Summary: This paper illustrates how municipal practices can influence the geographic patterns of private investments. It compares how municipalities within 45 minutes of Buenos Aires regulate the development of gated communities and industrial parks. It relies on legal documents, real estate data, and the official census numbers on population and housing conditions in each municipality since 1970. In addition, it presents in-depth interviews of planning officers in those municipalities that experienced the greatest investment flows during the 1990s, asking them about their implementation of planning regulations and their relation to the private sector. Consistently, the poorer the municipal government, the more likely it was to grant exceptions in favor of developers’ special zoning requirements. Therefore, planning decentralization increased social differences within municipal boundaries.

Key Words: Decentralization, urban planning, Gated communities, deindustrialization, suburbanization, inequality.
POLARIZATION & PROSPERITY IN THE BUENOS AIRES’ PERIPHERY: HOW DOES DECENTRALIZED MANAGEMENT OF LAND USE IMPACT ON URBAN GROWTH?¹

I. INTRODUCTION

Extreme social inequalities trigger a fragmented pattern of urban growth, among other manifestations. As socio-economic groups become more polarized, the material barriers between these groups become more evident. Inaccessible shantytowns, gated communities, and private, policed malls are some of the architectural manifestations of a broken social tissue. Research on Latin American urbanization in the late 20th century has shown a correlation between the rise of social inequality in cities and the shift from a production model based on secondary activities to one based on tertiary activities. The idea is that above and beyond the wealth-equalizing effect of the pro-working class policies of developmentalist-states (Sikkink, 1991) industrial activities tend to foster a more even distribution of resources. In contrast, service-based economies skew the distribution of income, since they create a majority of jobs at the top and bottom of the wage scale (Sassen, 1991). However, it is still not clear which role political regimes play in this outcome. Given the fact that in several South American countries (i.e. Argentina, Brazil, Paraguay, and Uruguay) the move towards a market economy, the democratization of society, the decentralization of government, and the rise of urban inequality are contemporary processes, it is relevant to further examine their role. Besides the changes in modes of production, is the performance of decentralized democratic governments correlated to the spatial manifestations of inequality?

Decentralization, the devolution of power from central to local government agencies, was promoted as one way to increase local say in government and hence advance a more equal distribution of goods in our society (UNDP, 2004; Campbell and Flur, 2003; Stiglitz, 1999). However, after more than a decade of decentralization reforms we have not see an evident correlation between having a decentralized government and being a more equal society (Prud’Homme, 1995; Wood, 1958;). Moreover, empirical studies on decentralization reforms have shown that following decentralization socio-economic differences among decentralized units had risen (Bird and Smart, 2002, Smoke, 2001; Davoodi, and Zou, 1998; Bird and Vaillanourt, 1997). Yet, there is still a question about how decentralization impact on social equality within localities. Since there is evidence that there is a strong correlation between high income levels and active political participation (Mollenkopf, 1989; Alford and Friedland, 1975; Verba and Nie, 1972), decentralization of unequal societies might allow for policy designs which are disproportionately influenced by the needs of affluent groups, hence furthering local

inequality. How do preexisting economic and political conditions affecting the localities influence on the social outcome of decentralization reforms? Under which conditions decentralized and democratic society governments would foster higher levels of social inequality within their own boundaries?

In this paper I present the case of growth in Buenos Aires since the late seventies. Having a continuous democracy since 1983, it has performed worst amongst Latin American countries with regard to alleviating social inequality between 1960 and 1995 (Figueira and Figueira, 2002). While its economy has been unstable, oscillating between development and decay, public and private ownership, its social polarization has increased steadily (Turn and Carballo, 2005). These changes have been encrypted in its urban landscape, as industrial neighborhoods declined while new gated communities and select urban locations received the bulk of local and international investments (Svampa, 2001). On top of these development shifts, urban planning powers have been under a process of continuous decentralization, increasing the authority of municipalities on land use decisions. By looking in detail at the growth of the urban periphery where the changes in real estate development had been most notable, I explore the conditions that led democratic, decentralized municipalities to foster uneven urban development within their boundaries. In the following pages I present a brief introduction to the case of the Buenos Aires metropolis. Then I characterize the main features of urban planning decentralization in the Province of Buenos Aires. Next, I portray how impoverished municipalities used their newly acquired land-use management rights to facilitate the development of gated communities; which had raised the level of social inequality within their jurisdictions. Finally, I give some conclusions and extract some principles useful for thinking about decentralization and inequality in underdeveloped countries.

