

Santa Fe

Mexico City's Challenged Megaproject

María Moreno-Carranco

THE REPRESENTATIVE of a neighborhood association in Mexico City told me that a new arrival in the neighborhood asked him where to hook up his sewage line. The response was surprising: *"I have no clue where you can hook it up! If you go to the authorities they will tell you there is no sewage network. We are also missing a water treatment plant... We need \$50 million for the electric power to be installed properly and we are short of one electric sub-station... We have severe water shortages. We have only four police cars. We do not have garbage collection, street cleaning and gardening services.... We had to fix potholes, repave the streets, paint and restore 90% of the street lighting"*

You might expect a response like this from people living in a squatter settlement or poor neighborhood. Surprisingly, the interview took place in Santa Fe, Mexico City, the largest business, commercial and residential urban megaproject in Latin America. The place was supposed to embody the "global city" in Mexico, and the new resident was the facility manager of a multinational corporation.

Global City Dreams

"Where can I build my Manhattan?" This was the question posed by Mexico City Mayor Carlos Hank-Gonzalez in the early 1980s. The Santa Fe project was to place the city on the world map of great cities. In the

case of the Santa Fe project, Mexico City's government followed the usual approach of undertaking urban initiatives in an authoritarian manner by means of top-down urban planning. Nonetheless, authoritarianism on the part of the government inevitably required some negotiation and agreement with sectors of civil society, revealing the degree to which the implementation of transnational urban projects is restricted by local circumstances.

In the last 20 years, Mexico City has been reshaped by global and local social, political and economic relationships. Urban spaces have changed due to growth in the service sector and decline in manufacturing, escalating social polarization, spatial segregation and a climate of extreme violence in the country related to organized crime. On the other hand there has been an increasing democratization of the city, growing social awareness of its inhabitants and greater political participation by citizens.

The city government initiated the Santa Fe megaproject in the late 1980s. The objective of the more than 2,000 acre development was to attract global investment through the creation of a wide-ranging plan that would house transnational companies, shopping malls, cafes, restaurants, movie theaters, a convention center, private schools and universities, health services, high-end gated communities and exclusive apartment buildings. The sales brochure for the area described the master plan in some detail and highlighted a rigid zoning policy oriented to optimum land usage. The initial master plan failed to take into account integration into the preexisting urban fabric. From the first drawings, the megaproject area was strictly segregated. An attempt was made to create a distinct urban environment



María Moreno-Carranco is Professor at the Universidad Autonoma Metropolitana (UAM) - Cuajimalpa.

totally separated from the rest of the city. Zoning for the area was very specific, with little mixed-use, which resulted in an auto-dependent urban plan. In fact, Santa Fe was planned as a segregated urban enclave.

The government successfully persuaded several investors to come on board, and construction of the first office buildings began in the zone known as *Peña Blanca*. In 1992, during the economic boom generated by neoliberal reforms implemented by Mexico President Salinas, in a state of high enthusiasm and optimism—a point when the presidential promise of turning Mexico into a first world country seemed to be possible—Mexican businessmen were eager to invest in the city. Several buildings were initiated and there was a great deal of promise surrounding the enterprise. Taking advantage of this propitious

environment, the Mexican government encouraged international developers to visit the city, offering them the opportunity to invest in Santa Fe.

In 1993, Mayor Manuel Camacho resigned his position to protest the failure of President Salinas to name him the presidential candidate by the PRI (Partido Revolucionario Institucional) for the 1994 elections. Since Santa Fe was Camacho's project, the ambitious plans for its development were hindered by this political development. When Camacho left office, Manuel Aguilera took his place for the remaining year of the Salinas administration. According to various developers, while investment in Santa Fe continued—with more than 20 office buildings built during that time—the government ceased allocating resources to needed infrastructure, and what existed began to deteriorate. When



Photo: María Moreno Carranco

Santa Fe's Skyline in the Cruz Manca Area. The buildings were built between 2001 and 2006 and this photo was taken in 2008. The buildings on the left are mainly office towers and the ones on the right are apartment

new infrastructure was built it was of poor quality, and several parts of the project were not completed.

Global Dreams Clash with Local Realities

The dreams and desires for a global city started to collide with local realities. The master plan, models, sketches and descriptions of the megaproject were disconnected from the reality of what actually happened on the ground, illustrating that inserting a foreign urban model was not enough to produce a first world enclave in Mexico City.

