ORIGINAL: SPANISH

C E P A L

Economic Commission for Latin America

LATIN AMERICAN CONFERENCE ON HUMAN SETTLEMENTS

Mexico City, 7-10 November 1979

Item 1 (a) of the agenda

HUMAN SETTLEMENTS IN THE DEVELOPMENT OF LATIN AMERICA

79-9-2285



THE UNIVERSITY OF CHICAGO

HUMAN SETTLEMENTS IN THE DEVELOPMENT OF LATIN AMERICA

1. Pre-Columbian and colonial origins

Contemporary human settlements in Latin America, understood as concrete forms of appropriation and social use of space, are an expression of the historical stages and forms of economic and social development through which the region has passed.

At any given point in history, the "inertia of the past" weighs heavily on subsequent social forms of use of space. The changes undergone by human settlements necessarily have as their point of departure the physical structures and social forms existing prior to that change, in any given spatial context.

The concept of human settlements attempts to go beyond the clear-cut dichotomy between rural and urban forms, and embraces the range from small, relatively isolated residential or productive units up to the largest metropolitan regions. Thus it is a concept which suggests the need for an integrated view of the interdependence between urban and rural settlements, although without denying the usefulness of that dichotomy for some analytical purposes.

It is assumed here that the historical inertia to which reference has been made has its roots in the remote past of both rural and urban zones, and that this retrospective review will be facilitated by retaining that basic dichotomy, at least in principle.

In carrying out this global, although sketchy, appraisal of human settlements in Latin America, it is necessary to go back to the times of conquest and colonization and even to the pre-existing settlements created by the pre-Columbian societies. In this connexion, three situations may be distinguished in the light of the natural, demographic and social features prevailing at the time of the conquest.

First, the Andean area of South America, the Central American highlands and the central plateau of Mexico were territories with abundant mineral resources, with large, dense pre-Columbian populations which had built civilized societies with a relatively high degree of internal complexity and differentiation.

/Second, the

Second, the inland and coastal tropical areas of lowlands of South America, Central America and the Caribbean had comparative advantages for a different kind of exploitation - according to the technological development and economic needs of the time - and contained Amerindian societies which were demographically smaller and less developed from the societal standpoint than in the previous case.

The subtropical and temperate plains and valleys of the South - south-eastern Brazil, the River Plate pampas, Patagonia and the central and southern valleys of Chile - were not only ecologically different but also inhabited by very undeveloped societies (nomadic hunters and gatherers in the pampas and Patagonia) or incipient agricultural communities in the inland valleys of Chile.

The conquest and colonization of the Spanish empire were concentrated in the highlands, with the disarticulation and reorganization of those Amerindian civilizations for the purpose of exploiting the precious metals which were of great interest for the expansion of markets in the mercantilist stage of European development. Many pre-Columbian cities were conquered and then refounded as important centres of colonial power. Thus Mexico City was built on the ruins of Tenochtitlán, Mérida on Ichcaanzihó, Guatemala on Ixiniché and Bogotá on Temsaquijo; while Quito and Cuzco retained their pre-Columbian names.

Mining activity was responsible for the emergence of many cities such as Zacatecas, Guadalajara, Durango and Guanajuato, and further south, Pasco, Huancavelica, Oruro and, above all, Potosí. The native peoples established settlements which constituted manpower reserves underpinned by institutions such as the encomienda, the mita and land distribution. Residential segregation occurred in both urban and rural zones, in so far as this dichotomy is permissible at so early a stage.

In the coastal lands of the tropical areas of South America, both Atlantic and Pacific, cities grew up in connexion with the plantation economy and the traffic between the colonies and the Spanish and Portuguese metropolises. Lima (with its port of Callao), Veracruz, Cartagena, Portobello and Guayaquil are examples of these urban coastal nuclei. In the Portuguese empire - which was economically and politically more

decentralized - the ports of Salvador and Recife flourished. In these zones, the slavery-based plantation economy predominated, involving a massive inflow of African population.