II. NATIONAL DEVELOPMENT AND SUBURBAN BUENOS AIRES

With more than a third of the country’s 36 million residents and less than 2% of its land (307,571 square kilometers), Buenos Aires is by far the largest metropolis in Argentina. Although the country’s geographical development has been uneven since Hispanic times (Suarez, 1999). Buenos Aires only became the economic node it is today after the industrialization of 20th century (Dorfman, 1983; Scobie, 1964). In a sense, the city’s centrality to the national economy impinged on its own development. As the rest of the country became impoverished, a continuous flow of migrants moved to the city. Once the state stopped sponsoring industrialization, hundred of residents began to take unstable and underpaid jobs and many of the urban structures became obsolete. The ideal urban scheme of the 1950s distinguishes clearly between the urban core and its periphery. Industrial establishments and labor resided on the borders and fed the consumption needs of the more affluent urban core (Rabinovitz and Trueblood, 1971).

Between 1983 and 1998, its GINI coefficient has climbed from 0.417 to 0.456 (FIEL Study 1999). Quoted in Frederick Turn and Marita Carballo in “Argentine, Economic Disaster and the Rejection of the Political Class”, Comparative Sociology. Vol. 4. No 1-2. 2005
Yet, by the 1960s, this model was showing signs of exhaustion, and more than 460,000 city dwellers – or about 5% of the whole metropolitan population – were living in shantytowns (Pirez, 1994). In the 1970s, when a dictatorship took over the Peronist government, it reinterpreted this vision of the city according to its own discriminatory principles, and imposed it through police power. Believing that the city life of the urban core was only ‘for those who deserved’ (Oszlak, 1991), it launched massive slum removal program. Between 1976 and 1983 more than 200,000 slum dwellers were forced to relocate outside of the city boundaries (Ozlack, 1984). Foreigners were repatriated to their countries of origin, and nationals to their native provinces or, in most cases, to dispersed towns in the less urbanized areas of the city suburbs (Bermudez, 1985).

### Table no. 1: Industrial Concentration in Argentina

In addition, the dictatorship regime replaced the state-led industrialization that created and sustained much of the economic activities of the suburbs with an open-market economy (Kosacoff and Ramos, 2001; Dornbusch, 1986; Diaz Alejandro, 1970). The military regime had an economic and ideological prejudice against urban industries, which were perceived as both inefficient and potentially dangerous given the regime’s fear of labor mobilization (Schvarzer, 1987). Therefore, the government limited credits to large industrial compounds (Kulfas and Schorr, 2000; Azpiazu, 1984), and gave tax incentives only to industries located at least 60 kilometers from the city center (Ferruci, 1986). As a consequence, most of the small industrial establishment surrounding the city closed their doors and industrial employment declined.

Most densely industrialized suburbs owe much of their growth to the intense state-promoted industrialization of the mid-20th century, when they became both the location of many industrial establishments and the residence of the majority of industrial labor (Mora y Araujo and Smith, 1983). It was then when they acquired a well developed infrastructure: piped water, sewerage, electricity, paving, and a fairly dense urban grid facilitated the location of investments throughout nearly all of the territory. Conversely, the suburbs bordering the northern end of the metropolitan conglomeration presented only a few small towns, while the rest of their vast territory lacked almost all infrastructures, and was used mostly for agricultural or recreational purposes (UIA, 2001; Bariffi, 1981). Therefore, the change in the national development policy did not affect all suburbs in the same way. Although these changes were adverse to all of them, they triggered different consequences in different jurisdictions. While the jurisdictions that had the bulk of industrial establishments suffered the immediate consequences of the decline of the local industry, municipalities that still had vast areas of underused land lost their chance of developing their infrastructure through industrialization. It was in this social and economic context of industrial stagnation and slums relocation when the first comprehensive law mandating the decentralization of land management began.

