## Social Housing in Northeastern Mexico: Aesthetics, The Ideology of Subsidy, and the Personalization of Living Space

Michael S. Yoder, Ph.D. Assistant Professor of Geography Texas A&M International University Northeastern Mexico is a region of rapid urban sprawl, due largely to growth in industrialization and international trade since the mid 1970s, and associated migration. Unemployment and the lack of investment in the country's agricultural interior has fueled urban expansion in the vicinity of the Mexico-U.S. border.<sup>1</sup> Furthermore, foreign-owned manufacturing, especially in the form of *maquiladoras*, or plants that receive imported parts and assemble them into finished goods for re-export to the U.S., is no longer limited to the border zone.<sup>2</sup> Thus, rapid urban expansion is occurring southward from the border. Much of the dramatic urban growth in northeastern Mexico is in mid-sized cities.<sup>3</sup> Like the larger cities of Mexico, mid-sized cities are experiencing their share of *vivienda popular*, self-help housing at the urban fringe.<sup>4</sup> This type of piecemeal residential development, however, is not the only type that dominates the fringe of mid-sized cities of the northeast. Social housing, initiated by federal and state government, is a dominant feature of northeastern Mexican suburban zones, yet this topic is not fully addressed in the literature on Mexican urbanization.

This paper provides a description of state-initiated social housing in the border zone, with particular emphasis on design, locational characteristics within cities, and political and economic circumstances underlying its emergence and expansion. Furthermore, it examines some of the ways that the living space has been personalized by inhabitants. As is the case with other features of the built environment, a reading of the social housing landscape reveals much about social forces and ideologies dominant since mid-century in northeastern Mexico. I emphasize social housing in two cities: Nuevo Laredo, Tamaulipas, a border city of approximately 600,000 people, and Monclova, a city with a metropolitan population exceeding 300,000 in central Coahuila, some 250 kilometers from the U.S. border.<sup>5</sup> The economy of Nuevo Laredo is heavily dependent primarily upon its function, along with Laredo, Texas, as an inland port that handles large volumes of binational trade, and secondarily upon routinized light manufacturing in foreign-owned *maquiladoras* and border-related services such as tourism.<sup>6</sup> Monclova's economy by contrast relies primarily upon heavy industry, including steel manufacturing and related forward linkages. The differences in the two cities' orientations vis-a-vis the global economy translate to some interesting variations in the locational and political characteristics of their respective social housing. Social housing accounts for approximately one sixth of Nuevo Laredo's total housing, and one-fifth of Monclova's.<sup>7</sup> Both cities have witnessed extraordinary spatial growth in recent decades, and social housing has played a noteworthy role in this growth since the 1950s in the case of Monclova, and since the 1970s in the case of Nuevo Laredo.<sup>8</sup>

#### Social Housing in Northeastern Mexico: Ideological Imperatives

Social housing includes a diversity of state-initiated dwelling types. The state's role in providing such housing can be limited to simply financing occupant-owned housing, or can be as active as planning, architectural design, and construction of housing that is rented or owned by the occupant.<sup>9</sup> In Mexico, social housing is owned by the occupant. The role of the Mexican federal government, and that of the various state governments, has typically been active, including the design and overseeing of the construction and financing of developments, and the provision of mortgages. In more recent years, however, the neo-liberal ideological tendencies of the ruling PRI (Institutional Revolutionary Party) have affected the housing sector through a gradual move toward privatization, whereby private developers initiate more greatly the layout of

neighborhoods and construction of houses according to INFONAVIT specifications, and the state provides mortgages.<sup>10</sup> Whatever the case, social housing since the early 1970s has been among the most visible aspects in the landscape of the PRI's modest social democratic policies, and one of its greatest strategies for building and maintaining working class allegiances to both the state and the interests of domestic and foreign capital. Furthermore, the state has promoted social housing as a means of stimulating the construction industry.<sup>11</sup>

The bulk of Mexico's social housing is constructed and/or financed by INFONAVIT, the Institute for the National Fund for Worker Housing. Other federal housing agencies, such as FOVISSSTE, the Fund for Federal Employee Housing, and smaller state-level agencies, such as Coahuila's IEVP, the State Institute for Popular Housing, account for a lesser portion of social housing. In all cases, housing is provided not for the poorest of Mexicans, but for lower-income working Mexicans that earn incomes between established minimums and maximums.<sup>12</sup> Thus, social housing is but one tangible example of the Mexican state's role as mediator of tensions between the interests of domestic and foreign capital and the state on the one hand, and the laboring class on the other.<sup>13</sup>