Moving south, the great mining city of Potosí is an example of an important centre around which other cities were articulated; these were established in agricultural stock-raising and forestry zones, and supplied Potosí. They included Salta, Catamarca, Tucumán, La Rioja, etc., in Argentina. Supplies were also sent from the central valley of Chile, where Santiago was located, to the great urban market of Potosí, which had a population of over 100,000 inhabitants at the beginning of the seventeenth century. In the south-east of the continent, Río de Janeiro and, further south, Montevideo and Buenos Aires were founded in territories which were of less demographic and economic importance but of enormous geopolitical significance for the stability of the Spanish and Portuguese empires.

This sketchy and incomplete outline of urban settlements founded in the colonial period shows that the location of many of the major cities of Latin America today date from that stage, and even from pre-Columbian times; this substantiates our initial proposition concerning the historical inertia which bears upon human settlements in Latin America.

This historical inertia also affected rural zones, but with an important difference. From the physical standpoint, some of the structures and, above all, the sites of the original pre-Columbian and colonial cities have remained, but from the economic and social standpoint they have been important agents of change and modernization during the contemporary period. Conversely, rural settlements have in some cases shown less obvious continuity through time as regards spatial location, and the productive and residential units have changed repeatedly from the standpoint of their physical structure. However, the social and economic structure of rural settlements was deeply marked by the colonial stage, particularly in the first and second of the social and ecological situations mentioned above.

Throughout the long colonial period, the institutions which, like land grants and the encomienda, governed the allocation of land and labour in

/Spanish America,

Spanish America, were evolving, in a way about which little is still known, into the haciendas which predominated at the end of the eighteenth and in the early nineteenth centuries as the basic cells around which the economic, social and political life of rural zones of Latin America was ordered.

The term "hacienda" is used here in its broadest generical to embrace subcategories as different as the seigneurial haciendas of the Andean Sierra, the tropical slave plantations of north-eastern Brazil and the Caribbean, the colonial estancias of the River Plate area, and so forth.

The variety of ecological, economic and social situations defies any reasonable type of generalization about the settlements which, as productive or residential units, characterize the rural zones. Since our objective is not to write a history of these settlements but rather to seek historical roots as a basis for the present situations, it must suffice to mention, in addition to the hacienda in Spanish America, particularly in the Andean area and the Mexican plateau, the rural ecclesiastical estates which acted as centres for villages or minor population nuclei, as well as the different kinds of native communities which were residentially segregated and which survived on a subsistence agriculture based on maize and other autochthonous products. This isolation facilitated social discrimination, while binding together the economic relations between social classes with their positions in the ethnic and cultural spheres.

In other cases, some religious orders achieved enormous economic and social sway over vast areas, one example being the Jesuit settlements in the guaraní lands, in what is now Paraguay and north-eastern Argentina.

In the Portuguese empire, the "sesmarias" (land grants) were generous to encourage personal initiative and take advantage of the private wealth in populating such a vast territory. Thus, for example, the northeastern sugar economy - which gave rise, inter alia, to the city of Salvador - grew up thanks to the subjection of the African and Amerindian populations, which led to the creation of huge sugar-mills in which hundreds of slaves were employed. This plantation economy also existed in Spanish America, particularly in the Caribbean. In the tropical regions,

/the Amazonian

the Amazonian territory was the main "terra incognita" only slightly penetrated by the advance of European colonialism. In the extreme south there were vast, sparsely populated territories inhabited by aborigines of a low level of cultural development, such as the nomadic tribes of the River Plate pampas or Patagonia. In southern Chile, the Araucanians hindered territorial conquest, and these areas were only populated on a significant, stable basis as of the nineteenth century, thanks to new social and economic stimuli in the region.

Finally, it should be pointed out that physical communications in the territories were slow and wearisome; river and ocean navigation played an important role as a means of transport when geographical conditions allowed. Land transport - involving mules, horses, ox carts and other vehicles drawn by animals - was an arduous undertaking which involved the participation of a significant percentage of the active population.

2. Political independence and growth of export economies

At the beginning of the nineteenth century, there was a number of well-established cities around which axes of mutual physical integration had grown up in the earliest populated zones of the colonial period. These major lines of interurban communication include: Veracruz - Mexico - Acapulco; Bogotá - Cartagena; Panamá - Portobello; Quito - Guayaquil; and Cuzco - Lima - Callao. Other axes of physical integration were the nuclei of Córdoba, Tucumán, Catamarca, Salta and Jujuy, on the Argentinian north-eastern route to Potosí and Alto Perú. Further south, there was the Mendoza - Santiago axis, the principal line of communication across the Andes.

