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# Diane E. Davis

# <u>Competing</u> <u>Global-</u> <u>izations in</u> <u>Mexico City's</u> <u>Historic</u> <u>Centre</u>

It has almost become a truism that economic globalization is an increasingly hegemonic process drawing ever more world cities into its orbit, fundamentally changing the nature of the built environment.<sup>1</sup> Such transformations have been particularly dramatic in the global south, where, in order to lure new sources of muchneeded global capital, urban authorities have become increasingly preoccupied with building a global city profile.<sup>2</sup> This can take the form of offering incentives to private developers to invest in modernizing the built environment, or directly undertaking major infrastructure and urban development projects that signal an openness to capital and a willingness to fundamentally recast the face and form of the city in accordance with the aims of landrent capital accumulation.<sup>3</sup> Either way, the end product is usually a transformed urban landscape, frequently built around a renovated city core in which a newly valorized property market eliminates low-density land-uses, displaces longstanding residents and traditional activities, and incentivizes higher-density upscale development.

Despite the ubiquity of such transformations across the global south, one must remember that these aims cannot be readily achieved if there are national barriers to capital entry, either with respect to foreign exchange, protectionism in banking, tariffs, trade agreements, or other macro-economic constraints. Cities cannot lure foreign capital if national regulations pose additional hurdles that raise the opportunity costs of investing locally, even when urban authorities are willing to offer subsidies to sweeten the deal. As such, economic liberalization at a national scale is a central ingredient in the process of globalization-induced urban transformation.

Even so, the question is how can local dynamics also determine the extent of changes in urban form and function, whether in terms of thwarting, stalling, or transforming the urban developmental aims of authorities and/ or global investors? To ask this guestion is to challenge the assumption that, by its very nature, economic liberalization unleashes an array of investment and institutional incentives that will inevitably draw ever more cities to the pursuit of upscale urban property development. It also raises the possibility that under certain conditions, local forces may push back in unanticipated ways, perhaps even creating urban effects that can undermine the success of liberalization-induced urban projects. One way to conceptualize this is by seeing how the global and the local are articulated. To use a framing offered by Borja and Castells, we must be able to ascertain how the "mixture of historical time periods and a superimposition of functions and cultures in a single space"<sup>4</sup> can combine in unique ways to create entirely new patterns of urbanism.

Mexico City offers a unique case for examining the ways that the national embrace of economic liberalization after 1988 brought a clash of historical, cultural, and economic forces that affected the spatial transformation of the downtown in ways not originally anticipated by global proponents of urban redevelopment.<sup>5</sup> The struggle among local and global forces with divergent views of the city's future was most embodied in a controversial downtown urban development called the Alameda Project. Scapegoat 6



Abandoned historic building, Avenida Juárez

# The Alameda Project and Economic Liberalization

First proposed in 1989, what later became known as the Alameda Project was planned as a radical transformation of a key site in historic Mexico City, on Avenida Juárez across from the historic Alameda Park, a stone's throw from the iconic Palacio de Bellas Artes, and a half a mile from the Presidential Palace, the offices of the federal government district, and the Zócalo, the city's main public square. From the beginning, support for this initiative was premised on the expectation that a healthy dose of the nation's industrial sector was based. of "urban renewal" would materialize in areas immediately surrounding the project's location, displacing low-and moderate-income residents and small-scale commercial businesses, and attracting high-end residential complexes and entertainment venues. In particular, the project

was envisioned as facilitating a shift in Mexico City land use and urban servicing patterns by drawing international firms and global corporate headquarters to downtown areas and stimulating the residential return of middle-and upper-income populations to the city centre.<sup>6</sup>

Support for the Alameda Project from local authorities was framed in the context of the deteriorating economic situation in the capital city. The steady decline of Import Substitution Industrialization (ISI) manufacturing, owing to Mexico's difficulties in global competition, was felt strongly in the city, where much These economic transformations put pressure on real estate, financial and corporate services as potential sources of foreign exchange and national wealth accumulation. Mexico City's increasingly precarious budgetary situation had also made this particular mega157

project especially appealing to government officials. Since the federal enactment of fiscal decentralization policies in the early 1980s, authorities faced difficulties covering the city's large operating expenses with local revenues. And with opening borders due to the country's adoption of the General Agreement on Tariffs and Trade (GATT) in 1988, many of the manufacturing firms once located in the capital began moving to northern regions, near foreign partners and cheaper sources of labour guaranteed by the nation's maquiladora programs, thus further limiting local tax revenues. The Alameda Project, formalized a year later in 1989, was expected to generate considerable tax revenues, thus helping compensate authorities for the local fiscal losses associated with the country's increasing economic liberalization.

