

CENTER FOR URBAN DEVELOPMENT STUDIES

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Attention: John Coatsworth
Director, DRCLAS
61 Kirkland Street, Cambridge, MA 02138

March 15, 2004

Dear Members of the Research Committee,

Enclosed please find for your consideration a research proposal for the study of migratory flows, poverty and social inclusion in Central America.

Over the past five years we have been actively involved with professionals in Brazil, Venezuela and Ecuador, as well as, UN Habitat and Urban Management Program for Latin America and the Caribbean in studying and documenting leading initiatives in urban planning and governance. We have worked with these professionals and in collaboration with the local governments and key stakeholders concerned in the preparation of primary materials for courses at the GSD and international education programs at the Center for Urban Development Studies.

Last year, we undertook a study documenting and analyzing migratory flows in South America and their impact in the cities of Cuenca, Ecuador and Maracaibo, Venezuela sponsored in part by the DRCLAS. The research findings have been incorporated into the course on *Strategies for Social Inclusion in Development* as well as a paper entitled "Migratory Flows, Poverty and Social Inclusion in Latin America" that was presented at the December 2003 World Bank Urban Research Symposium.

The proposed research expands last year's research to Central America with a particular focus on El Salvador and Nicaragua. It will broaden the scope of our understanding of the impact of recent trends in migratory movements on urban development and the linkages between economic policies floating populations and the spatial dimensions of social inclusion. It will enrich courses at the GSD and also provide us material to develop a new course on migration and urban development in Latin America.

Should you require further information on the proposed research, please contact us.

Sincerely,

Mona Serageldin
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Associate Director
Center for Urban Development Studies
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**Applied Research on
Migratory Flows, Poverty and Social Inclusion in Central America**
Individual Research Grant

Submitted to
The David Rockefeller Center for Latin American Studies, Harvard University

By

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Background: Importance of the topic

Growing disparities in the distribution of wealth and income aggravated by economic restructuring, financial crises, wars and natural disasters have generated large flows of people moving between cities and across regional and national borders. Mobility has become an accepted fact of life in the struggle for survival and the search for opportunity. Migratory flows and “floating populations” are creating new urban dynamics in affected countries and cities and have added a layer of unprecedented economic complexity and social diversity in urban settings.

According to recent studies by the Inter American Development Bank (IADB), there are about 12 million LAC migrants principally in the US from where 75% of remittances in 2002 originated. These remittances have grown by 40% since 2000, reaching \$32 billion in 2002, making LAC the largest recipient of remittances accounting for 31% of the total volume in the developing world. Central America, the Caribbean, and the Andean region are the major remittance recipient areas. In Central America, particularly during the decade of conflict in the region, Nicaraguans migrated to Costa Rica and Honduras, and Guatemalans (predominantly ethnic Maya) to Belize. In addition, there has been a large influx of people from all of Central America to Mexico and the U.S. border towns, a region that boomed after NAFTA was enacted, but has recently experienced a loss of 300,000 jobs as a result of the slowdown in the U.S. economy and the relocation of manufacturing activities to China. The case of Salvador is quite interesting as that country depends on remittances as its principal source of foreign exchange earnings. This is becoming more and more the case for Honduras and Guatemala.

Last year, we undertook a study documenting and analyzing migratory flows in South America and their impact in the cities of Cuenca, Ecuador and Maracaibo, Venezuela sponsored in part by the DRCLAS. A paper presenting the study findings illustrated by the case of Cuenca was presented at the World Bank Urban Research Symposium in December 2003. The paper, entitled “Migratory Flows, Poverty and Social Inclusion in Latin America” is posted on the World Bank’s web site (<http://www.worldbank.org/urban/symposium2003/docs/papers/serageldin.pdf>) and has been selected for publication. The book “Urban Futures: Economic Growth and Poverty reduction” will be launched at the World Urban Forum in Barcelona, September 13-17, 2004. The paper demonstrated the need to address the impacts of migratory movements in poverty reduction

strategies at the national and local levels, leading participants in the symposium to recommend including migration as a priority topic in the urban policy research agenda.

Migration patterns differ markedly in Central and South America. We propose to expand our research to Central America given the importance of migratory movements on this region. We plan to first concentrate on El Salvador and Nicaragua, two countries displaying different categories of migratory flows: predominantly international in El Salvador and regional in the case of Nicaragua.

Research Project Description

Migratory movements are creating a complex web of interlinked economic and social processes with overlays of different flows in the same geographic space. These flows are reshaping the structure of urban growth and affecting urban planning and management. Yet the linkages between the two have not been studied. From a social perspective these processes have introduced new patterns of social fragmentation and new parameters of social exclusion and inclusion which we were able to document in Ecuador. All these impacts of migration have to be traced and assessed in order to fully address issues of poverty and exclusion and their spatial manifestations. As governments seek to attract remittances as a critical source of foreign exchange earnings, understanding the multidimensional impacts of migration is becoming an important component of urban planning and management, and a fundamental input to public policy.

