

Vassar College

## Digital Window @ Vassar

---

Senior Capstone Projects

---

2019

### Inequality, development, and cities in the global south: a view of Chinese foreign direct investment and Argentina's urban network

Ian Thomas LaBash  
*Vassar College*

Follow this and additional works at: [https://digitalwindow.vassar.edu/senior\\_capstone](https://digitalwindow.vassar.edu/senior_capstone)

---

#### Recommended Citation

LaBash, Ian Thomas, "Inequality, development, and cities in the global south: a view of Chinese foreign direct investment and Argentina's urban network" (2019). *Senior Capstone Projects*. 891.  
[https://digitalwindow.vassar.edu/senior\\_capstone/891](https://digitalwindow.vassar.edu/senior_capstone/891)

This Open Access is brought to you for free and open access by Digital Window @ Vassar. It has been accepted for inclusion in Senior Capstone Projects by an authorized administrator of Digital Window @ Vassar. For more information, please contact [library\\_thesis@vassar.edu](mailto:library_thesis@vassar.edu).

**INEQUALITY, DEVELOPMENT, AND CITIES IN THE GLOBAL SOUTH: A  
VIEW OF CHINESE FOREIGN DIRECT INVESTMENT AND ARGENTINA'S  
URBAN NETWORK**

Ian Thomas LaBash  
April 26, 2019

Senior Thesis

Submitted in partial fulfillment of the requirements  
for the Bachelor of Arts in Urban Studies

---

Adviser, Timothy Koechlin

## TABLE OF CONTENTS

Acknowledgements.....	2
Chapter 1: Introduction: South-South Inequality and the Question of Chinese FDI in Argentina.....	3
Chapter 2: Argentina's Political Economy on the Path to <i>Kirchnerismo</i> .....	10
Chapter 3: The Center versus The Periphery: Interplay Between Argentine Urban Areas.....	21
Chapter 4: A New Player Emerges: The Rapid Growth of China in Latin America.....	38
Chapter 5: Neuquén Province's Chinese Space Station: A Case Study.....	49
Chapter 6: Conclusions: Redefining the Global South.....	57
References Cited.....	60

## ACKNOWLEDGEMENTS

I am eternally grateful and humbly indebted to the friends, family members, and mentors who helped me complete this project and supported me throughout my time at Vassar.

I want to thank my Urban Studies adviser, Brian Godfrey, who provided invaluable guidance on classes and abroad programs, and has taught me how to look at the world, and Latin America, from a geographic, interdisciplinary perspective. I'd also like to thank my thesis adviser, Tim Koechlin, for teaching me about political economy in ways that have fascinated me, and for being an unending source of positivity and support during this process.

I don't think I would have made it through senior year, let alone the rest of college, without the companionship of my dear friends Finn Belanger, Sammy Stone, and Jonah Strand, among others. Some of the best wisdom and emotional support I've received has come from them, my Vassar family.

Lastly, I want to thank my mother and father, Maria and Michael, and my sister, Jane, for encouraging the various directions I wished to take my studies in and for picking up the phone at bizarre hours of the morning and evening to listen to me rant, complain, and seek advice. Whatever I may have achieved would not have been possible without them.

## **CHAPTER 1.**

### **INTRODUCTION: SOUTH-SOUTH INEQUALITY AND THE QUESTION OF CHINESE FDI IN ARGENTINA**

“And now a word for ourselves, for the peoples of Latin America: what is the image of the society we want to establish, and what are its political and human values? From the very outset, we must look beyond the economic system. But if such a society is to be built, the economic system will have to acquire complete efficiency, so that the kind of welfare which is measurable can be extended to the whole community, to the broad masses of the population.”

–Raúl Prebisch, 1971

Argentine Economist Raúl Prebisch was one of the first economic thinkers of the 20<sup>th</sup> century to consider how classical economic theory could not properly account for the changing social and political dynamics in Latin America that ultimately have a tremendous effect on the economy, and more broadly, in other “underdeveloped” nations. In this quote, many of the central themes that have dominated discussion on development in the region are laid bare: how can an economic system based on capitalist extraction perform the necessary functions of social welfare and human development? What is the relationship between political economy and social justice? What shifts are needed in policy to attain these functions?

Although Prebisch died before the turn of the century, many of these questions remain relevant as his native Argentina has grown and transformed in an increasingly globalized economy. Whereas powers in the Global North dominated economic development in Latin America during the height of Prebisch's career, a significant shift away from this uneven north-south dynamic occurred with the incredible rise of China on the global stage.

The People's Republic of China burst onto the global marketplace in the past 20 years as a major economic force; the country now represents one of the world's largest economies, both in terms of domestic consumption and production as well as in foreign direct investment (FDI), diplomatic influence, and international politics. Driven by internal demand, China has expanded its trade relationships extensively with other countries in the Global South (because while China has indeed seen meteoric growth, its course of development and trajectory are significantly different in comparison to nations associated with the Global North, thereby identifying itself with the South) by advocating on the international stage for south-south economic and social solidarity. Since 2000, Chinese FDI has increased at an unprecedented rate in Africa, Southeast and Western Asia, and Latin America and the Caribbean. In many important ways, Chinese FDI differs from FDI from western nations or companies in its goals, stipulations, and structures. Most importantly, however, is the way in which Chinese FDI can shape the economic infrastructure and geography of a host country. In other regions of the Global South as disparate as Ethiopia and Indonesia, Chinese FDI has reshaped the face of public infrastructure like transportation and housing, as well as resource extraction sectors and

other industrial practices. Therefore, understanding the significant role of Chinese FDI plays a part in looking at the political economy of many cities in the Global South.

Urban environments all over the world are changing rapidly in response to climate change, population growth, and changing global economies. While American cities face challenges typical of post-industrial, highly diversified economies in the Global North, the experience of cities and nations in the Global South, and more specifically Latin America, is considerably different and often mischaracterized by Western media and tradition conventions of scholarship. Concepts like white flight, suburbanization, or gentrification are relatively well understood by the typical student of urban phenomenon, but different methodologies and terminology are necessary to unpack the political economies of cities in the Global South that have unique issues that these conventional understandings of urban dynamics don't properly depict.

It's undoubtable that the US and other nations in Europe have had and continue to have their own experiences with poverty, but histories of colonialism in Latin America created incredible inequalities whose basis lies in exploitative economic practices and asymmetrical structures of power built into the hierarchical legacies of colonialism, and perhaps to an even more relevant extent, neocolonialism/US imperialism. This inequality can be seen in both the economic makeup of individual cities, as well as a nation or region's urban network as a whole. Economic inequalities in Latin America as a whole have exacerbated and expanded in significant ways during the late 20<sup>th</sup> and early 21<sup>st</sup> century as the result of changes in the global economy that has shifted foreign investment in the region away from investors originating in the Global North and more towards a mix of public and private, northern and southern nations. At the same time, these trading

relationships retain many of the features of their historical roots, thereby creating further economic, political, and social instability. In Latin America, there's no better place to examine how these inequalities play out across the landscape than cities, where the vast majority of people in the region live.

Almost nowhere else is this truer than Argentina. Argentina is one of the most highly urbanized nations in the world. As of 2017, almost 92% of the nation's 44 million inhabitants lived in urban areas (World Bank). As a result, the wealthiest and the poorest often end up living steps from each other, visually and literally symbolizing these enormous economic inequalities. Informal settlements, or areas of housing where tenants have no legal rights to the land, structures are informally built, and access to utilities is limited or nonexistent, exist in nearly every city in Argentina and are prominent fixtures within the capital, Buenos Aires. These *villas miserias*, as Argentines refer to them, have not always existed. Not to say that poverty is new to Argentina—but rather, that the unique political economic forces that have governed investment and development have thrust disparate social classes together and apart in unforeseen ways, changing the geography of inequality in Argentina. While for a long time these inequalities have resulted from unequal relationships with the Global North, the 21<sup>st</sup> century has seen a new trend with China.

Western media and many scholars tend to take on an alarmist view when examining Chinese investment around the globe—sometimes with good reason, sometimes under pretenses of racism and anxiety over Communist/nonwestern influence. In Argentina, too, many critics are weary of China's growing influence in the region, with many drawing comparisons to older asymmetrical power dynamics like with Spain,



the United States, or the United Kingdom. However, in this thesis I argue that these models of understanding are outdated and separated from the historical moment in which they originated. Instead, I suggest that while Chinese FDI in Argentina is administered and structured in different ways from previous forms of investment, so too has the structure of Argentina's political economy, and therefore its urban and economic geography, shifted in some forms but stayed the same in others in a manner that makes it remarkably easy for Chinese investors to take advantage of its asymmetrical power structure.

In Chapter Two, I trace the history of Argentina's political economy, starting roughly after WWII and culminating in the post-2001 crisis reaction. I focus here particularly on the administrations of three important presidents who shaped the national debate on the structures of Argentina's economy—Juan Domingo Perón, Carlos Menem, and Nestor Kirchner. While there were certainly significant moments of change under other Argentine governments (notably the military dictatorship during the late 1970s-1980s) I chose these three administrations as their legacies have proven to be important to contextualizing discussions of political economy through each leader's respective political philosophy—*Peronismo*, *Menemismo*, and *Kirchnerismo*. The hybrid nature of Argentina's current political economy (which is closest in substance to *Kirchnerismo*) can be understood as a combination of certain aspects of the statist-developmental attitudes of *Peronismo*, with the faith in market forces typical of *Menemismo*.

In Chapter Three, I focus on how urban geography factors into this discussion of political economy. Highly unequal and operating on a clear center-periphery dynamic, I look briefly at the historical development of Argentina's urban fabric that made Buenos

Aires fabulously wealthy, while relegating regional capitals and other less affluent/populous cities to a clear secondary, even tertiary level of wealth and influence. While this hierarchy of cities has largely remained intact, patterns of settlement within these cities has deteriorated away from traditional modes of urban settlement towards the stark dichotomy between rich and poor living near each other, industrial infrastructure spread out, and increasing divides between the center (Buenos Aires) and the peripheral provinces (broadly speaking, the provinces and their cities).

