

FROM RAPID URBANISATION TO RAPID VERTICAL GROWTH: PLANNING POLICIES IN LIMA, PERU

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Abstract

Lima, the capital of Peru, is a city of more than 8 million residents which has the typical urban issues associated to rapid urbanisation: large areas of informal developments, and a clear socio-spatial divide between the 'formal' and 'informal' parts of the city. Planning has been unable to tackle the troubles of rural-urban migration. Recently, new housing policies have produced a housing boom and the densification of central (formal) areas. What has been the role of planning in these processes? Focusing on the link between local political processes, planning policies and their spatial implications in the city of Lima during the periods of rapid urbanisation and political-economic change, this study provides a first scan to spatial planning trends in the fifth largest Latin American metropolis.

1. Introduction

Planning and policies to tackle the effects of rapid urbanisation in cities of Latin America have been in many cases characterised by laissez-faire attitudes. Growth management issues have been generally neglected, in front of the urgent problems brought about by rapid urbanisation, such as housing and employment for thousands of newcomers to the city. This is also the case in Lima, the capital of Peru. The city expanded swiftly during a period of high demographic growth and industrial expansion (mid-1950s - late 1970s), in a process which transformed the country from an eminently rural into an eminently urban country in few decades. These processes gradually modified the city's structure into one characterized by a centre-periphery pattern, which at the same time represents a clear socio-spatial divide between the 'formal' and 'informal' parts of the city.

In the frame of large neo-liberal political and economic transformations, new housing policies have begun to deliver affordable new homes to middle and low-middle income groups since 2002. This process has worked as an economic catalyser and produced a remarkable construction boom in Lima and other large Peruvian cities. This, in combination with a huge housing demand and the lack of appropriate land for new expansions have led to a process of rapid vertical growth in central districts of Lima, in what may be seen as a process of 'return to the centre'.

What has been the role of planning in the above-mentioned processes? The objective of this paper is to explore the spatial implications of (national and local) planning policies in the city of Lima during the periods of rapid urbanisation and political-economic change. The main question refer to the roles of metropolitan development planning and of national housing policies on urban growth and sustainable

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development. To answer the question the study uses evidence from analysis of data gathered through local and international literature, legal document and regulations, internal reports, websites, articles in the media and qualitative interviews with local researchers.

To understand the main features of the planning context the following section positions Lima within the planning circumstances of Latin American cities. Section 3 pays attention to the role of growth management in metropolitan planning in Lima. Housing policies and their effects on city growth are the focus of section 4. The last section discusses the results and presents some preliminary conclusions.

2. Planning policies and horizontal expansion in Latin America

In 1900 Latin America one out of four inhabitants lived in urban centres of more than 2000 people, while at the end of the century three out of four were living in cities. This has made Latin America the most urbanised region of the developing world and the second highest after North America. In front of such an explosive rate of urbanisation, governments have been unable to regulate and guide land development, or to provide housing, employment, urban infrastructures and services for the huge amount of rural migrants settling in the cities. Migrants eventually managed to get land, housing and employment in informal ways, generally invading peripheral or unsuitable land and building vast squatter settlements. The results have been massive informal urban sprawl, together with growing urban poverty and informality. Spatially, the result was a “clear-cut spatial differentiation between the rich (city centre) and poor (urban periphery)” (Verkoren a al., 2009), in what has been called the polarized city (Borsdorf and Hidalgo, 2010). A great proportion of the self-built neighbourhoods that settles in the 1960s and 1970s – the period of faster expansion – has consolidated and has been provided of urban services and property titles, but the “informal city” continues growing in many cases.

During the 1990s, a new wave of horizontal expansion was observed (De Mattos, 2002). This time the spatial transformations have not been driven by demographic processes, but linked to the economic and cultural pressures coming from globalizing processes. The construction and improvement of motorways and rings in the periphery have greatly contributed to the expansion of the cities. The peripheries, which before were the exclusive domain of informal neighbourhoods, had a huge transformation due to the emergence of gated communities, and the construction of housing projects for the middle classes and social-housing projects for lower-income groups. Furthermore, a significant proportion of jobs and service activities also moved outwards, and shopping malls were built for different sectors of the population at the intersections of transport networks. New industrial areas also appeared in the periphery, some of them in the form of formal clusters, but also as informal production clusters (Verkoren et al., 2009). Figure 1 illustrates the schemes of the evolution of the Latin American city from the compact colonial city until the current fragmented agglomeration.