Initially, the proposed redevelopment counted on support from both the local government and the private sector. Yet owing to an array of social and spatial barriers to implementation, the project was stalled, and, despite another failed attempt again in 1994, it was not implemented until 2001. The changing political dynamics linked to the democratization of Mexico City explain part of the delay.<sup>7</sup> But the geographic location and spatial dynamics of the project also factored in. For starters, the Alameda Project would sit a stone's throw away from a historic, low-income neighbourhood called Tepito, home to much of the city's informal sector and site of most of the metropolitan area's wholesale commercial transactions. Retail distributors of goods as diverse as shoes, clothes, electronics, plastic consumer goods, and furniture ventured to Tepito daily or weekly to acquire the goods sold in locations throughout the city and the larger central valley of Mexico. Many lower- and middle-class residents of the capital city also shopped in Tepito, despite its traditional and deteriorating character comprised of informal stalls and mobile vendors, precisely because goods were cheap. The Alameda project threatened to transform the downtown areas in ways

that could seriously threaten the economic livelihood of Tepito.

Of course, this was precisely the point. Tepito forms part of the 9.7-square-kilometre downtown area declared as a historic national site by UNESCO in 1980; it had long been seen as an untouchable area, and in fact was excluded from the new urban plans to generally revive the historic centre, of which the Alameda Project was perhaps the first step. Tepito hosts some of the oldest houses and colonial buildings in all of Latin America, and is located just a few blocks from the main areas targeted for renovation.

In the pages that follow I examine the array of urban conditions in downtown Mexicopolitical, social, and spatial—and how they interacted with economic liberalization and globalization to determine the fate of the Alameda Project and downtown urban landuse patterns more generally. Through a focus on the origins and timing of the project, I seek to ascertain why Tepito was excluded from the government's urban renewal plans and what this meant for the Alameda Project. I also assess the overall urban implications for Tepito, for the urban redevelopment of the city as a whole, and for the city's proposed transformation into a key node in an international circuit of capital. The special emphasis paid to Tepito in this account stems from the assumption that the social and economic future of downtown Mexico City—and any built environmental transformation intended to turn it into a global city—will depend in large part on what happens with the low-income, unskilled service, informal sector living in this area. Yet it also stems from the recognition that Tepito's destiny has been directly affected by globalization, albeit somewhat differently than in other parts of the historic city centre, such that its residents have been sufficiently empowered by their own networks of economic globalization in ways that can pose a direct challenge to the government's efforts to rescue other parts of downtown.

The argument, in short, is that social and political conflict over the Alameda Projectand Mexico City's downtown development more generally—was due to "competing globalizations," or the conflict between opposing sets of social forces drawing their strength from entirely different networks of global actors and investors, yet who coexisted uneasily in a delimited physical space. The struggles between these two distinct yet competing networks of economic globalization, which I identify as "liberal" and "illiberal" networks of globalization, revolved around two contradictory visions or "projects" for downtown, each of which have called into question Mexico City's social and spatial character while producing new tensions within and between Tepito residents and city officials over the future of the city. Some of these tensions revolved around the persistence of urban violence and anxious public and private efforts to control it. Paradoxically, however, high levels of violence helped create a "political space" for public authorities to re-instigate plans for downtown development, ultimately tipping the balance towards urban change.

Scapegoat 6

Downtown Mexico City in the Historical, Cultural, and Spatial Imaginary

Efforts to modernize downtown Mexico City in the 1990s were by no means new. Public officials and private investors had long toyed with the idea of destroying colonial-era buildings so as to construct a modernist façade for the city, as occurred in so many other major Latin America metropolises. As early as 1930, Mexico's foremost interpreter of Le Corbusier, the architect-planner Mario Pani, had sought to redesign downtown areas according to the French modernist's vision, going so far as to secure private investment and preliminary government approval for the project before having it tabled by local officials. This and other large-scale downtown development projects failed because Pani and other property developers faced daunting opposition from a broad group of local residents, ranging from individual property owners who relished their access to the city's main retail markets, cultural

sites, government offices, and commercial sectors, to the resident urban poor who worked in retail and commercial activities that dotted downtown streets.