In Chapters Four and Five, I deal with the changing face of foreign investment in Argentina during the 21<sup>st</sup> century, namely from China. In Chapter Four, I explore the various domestic and internal factors that have led to China's dramatic increase in domestic consumption and production, and the arguments for the need to extend its influence to different regions of the Global South. I tie into this discussion why Argentina has largely welcomed Chinese investment following the infamous 2001 financial crisis, as mismanagement and defaulting on loans alienated the nation from Western lenders. Finally, in Chapter Five I look to a Space Station project financed and run by the Chinese government that caused controversy amongst Argentine political leaders and the public as a case study for the effects. As evidenced through my discussion of the trajectory of Argentine political economy in Chapter Two and of urban geography and inequality in Chapter Three, I find that many of the structural features that negate the importance asymmetrical power relationships play when thinking about capital accumulation and production have remained and are primed to be taken advantaged of by ideologically-neutral but economically powerful Chinese FDI.

I would like to note, as well, the topics that my work does not specifically cover. I don't intend to speak extensively on China's own political economy, as primarily the focus of this paper is on Argentina and its internal political economy—the information and analysis I have included about China's domestic programs and foreign goals only serve the purpose of putting it in relation to Argentina. Second, although rural development is of equal importance as urban development within Argentina's economic system, here I will only speak to rural development as it is relevant to urban developments. Third, although there are many examples of urban inequality within Buenos Aires and other cities in Argentina and some of those examples are included in this work, I intend to speak about inequality within Argentina's urban network as a whole, rather than one specific place.

## CHAPTER 2.

### ARGENTINA'S POLITICAL ECONOMY ON THE PATH TO *KIRCHNERISMO*

How Argentina's particular pattern of urban settlement came about, and how it is subject to change, is closely tied with the nation's historical political economy. Like virtually all other Latin American nations, Argentina in the 20<sup>th</sup> century grappled with how to facilitate economic, fiscal independence from the Global North, (generally) an obvious consequence of the nation's historical colonial relationships. As a "Third World" nation, much attention has been given to development policies in Argentinian politics. At one time considered one of the wealthiest nations of the Americas, various recessions, regime changes, asymmetrical trade and diplomacy relationships, and globalization significantly altered the political economy of Argentina during the 20<sup>th</sup> century and into the 21<sup>st</sup>, culminating in the 2001 financial crisis that left nearly 50% of the workforce unemployed. Economic insecurity and changes to Argentina's market have driven unequal levels of growth in the center (Buenos Aires) and the periphery—e.g., the rest of the country.

In order to understand this phenomena, I look to scholarship done on the history of Argentina's political economy. As a post-colonial nation, Argentina has from its beginning been involved somehow in global trade networks, usually through dependent relationships with wealthy countries of the Global North. Although Argentina's earlier development is of great importance, I focus here primarily on political economy development from the 1970s to the present. Specifically, the rhetoric and policy that

shifted the country away from protectionist/developmentalist policies pursued before 1976 to open market, neoliberal deregulation following the military dictatorship that provoked unprecedented housing, economic, and material insecurity leading into the 21<sup>st</sup> century.

Since the 2001 crisis, the Argentinian government (starting with Nestor Kirchner) have pursued what is referred to as a neodevelopmentalist policy, which features aspects of both developmentalist and neoliberal modes of capitalism. These features of Argentina's political economy assist in illuminating the nature of inequitable regional, urban/rural dynamics present in the country. How Argentina arrived at a neodevelopmentalist model of capitalism can be explained through the previous two phases, and the subsequent financial restructuring that each transition required. The first stage occurred with the military dictatorship that took control of the country between 1976 and 1983, after which democracy was reestablished. Through violent and authoritarian methods, the military government forced the liberalization of the economy that continued into the transition to democracy. Argentinian governments prior to the dictatorship, especially under Perón, pursued policies that promoted growth through acquiring debt, protecting domestic industries from competition abroad, strong labor unions, and a significant social safety net. However, these policies left Argentina debt-burdened by promoting rampant inflation and a large domestic debt.

In order to ameliorate these problems, the dictatorship enacted policies that broke down this developmentalist model, instead replacing it with a *laissez-faire* vision for the national economy. By positing that the dictatorship and subsequent democratic governments pursued "economic liberalization," I mean to say that, essentially, these

policies opened Argentina's economy to broader international investment and trade, with a focus on exporting raw commodities. This focus, known as neoliberalism, had adverse effects on socioeconomic equality and the working class. Féliz defines neoliberalism as, "a class-project led by dominant classes around the world to impose the restructuration of capitalist relations of production and reproduction so as to overcome the conditions that led to the capitalist crisis of the 1960s and 1970s." (Féliz 2012, 119) In other words, neoliberalism can be viewed as an attempt by capitalist elites to solve the dysfunctions of capitalism by removing regulatory influences on the open market.

In the case of Argentina, as Lewis points out, "the economy was opened and wages disciplined: 'efficiency' and 'accumulation' were suggested by export growth, a massive inflow of foreign capital, and a near forty percent contraction in real wages." (Lewis 2002, 150) At first, these neoliberal trade reforms seemed to be successful. The Argentinian economy grew rapidly, and seemed to be playing a larger part in the global economy. However, as Lewis argues, this real growth didn't translate into benefitting everyone. Exporting raw goods, speculative international capital, and a weakening of trade unions/wages for the working class began to hurt many Argentinians, especially those in the middle and working classes. Many in the middle-class slipped into poverty as a result of the removal of protections like state-managed wages, pensions, and other social welfare programs, while the capitalist, ruling class benefitted enormously from these liberal trade deals. Therefore, the divide between the rich and poor widened dramatically during this period.

Neoliberal capitalism continued to be the dominant political narrative in Argentina until 2001, when the financial crisis viscerally exposed the contradictions

inherent to the system. In a paper on the nature of neodevelopmentalism in Argentina since the 90s, Mariano Féliz describes how this restructuring of the economy played out in years before the 2001 crisis. Neoliberal reforms continued post-dictatorship during the 1980s, which Féliz describes as, “a conflictive period of sociopolitical clashes regarding the imposition of new neoliberal rules of production and reproduction of society.” (Féliz 2012, 107) However, Argentina’s internationally coordinated neoliberal project didn’t begin in earnest until democratic elections were held in 1989. Following Carlos Menem’s 1989 election victory, “the dominant classes,” as Féliz describes it, sought to enact what was referred to as “convertibility plan” in order to meet the restructuring requirements of the IMF and World Bank. The plan,

“...included fixing the nominal exchange-rate to the US dollar, the privatization of most public companies and public services (including social security), the flexibilization of labour-market legislation, the deregulation of economic activities (in particular, regarding the participation of foreign capital in the local economy) and the unilateral liberalization of foreign-trade and financial-capital movements...” (Féliz 2012, 107)

These reforms ultimately created the conditions upon which the 2001 crisis occurred. This is due to the social, economic, and political effects that the convertibility plan had on the average Argentinian. Regarded as essential for integrating Argentina within the global market, these reforms radically changed the structure and reliability/precariousness of employment, wages, housing, for most not a part of the dominant classes. Whitson says on this subject that previously formalized employment was gradually replaced with short-term employment opportunities that did not match the

stability of the former. She states, “This in itself does not signal an increase in informality; however, it represents decreased legal protections to workers and the relaxing of contractual checks on part-time work forms, conditions that resulted in the informalization of previously formal forms of work.” (Whitson 2007, 125) In this manner, substandard benefits and legal protections for workers help characterize how the neoliberal development project let so many slip into poverty.

As a result of these structural shifts that increased the precariousness of employment, informal work exploded during this period. The privatization of various public services led to rampant lay-offs and wage decreases for employees of the state, and a decline in spending on health care and education further led to the creation of what Rapoport calls, “the new poor.” (Rapoport 2002) Scores of Argentinians who once relied on dependable salaries were now thrust into a situation where there was no guarantee of employment, and even so, jobs may have little to no benefits. Further complicating this period was that inflation and stagnation caused by pinning the peso to the US dollar led to a sharp increase in the price of basic goods like foodstuffs. (Whitson 2007, 123) Undoubtedly, this period was marked by increasing anxiety over the precarious nature of everyday life for most Argentinians. Even more so, increase reliance on informal labor changed the fundamental structure of the economy in that informal work became an essential part in ensuring that the capitalist class could still promote growth, despite the precarious position that the system imposed on many. Whitson makes this claim by looking to Marxist theorizations about labor-capital relations: “...the neo-Marxist approach posits that informal work is intimately connected to the formal sector in a relationship of dependency similar to that of peripheral and core countries.” (Whitson



2007, 124) Therefore, just as countries of the Global North depend on the domination and poverty of poorer nations to fuel growth, so too, then does informal labor compliment the capitalist class. However, this does not necessarily mean that the resulting economic growth will be equally distributed, or even distributed at all outside of the concentrated elite class. Moreover, this dependent relationship is built on the subservience of the informal market to the formal market, on informal laborers for the production of formal capital. Féliz remarks that the higher levels of “competitiveness” did not translate into economic security for most Argentinians, but rather put the responsibility of profit on lowering wages and employment protections: “Even if higher competitiveness for the economy as a whole is tied to higher relative productivity...for the most backward branches in the economy competitiveness still relies on deep wage-devaluation and employment-precarization.” (Féliz 2012, 117) In this way, the neoliberal project in Argentina was aided, indeed fueled by, a system of deflated wages and employment that could be easily terminated.

Following the 2001 crisis, the state began, and continues to the present day, to subscribe to a program of neodevelopmentalist capitalism. Neodevelopmentalism is distinct from the two previous major political economies of Argentina in that it features aspects of both neoliberal reforms, while maintaining some protections for labor and the poor. As Féliz writes, “Neodevelopmentalism has implied a new form of state-intervention, a different composition of the working classes, and renewed conditions of capital accumulation.” (Féliz 2012, 119) Whereas neoliberal reforms in the 1990s provided no protections for workers, scant state intervention, and little regulation, neodevelopmentalism provides some form of social safety net, while also allowing for

continued capital accumulation, even from abroad. However, these protections only exist where they can—namely in regulated, formal markets and employment. As mentioned before, by the advent of neodevelopmentalism in Argentina, informal labor and work had become a significant, expanding, and unruly thorn in the side of the ruling elite. In 2002, informal labor accounted for 44% of all people employed in the private sector (Whitson 2007, 125). Therefore, even though new protections began to materialize for those employed in formal work, these benefits weren't extended to informal work.

To talk about development in Argentina during the 20<sup>th</sup> century also means comprehending the context, and culturally-specific terminology and concepts that have guided the politics behind these different modes of development. The federal government of Argentina has gone through numerous changes, coups, and elections that have had a significant impact on the direction of development. Different leaders throughout the twentieth century pursued various methods towards developing the Argentine economy that have ranged widely from protectionist to neoliberal, fiscally conservative to debt-burdening. Three key presidents played a major role in different systems of development, namely: Juan Perón, (1946-1955, 1973-1974) Carlos Menem (1989-1999), and Néstor Kirchner (2003-2007). Each president is associated with a particular political ideology (correlating to their respective governments' policies) named after them, as well: *Peronismo*, *Menemismo*, and *Kirchnerismo*. Defining the differences between these helps to shed light on the nature and direction of contemporary political economy discourse in Argentina, and amongst Argentinian politicians and national leaders.