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3 It is estimated that by 1976, there were 400,000 slum dwellers in the Buenos Aires metropolitan region, with about 225,000 living within the city limits.
4 Mostly Paraguay and Bolivia.
1. Decentralizing Urban Planning

It is not coincidental that as the national government halted its support to urban labor and industries, and it was forcing poor residents from Buenos Aires city into the suburbs under the Province of Buenos Aires rule, the provincial government launched a series of legislative reforms that increased the difficulty of residential land acquisition (Clichevsky, 2002). As the government discontinued the rent-control program, rendering the city unaffordable for lower income residents, the province of Buenos Aires simultaneously forbid the selling and subdivision of land lacking urban services for residential purposes (Herzer and Pirez, 1988). Furthermore, it delegated the responsibility for the provision of infrastructure to the municipal jurisdictions, which were hardly capable of such a financial undertaking (“Ley de Municipalizacion de Servicios 9347”). It was also then, in 1977, that the first official land-use planning code of the province of Buenos Aires was sanctioned (Urban Code 8912). Amidst an absolute suspension of constitutional rights and repression of civic participation, this norm called for principles of municipal self-governance and decentralization (Badia, 2004). However, as could be expected in this context, it contained no provision for the increased participation of residents.

The 8912 Provincial Law of ‘Territorial Reorganization’ gave municipal authorities the responsibility over the designation of land uses and the approval of new developments. Without exception, all land was to be designated either rural or urban, to reflect the character of its current usage. Also, as the provision of “affordable housing” disappeared, gated-communities were, for the first time, explicitly addressed in the urban code. Undeveloped land was designated according to its desired future use. Minimum and maximum population densities were established for three main categories: rural settlements, urban settlements, and gated communities. The population in rural areas ranged from 5 to 30 people per hectare, compared to 150 to 1000 people in urban areas, depending on the level of infrastructure available. In the case of gated communities, instead of referring to population variables to regulate density, the law refers to the number of houses: 8 to 7 per hectare; with an absolute minimum of 10 hectares per gated-community development. In terms of location, they were restricted to rural areas.

This foundational document of municipal planning gives a disproportionate priority to the development of weekend-houses. Even though at the time of the regulation gated communities were used by less than 1% of the province’s population, and affect less than 10% of the province total area, the planning code has an entire chapter dedicated exclusively to the specific regulations of these gated enclaves. This disproportionate concern may be due to the conspicuous growth rate of gated communities, which contrasted with the overall decline of the suburbs. Until 1970, there were about 20 gated communities in the region and five years later, their quantity had doubled. In addition, the location of the gated communities next to the main connection arteries to the capital city made them highly visible. Also, the population that inhabited gated communities – as well as many of the previous landowners – belonged to the economic elite, a fact that increased the attention paid to their presence. The contrast in the region was striking – developers took a large lot of under-serviced land adjacent to low-income houses, subdivided it, enclosed it with a short wall or wire fence, put a guard at its entrance, and suddenly luxurious houses were being built inside. The appearance of the gated communities demonstrated the obsolescence of the previous planning regulations, and the facilities made possible by the new regulations (Libertun de Duren, 2006).

Besides the kind of land uses the planning document promoted, the process of planning itself was also highly exclusionary. Neither the 1977 code, nor the additions in the 1980s and
1990s, required public participation, or even the publicizing of planning decisions made by municipal authorities in their communities. This biased understanding of the role of planning reflected the institutional beliefs of the then-current authorities. Given that this regulatory body was generated in the context of a ‘non-democratic’ government, this absence of civic participation is not surprising.\(^5\) However, none of the successive legal reforms, which went into effect under democratic governments, made civic participation a condition for investment or development approvals. Eventually, private investors in the democratic era took advantage of the top-down approach embedded in the planning code inherited from dictatorship days\(^6\).

By the end of the 1970s, gated communities began to cluster in poor municipalities. About two-thirds of the region’s new gated communities were located in the northern, less industrialized municipalities, where, according to the national census data of 1980, one out of every three households was living in precarious conditions.\(^7\) However, the rate of construction of gated communities was erratic. During the first half of the 1980s, almost no development was inaugurated and no laws changed. In 1985, however, the growth activity of gated communities peaked again, and at the end of 1986, another planning decentralization decree affecting gated communities was approved.