In the 1940s, various architects, engineers, private investors, and city planners sought again to introduce new urban development projects that would transform downtown areas through greater densification of land use, rationalization of transport (including street widening), and the forced removal of ambulant vendors who hawked their wares on downtown sidewalks. But for a variety of complex political reasons discussed elsewhere,<sup>8</sup> very few of these plans came to fruition. The only successfully implemented massive urban project oriented toward changing land usage sufficiently to valorize the downtown property market was the construction of the subway system, which began in 1967.

During the late 1950s and 1960s, several Corbusier-inspired high-density housing projects were built downtown, the most famous of which was the Tlatelolco Housing Estate, designed by Pani, which provided government-subsidized housing for middleclass government employees and others eligible for housing assistance. But because it was a government-financed project whose residents were middle-class, and whose tenure was linked to their employment, this project did very little to change downtown land use dynamics, especially in the commercial and retail sectors. If anything, the existence of government-funded high-rise housing projects only reinforced the demand for the lower-end retail sector activities that persisted in many downtown areas, especially those concentrated in Tepito.

Since the 1940s, in fact, city planners have tried in vain to redevelop, renovate, or remove the activities and buildings that give Tepito its special cultural and economic profile. The residents, for their part, have long fought such plans, and their almost unparalleled social solidarity and resilience has helped earn Tepito its nickname as the "barrio bravo." As a consequence of continual struggle, Tepito has remained one key area of the city able to maintain its traditional character, which was best reflected in its mixed industrial, service, and residential land use dominated by smallscale firms. It also hosts some of the most historic edifices in the city, possessing building styles associated with the past three centuries of architecture.

Tepito and its surrounding areas remained relatively untouched during the modernist boom in the rest of Latin America largely because Mexico City was governed by a Mayor (Ernesto Uruchurtu, 1952–1966) who was committed to retaining the traditional character of downtown. Uruchurtu not only supported the maintenance and expansion of parks, gardens, and other public spaces for strolling and consuming the city's history and culture, but he also opposed massive urban redevelopment schemes for downtown because he was devoted to the protection of traditional commercial and retail activities west and south of the Zócalo. Although many of these established commercial enterprises suffered in the face of competition from informal venders and other low-rent commercial activities in Tepito (which lies to the east and north of the Zócalo), others relied on street vendor distribution of their retail goods in other parts of the city, thus linking the fates of these two downtown neighbourhoods.

This unique political and urban history gave Mexico City two features absent in most other Latin American cities. One was a legacy of mixed land use, evident even today in both social and building patterns, in which both lower- and middle-class populations venture downtown for goods, even if they shopped in different parts of the historic centre. The other was a built environment peppered with colonial- and Independence-era structures dating back centuries. Many of these buildings remained dilapidated, owing to their age and because the failure to modernize downtown areas also served to depress the urban property market. Combined with a rent-control regime introduced in the 1940s, the effect was that there was very little investment in the built environment of the area. Even so, and despite

the precarious state of the houses and historic buildings, downtown areas continued to flourish economically and socially. The streets and plazas of the historic centre continued to draw urbanites of different backgrounds who came to shop, stroll, eat, and protest, even as middle- and upper-class residents trickled out to the suburbs.

# A Watershed Moment

In October 1985, Mexico City suffered a massive earthquake, topping 8.1 on the Richter Scale, an event whose long-term significance was the introduction of a much more liberalized land market. The earthquake destroyed hundreds of the city's precarious buildings, killed tens of thousands and displaced hundreds of thousands more.<sup>9</sup> Many of these destroyed buildings were in Tepito and other parts of the historic centre. Even so, residents refused to leave downtown, the source of their social life and livelihood, turning instead to social movements to demand that the government respond to their claims for housing, and later for tenancy. Just as significantly, the earthquake inspired absentee landlords-who had collected rents for years without investing in their buildingsto make claims for the formalization of their property rights. With new programs to rebuild housing and offer tenancy, landlords wanted to wrest control of their plots (especially if their buildings' residents were subject to injury, displacement, or removal).