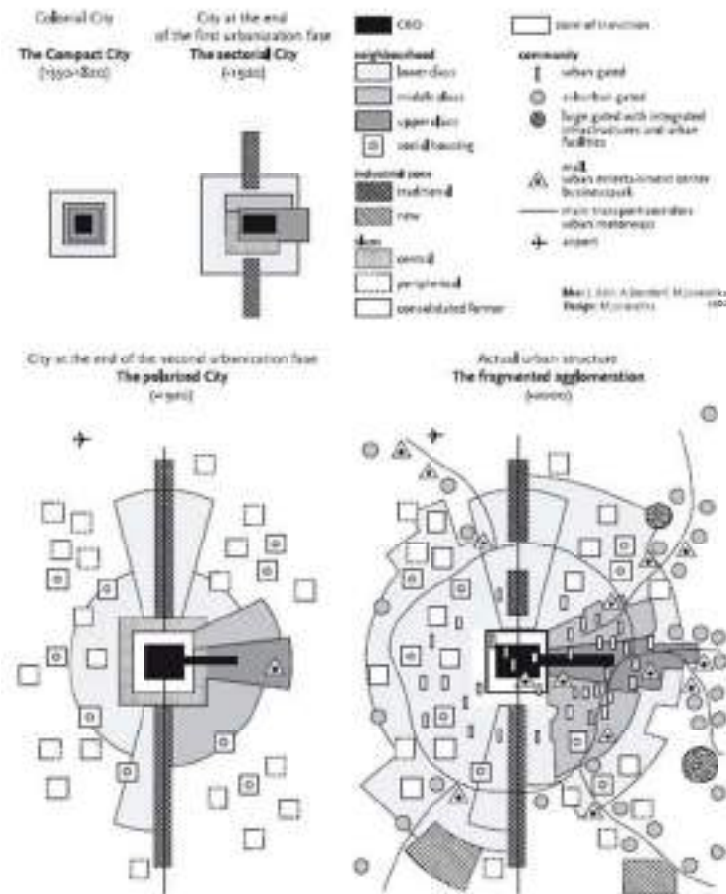


Figure 1. Evolution of the urban structure of the Latin American city (Source: Borsdorf and Hidalgo, 2010)

The last two waves of growth have meant a substantial horizontal expansion in the form of urban sprawl, which is basically the result of weak planning and development control rather than a deliberate strategy. This horizontal growth has brought about serious environmental and management problems: “the way that cities have grown by swallowing up neighbouring towns outside their jurisdiction has created difficulties in making decisions on investment and regulation. It has also caused tensions between mayors and governors who frequently compete with each other using tax incentives and other regulatory tools to shift business from one town to another. This destabilizes the long-term financial stability and governance of these large cities.” (Cadena et al., 2011, p. 30).

In spite of the slower rates of growth, the fate of the Latin American cities far from easy. Latin American large cities are world known by their pressing problems: traffic congestion, housing shortages, air pollution, The lack of urban planning or deficient planning is frequently mentioned as one of their main problems. De Mattos (1987) mentions three issues of Latin American urban planning in the 1980s: economic reductionism, formalism and “utopian voluntarism”, by which planners tended to set their own ideology above the one of the decision-makers. This resulted in an ineffective planning system, centralised in planning agencies isolated from



other public offices and agencies, and with a clear separation between plan elaboration and implementation. The state had the leading role formulating and implementing development plans. This traditional conception of planning was spread by the UN's Economic Commission for Latin America and the Caribbean (ECLAC) since the 1960s, which sent planning consultants to different countries of Latin America and run several schools and courses to educate planners.