Table no. 3: Northern municipalities’ poverty levels and gated communities

Table no. 4: Gated communities Funded Per year - 10 municipalities region

This new regulation left to the discretion of municipal authorities the application of some of the restrictions on gated communities that had been established by the 1977 code, namely, the location of gated communities in rural lands and the requirement of at least seven kilometers between any two developments. Twelve years later, following a spectacular peak in the investment in gated communities, another provincial decree further increased the discretionary powers of municipal authorities. This time, all area requirements and location restrictions were dropped. Final approval and monitoring of the actual layout became a responsibility of the municipality. For first time, the codes mentioned local participation, with an informational public forum to be held ten days before the granting of the municipal permit. However, the decree clearly stated that the municipal government or developers had no binding obligations to these meetings.

Notwithstanding the relevance of these legal changes, it is not likely that the series of decrees in planning regulations generated these construction peaks by themselves. Time-wise, the formalization of the changes to the planning codes happened after new gated communities had materialized. Thus, the regulation did not create the initial impulse, but made explicit the official position towards the development of gated communities. The provision of a legal structure facilitated the further growth of this preexisting trend. Noticeably, there is a correlation

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\(^5\) Democratic institutions were re-established in Argentina in 1983.

\(^6\) Argentina’s de facto, military regime ended in 1983, when it went back to a democratic regime.

\(^7\) I use the NBI value (unsatisfied-basic-needs) as the indicator of population conditions. The INDEC (Argentinean National Institute of Statistics and Census) defines this index as a percentage of households of total household in municipality. To be classified as a NBI a household has at least one of these characteristics: a) More than three people per room; b) unsound building structure, c) no water-closet; d) at least one child aged between 6 and 12 who does not attend school; e) four or more people depending on one single breadwinner who has no schooling beyond third grade.
between planning decentralization and the relative variation in the number of new gated communities funded per year. Consistently, a revision of the planning documents followed each sharp rise in the number of gated communities. In turn, the new legal framework augmented land availability, minimized area and location requirements, and increased municipal autonomy. Also characteristic of this pattern, the number of gated communities developed in the region increased in the months following each of these reforms.

2. The Suburban Prospect

The combination of obsolete industrial suburbs with an influx of displaced poor from the city core and the responsibility of providing their own services, left local governments with few resources at a time when they needed them most. On top of this, the changes in national development policies favored large industrial holdings, which located further from the urban periphery, rendered the existing industrial fabric of the western and southern suburbs obsolete (Colman, 1987) and deprived little-industrialized northern suburbs of the flow of industrial investments. By the early 1980s, and following these spatial rearrangements, changes in the urban social structure became apparent: while poverty levels decreased in the city’s core, the indigent population swelled in the periphery (Bermudez, 1985). Moreover, these shifts, which were the consequence of both market rationale and government policies, had an enduring effect on the nature of the polity life.

Throughout the 1980s and 1990s, those municipalities within 60 kilometers of the city core were seriously impoverished. However, in keeping with the divergence exhibited in the 1970s, each municipality displayed different conditions. While the south and west suffered the effects of the stagnant local economy, the suburbs farther north never saw the benefits of an even industrialization, and in their vast, unserviced territory as much as a third of all households were living in poor conditions (INDEC, 2001, 1991, and 1980). It was under these conditions that municipalities functioning within a decentralized and democratic regime used their planning powers to foster the location of exclusive enclaves, such as gated communities, to bring fresh investments and infrastructure to their localities. As expected, given the contrast between old and new residents, the new enclaves were physically disconnected from the rest of the municipality and hence enlarged social differences within these municipalities. In these areas, local governments, and middle- and low-income residents saw an opportunity to upgrade their municipality in parceling land for gated communities. For the municipal government—once the state support for local industries was halted—these investments offered the only viable option to bring infrastructure to unused lands.