Juan Domingo Perón was president of Argentina during separate terms that spanned three different decades, and left a considerable legacy on the country. His style

of leadership has widely been regarded as authoritarian, in line with traditional leaders in Argentinian history: “a charismatic strongman leading from the front.” (Wylde 2011, 440) However, Perón won continuing favor with the public by appealing to populist sentiments through his engagement and alliance with the urban working class. Much of Argentina’s development under Perón was guided by Dependency Theory principles, which sought to shed any outside, unequal economic influence from developing nations. As such, the majority of companies during Perón governance were nationalized, and heavy tariffs put on imports from countries like the United Kingdom or the United States. Perón also maintained close ties to labor unions, ensuring that regulated workers would receive high salaries. Moreover, Perón policies emphasized an explicit social contract between the people and the state, that mandated *economic* wellbeing rather than just political or civil freedom. Social programs were aimed at maintain a healthy middle class, rather than providing a safety net that only rescues the most vulnerable. *Peronismo* was therefore able to attract a wide swath of the Argentine electorate, including labor unions, the urban working class, and some of the bourgeoisie. However, as Perón primarily conceptualized of workers as *urban* dwellers, rural workers, the poorest demographic, received little, if any, of the social benefits afforded to their urban counterparts.

During Carlos Menem’s presidency during the 1990s, Argentina shifted away drastically from this model of development. Instead, *Menemismo* represented a more neoliberal approach, aimed at resolving the rampant inflation caused by *Peronismo*’s most protectionist policies. Initially, Menem was elected on a Peronist platform, celebrating many of *Peronismo* ideals during his campaign. However, upon assuming the presidency Menem reversed his position. Encouraged by the International Monetary Fund

(IMF) and other transnational financial organizations, Menem pursued an aggressive privatization agenda. Whereas the state under *Peronismo* had been regarded as the arbiter of economic and social justice, (at least in theory) "...it came to be seen as the principal obstacle to development, responsible for both crisis and stagnation." (Wylde 2011, 444) Instead of guiding the economy from the helm of the state, Menem sought to let free markets—both domestically and internationally—deliver prosperity for Argentina. Many of the previously state-owned enterprises were sold off, including the postal system, the national airline, water, gas, and trains companies, etc. Much of the social programs initiated under Perón were cut or drastically downsized, thereby removing any kind of effective social safety net. The power of labor unions was also drastically reduced, and labor laws rewritten to allow for easier hiring and firing of employees, thereby deregulating the labor market and also "...[increasing] the precariousness of employment." (Wylde 2011, 445) Even as Menem bettered issues like food security during his tenure, the crisis of unemployment reached an apex during his presidency. In her study of grassroots political and economic movements in Argentina, Nancy Powers observed "...joblessness reached levels unknown in modern Argentine history." (Powers 2001, 2) Despite this, Menem sought to make Argentina attractive to lucrative foreign business, but in doing so, tied Argentina more closely to the highs and lows of "speculative flows of financial capital." (Wylde 2011, 445)

Following Argentina's 2001 economic crisis, Nestor Kirchner sought to rebuild Argentina's economy to be more active and respected in an international context, while also preventing another devastating financial collapse. According to Wylde, "Argentina's relations with international capital have fundamentally changed under Kirchner." (Wylde

2011, 447) In attempting to do so, Kirchner's political movement *Kirchnerismo* combined aspects of both *Peronismo* and *Menemismo* in that *Kirchnerismo* exhibits characteristics of both financial austerity and populist social-democracy. Whereas Perón was suspicious of all foreign investment and exports, Kirchner's model of development relied heavily on Argentina's export economy, and also promoted free trade guided by state management. However, Kirchner did not promulgate the same platitudes that Menem awarded to international and domestic finance. Menem's presidency saw actual institutional links between finance and the government—employees who worked in his administration and the central bank, etc. Comparatively, Kirchner often consulted with the financial sector, but overall his policies served to de-emphasize the importance of the Argentina's financial sector in favor of industrial production for export. In this way, Kirchner's administration sought to keep Argentina's economy integrated into the global market economy while maintaining protections for a few industries, while also dismantling the connection between social rights and citizenship that *Peronismo* had established. Wylde refers to this approach as *neodevelopmentalism*, "through a strategy of growth based on selective protectionism and targeted state intervention to facilitate macroeconomic stability and economic growth..." (Wylde 2011, 449) Due to the effects on the distribution of wealth that is produced by neodevelopmentalist policies, this kind of political economy that Argentina has adopted in the 21<sup>st</sup> century has had profound effects on where people decide to live or not live, and has been hugely consequential to the income disparity evident in Argentina's urban centers.

In these ways, the instability and unequal distribution of wealth wrought by neoliberal development in Argentina played a key role in the creation of an unequal,

center-periphery spatial relationship between Buenos Aires and the provinces, the center of cities and rural hinterlands, and Argentina with the Global North. Economic insecurity and informal work have fluctuated wildly in Argentina during the past fifty years, having been remarkably low prior to the military coup of 1976 to remarkably high during the 1980s, but the implementation of economic policies pursued during the Menem administration and subsequent governments significantly hastened their ascendancy following the 2001 financial crisis.

**CHAPTER 3.**  
**THE CENTER VERSUS THE PERIPHERY:**  
**INTERPLAY BETWEEN ARGENTINE URBAN AREAS**

The various cultural, economic, and social landscapes of Argentina can appear jarring and disjointed to the casual foreign observer, even when hailing from a nation where regionalism and unequally concentrated capital have created vast disparities in wealth and welfare. I recall one particular bus trip I took between Buenos Aires, near the Atlantic coast, to Mendoza, at the foot of the Andes near the border with Chile—essentially crossing the width of the country—that was particularly representative of this phenomenon. The trip was over 12 hours, and we drove through the night. Even though it was dark, I distinctly remember seeing few signs of human settlement during that night. We made occasional stops, but more or less there was only the open *pampa*, the plains in the center of the country that created Argentina’s vast agricultural wealth.

Like many regions in Argentina, this broad interior of the country is sparsely populated, save for the occasional urban center. As Argentina has gone through various stages of development—from extractive processes borne during the 19<sup>th</sup> century to more nationalistic and protectionist policies of the Peronist era to attempting to integrate into a post-industrial, global economic system—the economic influence and prominence of Argentina’s regions has ebbed and flowed, but has always been primarily focused towards providing for the needs of the federal capital, and of valuable foreign capital. Thus, while neoliberal logic would position contemporary Argentina’s greater

concentrations of wealth and urban population as signs of economic growth, intra-provincial dynamics and uneven development have created a complex web of urban networks consisting of the primary city, Buenos Aires, with various secondary, provincial

Figure 1. Argentine Provinces  
(Lende and Velázquez 2014)



Mapa 1: República Argentina, según división político-territorial (provincias)

urban nodes and even less populous tertiary settlements. As extractive economic practices begin to play a larger role in the national economy again, these secondary and tertiary cities have taken on new roles vital to the productivity of the entire system, while relying heavily on particular industries for their self-sufficiency.

In this chapter, I will briefly look to the history of urban development and settlement in Argentina, while discussing more in depth the regional dynamics that this



history created, as well as the current dynamics of Argentina's urban system. Primarily I have found that while development practices during the later 20<sup>th</sup> century created highly concentrated centers of economic importance such as Buenos Aires and other important provincial capitals, increasing socioeconomic disparities and changing structural conditions during the 1990s and 2000s have reorganized patterns of urban agglomeration, leading to what Velázquez terms "demetropolitization," or in other words, the dispersal of technological and industrial development to suburban and exurban areas, as well as smaller urban agglomeration with specific economic niches. Furthermore, the resurgence of extractive economies like agribusiness production, tourism, and mining have stratified these smaller cities even more.

Due to this it's easy to understand why, up until Perón's urban welfare programs of the mid-20<sup>th</sup> century, Argentines largely conceptualized of themselves nostalgically as a rural nation, perceived as serving as a breadbasket to the world. Cohen says that Argentines, "[romanticized] the *pampa* and its productive potential...two hundred years of development reinforced the perceived dichotomy between the country's rural character and its agricultural wealth and the reality of Argentina being a country in which over 80 percent of its population lives in urban areas." (Cohen 2012, 133) Yet, as Cohen points out, this perception is deceiving and not entirely accurate in the present. In fact, the vast majority of Argentines live in cities, and urban economies account for about 70% of GDP (Cohen 2012, 134). The regional dynamics of Argentina are important to consider when thinking about the development of the country as a whole, as well as when considering inequalities inherent in that development. There are many visibly obvious divides in Argentine society: rural vs urban, core vs periphery, poor vs rich, etc.

Argentina as a whole can be divided into three major geographic regions, corresponding to similar geographies and climate, as well as in their productive potential and demographic patterns. In the south at the southern tip of South America, provinces like Santa Cruz and Chubut are cold, subarctic regions that don't have huge agricultural potential, but features rich deposits of oil and minerals (Cohen 2012, 136). The central regions are the nation's breadbasket, estimated in 2008 to potentially produce food for 450 million people (Cohen 2012, 149). Major capital producing agriculture and food production include soya, wheat, and beef in this region, accounting for the vast majority of Argentina's domestic food supply as well as its international exports, vitally important to the extraction economy. In the north and northwest, nine provinces are located in the subtropical and/or arid regions of the Andes. As such, their productive agricultural potential is significantly less than the central region, nor do they have the same mineral deposits of the south. As Cohen explains, "While rural, and in most cases highly agricultural, the natural quality of the land in the more mountainous provinces limits productivity and income." (Cohen 2012, 137) This region consists of the nine provinces of Jujuy, Salta, Tucuman, Catamarca, Santiago del Estero, Chaco, Misiones, Formosa, and Corrientes (Cohen 2012, 136). Moreover, the north of the country features significantly a higher percentage of indigenous peoples, young people, and people living below the national poverty line. Whereas the percentage of individuals living below the poverty line nationwide was 23.4% in 2007, in these nine provinces it is 38.8% (Cohen 2012, 137).