We plan to review the information on migratory flows and remittances from a broad range of available international and local sources focusing on El Salvador and Nicaragua. We will select two cities with contrasting migratory patterns such as San Salvador, El Salvador and Leon, Nicaragua to study the urban dynamics triggered by these different flows.

Leon, Nicaragua. Leon (population 177,000) is the second largest city in Nicaragua. Decades of economic stagnation and recession have impoverished this once thriving agri-production and exporting center and it is now considered one of the poorest urban areas in the country. In 1998, two thirds of the households were living in poverty, enduring insecurity of land tenure and lack of infrastructure and basic services. Out migration has increased dramatically and 60% of the households report having at least one male or female member having moved elsewhere in Nicaragua or abroad, predominantly in Costa Rica.

San Salvador, El Salvador. San Salvador (pop. 450,000) has been marked by the decades of civil war that ravaged the country. Recent workshops on urban governance sponsored by The World Bank included reports linking urban violence and crime to migration patterns principally to the U.S. The impact of these patterns on the social structure and physical fabric of the city needs to be assessed.

Specifically, we plan to look at:

- Categories and levels of migratory flows in El Salvador and Nicaragua, including intra-regional flows and their economic impacts.
- Tracing the impacts of migration on urban development by looking at key indicators (land, housing, infrastructure, urban services, education, health, etc).

- Identifying patterns of social exclusion / inclusion. Of particular concern to us is the spatial incidence of poverty, the proliferation of slums and unplanned settlements, and the challenges of social inclusion.
- Identifying and documenting initiatives to address the impact of migration at the community level focusing on access to land, infrastructure, services and housing.

The findings of this will provide cutting edge documentation clarifying the links between migratory flows, poverty and social inclusion in Central America. It will enrich courses at the GSD, in particular, the new seminar 'Strategies for Social Inclusion in Development', as well as international education programs and workshops conducted by the Center for Urban Development Studies. It will also provide us with material to help develop a new course addressing issues of migration and urban development in Latin America. Our research work this past year has convinced us that such a course is needed. The research can also make a contribution to current efforts at alleviating poverty and improving the lives of disadvantaged and marginalized groups, a key target of the U.N. Millennium Development Goals. Mona Serageldin is a member of the U.N. Millennium Development Project Task Force 8 on achieving a significant improvement in the lives of 100 million slum dwellers by 2020 and Yves Cabannes is a member of the U.N. Habitat expert group charged with developing a slum index to prioritize investments.

Furthermore, countries in the region including Bolivia, Honduras and Nicaragua are engaged in poverty reduction strategies, yet these strategies do not address the impacts of migratory movements and remittances on urban poverty and do not fully include migration as a component of their action plans.

Methodology

Phase One: Background Research

- Review existing information available at international and bilateral development aid organizations, foundations and specialized NGOs active in Central America with a special focus on El Salvador and Nicaragua.
- Selection of two cities with contrasting patterns of migratory flows for in depth study: San Salvador, El Salvador and Leon, Nicaragua.

Phase Two: Site Visits, Field documentation and Interviews

- Field visits to the selected cities and identification, documentation and analysis of the impacts of migration on urban development and social inclusion/exclusion and their implications on urban planning and management at the municipal and community level.

Phase Three, Study outputs: Report on Research findings and preparation of teaching material

- Writing a technical brief summarizing the findings of the research effort.
- Developing educational material on migration as it affects urban planning and management.

- Preparing summary case reports on selected features and initiatives for GSD courses and the Center's international education programs and workshops.
- Writing a paper for presentation at international forums and future publication.
- Documents summarizing the study findings will be available to the research community including Latin American networks through the Center's website with a link to DRCLAS. Participating cities will receive the more detailed analysis of their own city (in Spanish).

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Attention: John Coatsworth
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March 15, 2004

Dear Members of the Research Committee,

Enclosed please find for your consideration a research proposal for the study of Poverty and Environmental Management of Oil Cities in Latin America.

Over the past five years we have been actively involved with professionals in Brazil, Venezuela and Ecuador, as well as, UN Habitat and Urban Management Program for Latin America and the Caribbean in studying and documenting leading initiatives in urban planning and governance. We have worked with these professionals and in collaboration with the local governments and key stakeholders concerned in the preparation of primary materials for courses at the GSD and international education programs at the Center for Urban Development Studies.

Oil booms can trigger unprecedented rates of urban growth that create overwhelming challenges in terms of planning the expansion of urbanized areas. The revenues generated from "oil cities" do not necessarily translate into improving the quality of life for many of the residents.

Very little research has been undertaken at the city level regarding the negative effects of oil production. The proposed research will document the effects of oil production on poverty, social exclusion and urban environment in selected cities in Brazil and Argentina. We will identify cases that present contrasting patterns of development and their social and environmental implication as well as cases where local governments have developed interesting approaches to address the challenges they face.

The finding of the research will be made available through a summary document that will be available on the Center's website with a link to DRCLAS, courses we teach at the GSD and the Center's international education programs. We also plan to write a paper for presentation at the 2004 World Bank Urban Research Symposium.