By 1998, after the upgrading of the highway connecting the city of Buenos Aires and these northern municipalities had been completed, municipalities along this corridor accounted for more than 70% of all suburban gated communities (Pirez, 2002). However, even within this region, the new gated communities were not evenly distributed, but disproportionately clustered in the three municipalities with a higher-than-average percentage of poor households. This distribution pattern cannot be explained as a direct consequence of municipal size, as the other municipalities also had some tracts of undeveloped land and gated communities can be created by gating existing developments. In addition, though land prices in these three localities were

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8 Polls reveal that this policy was supported by locals, as no municipal government amongst communities demonstrating a growth in the investment in gated communities had lost in a local election since 1987.
slightly lower than in neighboring municipalities during the 1980s, their land value registered record-high increases after the highway upgrade, jumping from $50 per square meter to between $70 and $100 in less than year. In some municipalities, such as Pilar, land became even more expensive than in neighboring localities. Therefore, real estate prices do not suffice as an explanation either, as clusters of gated communities have grown steadily regardless of the price of land.

The lack of state support for urban industries the upgrade of the northern highway and the decentralization of urban planning led to the concentration of gated communities in the poorest northern jurisdictions. While the industrial policy and the highway depended on the national policies, the decentralization of planning capacities enabled local government to become active players in luring gated communities developers to their jurisdiction. As the mayor of one of these municipalities describes: “We invested a lot of public monies so to attract people [to our municipality], a lot of money to enhance our image so real-estate developers improve the commercialization of their developments here. It is easier to attract people in that way, and we were concerned about that, because we needed that all the unused land be converted into useful land”.

In this context, gated communities were perceived as a strategy for local development that could replace falling industrial investment and activate local economy. In the words of one local mayor: “Nowadays there are private neighbourhoods flourishing all over. We almost have no room for the location of industries. We have made an effort to provide clear and precise norms—through judicial security—so that those who invest in the district will not find unpleasant surprises in the future. All this has made investing in Tigre [municipality] very easy, and contributed to large capitals coming to the area. This had been supported with the recovery of land not able to be urbanized without capital investment.”

Notoriously, municipalities took advantage of the decentralization of development permits to control local land uses so to accommodate developers’ needs. Chronologically, there is a correspondence between the number of changes in land use regulations that favor gated communities and their development rate: the more new gated communities were developed, the more municipal ordinances were changed. Furthermore, in the poorest municipalities—which contain 70% of all gated communities, but only account for one-third of the ten municipalities’ total area—the frequency of these zoning amendments increased dramatically after each decentralization measure. Taking the main reforms in the Buenos Aires Provincial law as

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9 Data from La Nación real-estate section published between March and June, 1997.
11 Idem, Page 116.
12 This term does not distinguishes among different varieties such as ‘barrios cerrados’, ‘clubes de campo’, ‘country-clubs’, and ‘clubes de chacras’.
13 The term ‘poor’ follows the Argentine National Census definition of ‘unsatisfied basic needs’ (‘necesidades basicas insatisfechas’); which is defined as a household which has at least one of these characteristics: a) More than three people per room; b) unsound building structure, c) no water-closet; d) at least one child aged between 6 and 12 who does not assist to school; e) four or more people depending on one single breadwinner who has no schooling beyond third grade.
14 In the northern region the poorest municipalities (whose percentage of poor household is higher than the region average) are: Escobar, Tigre, and Pilar.
15 The Northern are is defined as those municipalities accessible via the northern highway and within a sixty minute drive from Buenos Aires city core. It is composed by the following municipalities: Vicente Lopez, San Isidro, San Fernando, Tigre, Escobar, Pilar, Malvinas Argentinas, and San Miguel.
keystones (1977, 1986, and 1999), we can compare three stages of decentralization. In the first stage, 20% of re-zoning changes took place in the three poorest municipalities of the region; in the second, the proportion is 37%; and from the last decree until 2000, 95% of those zoning changes were located in this area.

*Figure no 1: Number of Municipal Ordinances Changed per decentralization stage,*

### 3. Decentralizing the Suburbs

One of the mayors of the municipality with the highest number of gated communities, who was later forced out due to corruption charges, said: “While it is true that the building of the Bingo [a gambling centre] was a corruption scandal during the previous administration, today, under our government they are compacting fifty blocks of [the town of] Del Viso at their cost. [Why?]. Because they came to talk to me and I told them that any investment in Pilar has the moral obligation of giving something back to the community. Of course we did not ask them for a bribe, but we did ask them to collaborate with the people. They put 130,000 US $ without giving a single coin to the Municipal Government. We just supervised the works. In the same sense, Pilar del Este [a new gated community] is paving 1.5 kilometers in a street which used to be in terrible shape. That is the mother idea: If the Municipality cannot, let the private sector give us a hand.”