In the struggle over damaged buildings and tenancy that pitted owners against occupiers, local authorities found an opportunity to intervene in ways that would begin to undermine traditional land uses and activities downtown. They did so by creating a "Popular Renovation" program that was successful in transferring property rights to earthquake victims downtown, who were subsequently given title to their homes. In the short-term, this housing program reduced social unrest and gave the ruling party a new lease on life, albeit only temporarily. The long-term consequence of this program, however, was an invigoration

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of the urban property market, which in turn helped fuel the slow-burning fires of urban real estate speculation. But it was not until Mexico signed the General Agreement on Trade and Tariffs (GATT) in 1988—signalling the country's clear commitment to economic liberalization that private investors began playing downtown property development game in earnest.

Scapegoat 6

Political conditions in the city also seemed ripe for doing so. Upon election, Mexico City Mayor Manuel Camacho (1988–1994) took steps to begin the urban redevelopment process, and in 1989 invited several Mexican architectural firms to propose new plans for downtown. Soon thereafter, Camacho created several fideicomisos (public-private trusts) to aid in the development of new projects targeted for key downtown areas. The focus was mainly locations where private capital saw a potentially lucrative real estate market, which meant further away from Tepito and closer to Avenida Reforma, the city's main boulevard. This general area was considered a prime location for investment and renewal. However, it soon became clear that any local projects would not flourish without sufficient foreign capital, given the limited internal resources for such speculation, and the projects stalled.<sup>10</sup>

In 1991, an American firm from Dallas joined with a Mexican firm (Grupo Danho) to invest in downtown, through participation in the Fidalameda Trust, named because it targeted areas around the Alameda, a beautiful park on the more "upscale" western side of Mexico City near the famous Beaux-Arts-styled Palacio de Bellas Artes. Ultimately, word about the project leaked before construction started, and local opposition from community organizations stalled its completion. Among residents' concerns were the fact that the proposal did not contain sufficient housing for current residents and that it was too oriented toward luring upscale residents and foreign visitors.<sup>11</sup> In response to citizen opposition, Fidalameda (which became absorbed by yet another Trust called SERVIMET, or Servicios Metropolitanos) turned its attention to property development in parts of the city more distant from the

socially well-organized and relatively activist downtown areas.

It did not take long for other foreign investors to realize that downtown Mexico City could be a developer's dream, at least if local residents who refused to be relocated could be taken out of the picture. In 1991, another internationally influential private property developer, Reichmann Brothers, known for its global investment firm specializing in the recuperation of dilapidated properties in anticipation of their redevelopment or renovation potential,<sup>12</sup> proposed a construction project for the several blocks surrounding the Alameda. Keenly aware of the potential benefits to the city, Mayor Camacho continued to work diligently for the project's success, eyeing the tax revenues and foreign financing that would accrue to the city.

To achieve these ends, Camacho sought to establish a foothold among those who had long been opposed to changes in downtown land use. He sought new working relationships with downtown-based street vendor organizations by negotiating new market spaces for their relocation with the aim of freeing up downtown streets in Tepito and elsewhere, which had become over-run by street vendors as the city's informal sector population grew. His administration was so intent on breaking the stronghold of political opposition in Tepito that it resorted to the use of force, taking many by surprise because previous mayors had tread gently in this key neighbourhood. Camacho's 1990 "Tepitazo"—in which militarized police were sent into Tepito to dislodge sellers of illegal goods (fayuca), who were charged with fiscal evasion and trafficking in contrabandwas one of the most high-profile indicators of his new resolve.

With relatively successful pushback against the traditional forces that had long kept urban renewal off the agenda, and with foreign capital eager to invest in downtown projects, Camacho pushed for several new tourist and convention complexes downtown, one of the most important of which was designed by the worldfamous Mexican architect Ricardo Legoretta. Even so, political tensions continued to thwart the planned redevelopments, and ultimately, Camacho was forced to hold back, waiting until the political situation stabilized.

Transforming Tepito: From "Barrio Bravo" to "No Man's Land"

In 1994, the approval of NAFTA provided yet another opportunity to shift the balance towards urban redevelopment. With all protectionist barriers now fully eliminated, an ever-wider number of foreign investors queued up to offer funds for major investment projects. But far from guaranteeing the success of the Alameda project, economic liberalization also brought with it unanticipated new constraints. Widespread protests against economic liberalization in both the city and countryside began to scare investors, thus placing many investment projects on hold. Urban redevelopment projects in Mexico City were no exception. Further delays in project approval also owed to the fact that Mayor Camacho was named the country's chief negotiator with the Zapatista Rebels in Chiapas, the main force behind anti-liberalization protests. With Camacho absent from the city, developers lost their primary political advocate, and many of the plans he had initiated were put on the back burner.