These regional differences and divergences have come about as the result of Argentina's long colonial history, stretching back to the 16<sup>th</sup> century. The first true urban

centers that were established in what was to become Argentina were founded by Spanish conquistadors and settlers, with the primary goal of military domination of indigenous populations and strategic control of resources for extraction. Many of Argentina's major urban hubs were founded by Spanish colonials during the early period of colonization, such as Santiago del Estero (1533), Buenos Aires (1535), San Juan and Mendoza (1563), Tucumán (1565), Córdoba and Sante Fe (1573), Salta (1582), and Jujuy and La Rioja (1591) (Velázquez 13). Radically different to indigenous settlement prior to European contact, these newly established centers of power were strictly regulated and designed. As Lende and Velázquez say, "Sites of Spanish military and political control, these cities became instrument of conquest, expansion, and domination. The so-called Leyes de Indias—that indicated the factors to consider in electing the sites of colonial cities—imposed the typical regular or checkerboard city plan, determined the geometry of streets, the location of religious and public institutions, and the distribution of other functions." (Lende and Velázquez 2014, 15) During this period, these urban centers accounted for a relatively small percentage of national and provincial populations. However, the colonial characteristics of their founding underline how Argentina's urban system was built out of a political-economic structure that derived its power from domination, exploitation, and top-down management. In this way, cities in Argentina expanded and developed out of an explicitly colonial past designed for military power and extraction.

As Argentina rapidly expanded economically and demographically during the 19<sup>th</sup> and 20<sup>th</sup> centuries, regional urban centers became hubs for extractive economic activity that flowed towards Buenos Aires, the coast, and the international market in Europe and

North America. As such, cities became more and more economically, socially, and culturally important to the emerging nation. Between 1869 and 1914, Argentina's population increased six-fold while the percentage of the population living in urban areas increased to 53% (Bacigalupo 1969, Lende and Velázquez 2014, 15). However, at the same time the northeast became less important economically, while cities in the agriculturally-productive pampa exploded. As the 20<sup>th</sup> century unfolded and industrialization and mechanization became the primary means of economic expansion, these dynamics again began to shift when massive labor forces migrated away from the rural hinterlands of Argentina towards important industrial centers. For the first time in Argentine history, this process radically changed the organization of space and wealth for a vast majority of Argentines. Lende and Velázquez say, "...large masses of the rural population turned towards the principal manufacturing centers, especially Buenos Aires, Rosario and Córdoba, where the substitution of imports drained the interior of the country of a scarcely qualified labor force and with a low cost of production. The city, then, transformed into a hegemonic model of socio-spatial organization." (Lende and Velázquez 2014, 16) In other words, the process of reassigning labor from agricultural, rural work towards easily reproducible factory work created a prescribed and stratified living environment. By virtue of this shift, the ratio of the population living in rural vs urban areas drastically shifted during the 20<sup>th</sup> century, as well as the relative size of the central metropolis, greater Buenos Aires, with the rest of the country's urban centers. In the 16<sup>th</sup> century, the urban population only accounted for at most 10% of total, and remained low until industrialization. By 1960, 72% of the national population lived in urban agglomerations, while Buenos Aires ballooned in size to 10 times the size of the

next largest urban area (Lende and Velázquez 2014, 16). By 1980 during the military dictatorship and the advent of neoliberal restructuring of the economy, the percentage of the population in urban areas increased even more to 83%.

During the most contemporary period, from the neoliberal restricting of the 1980s and 1990s towards a neodevelopmentalist model of the 2000s and present day, Velázquez tells us that both process that he terms respectively ‘metropolization’ and ‘demetropolization’ have had important impacts on the patterns of urbanization in Argentina and their respective inequalities. Whereas metropolization refers to: x

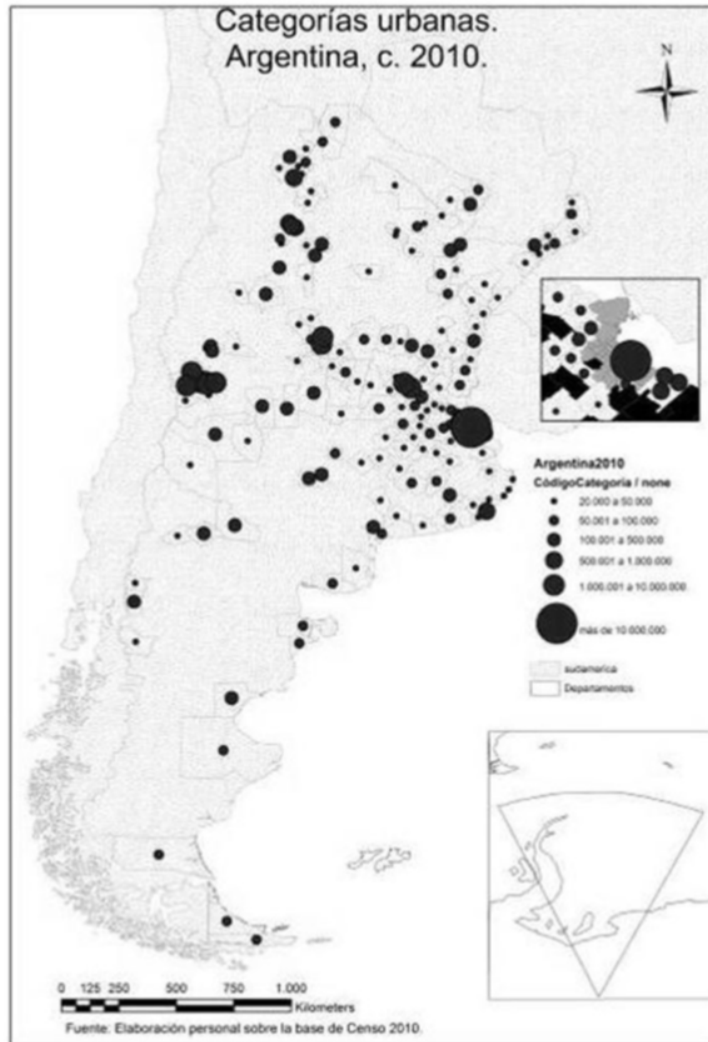
“the relative expansion and increase in number of national metropolises (10,000,000 inhabitants or more), secondary metropolises (1,000,000 to 10,000,000 inhabitants), and regional metropolises (500,000 to 1,000,000 inhabitants),” demetropolization refers to, “the phenomenon of concentrated urbanization—the increase in number of ‘medium cities’ (100,000 to 500,000 inhabitants)—and agglomerated urbanization—increase in the population and number of nuclei that oscillate between 20,000 and 100,000 inhabitants.” (Lende and Velázquez 2014, 12)

Although these concepts seem to be diametrically opposed, in actuality both accelerated dramatically during this period of development, happening in tandem. Globalization and neoliberal structural qualities have created an increasingly interconnected economy, where seemingly insignificant geographies and economies relate to the regional, national, and international scale. As the intense multiplication of dense urban cores created by metropolization have brought about “post-industrial production” in the form of

specia

Figure 2. Size of Urban Areas in Argentina

(Lende and Velázquez 2014)



**Mapa 6:** Categorías urbanas. Argentina, 2010

**Fuente:** elaboración personal sobre la base de Argentina (2013). Proyección: S South American 1969. Datum: South American 1969

industrial and agricultural production, thereby leading to demetropolization. Therefore, while urban areas increased in relative size, i.e. metropolization, so, too did the number of smaller, lesser cities throughout different regions of Argentina, i.e. demetropolization.

Proponents of neoliberal development have pointed to this growth in Argentina's central urban economy as evidence of the positive economic growth of the country. While this is certainly a part of the story, such a view occludes some of the negative impacts of these developments. Recent studies in urban geography have shown that

economic growth and the primacy of one city in a country don't have a direct correlation with economic success, especially in developing nations and the global south (Frick et al. 157). Whereas urban primacy has been shown to benefit the economy of relatively high-income countries, data suggests that this is not true for countries in different stages of development, Argentina included. Furthermore, Frick and Pose suggests that studies of urban primacy alone do not account for important demographic changes, many of which have not been experienced before. They say:

“Most literature uses either levels of primacy i.e. the concentration of a country's urban population in the largest city or the share of population in cities living in cities above a certain size threshold as indicators of urban concentration...however, [they] only imperfectly portray the historical shifts occurring in many countries: the share of the population in cities of a certain size has little to say about the relative distribution of the urban population; and primacy only depicts changes in the largest city and the overall size of the urban population.” (Frick et al. 2018, 157)

In other words, Frick et al. propose a new methodological paradigm for understanding primacy and urban development in the Global South. Although urban primacy can be beneficial economically for high income nations, their study finds that lower income countries don't necessarily benefit from primacy in the same ways.

They continue that “countries may increasingly benefit from concentration if the strongest sectors of their economy tend to benefit more from agglomeration externalities.” (Frick et al. 2018, 165) Here, “externalities” refers to the associated, but unintentional, consequences of particular commercial activities within a specific cultural,

social, and/or economic context. For example, the casual exchange of information amongst tech employees working in the same city yet for different companies may constitute an externality within that industry and city. Countries that feature more developed economies that have strong sectors in finance, high technology, or knowledge-intensive industries will inherently benefit more by virtue of urban concentration as opposed to more industrial or mechanical ones. Conversely, economies that don't feature these highly developed fields will tend to feel the negative effects of hyper-competition when placed into an agglomerate situation. Moreover, they conclude that in the Global South, "...urban structure seems to place second fiddle—if at all—to a raft of other factors which are the real determinants of economic growth." (Frick et al. 2018, 165) Put differently, it isn't to say that urban structures don't play an important role in the quality of life and welfare of people living in developing nations, but rather, high urban concentration can't be used as an indicator of economic success in developing countries, as many other aspects of a country's economic structure play important role in economic development. Consequentially, only looking to the growth and issues of Greater Buenos Aires can't necessarily contribute to a fuller understanding of Argentina's urban system as a whole, as it only accounts for a part of the overall urban development of the nation. Completely left out of this equation are the medium cities and smaller urban agglomeration which Velazquez refers to previously.