Besides the particulars of this municipality, it portrays the public sector’s relationship with investors to be an exchange of reciprocal favours, which are not governed by formal regulations and in which residents have no say, since they are presented as the outcome of the good will of developers and local politicians. Arguably, this is one of the outcomes of a law whose basic principles were developed by a de facto government. Yet, it seems that the current residents living outside of gated communities, the majority of local population, have not resented their lack of involvement in the local planning process. Municipal parties have enjoyed voters’ loyalty more often than the provincial or national level of government. Moreover, in the municipalities with a high concentration of gated communities governing parties have won all municipal elections since 1987. One of the planning officers at one of these municipalities described how the people’s lack of involvement in local planning eases the way for zoning changes for exclusive real estate developments: “People say they don’t like gated communities, but that is all. Once, we put a lot of effort organizing a public audience about whether or not to have a new shopping centre and a gated community. No one showed up, so now, when developers ask us for something we just do it. As long as it keeps the basic forms, we just approve it.”

The stagnation of industrial establishments in the suburbs runs parallel to the worsening economic conditions of middle and low income households. In this context, many suburban residents saw gated communities as a source of employment, hence lending their support to them. Mayors in these localities calculate that for each new house inside a gated community, there are at least 5 more jobs outside of it. In Pilar municipality, for example, local officials

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16 Interview conducted by the author in Escobar, on August 24th 2004.
estimate that gated communities gave employment to about 30 thousand people. (LaCarrieu and Thuillier, 2002), which made them one of the most significant job generators for local residents. The mayor of Tigre municipality explains: “Creating jobs is the most important thing. Many new developments solved problems of the older neighborhoods. Today, there is a line of workers waiting at the door of these new gated communities. Construction jobs are really active here. And services are too, there are some of these developments which give employment to six to 1,000 people. And all this is very relevant for us, because these are new jobs.”

By the year 2000, gated communities, one of the most profitable real estate investments in the suburbs (Coy and Pholer, 2002), were overwhelmingly located in those municipalities that had less industrial development in the 1970s and the highest percentage of poor households in the 1980s. As a consequence, these localities now present a larger income gap amongst their residents – larger than that of the 1970s when they received the inflow of displaced slum residents, and larger than that of the impoverished old industrial suburbs, which did not receive the same inflow of gated communities in the 1990s. (See map). Eventually, this strategy of luring gated communities into municipalities with high percentages of poor households raised social differences within these municipalities. Moreover, as these jurisdictions become centers of unskilled employment, new shantytowns have settled in their surroundings. Censuses numbers show that in Escobar and Pilar --two of the main centers for gated communities-- the actual numbers of poor residents increased, suggesting that the inflow of wealth had not run parallel to a politics of redistribution.

Table no 4: 1970s’ Industrialized Municipalities and 1990s’ Gated Communities.  

Figure no 2: Map of 1970s’ Industrialized Municipalities and 1990s’ Gated Communities

III. CONCLUSIONS

This paper begins by asking under which conditions decentralized and democratic society governments would foster higher levels of social inequality within their own boundaries. We answered this question through the case of gated communities in the outskirts of Buenos Aires. We have assumed that gated communities disjoint urbanization, in which discontinuities in the quality of the structural environment are abrupt and evident, is a symptom of social fragmentation. Thus, by tracing the dynamics that create spatial differences in the city, we are also hinting at those that foster social inequality. Also, we believe that urbanization patterns in the suburbs cannot be explained only by referring to the characteristics of the “suburbanizing elites” (Torres, 2001; Webster et al, 2001; Prevot-Schapira, 2000; Cicollela, 1999; Blackely et al, 1995)). Changes in the periphery are not only the consequence of ‘the pushing forces of the city’, i.e. Urban expansion cycles (McKenzie, 1925), increasing land prices (Gans, 1967), class preferences (Alonso, 1976), or globalization of capital flows (Sassen, 1991), but also are shaped by ‘the pulling forces of the suburbs’. The specific geography of inequality at the intra-municipality level can only be enlightened by considering the local conditions in which suburbanization took place. In the eyes of suburban mayors the juxtaposition of declining

19 While these jurisdictions accounted for only 35% of the northern area, they represent 65% of all the area dedicated to gated communities. This holds true even when considering available area, commuting times, and access to upgraded highway facilities.
industrialization and underutilized land made gated communities a desirable land use. As new land-uses took place in previously under-valued lands, gated communities were located increasingly next to shanty-towns, hence creating a new micro-pattern of social polarization in the suburbs.