But even as NAFTA discouraged private investor enthusiasm for the Alameda project, it also changed the social and economic conditions of many of the city's longstanding residents in ways that ultimately produced a new rationale and widespread domestic political support for the project. This paradoxical outcome can be explained by examining the ways that economic liberalization helped strengthen "illiberal globalizers"—or a network of actors involved in illicit activities—that grew and flourished in the face of economic liberalization, and whose presence was so disruptive in downtown areas that even some local residents became supportive of redevelopment efforts. And nowhere was this paradox felt more dramatically than in Tepito, an area that bore

the brunt of economic changes introduced by NAFTA.

With economic liberalization, many of the small and medium-sized industrial firms in the area that had flourished under decades of protectionism went bankrupt, pushing ever larger numbers of the city's labour force into the informal sector. Neighbourhoods like Tepito, which already had a large informal sector, felt these changes directly, in the form of increasing competition, thus driving down the price of traded goods. Moreover, without heavy tariffs and other protectionist barriers, many of the goods sold on the streets through the informal sector had already declined dramatically in cost. Both trends reduced the income of Tepito's informal sector workers and residents. Further complicating matters was the fact that much of the economic activity in Tepito was known to be illicit or illegal, built around global networks of production and consumption, and involved "mafia" control of supply chains. While for many decades what comprised illicit goods was nothing more harmful than contraband electronics or illegally produced brand-name items, with the lifting of trade and tariff barriers and other liberalization measures, goods that used to be illegal were now completely legal, because they were sold everywhere and available on the open market.

One consequence of this transformation was that after 1994, trading and retail networks in Tepito began to shift towards the importation and sales of new types of illegal commodities, which increasingly meant pirated CDs and DVDs, as well as guns and drugs. Sales of these goods thus linked certain Tepito merchants to different commodity chains in the global economy, as was the case with CDs, DVDs, and other contraband goods produced in East Asia. They also brought local residents into ever more dangerous and violent international networks, including those involved in the illegal trade of weapons and narcotics. Ultimately, these networks of "illicit globalizers"-or actors who used networks of globalization to support their activities-began to use violence to protect their supply chains and expand their



Alameda Parque and residential development

trade territories. As a consequence, violence started to dramatically increase, much of it fuelled by the organized mafias involved in illicit and illegal trade of goods emanating from or passing through Tepito.

Scapegoat 6

All these developments began to threaten and change the community from within in ways that opened a space for citizen support for urban renewal. First of all, with liberalization, Koreans moved into the neighbourhood and created their own globally linked organizations, built on an international supply chain of petty commodities manufactured in or exported to East Asia. The presence of foreigners in Tepito helped fragment the social and cultural cohesion within the neighbourhood. It also called into question the longstanding power structure of the community's historical leadership, which had been built around control of territory and trade, in ways that gave certain residents more freedom to align with the pro-development advocates. More important perhaps, with some small retail merchants becoming involved in ever more violent and dangerous trade, the neighbourhood itself became a place of growing public insecurity, which also naturally had implications for community solidarity.

As the streets of Tepito became more insecure, residents whose livelihood was not tied to these dangerous activities soon began

to resent the changes, which not only made them feel unsafe but also scared off potential customers for their own retail and commercial activities. As Mexico City saw its first democratically elected mayor in nearly seventy years, Cuauhtémoc Cárdenas (1997–2000) of the left-leaning Party of the Democratic Revolution (PRD), the security situation descended to a new low. With historic crime rates between 1995 and 1997, federal police were sent into the neighbourhood to arrest those involved in illegal activities and were sometimes met by armed gunfire from local merchants, leading to a further escalation of social and political conflict between Tepito residents and government authorities. These battles exploded into widespread violence on several occasions, leading one newspaper to label Tepito a "no man's land."