The human settlements which were most deeply rooted and had the greatest capacity to structure space in rural zones were: the colonial hacienda in its many forms; the minifundios, whose forms of production were closely linked to the survival of the peasantry; and the native communities, which were relatively self-sufficient from the economic standpoint, but were socially subordinated to the seigneurial hacienda or to Church institutions.

/Since settlements

Since settlements were social forms of appropriation and use of space, they constituted the means through which the process of population spread, understood as the series of concrete human settlements in the general process of social existence. In the early nineteenth century the present territory of Mexico contained roughly 6 million inhabitants, or almost half the population of Spanish America. Other major concentrations were to be found in the Andean area of South America, as a result of the pre-existing pattern of pre-Columbian population settlement, despite the "demographic disaster" of the seventeenth century. It is estimated that the total population of the Portuguese empire amounted to some 3 million inhabitants at the end of the eighteenth century. The population of African origin tended to be concentrated there and in the tropical and coastal areas of South America, Central America and the Caribbean.

Vast areas still remained unpopulated. There were also territories sparsely populated by Amerindian communities which resisted the penetration of European domination: the Amazonian area, the River Plate pampas, Argentinian Patagonia, the Paraguayan Chaco and southern Chile, inter alia, which were regions with at best only incipient forms of social use of space.

Human settlements and the concomitant forms of population of these areas throughout the nineteenth century developed largely as a function of the new forms of insertion of Latin America in the international order headed by England following the Industrial Revolution.

To some extent, the independence of the Latin American colonies may be viewed as an episode of the hegemonistic expansion of the English empire at the world level. In the particular case of Latin America, political independence entailed the break-up of the Spanish and Portuguese colonial empires and the insertion of this periphery in the new world order. This process was clearly visible in the River Plate area.

The vast, unpopulated pampas were highly unsuitable for stable settlements. The shortage of stone in the pampas hindered the expansion of the road network and turned the areas into impassable seas of mud during the rainy season. In addition, the attacks of wandering Indian bands threatened the safety of the hardy settlers who penetrated those vast territories.

/The so-called

The so-called "desert campaigns" undertaken in the first half of the nineteenth century were military expeditions which put a final solution to the limited but bellicose native population of the Argentinian pampas.

Thus the military campaigns made possible the conquest and definitive appropriation of the pampas, in particular in the form of large estates. In the second half of the nineteenth century the population process speeded up with the introduction of the railways (which finally succeeded in taming the wild pampas) and the large-scale influx of European immigrants who formed rudimentary, moving settlements in the province of Buenos Aires. The arrendamiento system granted them the right to work the land for a period not exceeding three years, and they were bound to sow perennial grasslands for pasturing cattle. Thus stock-raising in these pampas won over new lands and established more permanent activities of this kind. In Santa Fe and southern Córdoba cereals were grown and land distribution was more equitable.

This process had two kinds of consequences from the standpoint of urban growth. On the one hand, small settlements arose around the railway stations which fanned out over the conquered pampas from the port of Buenos Aires. These were small nuclei which served to gather and store agricultural products - cereals and meat - and forward them to the export ports. Secondly, there was the tremendous urban growth of the city of Buenos Aires, which also affected Rosario (a cereal-exporting port of the Paraná river). As a result of this growth the city of La Plata was founded and the importance of Santa Fe (a city founded much earlier) increased. The primacy of the urban system, in the form of Buenos Aires, increased in this zone: at the beginning of the twentieth century it was the only Latin American city with a population of over a million inhabitants.

As its coffee economy expanded towards the São Paulo area, Brazil too took a significant share of the inflow of European immigrants. These new settlers were employed in large coffee plantations, enjoying legal freedom, money wages and, in some cases, a share in profits. Since they did not have access to land ownership, their potential geographical mobility was

/high and

high and their urban concentration stimulated the growth of São Paulo. Much of the agricultural surplus underpinning the urban growth of São Paulo came from Rio Grande do Sul, an agricultural region which had already supplied dried meat for the slave population of the Portuguese empire during the colonial period. Thus the entire south-east of Brazil was affected by the dynamism of this process.