INFONAVIT, created in 1972, was a priority of President Luís Echeverría, the most social democratic of Mexican presidents since Lázaro Cárdenas (1934-40). The source of the fund is an employer contribution of five percent of a formal employee's salary each month.<sup>14</sup> Demand clearly exceeds supply, and waiting lists are long. Local INFONAVIT offices in each Mexican state allocate the housing based on need, family size, employment longevity, and other criteria.<sup>15</sup> The construction process has always involved strategies of cutting costs, which explains in large part the suburban location of Mexican social housing at the time it is constructed. Today, for example, under the more privatized conditions, developers must weigh the relative advantages of access to urban infrastructure, such as utility lines and roads, against land costs. In the northeast, land is typically the more important concern, and developers often must construct streets and pay for installation of utilities in chosen peripheral suburban locations.<sup>16</sup> Not surprisingly, legislation enacted by President Carlos Salinas de Gortari (1988-94) permitting the privatization of state-owned *ejido* collective farmland has unleashed a selling frenzy by impoverished farmers of lands abutting sprawling urban areas. Social housing is among the new uses of this land.<sup>17</sup>

### The Historical Geography of Social Housing in Monclova

Prior to World War II, Monclova, Coahuila was a remote town in Mexico's eastern Chihuahua Desert that functioned as a secondary cattle and pecan marketing center. The combined population of Monclova and its west-side sister city, Ciudad Frontera, was less than 17,000 at the beginning of the war. Mexico's demands for rolled steel in light of wartime disruptions in global supplies, however, would ignite dramatic economic and population growth in the region. By 1990, the metropolitan population exceeded 240,000.<sup>18</sup> Migration to Monclova beginning in the 1940s and continuing through the 1980s necessitated massive construction of social housing. Despite massive steel industry layoffs beginning in 1991, the city's population continues to grow, resulting in continued shortages of worker housing today.<sup>19</sup>

The first social housing in Monclova was provided by the parastatal steel company, AHMSA (Altos Hornos de Mexico, S.A.), beginning in the early 1940s for *empleados de* confianza, or engineers and administrators. The rank and file workers who constructed the plant in 1942-43 and worked in the plant thereafter had to provide their own housing entirely until 1948, when a labor contract stipulated that AHMSA construct 100 housing units every two years. Such a policy clearly indicates the subordinate role of labor, and the higher value placed on white collar employees, under "state monopoly capitalism," a system common during Mexico's period of import substitution industrialization, 1934-82, and characterized by large firms owned primarily by the state and secondarily by private investors to provide industrial and consumer goods for domestic market<sup>20</sup> AHMSA constructed contemporary ranch-style housing at cost for empleados de confianza in two large suburban subdivisions, reminiscent aesthetically of those in vogue in suburban Southern California (Fig. 1). The curvilinear streets and relatively spacious yards were unique by Mexican standards. "La Loma," the subdivision for engineers and lowerlevel administrators, is immediately adjacent to the plant on the southern periphery of the city. "Colonia Guadalupe," the subdivision for high-level management, occupies a position west of the city's downtown on a large hill overlooking Monclova, a desirable suburban location in the 1950s when its streets were first laid out. The North American suburban style of these two subdivisions is not surprising considering that high-level management from the U.S.-based steel company, ARMCO, oversaw the creation and the first few years of operation of the AHMSA steel plant.<sup>21</sup>