Faced with both growing violence and resident demands to better the situation in the neighbourhood, in 1997 city authorities introduced plans to revitalize the area with new housing structures, street widening (as ever more vending made vehicular and pedestrian access virtually impossible), and the construction of several "modern" markets/ mini-malls for the sale of commercial goods so as to restore some order to the streets. Most of these plans sought to preserve Tepito's character as a vibrant urban neighbourhood

land use, valuing the types of small-scale activities and usable public spaces that were missing from most of the initial plans for the Alameda project. But even with such a commitment, it soon became clear that the aim of redeveloping the built environment of the neighbourhood could not be uncoupled from the economic character of the place, and especially from the predominance of globally linked illegal trading networks. While many residents were PRD loyalists who also relished the promise of new housing and the plans to re-establish some sort of physical and social order in the neighbourhood, those involved in illicit activities who had the economic and coercive power to reject these plans, rejected efforts to "normalize" Tepito through urban redevelopment. As such, the plan remained stalled, experiencing from the opposite end of the socio-economic spectrum the same fate as those PRI mayors who had promoted more luxurious upscale development for the Alameda in the 1980s and early 1990s.

with mixed residential and commercial

# Urban Development vs. Security

With both the Alameda Project and Tepito's redevelopment unrealized, the years between 1998 and 2000 represented somewhat of a stalemate between these two competing urban visions for downtown, built around two spatially distinct constituencies with very different views about economic liberalization and city-building. No major initiatives were introduced, and the security situation worsened in both parts of the city. Tepito-based "illicit globalizers" began extending their activities into other parts of the city, disrupting shopping and other activities all over downtown, and moving some of their operations into new barrios at the periphery of the city, while areas formalized a broad range of plans to revive the near the Alameda-and in the city as a wholebecame more dangerous. Yet it was precisely these dire conditions that helped break the urban redevelopment stalemate.

When Mayor Andrés Manuel López Obrador (2000-2006) took office, continuing the PRD's

dominance in the city, he identified the security situation and the "rescue" of the historic centre as principle priorities, a stance that later translated into his active support for the Alameda Project. The leveraging of these three issues occurred because some of López Obrador's key political bases lay in the city's urban social movement organizations, especially the Asamblea de Barrios that had emerged during the earthquake and that counted on many residents from Tepito and historic downtown areas as constituents. Many in this organization had been taking a leading role in slowly developing a local property market by redistributing land titles and new housing units to residents displaced by the earthquake. As such, they too were increasingly concerned about the impact of the declining security situation on both land values and the urban experience. These constituents thus recognized that the upscale redevelopment of more prosperous downtown areas near the Alameda could have a positive effect on Tepito, by fuelling the downtown land market and by making the historic centre potentially safer in ways that would draw more people to the area. Likewise, López Obrador was eager to find tax revenues to support his progressive urban agenda, mainly to support a wide range of social programs (free milk for the elderly, universal pensions, etc.) that appealed to the city's poor and middle classes. A more upscale downtown development project offered such a possibility. However, given his opposition to the economic liberalization policies promoted by the PRI and PAN, he was more interested in forging investment relationships with domestic sources of capital, and his embrace of Mexico City billionaire Carlos Slim as a political ally in the urban redevelopment of the city

helped achieve this aim. Together he and Slim

historic centre, of which the Alameda Project

was a key piece, thus ushering in support for

projects originally initiated in the city's post-

more conventional global city/economic

globalization protagonists.<sup>13</sup>

GATT and post-NAFTA efforts to accommodate

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Even so, with his successful efforts to redevelop the Alameda area, López Obrador socially and spatially recast the relationship between Tepito and the rest of the city, thus bringing richer and poorer constituents together in support of urban redevelopment in ways not originally imagined by global city theorists. This precarious set of alliances held because, in order to pull off new forms of urban development in both Tepito and the Alameda, the public security situation needed to be put under control, and vice versa, thus also explaining why López Obrador invited Rudolph Giuliani to help prepare a program for police reform, with the tab picked up by the private developers in the area.<sup>14</sup> With this invitation timed to support the larger downtown "rescue" initiative, the city established the conditions to fulfill both urban visions: greater security in Tepito and its surroundings, and an upscale renovation of the Alameda that would potentially jumpstart the entire downtown property market in ways that could eventually restore the urban built environment of Tepito as well. Just as important, through both sets of measures, López Obrador gained manoeuvring room to marginalize globally linked smugglers in Tepito (its "illiberal globalizers"), by isolating them from others in the community, even as he enhanced the priorities of urban developers who used global capital networks and the liberalized property market ("liberal globalizers") to renovate the Alameda area.