Export activities and the end of the Araucanian war during the nineteenth century also help to explain the population of much of the Chilean territory. The expansion of cereal cultivation in the Chilean central valley, stimulated the development of the export port of Valparaíso, and strengthened the position of Santiago in the overall urban network. The final reduction of the Araucanians in the south strengthened the cities of Concepción and Valdivia. The arrival of the German colonists at the end of the nineteenth century led to the growth of Puerto Montt and Puerto Varas, cities which, among other things, helped to articulate the economic growth of these rich agricultural lands.

In the north, the end of the War of the Pacific brought Chile the nitrate-rich areas of Tarapacá and Antofagasta, which led to immigration towards those areas and underpinned the growth of trading activities and services which sprang up in Iquique and Antofagasta as the main urban centres.

Beyond the growth of stock-raising in the pampas, the occupation of the enormous territories of Argentinian Patagonia was a slower process, given the small population and the huge area involved. Wool became the area's main source of wealth for many years.

Thus "new societies" arose, which were less linked with the forms of production and the social relations and institutions inherited from the colonial period. Particularly in the rural zones, the labour systems, although not necessarily reaching the capitalist type, differed from the seigneurial hacienda systems based on slave-owning régimes.

In contrast with the dynamism of the more recently populated areas, in the nineteenth century there were few stimuli for change in the rural areas of the Andean sierra. Export activities shifted from precious metals to industrial mining, which gave rise to production enclaves which had

/little capacity

little capacity to transform the existing settlements and forms of production in the zone. The Amerindian population remained basically subject to seigneurial régimes of labour recruitment and were sunk in illiteracy, social and cultural marginalism and residential isolation. In the rural zones, broadly speaking, there was a crystallization and consolidation of the colonial conditions inherited from the past. Since these conditions involved the more or less forcible attachment of the population to the land, its potential geographical mobility was practically nil. These conditions were also unfavourable to mass immigration from Europe. Thus both urban growth and the process of urbanization took place at a slow pace.

In contrast, Mexican agrarian evolution was much more dynamic and had a significant effect on the system of rural settlements. The first major change took place in the nineteenth century with the progressive transfer of rural estates from the Church to private hands. Side by side with this process, during the second half of the nineteenth century successive pieces of legislation on colonization were adopted, leading to an unparallel concentration of land ownership in the hands of a small group of landowners by the end of the century. The main incentive underlying this concentration lay in the expectations of stepping up exports of tropical fruit and livestock products to the North American market. The expulsion of the rural population and the decline in production of the staples on which it subsisted, particularly maize, helped to explain the agrarian revolution which has gradually but steadily transformed the economic and social conditions of Mexican rural life.

In parallel with this process, industrial mining exports expanded, which in some cases led to the appearance of small population nuclei or to the strengthening of existing centres. The mobilization of the rural population and the revolutionary war favoured the growth of a number of major cities. In the decade following the revolutionary period, Mexico and Monterrey grew fastest; and to a lesser degree, the growth of Guadalajara and Puebla also accelerated in the revolutionary period.

/In some

In some tropical zones of the Caribbean the formal abolition of slavery, proclaimed in all the liberal constitutions of the period, became widespread as of the mid-nineteenth century, and the same occurred in Brazil. However, although legally free, the population, in practice continued to be subject to the inertia of different forms of ethnic and socio-cultural discrimination, associated with the persistence of semi-coercive methods of recruiting and retaining labour on the land. This explains why, for example, the freeing of the slaves in north-eastern Brazil did not lead to mass migration towards the more promising conditions of the São Paulo coffee economy. The relative lack of physical integration of the territory and the primitive nature of communications also militated against a shift of this kind.

In the case of Venezuela, following the abolition of slavery and the bloody social war in the mid-nineteenth century, the partial implantation of the "mediería" régime for recruiting rural labour brought a relaxation of labour relations, which led to appearance of the "conucos" system - shifting subsistence agriculture, which implied a virtually self-sufficient life-style based on the working of smallholdings which were moved on as the fertility of the soil became exhausted.