Despite the lack of effectiveness, these traditional planning systems were perpetuated by local bureaucracies and educational and job training institutions. "The rational, technocratic planning model, master or comprehensive planning and zoning have been common approaches to planning in LAC that have not been adjusted much in decades, except for exceptional cases." (Irazábal, 2009: p. 52). Unsurprisingly, during the rapid urbanisation process of the second half of the 20th century, planners were unable to face the urban challenges, which eventually led to housing shortages, congestion, pollution, insecurity and socio-spatial segregation in the largest cities. "Urban planning in LAC has often been thwarted by changes in governing bodies, lack of constituency involvement, financial constraints, natural disasters and other challenges, resulting in failed implementation of plans." (Irazábal, 2009: p. 22).

Despite their reputation, Latin American cities have produced significant urban innovations that have been exported to other cities in the region but also to developed economies. Santiago's policy of housing through subsidies to the demand, Porto Alegre's participative budgeting, Bogota's process of civic renaissance and Curitiba's transit oriented development have proved to work successfully in other realities too.

To compare the overall planning performance of the eight largest Latin American cities against the McKinsey Institute elaborated a benchmark study – using a benchmark defined as the average of Helsinki, New York, Singapore, and Toronto – with four criteria: (1) economic performance; (2) social conditions; (3) sustainable resource use; and (4) finance and governance (Cadena et al., 2011). The report concludes that Latin American cities perform poorly against international benchmarks and that despite a reasonable economic performance, "... their institutional, social and environmental support structures have not kept up with their expanding populations." (see Figure 2). Lima is the worst-off of the eight cities evaluated in terms of overall planning performance, and the only one which is below the regional average in all four benchmark criteria.

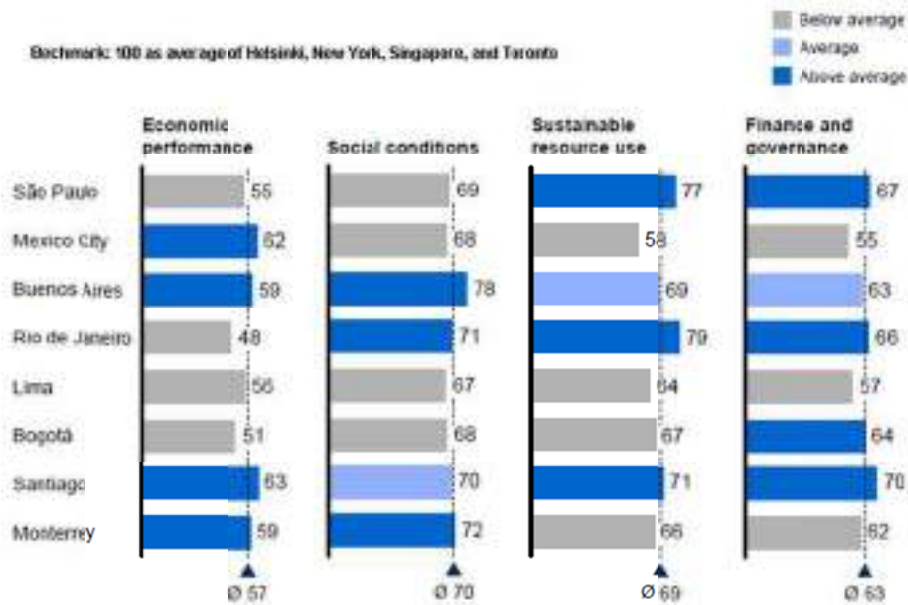


Figure 2. Performance of the eight top Latin American cities (Source: Cadena et al., 2011).

3. Metropolitan planning and urban expansion in Lima

Lima ranks well below the average of large Latin American cities in criteria related to land use, a conclusion that has been drawn after examining its below-average population density, its extremely low number square metres of green spaces per person, its severe housing shortage and the lack of land use policies for curtailing the environmental impacts of urban development (The Economist Intelligence Unit, 2010). This evaluation coincides with the empirical evidence gathered in Lima: the city does not have a well-established land use policy, and sectoral housing policies are not coordinated with the local government at both metropolitan and district level.