Between 1948 and 1972, regular two-year labor contracts included the provision of 100 houses per contract period by the company. The first neighborhood, "Colonia Obrera Norte," includes some 600 two-bedroom single-story cement block "bauhaus" dwellings, 70 square meters in size, located on former farm land in the suburban zone of Monclova immediately south of the steel plant. By the early 1960s, the subdivision was full, and AHMSA began constructing similar houses in an adjoining second phase, "Obrera Norte Segundo Sector." Since the 1980s, the company has continued to build 70-square-meter worker houses at a somewhat slower pace in subdivisions south of the original two. The number of units increased to 125 per contract period since privatization of the plant in 1991 (Fig. 2). Privatization involved laying off half of the work force of 22,000, and by increasing the provision of housing, the company hoped to ease tensions.<sup>22</sup> AHMSA-built housing has always been sold to workers at cost. Despite the drab uniformity of the original units, considerable remodeling has been carried out in the older neighborhoods, in some cases to the point of obscuring the original architecture. Such personalization of living space ranges from dramatic repainting, to the construction of privacy walls, to the addition of rooms, to the creation of commercial space. Approximately one in ten of the houses has been at least partly transformed into small businesses, such as "Mini Supers" (convenience grocery stores) and hair-cutting salons. The latter phenomenon reflects the needs of many Monclova households to earn additional income through at-home activities.

Between 1974 and 1990, the number of houses built by AHMSA declined to 50 units per contract period. The primary reason for this change is Echeverría's INFONAVIT program, which freed AHMSA somewhat from its obligations to provide housing. INFONAVIT housing units are typically 55 square meters in size. The smaller size of the federally-initiated houses has created some political tensions between workers and management. Many Monclovans recall that in 1980, a small group of workers expressing their dissatisfaction with the size of the houses and a higher monthly payment amount temporarily occupied the INFONAVIT office in Monclova. Despite the lesser desirability of INFONAVIT housing, it continues to be an important source of housing for AHMSA workers and other citizens of Monclova's suburban zones. Between 1973 and 1997, INFONAVIT was responsible for the construction of 8,120 housing units in Monclova and Ciudad Frontera.<sup>23</sup>

The first INFONAVIT neighborhood, "Miravalle," emerged in 1974 at the city's southwestern suburban fringe. Most housing consists of two-story connected concrete bauhaus units (Fig. 3). Considerable modification has been carried out, including repainting and the transformation and/or addition of rooms. More than one in ten units contains small grocery stores, bakeries, stationery shops, and other commercial space (Fig. 4). There has been much less modification to the three-story condominium-type modernist concrete buildings. INFONAVIT-initiated subdivisions developed since the mid-1980s appear in suburban zones of Monclova's north side and Ciudad Frontera's west side. Most of this newer housing is of the single-story connected type. Mini Supers are common, even on blocks constructed within the past three years. The same is true of housing whose construction has been initiated by IEVP, Coahuila's State Institute for Popular Housing. In sum, social housing is an important component of the suburban zone of a mid-sized city dominated by heavy industry. Though each block is constructed in a uniform fashion by state design, each evolves into a personalized milieu of living and work space as people strive to meet their social, cultural, and economic needs.

### Social Housing and Suburbanization in Nuevo Laredo

As with popular housing, downtown buildings, industrial and warehouse districts, and middle- and upper- class neighborhoods, social housing in the border city of Nuevo Laredo is typically Mexican both architecturally and functionally, despite the strong, pervasive influence of North American consumer culture in the city. The latter is most evident in the unfortunate proliferation of automobiles and clogged boulevards, and in the omnipresence of such North American icons as consumer electronics, movies, clothing, and the like, some of which, ironically, are assembled in *maquiladoras* of Mexican border cities, but purchased on the U.S. side of the border. The rapid growth in population of Nuevo Laredo, due in large part to its port and manufacturing activities, has necessitated a continuous supply of new state-initiated housing. Today, INFONAVIT housing, a suburban phenomenon, represents fifteen percent of all households of Nuevo Laredo.<sup>24</sup>

The largest and oldest of INFONAVIT developments is the suburb known locally as "Colonia INFONAVIT," comprised of two neighborhoods, "Colonia las Fundadores" and "Colonia Benito Juarez," located four kilometers southeast of the central city and adjacent to the largest of the city's industrial parks. Three smaller but not insignificant INFONAVIT neighborhoods have been built in the suburban zone of the city's west side. FOVISSSTE highrise housing lines Colonia INFONAVIT's west side, and single-floor housing comprises the suburb's south side. Colonia INFONAVIT's oldest section first emerged in 1974 on the site of Nuevo Laredo's old airport. Subsequent expansion of the suburb since the 1980s is occurring on former *ejido* land. The municipal government has financed construction of most of the suburb's roads and utility infrastructure.<sup>25</sup> The availability of such housing is undoubtedly attractive to investors in the nearby *maquiladoras* concerned about adequate supply and housing of workers.