This suggests that the pre-capitalist forms of labour relations were not superseded merely because of the breakdown of the rural seigneurial order, as this sometimes brought a regression to forms of completely isolated rural settlements, many of which were in practice cut off from the overall social order.^{1/}

^{1/} Until the beginning of the twentieth century, the Venezuelan economy continued to hinge on the cultivation and export of tropical fruits. The oil boom which occurred later is an illustration of an extreme case of an enclave with minimum direct effects from the standpoint of diversification of production, diffusion through the region and job creation. However, public expenditure financed by oil revenues has led to the increasing physical integration of the country and rapid urban expansion. In recent years, industrial growth has been rapid.

/In addition,

In addition, in the late nineteenth and early twentieth centuries, and thanks to the increasing participation of North American capital, the plantation economies were transformed and expanded, which led to new forms of appropriation and use of rural space and agricultural resources. Coffee cultivation was less dependent on foreign capital and spread through the medium-altitude tropical zones of Colombia, Venezuela, Central America and Mexico. Unlike what occurred in Rio and São Paulo, where coffee growing was rather predatory, rapidly exhausting one area and moving on new lands in a process which left devastation in its wake, coffee cultivation in Spanish America was based on a different resource endowment. In the case of São Paulo, the supply of land was unlimited and the labour force small, and therefore the objective was rapidly to obtain the greatest possible yield from the land in order to cover the cost of European labour. In Spanish America the supply of land was more limited and the reliability of labour more abundant and close to hand. In the spread of coffee growing in Central America, this abundant labour supply was sometimes mobilized by coercive methods such as antivagrancy laws and similar measures.

At the end of the last century, there was likewise an increase in sugar and cotton production on the northern coast of Peru, where land ownership became concentrated and the rural population thus territorially despoiled was to some extent reincorporated in the form of wage-earning labour. Sugar cultivation was also intensified in Cuba and Puerto Rico with the use of North American capital at the end of the last and the beginning of the present centuries. In both of these countries, the large-scale monocultivation of sugar significantly changed the countryside and had a decisive impact on forms of production and social relations in agriculture.

In Guatemala, Honduras, Nicaragua, Costa Rica and Panama,^{2/} banana cultivation spread, largely fostered by United States companies.

^{2/} The building of the Panama Canal created a sui generis economy which has been labelled "tertiary-exporting". The Canal Zone is a dynamic centre which generates relatively well-paid jobs and accounts for a significant portion of government revenue.

Among the English-speaking countries of the Caribbean, Jamaica also developed a slavery-based sugar economy. Following the abolition of slavery, there was a significant inflow of Indian and Chinese populations. Since the beginning of the present century, United States banana companies have also operated here, and since the 1940s bauxite mining has increased. The deposits lie on the surface, and the worked-out areas are covered with soil and sown to pasture, so as to make possible the expansion of stock-raising. Broadly speaking, in the English-speaking Caribbean countries the sugar economy, in the form of plantation worked by slaves, gave the initial stamp to the forms of population in rural zones. Other important products have been bananas, cocoa and, to a lesser extent, coffee. In addition to Jamaica, these processes and trends are visible in Barbados, Guyana, Trinidad, Antigua, etc.

It would be out of place to dwell here on the innumerable forms of export activities which have transformed the face of rural Latin America. Any exhaustive enumeration would have to deal with other developments such as the sisal plantations in the Yucatán peninsula of Mexico, rubber in the Brazilian Amazon, the growth of Uruguayan exports, the particular features of the Haitian economy, and so forth.

What is important is to explore the possibility of making a number of generalizations about the basic, common causes which, throughout the varied range of historical situations, have determined the appropriation and use of rural space and made it possible for new human settlements to arise and develop.

In this connexion, it is clear that the demand for primary commodities on the part of the developed capitalist centres of the world was the main factor determining the flows of capital and technical progress which steadily transformed human settlements in Latin America. The nineteenth century witnessed the insertion of Latin America as part of the periphery of the world economic order, with an expansion of production oriented towards the exterior in a model which has come to be known as "outward-looking growth". The expansion of the export complexes was thus the main motor of change in the peripheral societies.