Although these regional differences have come about as the result of long histories of respective development and underdevelopment, investment and neglect, the policies of the past 30 years have made these differences especially pronounced, in part due to the lack of utility the north and northwest for an international market, as well as



the deindustrialization of the major urban centers, like Buenos Aires. Beginning as early as 1960,

“the resident population in the Federal Capital began to decrease, by virtue of the phenomenon of gentrification—the nucleus of metropolitan space appropriated to house commercial, financial, and service oriented activities, shifting residential uses toward peripheral areas; the classical metropolitan morphology...gave way to a pattern of reticular growth, defined by irregular and diffuse borders.” (Lende and Velázquez 2014, 17)

Despite outwardly appearing disjointed and unrelated, this process of displacement and redefining formerly concrete delimitation between residential and industrial, urban and exurban, etc., bears relevance to structural aspects elsewhere in the Argentine economy. In fact, the two processes are inextricably linked. As the process of metropolization occurred in Greater Buenos Aires that facilitated the high concentration of the service-oriented economy as well as the displacement of the working class and less knowledge-intensive industries, demetropolization facilitated a context in which economic activity, and therefore people, became geographically stratified throughout the nation, in regional networks that are both connected and not. Lende and Velázquez continue,

“On one hand, [this process] imposes on the rest of the territory hegemonic ways of doing, even as it is endowed with some autonomy in terms of its place within the economic system; on the other hand, it tends to separate and disconnect from the national space.” (Lende and Velázquez 2014, 23)

At once, then, traditional urban structures and functions have been disrupted to accommodate the reorganization of national urban space in terms favorable for a

globalizing political economy. Santos and Silveira term this the “dissolution of the metropolis in the territory.” (Santos and Silveira 2001, 253-254) Therefore, as more foreign capital facilitated the gentrification of the Federal Capital and displaced working class people, the lack of foreign investment forsook other areas of the country.

While other parts of the country have seen influxes of foreign capital, provinces like Jujuy or Catamarca in the north have seen comparatively few. Cohen writes that this is due to a lack of attention and utility of this region to international and/or private investors. He says: “A big part of this problem has been the dearth of private investment... [there are] enormous investments in the south, for example in oil-rich Santa Cruz and within the city of Buenos Aires, compared to the north and northwest region.” (Cohen 2012, 138) In this way, private capital seems to avoid the northern region, thereby leaving those provinces largely behind when considering the growth that has been promoted by foreign investment in the rest of Argentina.

As a result, large amounts of federal aid is directed to “the challenging territories” more so than other regions. However, bureaucratic failings as well as inconsistent administration of funding has rendered much of this aid inaccessible or unusable. Cohen continues that, “Both the magnitude of financials flows to the provinces and their timing have varied considerably, resulting in numerous provincial complaints about the difficulty of managing programs for which the funds are frequently not available in a timely manner...there is little doubt that the institutional arrangements of central government transfers to the provinces have weakened provincial and local government capacity and performance.” (Cohen 2012, 139) Evidently, the lack of coherent coordination between the federal and provincial governments has created a political

economic situation in which the developmental needs of these largely impoverished provinces are often overlooked and improperly dealt with. Accordingly, these provinces tend to rank low in various measures of human capital as well as infrastructure and economy. Urban centers in these regions mostly serve as conduits for whatever (if few) agribusiness operations in the surrounding region.

While Buenos Aires has always and will most likely continue to be the economic heavyweight amongst Argentine urban centers, secondary and tertiary cities play an important role in these regional dynamics, and reflect the disparity between the Federal Capital and the provinces. Obvious disparities exist between Buenos Aires and its suburbs, as well as Buenos Aires and lesser cities throughout the country in terms of “disparities in income, access to basic infrastructure, housing quality, and opportunities for social mobility.” This dynamic is clearly demonstrated in two case studies I’ve here laid forth—one concerning residents of informal settlements within abandoned hotels and apartment buildings in Buenos Aires, and one concerning the role social capital played for small farmers and local government organizations in the development of a large-scale irrigation and social housing project in La Pampa province.

In Buenos Aires, forces of global capital as previously described have prioritized market-driven urban development at the cost of middle and low-income families. Through the process of gentrification, neighborhoods of middle and low-income families are often forced out of their homes after rent increases render these places unaffordable, putting these families in a situation of “housing precarity” where eviction, and therefore homelessness, is an immediate reality at any time (Muñoz 2017, 1253). While some people are forced into *villas miserias*, others find affordable housing in

informal hotels within Buenos Aires, which are abandoned or forgotten by their owners, often times ruled over by a landlord who may or may not have legal title to the building. Although city law mandates housing as a universal right, practices by the state in dealing with housing-insecure families and persons demonstrates the unequal power residents yield in the face of developers, private entities, and the state itself.

An example of this can be seen in the “Programa de Atención para Familias en Situación de Calle,” a subsidy provided by the Buenos Aires government that allots a monthly stipend for families evicted from their housing to find a new place to live. Although this subsidy may seem beneficial on the surface, it provides the government an avenue for negotiation with and domination of vulnerable families. Muñoz says,

“On the day of eviction, families must go to the Welfare Office to receive the first quota. Afterwards, they can receive a monthly allotment for up to twelve months. In order to be eligible, families must be in the house on the day of eviction. Later, they must follow a series of procedures to continue to receive the subsidy. These procedures and requirements involve a substantial amount of time, travel and money, often without any guarantee they will receive the subsidy each month.” (Muñoz 2017, 1259)

Whereas the owners of a building can legally demand the eviction of residents by a set date, evicted families must jump through bureaucratic hoops that are often logistically impossible to complete in order to find new housing. Furthermore, the subsidy provided almost never would provide the rent needed to remain in the same area, as development and gentrification increase rent. This represents a serious inequality in the agency given to these disparate actors. Whereas the government seems ready and willing to help

developers evict low-income residents, the processes these residents must go through in order to receive a modicum of assistance from the same government fails to recognize the impossibility of its procedures. Therefore, while in theory the subsidy is supposed to give housing security to its recipients, in practice it barely achieves this, giving the state and flows of enormous capital power over poor residents of Buenos Aires. Summarizing this point, a leader of a housing rights organization in Buenos Aires said,

“It is a government with a housing policy of evicting the poor from the city. It is the idea of an elitist city, totally liberal, a city for tourists, for real estate investments...and the policies the city government has implemented reflect this ideology...The only things we can do are collect the subsidy and sometimes negotiate it.” (Muñoz 2017, 1259)

While poor urban dwellers experience this type of marginalization at the hands of the state, so too do their rural counterparts, for many of the same reasons. (Jacinto and Nogar 2012) In a productive region of the Colorado River Valley in northern Patagonia, the Argentine federal government and the La Pampa provincial government facilitate an irrigation project that began in the 1960s, known as *Ente Provincial del Río Colorado* (EPRC). The goals of the EPRC are to increase the agricultural development of the region, which while irrigable, had previously been unproductive. Initially, under policies in accordance with principles of *Peronismo*, the project was originally dedicated to a system of collectivized, small farmers who were given subsidies to settle in the area. However, by the 1990s when it was clear that this system had not met its intended goals, La Pampa province opened up the mandates of the EPRC to include international

investment, locating large agribusiness farms directly south of the small farmers.

Michelini says,

“During a period of heavy state reforms, which included reduction in functions, deregulation, liberalization and privatization and reflected by changes to the national and provincial constitutions, La Pampa passed a new Colonization Law...to accelerate the occupation of unproductive irrigable land by attracting investment, technology and human capital to the area, a strategy based on offering plots of land of unlimited areas and the establishment of strong fiscal advantages.” (Michelini 2013, 102-3)

As a result, investors, some local and others with no previous relationship to the region, entered into this situation, alienating the smaller farmers while simultaneously extracting capital.

The intended purpose of attracting larger-scale production to the EPRC project was to facilitate the exchange of knowledge and capital between these huge entities and the smaller farmers, supposedly in a mutually beneficial fashion. In reality, however, there was little such interaction. In surveys and interviews done with the small farmers in the region, Michelini found that 87% said their relationship with agribusiness in the region was “indifferent” (Michelini 2013, 105). Farmers remarked there was little opportunity to interact with agribusiness in order to facilitate the transfer of ideas and technology, as was intended to occur by La Pampa government. Furthermore, employment opportunities with agribusiness are scant, as much of their full-time work requires a high degree of knowledge, which these companies find from outside of the immediate vicinity. Nor does the capital accumulated by these companies return to the

region—instead, capital flows outwards towards the national and international market, benefitting only the entrepreneurs invested in the companies. This dynamic clearly demonstrates two seemingly different, but closely interrelated processes that ascended through the state's relinquishing of regulatory power: at once a homogenization of productive activity and fragmentation/marginalization of local communities (Jacinto and Nogar 2012, 70).

In these ways, both poor rural and urban residents have suffered from marginalization at the hands of a market-led state and international capital. The decay of traditional urban structures as well as the hegemony on production and fragmentation in social/economic connections has created an economic system that aids the international flow of capital away from those who most need it, and into concentrated wealth for the wealthiest. As a result, 21<sup>st</sup> century Argentina finds itself with an incredibly disparate, paradoxical economic geography that prioritizes the global market over domestic necessity.

**CHAPTER 4.**  
**A NEW PLAYER EMERGES: THE RAPID GROWTH OF CHINA IN LATIN**  
**AMERICA**

To speak about Argentina's relative economic success in the 21<sup>st</sup> century inevitably means talking about its relationship with China. Following the 2001 collapse of the Argentine economy, and during the 2008-2009 global recession, Argentina was in many ways saved by its positive commodity relationship with China. As Carol Wise says, "...I would argue that China's economic importance to Argentina is far from trivial. It was, after all, Chinese demand that breathed new life into the collapsed Argentine economy beginning in 2003." (Wise 2017, 155) In the time since the 2001 crisis, China has invested in Latin American Emerging Economies like Brazil, Argentina, Chile, and Mexico in ways previously thought improbable (Wise 2017).

Chinese demands for commodities from Latin America like soybeans and crude oil have created a dynamic between the region and China that, on the surface, seems to resemble past relationships with wealthy countries in the Global North, originally criticized by dependency economists like Raúl Prebisch in the 1960s. Accordingly, debates in Argentina around the influx of Chinese involvement in the domestic economy have largely centered on the fear of developing a new neocolonial relationship based around unfavorable dependency on commodity exports and resource extraction. At the same time, rhetoric and debate surrounding Chinese investment in Argentina is often contentious, hyper-suspicious, and simplified, even within the highest levels of government.



In this chapter, I intend to argue that understanding the nature of this south-south relationship cannot rely on the dependency theory that described Argentina's previous relationships with northern powers. Such an approach does not account for the changing circumstances of the 21<sup>st</sup> century, the structural differences of the political economy approaches, and the nature of China's goals for investment in the region in relation to its own domestic goals. Furthermore, the fact that China is also considered to be part of the Global South with development issues as or more complex than those described here in Argentina means that this south-south relationship must be defined in contrast to traditional global north-global south dependency dynamics. Whereas Argentina's economy was primarily focused on commodities and low-level industrial activity during the middle of the 20<sup>th</sup> century, today the economy is much more complex; it features semi-technical manufacturing sectors serving the domestic market and other sophisticated features. With this chapter, too, I do not intend to delve deeply into the complexities of China's domestic political economy and its own issues with development, but rather provide context for the issues most relevant to the nature of China's foreign direct investment (FDI) in Argentina.