Should you require further information on the proposed research, please contact us.

Sincerely,

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**Applied Research on
Poverty and Environmental Management in Oil Cities of Latin America**
Individual Research Grant

Submitted to
The David Rockefeller Center for Latin American Studies, Harvard University

By

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Background: Importance of the topic

The Latin America organization for energy estimates that the region accounts for 9% of the world energy and 12% of its oil production. The main producers are Mexico (34%), Venezuela (33%), Brazil (14%), Argentina (8%), Colombia (6%), Ecuador (4%) and Trinidad and Tobago (1%). Economic activity connected with oil extraction, transport, refining and other petroleum related industries and export all affect urban areas economically, socially and environmentally. These multidimensional impacts have clear physical manifestations.

Oils booms trigger unprecedented rates of urban growth and development in the affected localities. In Mexico, Ciudad del Carmen grew by a factor of 15 between 1950 and 2000 and Coatzacoalcas by a factor of 14. In Ecuador, Lago Agrio grew by a factor of 9 between 1982 and 2001. These rates of growth create overwhelming challenges in terms of planning the expansion to the urbanized area and management of land and development in the different sectors of the city.

Unfortunately, the revenues generated from “oil cities” do not translate in improvement of the lives of the inhabitants. The negative impacts on the environment have remained largely unmitigated and poverty levels are high sustained by a continuous influx of migrants attracted by the perception of wealth and opportunity in these “magnet” cities. In Ciudad del Carmen, 54% of the 172,000 residents are poor and in Lago Agrio 70% of the 67,000 inhabitants live in poverty and 87% have no access to potable water. Furthermore, the adverse impacts of oil exploration on the Amazonian ecosystem are affecting the livelihood of indigenous populations. The negative effects of oil production on poverty, social exclusion and the urban environment have not been well studied. Very little research has been undertaken at the city level across Latin America and comparative assessment of impacts in different categories of “oil cities” is practically non-existent.

Research Project Description

We plan to review the current situation in oil producing cities of Latin America and select cases for more detailed analysis. Our selection is guided by 2 broad criteria: we are looking to cases

that present contrasting patterns of development and to their social and environmental implications, and cases of cities where local governments have managed to develop interesting approaches to address the challenges they face.

We have identified the 3 following cities:

- **Macaé, Rio de Janeiro State in Brazil.** This city (population 132,000) is considered the “job capital” of Brazil having an employment base of over 54,000 jobs. The work of the Fundación Ecocidadão in partnership with the municipality has been recognized as a U.N. Best Practice in terms of facing the environmental challenges of oil production cities but the overall impact on the fragile ecosystem is worrisome. Furthermore, agriculture has been devastated as the work force sought more secure (and better remunerated) employment in the oil sector. Today, the cost of living is one of the highest among Brazilian cities causing severe hardship for the poor.
- **Maracaibo lake Region.** Maracaibo (population 1.5 million) contains one the richest oil fields in Latin America. Paradoxically, the level of poverty in the city is very high with 68% of the population living in poverty. 70% derive their livelihood from informal sector activities and 65% live in slum conditions, some in geologically hazardous zones on the western bank of the lake. The municipality has initiated policies and programs to address issues of poverty and exclusion that are worth documenting.
- **Mosconi and Tartagal, Salta Province in Argentina.** The privatization of the oil industry in Argentina in the 90’s has had a dramatic impact on these cities. Employment in oil sector fell from 40,000 to about 5,000. Severe social hardships triggered popular protests that coalesced into a social movement (“piqueteros”). This led to an innovative partnership between local governments and the social movements in order to generate “productive jobs”. The structure of the process and the results achieved need to be documented and assessed.

We plan to apply the DRCLAS grant to undertake field work and documentation of the Brazilian and Argentinean cases and expand the research to cover the Venezuelan case through the funds we manage to generate to leverage the DRCLAS grant.

Methodology

Phase One: Background Research

- Review existing information available through international, regional and national organizations with a special focus on Brazil, Argentina and Venezuela.
- Analysis of the conditions affecting the three selected cities focusing on environmental and social issues.

Phase Two: Site Visits, Field documentation and Interviews

- Field visits to the selected cities, documentation and analysis of issues of adverse ecologic impacts and poverty with particular attention to the indicators identified to assess these impacts.

- Documentation and assessment of local initiatives to address these challenges focusing on partnerships between local governments, NGOs and CBOs and the role of social movements.

Phase Three, Study outputs: Report on Research findings and preparation of teaching materials

- Drafting of a summary document presenting the findings of the study. This summary will be made available to the research community including Latin American networks through the Center's website with a link to DRCLAS.
- Development of educational material to enrich the courses we teach at the GSD as well as the international education programs and workshops conducted by the Center for Urban Development Studies.
- A more detailed report will be made available to participating cities and research partners in view of the interest they have expressed.
- Writing a paper for presentation at the 2004 World Bank Urban Research Symposium.