Scapegoat 6

When Liberal and Illiberal Globalization Collide: Some Concluding Remarks

The question remains as to the longer-term implications of the strategy set in motion by López Obrador. From the vantage point of the city more than a decade later, as seen through the lens of both security and urban development, one is tempted to say that the outcome is different than that imagined by the original proponents of the Alameda Project at key moments in the economic liberalization of Mexico. In security terms at least, the outcomes are perhaps even better. Mexico City

is now considered much safer, and downtown areas are thriving with pedestrians and shoppers. Had the Alameda project been built in 1989, 1991, or 1994, it would not have come with the strong support of poorer residents in Tepito, and the emphasis on security for the entire downtown area would not have materialized so readily, in part because the negative economic impact of illiberal globalization was not evident before 1994. And if security measures had been left out of the redevelopment initiative, one could have imagined Tepito remaining a "no man's land" with murders and assassinations relatively unchecked. Citizens would have been fearful of venturing anywhere downtown, including to the Alameda, and social, economic, and spatial polarization would have continued between Tepito and the western parts of downtown. Such a division would have been reinforced by physical isolation and cultural differences between the developed and non-developed properties. It also would have presupposed the destruction of common public spaces and commercial activities that straddled Tepito and the Alameda, bringing richer and poorer residents together downtown.

From an urban redevelopment perspective, however, one is tempted to say that the outcomes have been less successful than the Alameda proponents—or property developers more generally-hoped for or even imagined. For one thing, the Alameda parcel and its surroundings on Avenida Juárez remain surprisingly under-developed; and with a few exceptions, like the Hilton Hotel and the Alameda Parque residential complex, very few new properties have been redeveloped or sufficiently renovated as of today. The street does host a few new large-scale government buildings introduced after 2001, largely in an effort to recast the visual profile of the street and signal a new more modernized era for the area. By and large, the implementation of the Alameda redevelopment plan has not fundamentally transformed the area into an upscale property developers' dream, as some had imagined. This is so despite the successful efforts of a subsequent Mayor, Marcelo Ebrard (2006–2012), in removing street vendors from the streets near the Alameda, as well as cars from several major avenues, so as to insure pedestrian mobility and more liveable spaces. One of the barriers to redevelopment may have owed to problems with getting permissions to renovate historic properties or remove the dilapidated buildings that still predominate in downtown areas. Such obstacles help explain why most of the very few new upscale properties completed were actually built on lands where buildings had already been destroyed (by the earthquake) or were beyond salvation.<sup>15</sup> Whatever the source, the area remains surprisingly shoddy in architectural and urban design terms, with a range of partially renovated and half abandoned buildings perched on plots next to modern new complexes. The limited built environmental transformation of the area also owes to the resilience and intransigence of longstanding residents of the area who, despite upward pressures on property markets, failed to sell to private developers in sufficient numbers to effectively transform the historical feel and small-scale commercial character of the neighbourhood and its surroundings. Although a few new museums aimed at upscale tourists have been built, the main draw to the area remains the relatively small- and mediumscale retail and entertainment activities. To be sure, many of these enterprises reflect the economic liberalization processes that set the redevelopment in motion. From the Body Shop and Zara to McDonalds and Starbucks, the presence of global firms is a new marker of the area in ways that were unimaginable even ten years ago. But so too does one see traditional jewellery exchanges, sole-proprietor cafés and sandwich shops, and fixed stalls reminiscent of the street vending culture hidden inside dilapidated old structures, right next to these new global establishments. It is this built environment—not the presence of a few new upscale residences, offices, and hotels-that still defines the area.

The upshot is that the Alameda project did transform downtown. But the changes it produced must be understood as a hybrid form of urbanism that straddles both past and future. The mix of traditional and modern commercial activities, the mingling of domestic and global firms on the same streets, the undulating waves of tourists, downtown residents, and suburban shoppers fighting for sidewalk space, all make downtown Mexico City something the promoters of the Alameda project could hardly have imagined. The city itself pushed back against the narrowly cast vision of the original property developers who were beholden to a cookie-cutter style global city vision, thus inadvertently transforming downtown spaces into a living organism that is messier, less visually coherent, more socially variegated and diverse. Such outcomes may have been anticipated by few, but they surely are welcomed by more.

# Notes

# 1

Saskia Sassen, The Global City: New York, London, and Tokyo (Princeton University Press, 2001); Peter Marcuse and R. Von Kempen (eds.), Globalizing Cities: A New Spatial Order (Massachusetts, Blackwell Publishers, 2000).