As this relates to the pattern of Argentina's urban network, comprehension of this south-south relationship is vital due to the stark difference between Argentina's urban infrastructure during the mid 20<sup>th</sup> century in comparison to the present day. While rapid industrialization maintained the traditional character of urban form and geography during pre-neoliberal developments, (i.e. industry, working class, and manufacturing centered in urban areas, exurban and rural areas associated only with agriculture and resource

extraction) as I have already noted the past 30 years of structural reforms have reshaped this pattern.

Sino-Argentine diplomatic relations can be traced back to cold war dynamics that, in many ways, bound China and Latin America together against common global struggles during that period. This period set the stage for the economic and developmental relationships that can be seen in the 21<sup>st</sup> century. Modern Chinese relations with Latin American nations was borne out of challenging the hegemonic powers of the Cold War, particularly that of the United States. Prior to the historic rise of China during the late 20<sup>th</sup> and 21<sup>st</sup> centuries, the US was effectively able to manipulate most countries in Latin America into following its lead in regard to diplomatic (let alone economic) relations with China. On this, Jiang says, "...for more than a decade after the PRC was established, China was unable to make any diplomatic breakthroughs in Latin America, to some extent as a result of US pressure on its southern neighbors to avoid ties with communist countries." (Jiang 2008, 28) However, a notable exception to U.S. pressure forcing other nations in its hemisphere to restrict relations with China was the Cuban revolution in 1959. This event led the Chinese government to reconsider the ways it could connect with a seemingly culturally disparate region of the world. As the first communist government in the Western hemisphere, Cuba became the first Latin American country to officially recognize China's sovereignty and establish diplomatic relations. Quickly, it became clear that Latin America was "the battleground of the United States and the Soviet Union in their competition for hegemony." (Jiang 2008, 29)

As the cold war became more intense and precarious, China began to express its support for any Latin American nations that confronted U.S. control of the hemisphere, or

experienced forceful, violent action by the United States—including Nicaragua, the Dominican Republic, Guatemala, and Chile. With growing influence, China advocated for a redevelopment of global dynamics to include to uplift of nations in the “third world,” or the global south. More so than leaders in the US and Europe, the Chinese government understood the unequal relationship between north and south. In 1972 during a visit by Mexican President Luis Echeverría, Chinese premier Zhou Enlai remarked that:

“Latin America is emerging on the world stage with a new face...The Chinese government and the Chinese people firmly support the just struggle of Latin American people and believe that a united Latin America, through its struggle, will win a greater victory over the expansionary influence of imperialism [in the form of] new and old colonialism.” (Jiang 2008, 29)

There are two concurrent themes in this quote by Zhou that make clear China’s intention and positionality within the cold war, and with respect to how it saw its relationship with other countries of the global south. First, its clear that China placed its own developmental struggles within a global context of western hegemony, thereby linking the hardships faced by far-flung nations with its own. Second, in referring to “the expansionary influence of imperialism,” Zhou is plainly criticizing American influence and involvement in Latin America, calling upon a familiar history for Latin Americans of exploitation and marginalization, stretching back to the western founding of these nation-states. In this way, cold war politics and global-order restructuring brought a new-found understanding and amicability between China and Latin America, and as I will examine, a close economic relationship with Argentina in particular.

Undoubtedly, the People's Republic of China has had an astronomical rise to power during the 21<sup>st</sup> century. Once considered severely underdeveloped, China has undergone a radical transformation that has created an incredible national infrastructural system including hundreds of newly built cities, expansion on existing urban centers, higher salaries and better quality of life measures, and technological advancements that rival and surpass those achieved by Western countries. Wise and Myers point out many of the metrics by which this assumption can be ascertained:

“From its entry into the World Trade Organization (WTO) in 2001, its surpassing Japan to become the world's second largest economy, its first place ranking amongst the emerging economies (EEs) as destination for foreign direct investment (FDI), its emergence as the top exporter to world markets, and the designation of reserve-currency status for the Chinese yuan at the International Monetary Fund, China has jumped over formidable economic hurdles more quickly than any other developing country—ever.” (Wise and Myers 2017, 1)

As demonstrated by these figures, by almost any measure the Chinese economy has grown at unprecedented rates during the first two decades of the 2000s. Correspondingly, the domestic demand for goods and services in China has skyrocketed, and in many sectors of the economy this has resulted in likewise unprecedented growth in outward Chinese FDI by both state-owned enterprises and private companies into other areas of the Global South, in other developing nations to meet the demand of the emerging domestic market for manufactured and complex goods.

However, it is important to note that many of these foreign investments are not made at the explicit direction of the Chinese government nor are they part of a

clandestine operation to gain global control, as is often suggested by Western and Latin American media and politicians. Instead, says Creutzfeldt, China's foreign policy objectives are primarily rooted in its historical domestic policy concerns:

“As [China] matures into this role [as a major protagonist on the global stage], its identity and actions are shaped by its own history and aspirations: its history as a humiliated power after the middle of the nineteenth century, the concurrent fear of losing control over its sovereign territory, and a deeply felt urge to regain influence. It could be said that China's core concerns are with social stability, national sovereignty, and steady consumption.” (Creutzfeldt 2017, 16)

Therefore, from the Chinese perspective its relationship with Latin America and more specifically Argentina is not borne out of a desire to control the international economic system and that of Argentina, but rather to satisfy the nation's ever-expanding internal needs for material and socioeconomic security and independence from foreign influence. In summation, what this means is that the outpouring of Chinese capital is primarily a result of the country's desire to modernize and compete with the most developed nations on a global scale. Summarizing this view, Creutzfeldt adds that this is evidenced in China's hallmark “five year plans” that lay out the government's policy objectives every five years. He remarks that, “...the priorities presented in these documents make clear that China's domestic concerns and requirements trump all foreign policy objectives.” (Creutzfeldt 2017, 17)

Coincidentally, China's emergence on to the global stage as a major power corresponded well temporarily with the economic collapse of Argentina in 2001. During that time, the Chinese government initiated a series of diplomatic relationships with

countries in Latin America that had not previously existed. For example, President Jiang Zemin made visits to Argentina, Brazil, Chile, Cuba, Uruguay, Venezuela, and Mexico in 2001 and 2002, while subsequent president Hu Jintao made trip to Brazil, Argentina, Chile, Costa Rica, Cuba and Peru in 2004 and 2008 (Creutzfeldt 18). With an eye for emerging markets looking for alternatives to previously catastrophic Western investment and trade partnerships, China was well positioned from an international context to persuade this variety of Latin American governments to create new trade partnerships that would be supposedly mutual beneficial. In 2008, the Chinese government published a document entitled, “Policy Paper on Latin America and the Carribean,” which followed suit from similar papers the government had released on the European Union (2003) and Africa (2006) (Creutzfeldt 2017, 18). In this document, the government laid out its official vision for its relationship with the region, and the ways it saw the two could benefit from another. Broadly speaking, the paper seeks to paint an amicable, mutually trusting relationship between China and Latin America:

“Though China and Latin America and the Caribbean are far from each other, the two peoples enjoy a time-honored friendship. The two sides are at a similar stage of development and face the common task of achieving development. Both sides cherish the desire for greater mutual understanding and closer cooperation... Friendly cooperation between China and Latin America and the Caribbean serves the fundamental interest of the two peoples. Future growth of relationship between the two sides enjoys great potential and broad prospects, and will contribute more significantly to peace and development of mankind.”  
(State Council of the People’s Republic of China 2008)

Here, the Chinese government utilizes much of the positive rhetoric surrounding south-south trade and diplomatic relations. Although arguably even at the turn of the 21<sup>st</sup> century China was more positively poised to grow rapidly in the coming years, the attitude of the paper remains extremely positive in relating how the stage of development in China and Latin America is at a very similar point. Furthermore, they maintain that friendly cooperation and understanding will only better this relationship. Later in the document, the realms in which this friendship are to be carried out are further identified by the Chinese government, which it defines as political, economic, cultural-social, and “peace, security, and judicial affairs.” (State Council of the PRC 2008) Broadly defined, the Chinese government saw this relationship as mutually beneficial by playing to each nation’s respective strengths.

From an Argentine point of view, this relationship is more fraught than Chinese government officials would like the global community to think. Some of these concerns are wrapped into racist and xenophobic tendencies that reject foreign influence, while others incorrectly equate heightened Chinese influence with a new form of colonial relations between a world power and a less developed nation, while also inflating the level of involvement of Chinese capital in certain sectors of the economy.

However, it is undoubtable that China may very well be in the process of taking advantage of the structural inequalities and weaknesses inherent in Argentina’s political economy, whether wittingly or not. Whereas the dependency that was formed between Argentina and western powers during the 19<sup>th</sup> and 20<sup>th</sup> centuries often depended on explicit directives from foreign powers to behave and create policy that benefited this system and not Argentines or the nation as a whole, China’s advancement in Argentina

has largely been not as coordinated as western sensibility would predict. In part, this has been driven by the market reforms that have opened up the expansion of private capital within China as well as without. Creutzfeldt remarks,

“It would be...misleading to consider China as a unitary actor: while Beijing promotes and reinforces the view of its principled, centrally guided approach, it has also been boosting outward global activity by its state-owned and private companies, through its Going Out strategy, occasioning a growing diversity of types of engagement. As a consequence, China’s unifying rhetoric...is echoed by a deafening din of splintered voices.” (Creutzfeldt 2017, 16)

In other words, Creutzfeldt points out that the influx of Chinese capital in Argentina and Latin America isn’t the result of unified, centralized directives handed down from the Chinese premier. Rather, a complex web of both private enterprise and state-owned agencies have chosen particular projects and areas in which to invest. Although this distinction must be made, nonetheless the impact on the Argentine economy has been dramatic.