/In the

In the region of south-eastern Brazil, the Argentinian pampas and Patagonia and central and northern Chile, the structuring of the territory and urban growth (São Paulo, Buenos Aires, Rosario, Valparaíso, Iquique, Antofagasta, etc.) cannot be understood without reference to coffee, meat, wool, cereals and nitrate. Broadly speaking, these export activities make it possible to populate vast wholly or partially inhabited areas.

The technical forms of exploitation of this wealth and the appropriation and productive use of the space involved were a function of the transfer of forms of production from the centres and the logic of international capital from the same origin. The nature of the products, the technical conditions of exploiting them and the social relations which were structured around them enabled uninhabited zones to be populated, significant numbers of the population to be employed and the conditions for an early diversification of production to develop - as will be analysed in the following section.

In Chile, Argentina and Uruguay (which can be assimilated to the Argentinian case, on a smaller scale) there was great urban expansion and a high degree of urbanization was achieved. In Brazil these effects were concentrated in the south-east of that enormous country. In all cases urban growth called for a population which had been uprooted from its earlier productive functions and social position, as well as the physical integration of large areas by means of rail and river networks (when geographical conditions were favourable). The European immigrants were the main protagonists of these movements, together with large masses of the Chilean rural population uprooted from their agricultural work and enrolled in the armies which were fighting to expand the country's territory in the war against the Araucanians. This uprooting of the rural population also occurred in Mexico, and allowed a major displacement of population and the development of a number of major cities.

In contrast, the growth of exports from the Andean areas and the tropical coastlands of South America, Central America, the Caribbean and so forth, took place in a context of long-populated rural areas and well-

/established urban

established urban centres. The rural population was frequently large and dense, and subject to seigneurial labour systems providing a virtually unlimited supply of cheap labour which could return to subsistence smallholdings when world market fluctuations cut down export activities. In these cases, the mining enclaves - typified by the case of tin in Bolivia - did not change the pre-existing social structure. The 'modern' plantations very slowly and gradually changed traditional social relations with the partial introduction of capitalist forms which began a 'symbiotic' relationship with the older forms rooted in the colonial period so as to make the greatest possible use of cheap rural labour. This is part of what may euphemistically be termed the comparative advantages stemming from the relative abundance of manpower and its social subjugation. The manpower migrating from Europe avoided these regions, and urban growth was delayed both because the rural population was tied to the land and because the immigrants from overseas went elsewhere. Again, the domestic exploitation or productive use of the export products did not stimulate the diversification of production on a scale to justify a significant expansion of non-agricultural activities which would favour the process of urbanization.

Before embarking on the analysis of more recent historical processes, some attempt should be made to explain the striking primacy characteristic of the urban systems of Latin American countries. In some cases, the existence of a city of far greater demographic, economic and social importance in comparison with the other cities might be justified by bearing in mind the small size and population of many Latin American countries. However, this phenomenon is also observed in the large and medium-sized countries where this simple explanation will not hold. Broadly speaking, the causes would appear to be related to the political and economic centralism which prevailed in Latin America during the colonial period.

The main cities were the seat of the central political power which set up control and information channels with the other regions under its jurisdiction. Revenue flowed from the various areas to these centres

/to finance

to finance the costs of the administrative, bureaucratic and military establishments which also tended to be concentrated in those cities. Export and import trade in particular were also concentrated here, but only to satisfy the demand for luxury goods on the part of the governing class, and also of the great local landowners who resided for some part of the year in the city in order to indulge their refined tastes and relish the new artistic and cultural fashions brought over from Europe.

In sum, the main city concentrated the national demand for imported goods, thus making possible commercial and financial activity. These features are particularly marked in Spanish America, to which most of the Latin American countries belong.

This great urban primacy helps to explain the spatial concentration of the industrialization process in Latin America mentioned in the following section.

3. More recent trends and problems

The process of industrialization in Latin America, unlike what occurred in Western Europe and the United States, did not entail a more or less all-embracing, large-scale and uniform penetration of the technical processes and social relations peculiar to those industrial societies. The so-called "substitutive forms" of Latin American industrialization help to explain both its atypical temporal sequence and its spatial concentration.