•

“ . . . inside the buildings you are in Houston but when you go out you are in Calcutta . . . ”

•

According to interviews with early investors and a former government official, the money raised by the Santa Fe project served as President Salinas’ petty cash, used for the execution of his pet projects (such as the remodeling of the national auditorium, and the city zoo and a new children’s museum) instead of being reinvested in Santa Fe’s infrastructure or in poor urban areas, as initially stated as a political justification of the project. The difference between the government’s promises and its actions were not

evident until Santa Fe ceased to be the mayor’s priority and deep levels of corruption were revealed. One of the first investors in the area named corrupt government officials as the main beneficiaries of the funds. Apparently some politicians kept the money while others diverted resources to political campaigns or other projects of their choice.

The fact is that to date, despite the large amount of money generated from sales and the property taxes collected from tenants, Santa Fe’s urban services and the access roads connecting the area with the rest of the city are in an extremely precarious state. Some days, the fact that the site used to be a garbage dump is evident: the fetid smell of rotting garbage reaches the buildings when the temperature changes and the wind blows in their direction. Several corporate buildings – such as, at the time, Daimler Chrysler’s headquarters – were not connected to the public water system for over ten years and had to pay for water tank trucks to fill their cisterns. Over 1,200 houses from luxury condominiums discharge sewage into ravines while others do so into the ground water system. Due to the lack of good public transportation and roads connecting the rest of the city to the area, people working or living in Santa Fe have difficult and long commutes. Regardless of the developers’ and neighbors’ aims to create a pristine image, and their constant fight with informal vendors, street food stands serving the low-paid employees flood the area during business hours. Since planners neglected the needs of low-income people there

are no formal options for them.

These problems with urban services in Santa Fe, such as water, traffic, sewage and electricity, make constant headlines in the local newspapers. But even with all these setbacks, by 2006 the plots of the megaproject were almost fully sold out. By 2012, Santa Fe was the home to approximately two thousand national and transnational corporations, four shopping malls, 12 hotels, 230 restaurants, 40 movie theaters, private schools, private and public universities, hospitals, high-end gated communities and apartment buildings in which some 10,000 families live in 7,983 housing units. An estimated 205,000 people commute to the area every day.

No matter how hard elites and developers tried to live in or produce a first world environment, their desires collide with local realities, creating a space in which, quoting the president of the neighborhood association, “*inside the buildings you are in Houston but when you go out you are in Calcutta.*” With his comparisons he is making it clear that this is not just about Santa Fe succeeding on a global level to become Houston; it is also the fear that it may in fact “fail” at a global level and become Calcutta.

Neighborhood Association Manages Services

None of the local authorities have solved the problems of Santa Fe. They refuse to talk about the deficiencies caused by rampant corruption. Instead, the neighborhood

association is taking over the responsibility of solving infrastructure deficiencies that were supposed to have been dealt with by the government, which raises questions regarding accountability and citizenship. From 2004 to 2011, the Santa Fe neighborhood association made agreements with the city government to manage part of the income generated from taxation of the land. With these resources, the association provided urban services and the urban conditions partially improved. In 2012 the city's Mayor Miguel Angel Mancera stopped allocating resources to the neighbors and the precarious service provision started again, with the increasing discontent of the locals. As we have seen, political and economic elites are not necessarily aligned. Even a neoliberal state many have interests divergent from those of the capitalist class.

Santa Fe must be viewed as part of a longer history of the deep involvement of political figures and bureaucrats in urban development and landmark projects in Mexico City. Thirteen of the most recent Mexico City mayors have declared their intention to run for the national presidency; so far a few have been appointed presidential candidates but none has succeeded. As a consequence of the practice by which every mayor favors a specific new project, there remain a number of unfinished initiatives. Several politicians claim to be the authors of the idea for Santa Fe, blaming previous or subsequent administrations for Santa Fe's shortcomings. This illustrates a lack of accountability typical of the Mexican political system. Due to this and the power vacuum



Photo courtesy of Luis Telles

Santa Fe garbage dump in the early 1980s.

left by agencies of the various governments, the investors, developers and residents of Santa Fe took the situation into their own hands. These economic elites' desire for return on investment is leading to the further privatization and segregation of Santa Fe, but not without protest from excluded social groups.

Megaprojects have often proven to be the result of a series of erroneous decisions. Rather than seeing the outcomes as "accidental" or "unintended," we must, in order to learn from the process, understand what is missing in the blueprints and in their implementation. The Santa Fe megaproject substantiates the fact that we cannot define globalization

as a top-down process in which global perspectives simply erase local outcomes; on the contrary, particular forms of globalization are produced, which are unique in their integration of local circumstances with global aspirations. This "partial" repackaging of global ideals redefines local identity. In this way, with the Santa Fe project Mexico City produces "globalization" on its own terms. **P²**