The most frequently mentioned metropolitan planning challenge in Lima is the huge fragmentation in terms of political decision-making, which leads to a management conundrum. Lima and its port, Callao are two different (provincial) municipalities conforming a vast conurbation, which in spite of their common problems have not managed to coordinate plans for the development of their shared metropolitan area. Lima has 42 district administrations, plus one for the province, while Callao has 8 more districts and one provincial administration which in total make up for 51 government bodies. "... the (district) government is quite absurd: 42 pieces of a puzzle that no one knows how to assemble and that do not mean much. Districts mean very little, no one knows what the members of the council do, they do not represent tangible territories, and their competences and responsibilities are completely lost in space." (Interview to Augusto Ortiz de Zevallos in Paredes, 2006, p. 64).

Besides, there is a prevalent confusion in the identification of the competences at every level of government (national, regional and local), evident in important urban sectors as transport and housing (García, 2009), whose policies and regulations have

a great impact in the spatial expansion and functioning of the city. What finally occurs is that the national level takes the lead and implements sectoral policies and programmes without consulting the lower government levels. For example, “the Ministry of Housing has exercised pressure on local governments to allow many building permits for projects subsidised by the Mivivienda Fund, without the existence of previous studies or even against the same municipality’s urban plans.” (Riofrío, 2010a, p.76).

Riofrío (2010a) comments that there is a tradition of presidents that act as mayors of Lima that dates back to the 19th century and is explained by the Peruvian centralism. But the imposition of national decision-making over city plans worsened since 1990. “In Lima, for instance, it can be argued that the city’s fate has been primarily led by national policies, following the alienation of the municipal districts’ autonomy by the Fujimori administration in 1990. While the districts regained their autonomy after Alejandro Toledo’s election in 2001, the ten previous years of uncoordinated spatial policies and nonexistent metropolitan agenda have frustrated urban planning and become engraved onto the city’s territorial organization.” (Crot, 2006, p.244).

As in many other Latin American cities, the Peruvian planning system is very formalistic and normative, and exhibits high implementation problems. Local governments pass many legal norms, ordinances and strict building codes, but there is very little concrete results of the achievement of the proposed aims and objectives (García, 2009). City authorities do not have enough capacity to control the observance of the local regulations. Ploger (2010) provides an example of this, describing the case of ordinance 690, passed by the metropolitan council in 2004 to respond to the Peruvian ombudsman’s requests regarding the spread of gates and barriers obstructing the free access to public streets in Lima, that emerged during the 1990s. “The ordinance has however been implemented very slowly by the district authorities. Only a few consolidated districts have made serious efforts to enforce the legal guidelines, while the informal status quo persists elsewhere.”(Ploger, 2010, p.42).

These problems are associated to the institutional weakness and the features of planning in the Peruvian context. The former has been abundantly debated at local level and is widely considered as the product of an incomplete process of nation building. A World Bank report (2001) that deals with the institutional roots of poor governance in Peru mentions, among other issues, the institutional disorder created by a confusing administrative structure that weakens transparency and accountability, incoherent policy-making, weak checks and balances on the central government, and even weaker checks and balances on the local government. These processes were deepened by “the progressive decomposition of Peruvian democratic institutions (occurred) between the presidential inauguration of Alberto Fujimori in July 1990 and the announcement of his leave on 16 September 2000.” (Crot, 2002).

Admittedly, there have been great improvements in terms of institutional capacity since 2001, but many of these problems are still part of the local culture and as such are difficult to eradicate. The weaknesses and low legitimacy of Peruvian institutions help to explain important urban issues, such as the widespread process of informal

appropriation of peripheral land by lower-income groups, as well as the negligible influence of planning on guiding and regulating urban growth (Ploger, 2010).

The particularities of the local spatial planning culture is, as in most other Hispanic American countries, highly related to the Spanish tradition of spatial planning (the so-called Urbanism tradition). This has been characterised as having “a narrow scope in terms of methods of intervention through zoning instruments, design codes, building control and development projects... Private actions tend to dominate. There is recognition of the relationship between physical environmental change and wider societal objectives. The model has a strong bias to design and professional solutions with only limited mechanisms for citizen involvement and managing conflicts.” (Duhr et al., 2010, p. 182). Because of this difference between aim and outcomes, it is considered an immature kind of spatial planning.