#### 2

John Rennie Short and Yeong-Hyun Kim, Globalization and the City (London: Longman, Ltd, 1999).

#### 3

R. L. Wei Pizarro and T. Baneriee, "Agencies of Globalization and Third World Urban Form: A Review," Journal of Planning Literature 18, no. 2 (November 2003): 11-130. See also Shahid Yusuf and Weiping Wu, Local Dynamics in an Era of Globalization: Twenty-First cionario Institu-Century Catalysts for Development (New York: Oxford University Press, 2000).

# 4

Jordi Borja and Manuel Castells, Local and Global: Management of Cities in the Information Age (London: Earthscan Publications, 1997), 374.

#### 5

When I mention Mexico City, I am referring to the Distrito Federal, or Federal District, which holds approximately eight million residents and is administered by an elected mayor (technically, the "Gobernador del Distrito").

6 Both goals were enshrined in the project's promotional materials, and later reiterated as the centrepiece of an August 2001 plan intended to "rescue" Mexico's historic centre, which in 1987 was declared a national historic site by UNESCO.

Scapegoat 6

## 7

Before 1997, Mexico City's mayor was appointed by the President, who stood at the pinnacle of a regime dominated by one-party rule. After 1997, citizens slowly became more involved: first in consultative councils, and later through democratic mayoral and city council elections. In this context, Mexico City urban development policies became increasingly tied to partisan political struggles between the Partido de la Revolución Democrática (PRD), Partido Revolucional (PRI), and the Partido Acción Nacional (PAN).

# 8

For more, see Diane E. Davis, Urban Leviathan: Mexico City in the Twentieth Century (Philadelphia: Temple University Press, 1994); Diane E. Davis, "Contending Planning Cultures and the Built Environment in Mexico City," in Bishwapriya Sanyal (ed.), Comparative Planning Cultures (New York: Routledge, 2005); and Diane E. Davis, "In Search of the Public Sphere: Local, National, and International Influences in the Planning of Downtown Mexico City, 1910-1950," in Pablo Piccato and Cristina Sacristan

#### (eds.), From the Calpulin to the Zocalo: Essays on the History of the Public Sphere in Mexico (Mexico City: Instituto Mora, 2005).

### 9

For more on the longterm impact of the earthquake, both in terms of the built environment and social movements and local politics, see Diane E. Davis, "Reverberations: Mexico City's 1985 Earthquake and the Transformation of the Capital," in Lawrence Vale and Tom Campanella (eds.), The Resilient City (Oxford and New York: Oxford University Press, 2004).

#### 10 One also should

not underestimate political opposition. Even with Camacho as advocate, his capacity to implement programs without public approval was on the decline. This owed to the fact that in the aftermath of earthquake-induced social mobilization and dissatisfaction with the PRI in Mexico City, local governance had been reformed, and an elected city council now had an opportunity to weigh in on major urban projects.

# 11

For more on the Alameda project and how community organization stalled large development plans, see C. Martinez Leal de la Macorra, Innovative Community Projects and Their Role in the Urban Development of Mexico City (PhD diss., Oxford Brookes University, 1998).

12 The Reichmann Brothers are perhaps best known for their development of Canary Wharf in London. For more on the evolution of the firm's global strategy,

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Through History and Culture (Oxford and New York: **Oxford University** Press, 2009).

and its investments in Mexico, see Michael Brick, "A **Developer Back From** the Brink," New York Times, 21 February 2003. 13 Of course, Carlos Slim also had his own agenda. In return for supplying revenues for the "rescue" of the historic centre, a project that included a repaving of city streets, Slim was able to install nhone lines for his

Telmex corporation.

14 For more on Giuliani, his connection to López Obrador, and the role that enhancing public security downtown played in downtown redevelopment, see Diane E. Davis, "El Factor Giuliani: delincuencia, la 'cero tolerancia' en el trabajo policiaco y la transformación de la esfera pública en el centro de la ciudad de México," Estudios Sociológicos 25, no. 75 (September-December 2007): 639-683.

# 15

For more on the difficulties of redeveloping historic properties, and the struggles undertaken by Mexico City authorities to enable such permissions, see Diane E. Davis, "From Avenida Reforma to the Torre Bicentenario: The Clash of 'History' and 'Progress' in the Making of Modern Mexico City," in Linda A. Newson and John P. King (eds.), Mexico City