The suburb shares many design similarities with those of the United States and Europe, particularly in terms of street layout and the predominance of residential land use. The use of curvilinear streets and non-rectangular street corners is an example (Fig. 5). The existence of businesses in many of the homes, and the high density of housing, however, are important characteristics that differ dramatically from suburban style north of the border. The density is highest in the oldest section, which contains two-story connected units, and three- and four-story mid-rise structures. The blocks developed since 1985 contain single-story units. The higher density of the older section is, according to several of the suburb's residents, the cause of higher crime rates and numbers of gang members.

The personalization of living space that has occurred in Colonia INFONAVIT is as thorough as any this author has witnessed anywhere in Mexico. In some cases, the original bauhaus structure is difficult to identify, especially in those cases where the entire dwelling has been transformed into a business (Fig. 6, Fig. 7). Even some units in the mid-rise buildings have been partly transformed into small stores. Apparently, officials of INFONAVIT are willing to allow occupants to transform living space into commercial space before mortgages are paid in full, given that mini supers commonly appear in housing units less than a year old. The result is a suburb that has the appearance of a separate town, complete with schools, churches, a police substation, and a defacto main street lined with a variety of retail stores, repair shops, small restaurants and hair salons, all of which originally were standardized concrete housing units.

#### Conclusions

Social housing has become a crucial feature of urbanization in Mexico, a country whose rate of urban growth and industrialization, two interrelated forces, has exceeded that of all countries of Latin America, save for Brazil.<sup>26</sup> These processes are quite evident in the Northeast, a region that enjoys proximity to U.S. markets and sources of components for assembly. As such, housing needs exceed supply in the region's urban zones, prompting the state at various levels (and AHMSA in the case of Monclova) to attempt to address the shortage and maintain the allegiance of the working class with subsidized housing.

By using a political economy approach to examine the question of social housing in such cities as Monclova and Nuevo Laredo, one can decipher social forces occurring at multiple scales. By addressing housing needs of the laboring class, the state and private enterprise can maintain their partnership based upon an export-oriented industrialization strategy, and perpetuate the political and economic status quo. The construction industry, through contracts, stands to gain from state involvement in the provision of housing. The "secondary circuit of capital,"<sup>27</sup> based on land sales in the suburban periphery of the two cities, is reinforced through the purchase of cheap *eiido* or other marginal-quality land distant from the central business districts. Thus, investment and political decision making, driven by economic globalization, is highly visible in the sprawling suburban peripheries of Monclova and Nuevo Laredo, as well as other cities of the Northeast. Responses by working class Mexicans to the hardship of life under the neo-liberal economic and political turn of "late capitalism" are visible in the creation of commercial space within homes in the state-sponsored housing of the region. Social housing, the state's effort to create a modernist architecture for the people,  $2^{28}$  clearly illuminates the relevance `of architectural and landscape criticism that addresses features other than the grand buildings of the central city. Though possessing a relatively short history, social housing of northeastern Mexico reflects the past, present, and future tendencies of the global economy vis-a-vis the region.



## Figure 2







Figure 4







# Figure 6



Figure 7
----------



Notes

<sup>1</sup> Mario Schettino, <u>Para reconstruir México</u> (Mexico City: Oceano, 1997)

<sup>2</sup> Patricia Ann Wilson, <u>Exports and Local Development: Mexico's New Maquiladoras</u> (Austin: University of Texas Press, 1992).

<sup>3</sup> Roberto Garcia Ortega, "¿Ciudades medias o medias ciudades?" (Working paper, Monterrey: Colegio de la Frontera Norte, 1997).

<sup>4</sup> Peter Ward, <u>Colonias and Public Policy in Mexico and Texas: Urbanization by Stealth</u> (Austin: University of Texas Press, 1999).

<sup>5</sup> Laredo Development Foundation, <u>Los Laredos: Trade Center of the Americas</u> (Laredo, TX: Laredo Development Foundation, 1998), 28; INEGI (Instituto Nacional de Estatística, Geografía e informática, <u>Monclova Cuaderno de</u> Información Básica para la Planeación Municipal (Aguascalientes, Mexico: INEGI, 1998).