Another important challenge of planning Lima’s future refers to the limitations of its public finances. Metropolitan Lima’s annual metropolitan budget was about US\$ 100 per inhabitant (in 2010), an amount which included with the budgets of the metropolitan and all local (district) governments. As a comparison, Medellín has five times and Bogotá ten times that amount per inhabitant. While in the two latter more than 80% of the budget is addressed to investments, in Lima, due to the huge administrative personnel of so many districts, the investment budget is only 30% of the total budget (Fernández-Dávila, 2010). Despite the reduced budget, mayors have been generally almost exclusively concerned with the realization of public works. The disregard of long term planning in favour of short term interventions is evidently linked to political opportunism, because mayors have generally tried to use the mayor’s post as a trampoline to the presidency of the country. Concerns for strategies for future growth have been neglected, as many other important urban issues that do not clearly belong to the realm of the four year period of the mayor.

With these serious limitations, it becomes clear that the problems of spatial planning in Lima are not so much of a technical but of a political-administrative nature (Fernández-Dávila, 2010). A report assessing the economic losses due to the lack of urban planning in Peru (Sociedad de Urbanistas del Perú, 2011) states that only 3% of municipalities in Peru has a valid Urban Development Plan, and 30% of them have never elaborated one, even if it is mandated by law. “The few existing Urban Plans are not used by city authorities due to their excessive technicalities, or the weak appropriation of the plans by the local civil society” (Sociedad de Urbanistas del Perú, 2011, p. 3).

Even in the capital city there is no valid Metropolitan Plan for its development. The previous plan – the so-called PLAN MET – was elaborated at the end of the 1980s and was valid up to 2010. PLAN MET ended during the last mayor administration without minimally achieving its goals (García, 2009). Former mayor Luis Castaneda (2006-2011) focused his government almost exclusively on the construction of roads and transport works, some of which improved traffic flow, but since they were built in an uncoordinated with other sectors and local governments, they also produced many urban conflicts. His administration was hardly interested in local economic development or human development issues, up to the extent that knowing that the

Metropolitan Plan would expire in 2010, it made no provision to update it (DESCO, 2012).

This verifies that “The state – central government and municipalities alike – has in practice abandoned its role of planning and guiding urban expansion.” (Ramírez Corzo and Riofrío, 2006, p.54). The absence of a sound regulatory framework for land use planning is more a rule than an exception in Latin American cities, as the examples of Buenos Aires (Crot, 2006) or Mexican cities (Azuela, 2002) have shown. What is singular in Lima, however, is the negligence of (former) city authorities toward metropolitan planning, as suggested by the absence of metropolitan planning to guide the overall urban development.

In November 2011, however, the new mayor has appointed a commission chaired by an expert in governance with the mission to elaborate a Participative Regional Development Plan for 2012-2025, which is expected to be ready in October 2012. It is being elaborated in consultation with different organisations of the civil society, which gather around topics in each of the main zones of Lima: Lima Centro, Lima Norte, Lima Sur, Lima Este and Callao. The consultations have already begun. One of the ten thematic groups discusses Urban Growth, Housing and Urban Services. This group will work during six months to identify a shared and strategic vision for urban growth, housing and services by means of 56 Dialogue Meetings (Mesas de Diálogo) in districts, four inter-district events, surveys and focus groups (Municipalidad de Lima, 2012).

4. Housing policies and urban expansion in Lima

The expedition of the Peruvian Law of Marginal Settlements and Popular Neighbourhoods in February 1961 marked the beginning of the official housing policy to tackle the effects of rapid urbanisation in Peruvian cities. Recognizing the legal status of the expanding informal neighbourhoods at the periphery, it aimed at integrating them to the city by coupling physical upgrading and legal regularization processes. But the planned social housing projects were never implemented and the land reserved for them was delivered without basic services producing a massive horizontal and informal expansion of the city. The housing policy developed into a land delivery policy, which was carried out for 30 years until the available land was exhausted. In such way, informal land occupation became institutionalized as housing for the poor (Fernández-Maldonado, 2007).