The decentralization of planning capacities from the Province to the municipalities allowed local government of poorest municipalities to change land uses according to their own criteria. By the year 2000, while the former industrial suburbs were struggling to revitalize their obsolete industrial infrastructure, those suburbs whose land was mostly underused until the 1980s, had a boost of investments in gated communities. Given that the 1970s de-facto regime crafted the original legal framework of decentralized planning, it has almost no provision for residents’ participation. Yet, once a democratic regime was back in office, there were no widespread demands asking for more participation in local planning. Since local residents perceive gated communities as potential sources of employment, and as a way of protecting the market value of their own property, they have accepted the manipulation of land uses by the municipal government.

In a sense, the extreme social contrasts of the suburbs are the result of residents’ choices within a scenario marked by the infrastructure and economic possibilities of their location. In this case, decentralization was a vehicle that allowed suburban municipalities to lure private developers to their lands; hence the extreme contrasts in the infrastructure of the region were a necessary feature for the production of the current suburban geography. This shows that: 1) physical scenarios condition democratic performances, 2) inequality promotes a dynamic that depends on the perpetuation of these differences, not only for economic transactions, but also for decisions concerning physical planning, and 3) decentralization does not necessarily imply a more equal distribution of resources, even when there is local participation. Therefore, the quest for social justice cannot end in the provision of political rights, insofar as the material context in which these rights are exercised is already deeply imbalanced. Otherwise, it is likely that, in a market-led society, the choices of citizens living in unequal conditions will tend to reproduce these same inequalities in their own habitats.
IV. BIBLIOGRAPHY


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V. TABLES AND FIGURES

Table 1
Industrial Concentration in Argentina

<table>
<thead>
<tr>
<th>% industrial establishments</th>
<th>1947</th>
<th>1954</th>
<th>1964</th>
<th>1974</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA city</td>
<td>29.1</td>
<td>26.3</td>
<td>21.4</td>
<td>19.6</td>
</tr>
<tr>
<td>BA Suburbs</td>
<td>27.5</td>
<td>31.1</td>
<td>38</td>
<td>37.2</td>
</tr>
<tr>
<td>Rest</td>
<td>43.4</td>
<td>42.6</td>
<td>40.6</td>
<td>43.2</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source. Own elaboration based on Ferrucci (1986)

Besides the patent unevenness of industrial geography, it worth noticing the de-concentration of industry from Buenos Aires city towards the Buenos Aires Suburbs. Also, in spite of a slight dispersion of industrial establishments towards other regions, labor numbers continue to swell in the suburbs.
Table 2  

<table>
<thead>
<tr>
<th>Year</th>
<th>Total*</th>
<th>Urban*</th>
<th>Employed*</th>
<th>Distribution by Sector **</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Primary</td>
</tr>
<tr>
<td>1960</td>
<td>20,013,000</td>
<td>14,775,000 (74 %)</td>
<td>7,328,000 (37 %)</td>
<td>18%</td>
</tr>
<tr>
<td>1970</td>
<td>23,390,000</td>
<td>18,881,000 (79 %)</td>
<td>8,654,000 (38 %)</td>
<td>15%</td>
</tr>
<tr>
<td>1980</td>
<td>27,947,000</td>
<td>23,196,000 (83 %)</td>
<td>10,034,000 (36 %)</td>
<td>12%</td>
</tr>
<tr>
<td>1991^</td>
<td>32,616,000^</td>
<td>28,833,000 (88 %)</td>
<td>10,582,000 (32 %)</td>
<td>11%</td>
</tr>
<tr>
<td>2001^</td>
<td>36,260,000^</td>
<td>32,380,000 (89 %)</td>
<td>10,913,000 (30 %)</td>
<td>9%</td>
</tr>
</tbody>
</table>

Sources: Own elaboration based on  
*Di Tella Dornbuch, 1989  
** Camara Argentina de la Construccion, 1987  
^INDEC, historic series

References:  
Primary: Agro, Cattle, Fisheries, mining  
Secondary: Manufacturing Industry, Gas, Electricity and Water Services  

The chart shows a shift towards services and urbanization, yet employment levels have been in constant decline since 1960.
Table 3
Northern Municipalities Poverty levels and Gated Communities.