<sup>6</sup> Eduardo Alarcón Cantú, "Nuevo Laredo, Tamaulipas: Cincuenta años de crecimiento urbano (1940-1990)," <u>Rio</u> <u>Bravo</u>, Spring 1993, 1-24.

<sup>7</sup> INFONAVIT (Instituto del Fondo Nacional de la Vivienda para los Trabajadores), Unpublished data 1998.

<sup>8</sup> Eduardo Alarcón Cantú, *Interpretación de la estructura urbana de Laredo y Nuevo Laredo* (Tijuana: Frontera de la Frontera Norte, 1997), 35-36; Michael S. Yoder, "Monclova, Coahuila: The Social Geography of a Medium-Sized Industrial City of Northern Mexico," <u>SECOLAS Annals</u>, Spring 1999, 122-132.

<sup>9</sup> John Doling, <u>Comparative Housing Policy: Government and Housing in Advanced Industrialized Countries</u> (New York: St., Martin's Press, 1997).

<sup>10</sup> Victor Espino, (Director of Works, INFONAVIT, Saltillo, Coahuila) personal interview, May 1998; Victor Imas Ruiz and Beatriz Garcia Peralta, "Desregulación y política de vivienda en México," *Ciudades*, October-December 1997, 31-36.

<sup>11</sup> Ricardo Mendez Silva, "El INFONAVIT: logro del tripartismo y la alianza de los sectores," <u>Vivienda</u>, May-June 1982, 230-239; Alicia Ziccardi and Arturo Mier y Terán, "La producción de vivienda del sector público en México (1980-1990)," <u>Vivienda</u> December 1990-January 1991, 6-13.

<sup>12</sup> Judith Villavicencio Blanco, "La vivienda INFONAVIT frente a sus usuarios. ¿Una relación técnica o de política habitacional?" <u>Vivienda</u> September-December 1992, 6-14; INFONAVIT, <u>Apuntes para la historia de la vivienda</u> <u>obrera en México</u> (Mexico City: INFONAVIT, 1992).

<sup>13</sup> Devon Peña, <u>The Terror of the Machine: Technology, Work, Gender, and Ecology on the U.S.-Mexico Border</u> (Austin: CMAS Books, 1997); Dionisio Meade, "La acción del INFONAVIT en el contexto del sector habitacional en México," *Vivienda* May-June 1982, 240-251.

<sup>14</sup> Ricardo Mendez Silva, "El INFONAVIT: logro del tripartismo," 230-239; José Eloy Segovia, personal interview (Director, INEGI, Nuevo Laredo), August 1998.

<sup>15</sup> Victor Espino, personal interview, May 1998.

<sup>16</sup> Victor Espino, personal interview, May 1998.

<sup>17</sup> Gareth A. Jones and Peter M. Ward, "Privatizing the Commons: Reforming the *Ejido* and Urban Development in Mexico," <u>International Journal of Urban and Regional Research</u>, March 1998, 76-93.

<sup>18</sup> INEGI, <u>Monclova Cuaderno de Información Básica para la Planeación Municipal</u> (Aguascalientes, Mexico: INEGI, Various Years); Nelson Minello and Luis Barranco, <u>Altos Hornos de México 1942-1988</u> (Monclova, Coahuila: Arte y Cultura Monclova, S.A.), 88.

<sup>19</sup> Mario Castañon, personal interview (Director of City Planning, Monclova) July 1997.

<sup>20</sup> Alonso Aguilar M., *Estado, capitalismo y clase en el poder en México* (Mexico City: Editorial Nuestro Tiempo).

<sup>21</sup> Minello and Barranco, <u>Altos Hornos</u>.

<sup>22</sup> Isabel Rueda Peiro, <u>*Tras las huellas de la privatización: El caso de Altos Hornos de México*</u> (Mexico City: Siglo Veintiuno Editores, S.A. de C.V.).

<sup>23</sup> INFONAVIT, unpublished data, 1998.

<sup>24</sup> INFONAVIT, unpublished data, 1998.

<sup>25</sup> Victor Espino, personal interview, May 1998.

<sup>26</sup> Patricia Ann Wilson, Exports and Local Development.

<sup>27</sup> David Harvey, <u>The Condition of Postmodernity</u> (Oxford: Basil Blackwell, 1989).

<sup>28</sup> INFONAVIT, <u>Apuntes para la historia de la vivienda obrera</u>.