This has produced an enormous strain in the internal structure and urban functioning of the city, in which socio-spatial segregation has become a typical feature. It has also produced a city of low density that is difficult to manage and extremely expensive to provide with adequate services. Currently, Lima has an estimated 300 inhab./ha², which is a low density compared with the average of 450 inhab./ha² of the 18 largest cities in Latin America (The Economist Intelligence Unit, 2010). Lima's huge horizontal expansion is illustrated in Figure 3 in the 1910-2000 period.

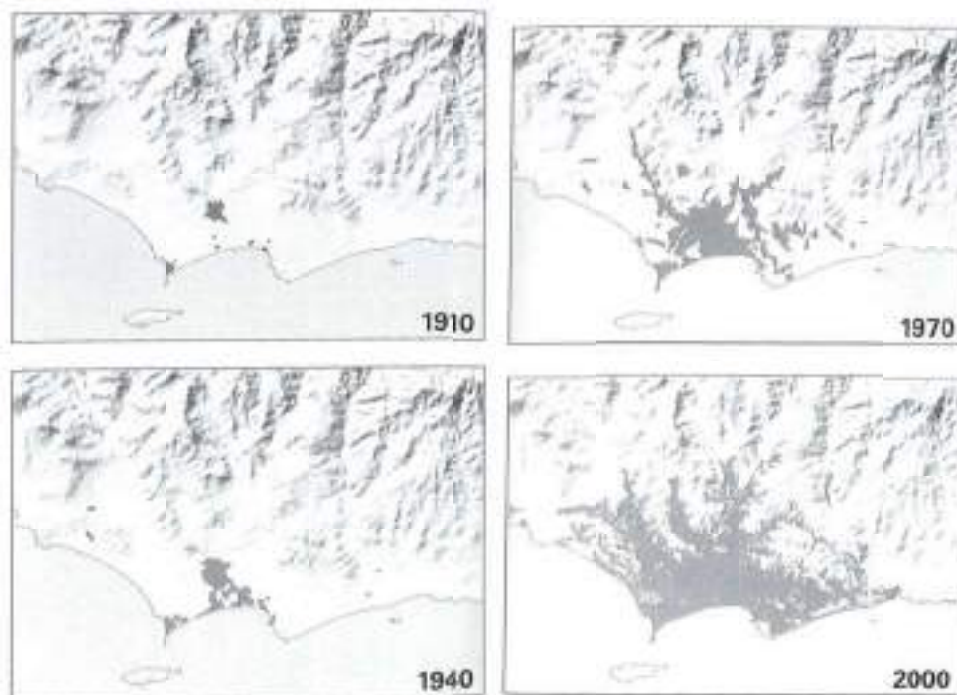


Figure 3. Evolution of Lima during the 20th century (Source: Hays-Mitchell and Godfrey, 2005)

As in other large Latin American cities, Lima's rate of growth diminished greatly after the 1970s, although in a lesser extent than in other countries. However, demographic processes have also led to a very high demand of housing, since there is a vast number of young people at the age of forming new households. This, mainly unsatisfied demand, has resulted in the continuous occupation of land in the outskirts.

The Peruvian housing sector was profoundly reformed in the 1990s in the frame of national political and economic transformations. The constitution of 1993 annulled the right to housing, while the government neglected planning and the housing sector and closed the Ministry of Housing, the National Planning Institute, the Central Mortgage Bank, the Housing Bank, and housing cooperatives. All this produced the stagnation of formal housing construction and the city continued growing only by the way of informal settlements.

After many years of crisis and recession, Peru's economy began to grow rapidly after 2001 and its average rate of growth (as percentage of the GDP) has been more than 4%, and since 2005, 2% more than the average of Latin American countries. Poverty rates began to decline moderately, and somewhat more rapidly during Garcia administration (2006-2011).

The housing sector underwent significant changes after 2002. Following recommendations of international agencies, new housing policies that began to be implemented during the Toledo administration (2001-2006). Housing programmes were initiated promoting housing through subsidies and easier access to credit. To implement the policies the government launched a National Housing Plan (PNV) for

2003-2007, establishing different programmes to promote the construction of affordable new homes for different socio-economic sectors. Direct housing subsidies were created – the Bono Familiar Habitacional (Housing Family Subsidy) – to support the demand of lower-income groups (Fernández-Maldonado & Bredenoord, 2010).