As example of how Chinese capital have transformed the economic landscape of Argentina is in the financial sector. As a result of defaulting on debt financed by Western institutions during the 2001 crisis, Argentina found itself locked out of many traditional lending agencies in the Global North. Development Banks and other financiers like the International Monetary Fund, the Inter-American Development Bank, either flat out refused to take on Argentina’s case, or offered up astronomical interest rates that Argentina would never recover from. On the other hand, Chinese development banks have offered loans at commercial rates to Argentine organizations without many of the



political and development stipulations of western lenders, instead tying loans to promises of goods purchases and infrastructure developments. As a result, the interest rates offered by Chinese firms is often more desirable to nations like Argentina. Gallagher and Irwin explain that:

“These lower interest rates allow nations with little access to global capital markets to borrow when they cannot afford the interest rates charged by the private market. Argentina and Ecuador have had difficulty accessing global credit markets given that they defaulted on their sovereign debt in 2001 and 2008-09, respectively.” (Gallagher and Irwin 2017, 63).

As a result, as of 2017, Chinese finance in Latin America exceeds that of the World Bank, Inter-American Development Bank, and the United States Export-Import Bank per year (Gallagher and Irwin 2017, 51).

Also of note is that both of China’s largest lenders in Latin America, China Development Bank (CDB) and the China Export-Import Bank (China Ex-Im) are state owned enterprises with explicit direction the carry out the government’s policy objectives. Primarily these banks focus on well defined development projects that improve the extractive infrastructure available for Chinese use in partner countries, as well as China’s macroeconomic goals (Gallagher and Irwin 2017, 52). Specifically, CBD has been directed to carry out projects and loans dedicated to electricity, road construction, railways, petroleum, coal, postal services and telecommunications, agriculture, and public infrastructure whereas China Ex-Im bank is in charge of importing and exporting high tech mechanical and electronic products, and to assist Chinese business with leveraging the relative advantages in the international market (i.e.,

choosing where to invest). Whereas lending from Western sources historically included policy stipulations, the structure of Chinese investment doesn't include these same kind of stipulations, but rather, their vertical investment in a multitude of processes gives Chinese firms, public and private, significant leverage over host country's policy decisions, but in a different way than Western lenders. Again, Gallagher and Irwin illuminate this dynamic:

“When foreign governments have threatened the Chinese government economically, the Chinese government has retaliated using entirely separate economic means. For example, when Argentina filed anti-dumping lawsuits against Chinese manufacturing products, China cut off imports of products like soy, oil, and beef. Argentina withdrew its anti-dumping cases and the imports resumed.” (Gallagher and Irwin 2017, 63)

Indeed, although both nations identify as part of the struggle of the poorer global South, there exists here an uneven dynamic where China can sway domestic policy in foreign nations. While there are no explicit policies that China is advocating as agencies like the World Bank did during the 1990s when they pushed neoliberal restructuring, this example clearly demonstrates that through potentially lucrative yet extractive trade and lending deals, China can indeed assert its demands on Argentina through economic pressure.

## CHAPTER 5.

### NEUQUEN PROVINCE'S CHINESE SPACE STATION: A CASE STUDY

Within domestic politics in Argentina, Chinese investment is a highly contentious topic that draws into its discussion many of the foundations of Argentine political economy—its neodevelopmentalist model of capital expansion, the center-periphery dynamic between Buenos Aires and the provinces, and national autonomy in front of a potentially hegemonic world power. Debates range from the common, everyday all the way up to the highest levels of Argentine government. During the mid 2010s, the Argentine congress debated various aspects of the nation's involvement with China and China's influence over the direction of the nation. One such episode, which has also been reported in depth by *The New York Times* is over the controversial Chinese Moon Exploration Program, which established a Chinese-military operated space observation center in the Patagonian province of Neuquén. Through this episode, members of the Argentine senate expressed opinions that ranged from outright skepticism, to acquiescence, to celebration. This moment is of particular importance in understanding the dynamics between China's developmental model for the region and domestic Argentine political economy.

The Chinese-run space station in Patagonia has been a contentious project from the start. In some political factions and localities in Argentina, Chinese involvement in local economies had already raised concern, as demonstrated by the pushback from a Chinese agribusiness investment in Rio Negro province (*La Nación* 2011). However, according to *The New York Times* the space station represents, “one of the most striking

symbols of Beijing's long push to transform Latin America and shape its future for generations to come." The Chinese government and Argentine politicians who have backed projects like these touted the space station as the physical representation of a harmonious relationship that would aid China's burgeoning space program while bringing economic development to Neuquén province.

The project began in 2012, under secret negotiations between the Chinese government and Neuquén provincial government. The base is part of larger network of stations that China has established across the globe in an effort to expand its rapidly growing and well-endowed space program. The program has lofty goals including exploring the Moon and even Mars. Urdinez et al. speak to the nature of this ongoing project:

“...China established the so-called China Deep Space Network, a series of monitoring stations in order to support various space missions as the planet rotates. This project, by its very nature, enhances China's global capabilities in science and military fields. China needs strategically-located stations in various parts of the world, and the Patagonian region in Argentina proved to have correct geographical conditions...” (Urdinez et al. 2018, 4)

Despite its obvious military, security, and surveillance capabilities, under the agreement the two parties reached the Chinese are not to use the station for military purposes.

However, built into this condition is that the Chinese government was also awarded the land on which the station was built rent-free, for 50 years. Despite immediate resistance to the project at the local and national level (Neuquén provincial lawmaker Betty Kreitman was quoted by *The New York Times* saying, “Surrendering sovereignty in your

own country is shameful,” in reference to favorable tax breaks the Chinese project received), planning moved forward.

In April of 2014, the Neuquén legislature approved a law that established the tax breaks for the land rent and “a relaxation of immigration rules for Chinese officials involved with the project.” (Urdinez et al. 2018) In December of the same year, the Argentine Senate approved the agreement. Among other features, Neuquén province allowed a tax exemption for the Chinese company tasked with constructing the space station (China Harbour Engineering Company), and exempted the China National Space Agency (CNSA) from customs duties and internal taxes. (Urdinez et al. 2018) These advantageous conditions comes within the context of Argentina and China’s intensifying economic relationship post-2001, as I’ve described above. The Neuquén space station is a perfect example of how increased Chinese economic activity has also resulted in the implementation of policies, from a national down to a local level, that are generally favorable to Chinese capital. Additionally, it’s notable to compare the CNSA project in Neuquén with a similar project completed by the European Space Agency (ESA). Whereas the ESA project was completed for US\$36 million, CNSA’s project cost US\$300 million, clearly showing the economic priority, more so than western powers, China has given to Argentina. China’s quantifiably higher investment is a clear reversal from previous trends, which saw Western powers like the United States and Spain as predatory investors subject to domestic skepticism in Argentina.

The different political factions within Argentina have advocated for accordingly different strategies in the nation’s interaction with Chinese capital and influence. Primarily, the most obvious differences exist between Peronist aligned politicians and

non-Peronist politicians who are advocating for increased Chinese FDI and greater skepticism of Chinese intent, respectively. During the 1980s and 1990s, the neoliberal governments, especially that of Menem, strongly encouraged trading ties with the United States and the Western world, which as stated, were often done through western development organizations and lending agencies like the World Bank and IMF. Prior to Chinese involvement, Argentina's largest trading partners were the US, the UK, and Brazil (Urdinez et al. 2018).

Following the disaster of the 2001 crisis, subsequent Argentina leaders sought to distance themselves from US and global north influences. The Kirchners and supporters of *Kirchnerismo* began to see China's enthusiasm for Latin America as an opportunity to do just that, while also strengthening the bonds between nations in global south behind perceived common struggles. Urdinez et al. continue on later to say that, "Latin American countries embraced the rhetoric of South-South relations, advanced to a considerable extent by China itself, as a way to increase their autonomy from the US." Furthermore, they importantly note that, "The concept of autonomy, particularly towards the US, is essential for understanding the foreign policies of Latin American countries." (Urdinez et al. 2018) In this way, the Argentine government's fairly broad acceptance of Chinese capital and influence can be understood to be in reaction to previously detrimental relationships with Western, Northern nations and within the context of South-South solidarity.

Within specific debates in the Argentine congress about the space station, several recurrent themes reappear and center the political debate about Chinese FDI and the role it should play in the country. Urdinez et al. observed three major components that have

guided Argentine understanding and perspective on the space station, cooperation with China, and how FDI should factor into Argentina's economy more generally. They found that the historically hegemony of the United States in Latin America and Argentina was projected onto China and Argentina's relationship, that debates about center-periphery inequality and the role of FDI more generally were also projected as primarily an issue with China, and finally that there seems to be no clear ideological motivation for supporting or opposing Chinese investment but was rather split along political allegiances (Urdinez et al. 2018).

More generally, most Argentina senators seemed preoccupied with questions of asymmetry of power. Proponents of cooperation with China have pointed to the fact that Chinese investments in Argentina are structurally different than those from western sources as they do not have the same stipulations on economic and social policy. As Urdinez et al suggest, too, these advocates also argue that the logic of the previous period of neoliberal development is being incorrectly applied to Chinese involvement. During the debates about the space station, Deputy of Buenos Aires province Adriana Puiggrós said,

“[The opposition] shouts fears against possible Chinese imperialism or against an invasion, and they argue that an antenna has been installed for military purposes, when in fact it has a dimension of 35 meters in diameter and 45 meters in height [...]; it is impossible to have a military purpose. So in fact Chinese imperialism becomes a smokescreen aimed at defending the Western neoliberalist hegemony of the United States.” (Urdinez et al. 2018)

While Puiggros questionably uses the relative size of the space station's antenna as proof that alarmism over China is unfounded, her point gives credence to the idea of evaluating Chinese investment and intentions on its own terms and not in confusion with the already-completed damage done by neoliberal restructuring practices. In many ways, the past two decades of history show a positive effect on Chinese FDI in Argentina.

Concurrently, it's undeniable that many of the features of Argentine society that allowed for the deep social and economic conflicts that arose from the 2001 crisis still exist and form the basis of the hierarchies and organization of the country. As such, regardless of their foreign policy objectives, this places China in a good position to make use of these exploitative features. As noted, the way in which the majority of Chinese FDI in Argentina has been in primary resource extraction and investing in vertical processes that aid in access and cost of these resources have led to concern that the colonialism and neocolonialism experienced with Spain and the United States will again be repeated. Deputy from Cordoba province Oscar Aguad said:

“[Kirchner's] government rejected, perhaps with good reasons, the agreement they wanted to do with the United States, the Free Trade Agreement of the Americas [...] What they said then was: ‘we cannot associate with the US because that will consolidate a primary goods matrix in Argentina.’ Nevertheless, today we are doing the same with China.” (Urdinez et al. 2018)

This quote is particularly cogent and relevant to placing the Argentine discussion of Chinese FDI within the context of its own political economy. The Kirchner governments, as noted in Chapter 2, were mostly responsible for leading Argentina out of the 2001 crisis. In many ways, this crisis was understood to have been caused by close,



asymmetrical relationships with Western powers that dictated the neoliberal reforms that destroyed Argentina's social welfare system, significantly stratified social class and dissolved most of the middle class, and led many Argentines into unsustainable poverty and marginalization, often in slums or other peripheral zone of urban settlement.