In connexion with the first point, the industrialization process satisfied through domestic production the demand for manufactured goods which was disrupted by the serious upheavals in world economic relations during the first half of the twentieth century. In particular, the First World War, the great crisis of the Thirties and the Second World War were international events which made possible or facilitated the diversification of production in the large and medium-sized countries of Latin America. The substitution of imported manufactures by others produced within the Latin American countries to satisfy existing domestic demand began in those branches where this was technically feasible and, relatively speaking,

the scales did not involve difficulties of access to the capital - frequently of national origin - required to undertake those processes. Thus foods, beverages, tobacco, textiles, clothing, footwear, wood products, and some technologically very simple metal and chemical products were the first areas in which Latin American industry began to use domestic production to replace the more refined and more highly processed imported products destined for the elites with high purchasing power. The import-substitution sequence subsequently affected intermediate industrial input, machinery and equipment; but this is not the place for a detailed discussion of this complex process. Let it suffice to add that import-substitution industrialization, which began as the spontaneous (i.e., left entirely to the logic of private interests) consequence of involuntary protectionism, gradually became an industrialization strategy expressed in the economic policy of many Latin American governments.

This leads us to the second point, namely, the spatial concentration of manufacturing industry in Latin America. To satisfy the siting criteria of private entrepreneurs, industries were set up in the main cities because that was where the markets for the consumer goods they intended to manufacture were to be found, as well as the necessary physical connexions with the other urban markets for consumer goods. They also had the energy infrastructure to power the new industries and an abundant supply of labour which could easily be trained for the jobs involved. Since many of the industrial enterprises were on a small or medium scale, their owners ran them personally and did not wish to separate management and sales divisions from production units proper. This strengthened their preference for the metropolises which contained the central government and the administrative bureaucracy, with which they had to negotiate for protectionist measures such as higher tariffs, exchange preferences, tax exemptions, credits and subsidies, etc. The fact that the substitution of manufactured goods called for higher imports of industrial inputs and plant and equipment also made it preferable to locate enterprises in the large cities which had good overseas communications.

/Argentina, Brazil,

Argentina, Brazil, and Mexico had already made significant headway in this process by the end of the First World War, and particularly the crisis of the Thirties, a period when industrialization also picked up in medium-sized countries like Chile and Colombia. At the end of the Second World War, all the countries conventionally referred to as large and medium-sized in Latin America, and even some of the small countries, had advanced in this process.

It is argued here that this industrial concentration has generated over the last 25 years a process of national centralization of development, defined by a specific social division of labour and a specialization of production among the different sub-national areas of the countries which have progressed furthest in the process.

On the one hand, the states or provinces in which the principal city of each country is located - Buenos Aires, Santiago, São Paulo, Mexico City, Lima, etc. - have enjoyed economic growth with significant diversification of production aimed at satisfying metropolitan and national demand for final goods and services. This growth through diversification of output originates in the more dynamic branches, where the income-elasticity of demand is well above average. This is the case of electric household appliances, such as refrigerators, washing machines, radios, record players, etc., motor vehicles and many kinds of electrical and non-electrical machinery and equipment for final users (consumers or investors). The large size and high unit purchasing power of these metropolitan markets justifies the growth and diversification of many technical, social, educational and leisure services, which in some cases may be provided on a large scale by taking advantage of the economies of agglomeration.

On the other hand, the states or provinces containing the intermediate or smaller cities, with generally higher percentages of rural population, have enjoyed economic growth with a specialization in those areas where they have natural comparative advantages (specific resources) or historically acquired advantages (a population with extremely low skills and limited bargaining power which makes it possible to hold down the

/cost of

cost of wages). This is not to deny that industrial activities may be developed here, but they will be of a kind aimed at processing the natural resources of the zone destined for the national or world markets: sawmills in forestry areas, sugarmills, hydroelectric plants, petroleum refineries and even some types of basic metal industries. These regions have a much less diversified economic growth, and where modern technology is introduced, this will frequently give rise to production enclaves which, in heavily-populated rural zones, probably destroy more jobs than they create.