<table>
<thead>
<tr>
<th>Municipalities along Northern hwy, within 60 km from BA city</th>
<th>% of Poor Households*</th>
<th>Number of Gated Communities**</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1981</td>
<td>1991</td>
</tr>
<tr>
<td>Pilar</td>
<td>33</td>
<td>25</td>
</tr>
<tr>
<td>Escobar</td>
<td>33</td>
<td>22</td>
</tr>
<tr>
<td>Tigre</td>
<td>28</td>
<td>23</td>
</tr>
<tr>
<td>San Fernando</td>
<td>25</td>
<td>20</td>
</tr>
<tr>
<td>Campana</td>
<td>21</td>
<td>16</td>
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<tr>
<td>San Isidro</td>
<td>12</td>
<td>9</td>
</tr>
<tr>
<td>Vicente Lopez</td>
<td>7</td>
<td>6</td>
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</table>

Source: Own elaboration based on
** League of gated-communities real-estate brokers.

This chart shows that with the exception of San Isidro, any municipality whose percentage of poor households is higher than average presents a higher than average number of gated communities.
Figure 1
New Gated Communities per Year per Municipality, in the North and Northeastern Regions of Buenos Aires Province.

Source: Author’s calculation based on real estate listings.
FIGURE 2

Poor municipalities: Higher than average percentage of poor households (Pilar, Tigre, and Escobar)

Source: Author’s graph based on real estate listing and Buenos Aires Province registers of municipal cadastre.

The graph shows that after each decentralization stage, the number of municipal ordinances changed in poor municipalities raised while it diminished in all others.
Table 4: 1970s’ Industrialized Municipalities and 1990s’ Gated Communities.

<table>
<thead>
<tr>
<th>NORTHERN SUBURBAN FRINGE</th>
<th>Industrial Concentration 1970*</th>
<th>Most 1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Least 5</th>
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<tbody>
<tr>
<td>GC Concentration 2000**</td>
<td></td>
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<tr>
<td>Most 1</td>
<td>Pilar</td>
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<tr>
<td>2</td>
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<td>Escobar</td>
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<td>3</td>
<td>S. Isidro</td>
<td>G.Smto</td>
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<td>4</td>
<td>S Frdo</td>
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<tr>
<td>Least 5</td>
<td>V. Lopez</td>
<td>S Martin</td>
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<table>
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<tr>
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<th>Industrial Concentration 1970*</th>
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<th>2</th>
<th>3</th>
<th>4</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>Gr. Rod</td>
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<td>Least 5</td>
<td>La Mtza. Tr. Febr.</td>
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<table>
<thead>
<tr>
<th>SOUTHERN SUBURBAN FRINGE</th>
<th>Industrial Concentration 1970*</th>
<th>Most 1</th>
<th>2</th>
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<th>4</th>
<th>Least 5</th>
</tr>
</thead>
<tbody>
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<tr>
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<td>Least 5</td>
<td>Avelilda LZamora</td>
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</tbody>
</table>

Source: Own elaboration based on
*Industrial Census 1974
**League of gated-communities real-estate brokers.

This chart shows that within each of the regions, those municipalities that had the lowest industrial development in the 1970s, had the highest concentration of GC in the 2000. Conversely, none municipality which was highly industrialized in the 1970s had gated communities 20 years later.
Map: 1970s’ Industrialized Municipalities and 1990s’ Gated Communities.

Source.

**Light grey** show jurisdictions with industrial presence in the 1990s
**Dark grey** shows jurisdictions which had the bulk of industrial development in the 1970s
**Orange** shows jurisdictions with high concentration of gated communities

Even if some jurisdictions have experienced growth of both gated communities and industries (i.e. Pilar, and Escobar); no jurisdiction which had strong industrial activity in the 1970s becomes a center for gated communities’ development.