As such, it is unsurprising that these politicians perceived history to be repeating itself—not by virtue of malicious powers manipulating the global economy to their benefit, but through exploiting already existing structural inequalities within Argentina. Deputy Oscar Martinez of Santa Cruz province put it this way:

“A project with China will not come to meet the great needs facing the country and all the people in science and technology but neither will the petty politics of businessmen [and] industrialists...who only focus on how best to do business at the expense of the people.” (Urdinez et al. 2018)

Martinez is essentially saying that looking to economic, diplomatic, and military security through China, instead of a Western power, is only part of the issue. He deftly argues that the class structure and overall attitude of business in Argentina also contributes to problems of economic hegemony and class marginalization.

In these ways, Chinese FDI in Argentina has both lifted the country out of certain poverty following its astronomical fall during the 2001 crisis, but at the same time has drawn comparison to previous periods of exploitative FDI from the Global North; sometimes incorrectly, sometimes accurately. The Argentine government and private companies have had good reason to be attracted to greater involvement with China due to beneficial lending agreements without policy stipulation, breaking from Western neoliberal hegemony, focus on infrastructural and other economic development projects,

and the highly symbolic and strategically functional alliance between nations in the Global South. At the same time, while the relationship between China and Argentina cannot be described or analyzed in the same way as previous relationships with the Global North, China's totalizing investment strategy that facilitates control over an entire industry from initial resource extraction/production, to transportation, to market, does raise concerns over how these powerful economic forces can take advantage of a nation in precarious position while also allowing China to exert influence through different channels.

## CHAPTER 6.

### CONCLUSIONS: REDEFINING THE GLOBAL SOUTH

Thus far, I have examined Argentina's political economy history during the 20<sup>th</sup> century, the history of its urban network in relation to this political economy and the development of its center-periphery dynamics both in a local and national context, and the role new dynamics that unprecedented Chinese investment have played in either strengthening or weakening Argentina's autonomy, social stratification, and equitable development. Although these histories and narratives may seem disparate, the future of Argentina's cities is inextricably linked to these practices and developments. The center-periphery dynamic evident in Argentina's urban network is not unique amongst nations in the Global South—other countries in Latin America, save perhaps Brazil, and countries in Southeast Asia and Africa exhibit similar patterns, some more pronounced than even that of Argentina.

Accordingly, I don't expect that Argentina's economic structure will soon radically distribute wealth more evenly amongst its cities. Forces of the global economy, regional dynamics, and domestic capital production and consumption would all have to systematically change in order for this to happen. Were this to happen, the Argentine government, as well as provincial and municipal governments, would need to enact policies that completely reject neoliberal and neodevelopmentalist models of development, regardless of Chinese investment. Instead, I suspect that Chinese investment will instead dictate much of the growth in Argentina in the coming years. Already, evidence of a slow down in the global economy and a drop in commodity prices

have already put stress on China and Argentina's relationship. As China has primarily invested in resource extraction and other primary goods, many of the detractors of a closer Sino-Argentine trading partnership are claiming vindication, pointing to the similarities this situation shows in comparison to forms of earlier imperial/colonial relationships.

Yet, there is cognitive dissonance for me in naming China a colonial power, given its history and context in the Global South. However, China is one of a few countries in East Asia, like South Korea, that has seen a meteoric rise in living standards and in its place in the global economy. Although these nations rose out of their own histories of colonial domination, perhaps scholars of the Global South need to differentiate between different tiers within this wide, encompassing region; China undoubtedly yields more influence over global markets than Argentina, considered a "middle economy" or poorer nations such as Ecuador and Nigeria (both in which China has also made significant investments).

Furthermore, while the Chinese government and Chinese firms show a willingness and motivation to invest not just in resource extraction but also in public infrastructure, these potential new assets to their host countries will inevitably be private and foreign owned, thereby circumventing accumulation of capital and benefits for the poorest. However, while these concerns are very real, it's too easy to place the blame on Chinese actors. What I hope I have shown is that Chinese FDI began to play its biggest role in Argentina when the country was at a breaking point, desperate for capital and relief from debt. Chinese capital was able to replace the policy-driven capital extraction inherent to its neoliberal reforms that still play a prominent part in the Argentine

economy. While this shift was placed within a rhetoric of mutual south-south benefit, neither Chinese nor the Argentine politicians and business owners who welcomed this investment recognized the lopsided dynamic between the countries, instead comparing the seemingly helpful attitude of Chinese investment with predatory Western hegemony. In this way, the changing dynamics of the Sino-Argentine relationship are representative of changing dynamics within the global economy, especially in the Global South; new modes of understanding that incorporate differentiation between nations within this large umbrella term need be implemented to better comprehend the possible effects, negative and positive, of these power relationships.

## REFERENCED CITED

- Bacigalupo, J.L. "Proceso de urbanización en Argentina. In *La Urbanización en América Latina*. Buenos Aires: Editorial del Instituto, 1969.
- China. State Council of the People's Republic of China. *China's Policy Paper on Latin America and the Caribbean*. November 5, 2008. Accessed March 14, 2019. [http://www.gov.cn/english/official/2008-11/05/content\\_1140347.htm](http://www.gov.cn/english/official/2008-11/05/content_1140347.htm).
- Cohen, Michael A. *Argentina's Economic Growth and Recovery: The Economy in a Time of Default*. London: Routledge, 2012.
- Creutzfeldt, Benjamin. "One Actor, Many Agents: China's Latin America Policy in Theory and Practice." In *The Political Economy of China-Latin America Relations in the New Millennium: Brave New World*, 15-30. New York: Routledge, 2017.
- Féliz, Mariano. "Neo-developmentalism: Beyond Neoliberalism? Capitalist Crisis and Argentina's Development since the 1990s." *Historical Materialism* 20, no. 2 (2012): 105-123.
- Frick, Susanne A., and Andrés Rodríguez-Pose. "Change in Urban Concentration and Economic Growth." *World Development* 105 (2018): 156-70. doi: 10.1016/j.worlddev.2017.12.034.
- Gallagher, Kevin P. and Amos Irwin. "China's Economic Statecraft in Latin America: Evidence from China's Policy Banks." *The Political Economy of China-Latin America Relations in the New Millennium: Brave New World*, 50-68. New York: Routledge, 2017.
- Leiva, Fernando Ignacio. *Latin American Neostructuralism: The Contradictions of Post-Neoliberal Development*. Minneapolis: University of Minnesota Press, 2008.
- Lende, Sebastián Gómez and Guillermo Ángel Velázquez. "Metropolización y Desmetropolización: Tendencias y Cambios en el Sistema Urbano Argentino (2001-2010)." *RA'EGA* 37 (2014): 7-39.
- Lewis, Daniel K. *The History of Argentina*. Westport: Greenwood Press, 2002.
- Londoño, Ernesto. "From a Space Station in Argentina, China Expands Its Reach in Latin America." *The New York Times*, July 28, 2018. Accessed September 14, 2018. <https://www.nytimes.com/2018/07/28/world/americas/china-latin-america.html?ref=nyt-es&mcid=nyt-es&subid=article>.

- Michellini, Juan José. "Small farmers and social capital in development projects: Lessons from failures in Argentina's rural periphery." *Journal of Rural Studies* 30 (2013): 99-109.
- Muñoz, Solange. "A look inside the struggle for housing in Buenos Aires, Argentina." *Urban Geography* 38, no. 8 (2017): 1252-69.
- Myers, Margaret, and Carol Wise. "Introduction: The Political Economy of China-Latin America Relations in the 21st Century." In *The Political Economy of China-Latin America Relations in the New Millennium: Brave New World*, 1-12. New York: Routledge, 2017.
- Prebisch, Raúl. *Change and Development—Latin America's Great Task: Report Submitted to the Inter-American Development Bank*. New York: Praeger Publishers, 1971.
- Jacinto, Guillermina P. and Ada Graciela Nogar. "Viejas trayectoria nuevas articulaciones: un análisis de las transformaciones territoriales desde los vínculos urbano Rurales en la pampa argentina." *Cuadernos de desarrollo rural* 69, no. 9 (2012): 67-82.
- Jiang, Shixue. "The Chinese Foreign Policy Perspective." In *China's Expansion into the Western Hemisphere: Implications for Latin America and the United States*, 27-43. Washington, D.C.: Brookings Institution Press, 2008.
- Powers, Nancy. *Grassroots Expectations of Democracy and Economy: Argentina in Comparative Perspective*. Pittsburgh: University of Pittsburgh Press, 2001.
- Rapoport, Mario. "La Argentina entre el Mercosur y el ALCA: la cuestión comercial y el proteccionismo norteamericano." *Realidad Económica* 191 (2002): 24-54.
- Santos, M. and M.L. Silveira. *O Brasil: Território e sociedade no início do século XXI*. São Paulo: Record, 2001.
- "Un Acuerdo Entre China Y Río Negro Genera Polémica." *La Nación*, August 28, 2011. Accessed March 5, 2019. <https://www.lanacion.com.ar/politica/un-acuerdo-entre-china-y-rio-negro-genera-polemica-nid1401319>.
- Urdinez, Francisco, Jan Knoerich, and Pedro Feliú Ribeiro. "Don't Cry for me 'Argenchina': Unraveling Political Views of China through Legislative Debates in Argentina." *Journal of Chinese Political Science* 23 (2018): 235-56. doi: 10.1007/s11366-016-9450-y

Velázquez, Guillermo Ángel. “Geografía y Bienestar en La Argentina: Desigualdad de La Sociedad y El Territorio a Comienzos del XXI.” *Geograficando: Revista de Estudios Geográficos* 6(6) 2010.

Wise, Carol. “After the China Boom: What Now for Latin America’s Emerging Economies?” in *The Political Economy of China-Latin America Relations in the New Millennium: Brave New World*. 143-169. New York: Routledge, 2017.

Whitson, Risa. “Beyond the Crisis: Economic globalization and informal work in urban Argentina” *Journal of Latin American Geography* 6 (2007): 121-135

Wylde, Christopher. “State, Society, and Markets in Argentina: The Political Economy of *Neodesarrollismo* under Néstor Kirchner, 2003-2007.” *Bulletin of Latin American Research* 30, no. 4. (2011): 436-52.