This penetration of capitalism into agriculture helps to break down the more traditional forms of production and social relations, destroying low-productivity employment and accelerating the process of migration from the countryside to the cities. This process has been fostered by the spread of communication media, literacy campaigns, etc. In some cases, land reform or regional development programmes have helped to accelerate a process of migration from rural to urban areas. Mention may be made in this connexion of the Bolivian Revolution of 1952, land reform in Peru or SUDENE's promotion of the development of north-eastern Brazil. These rural-urban migrations, which in a first stage were directed towards the intermediate or small cities in the peripheral territories, frequently far exceeded the employment opportunities offered in the zone and ended up by swelling the large currents flowing towards the national centres of development.

A plausible hypothesis about the main transformations occurring in rural zones as a result of these processes must start from an analysis of a number of basic trends. In the first place, the expansion of the agricultural frontier is tending to become increasingly difficult. With some exceptions, the incorporation of virgin lands is being hindered by ecological difficulties and very high economic costs, and this tends to favour the introduction of more complex technology to increase the unit yield of the areas already being exploited, in the extent warranted by profitability as established by agricultural price levels. In addition to the effects of the expansion of capitalism in agriculture, probably many

of the structural reforms undertaken by the State have a similar kind of effect, i.e., the breakdown of the subsistence economies based on smallholdings, the native communities and other related forms of land use (which are increasingly less suited to the widespread introduction of technical progress). The growing proletarianization of the labour force will increase its potential geographical mobility and encourage migration from the countryside to cities and the emergence of a floating rural population which can respond to the cyclical demand for agricultural labour. This process of change, which is assumed to be in the offing in Latin American agriculture, will help to overcome the extreme dispersion visible today in rural settlements, and heavily reduce the proportion of the rural population.

Viewed as a whole, the overall trends which we have analysed in this section make up a spatial structuring of the economic process which might be termed a national centralization of development. On the one hand, there are the centres - the metropolitan regions with diversified growth - and on the other, the periphery, with much more specialized growth.

In this structuring, a fundamental role is played by the concentration of industry aimed towards final users in the main city, which historically has co-existed with rural areas where clearly seigneurial relationships of ownership, work or exchange still predominated, at least in some countries, with large Amerindian populations and others with vestiges of slave-based economies. Consequently, the capital and the technical progress associated with industrial growth were concentrated in three ways which still characterize this kind of growth structure: sectorally, in the branches singled out by the substitution process; regionally, in the states and provinces where the main metropolises were located; and socially, by excluding from this process the rural populations of enormous regions and areas. This accentuated the structural heterogeneity of Latin American societies, with the survival of social groups which were wholly or partially excluded from the benefits of development.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is crucial for ensuring transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods used to collect and analyze data. These methods include surveys, interviews, and focus groups, each with its own strengths and limitations.

3. The third part of the document describes the process of data analysis, including the use of statistical software and the interpretation of results. It emphasizes the need for a clear understanding of the research objectives and the potential biases that can affect the analysis.

4. The fourth part of the document discusses the importance of communicating the results of the research. This involves writing clear and concise reports, as well as presenting the findings in a way that is accessible to a wide range of stakeholders.

5. The fifth part of the document concludes by summarizing the key findings of the research and highlighting the implications for practice. It also offers some suggestions for further research and the development of more effective research methods.

6. The sixth part of the document provides a detailed overview of the research methodology, including a description of the research design, the selection of participants, and the procedures used to collect and analyze the data.

7. The seventh part of the document discusses the ethical considerations that must be taken into account when conducting research. This includes the need to obtain informed consent from participants and to ensure that the research is conducted in a fair and unbiased manner.

8. The eighth part of the document provides a detailed description of the research findings, including a discussion of the main results and the implications for practice. It also includes a section on the limitations of the study and suggestions for further research.

9. The ninth part of the document discusses the broader context of the research, including the current state of the field and the potential for future research. It also offers some suggestions for the development of more effective research methods.

10. The tenth part of the document concludes by summarizing the key findings of the research and highlighting the implications for practice. It also offers some suggestions for further research and the development of more effective research methods.

11. The eleventh part of the document provides a detailed overview of the research methodology, including a description of the research design, the selection of participants, and the procedures used to collect and analyze the data.

12. The twelfth part of the document discusses the ethical considerations that must be taken into account when conducting research. This includes the need to obtain informed consent from participants and to ensure that the research is conducted in a fair and unbiased manner.