These processes – economic growth, clear housing policies and programmes, increased availability of credits, and available funds for subsidies – gave an unquestionable impulse to the housing construction activities, in the context of the contained demand. In turn, this contributed to the dynamism of the whole construction sector. The construction sector is now one of the pillars of the economy, whose growth increased the availability of public and private resources. A virtuous economic circle was created through the housing policies.

The number of new homes built through these policies is still low in relation to the huge housing deficit, and has mainly targeted middle-income groups (Fernández-Maldonado & Bredenoord, 2010). However, the process has produced a “rebound effect” and become a catalyser of overall building activities, pushing downward the property prices and allowing the redirection of private construction capital to income segments previously considered unprofitable. Calderón (2009) mentions as main effects of these policies: (a) an increased housing supply; (b) the reduction of property prices; (c) the growth of mortgage market; and (d) the 'repopulation' of central Lima as an additional residential space of the middle class.

The housing construction boom has led to the densification of Lima's central areas, in view of the increasing scarcity of accessible urban land (see section 6). The subsidised housing projects were initially located in the traditional middle-class districts in central Lima. Later, the locations changed towards more peripheral areas or working-class central districts due to the higher costs of land. In front of the new housing possibilities, the traditional middle class has kept its preference for central areas while the emerging middle class stays in the periphery or ventures into older central areas, working class districts or even old industrial areas and military terrains (Fernández-Maldonado and Bredenoord, 2010). In a city with a horizontal pattern of urban growth – by the way of one-family houses in an own piece of land – these trends toward densification seem very auspicious. Instead of suburban homes, 98 per cent of new homes are apartments in central areas (Vera, 2009) and the need to lower the housing costs has made land consumption moderate. This change of preference towards multi-family housing is a step in the right direction for sustainability.

However, there are also heavy local criticisms to this housing policy. Some authors argue that this new housing policy was not designed to meet lower-income groups housing needs, but had a broader economic logic, as the core of an economic programme addressed to support the financial and construction sectors, which were still suffering from the 1998 economic crisis. Supporting the construction industry was considered a tool to reduce unemployment and to reactivate the local economy. The fact that the policy was designed in close consultation with the CONFIEP (Peruvian Federation of Entrepreneurs) and CAPECO (Peruvian Chamber of Construction), who represent the large construction firms, and not with the

metropolitan and local authorities, who have jurisdiction over the territory and have to deal with building and land use permits, gives a strong suggestion that it is indeed more and economic than a housing policy.

Through CONFIEP and CAPECO, the private sector made several demands to guarantee enough profitability for the construction sector, and lesser risks for the financial sector. In the need to activate the whole economy, many of these demands were met and building standards were relaxed to allow a reduction in the production costs of the new homes (Calderón, 2009) in 'acceptable' (central) areas of the city. The government also waived the payment of the General Sales Tax (VAT) for homes of up to US\$ 30,000 (at the time around 18 percent) in 2001.

Data from the last two population censuses (2005 and 2007) confirm that the new social housing programmes have promoted the re-population of central areas, especially those of the traditional middle-class. In 2005, 15 of the 21 central districts of Lima had lost population, while the whole central area lost population in absolute terms. But in 2007 there was a recovery of the population loss in 13 districts. Thanks to the new projects, central districts of Modern Lima recovered 84% of its population. In contrast, working-class central districts had only recovered 22.5% of the previous losses (Calderón, 2009).

Local empirical studies of informal urban growth show that the trends have drastically changed in the last decades. Trends toward densification have also been observed in informal areas, and are the reason why local researchers highlight that Lima currently grows on the space that it already occupies (Riofrío, 2010b). The locations of recently-formed informal neighbourhoods are not any more flat lands or with a soft slope, but steep hills and dangerous places which will be almost impossible or too expensive to provide with urban services (Ramírez-Corzo and Riofrío, 2006).

The localisation of these recently-built areas can be seen in Figure 4, which illustrates Lima's growth evolution. The areas occupied by recent developments (2004-2010) are showed in dark red, and their location confirm what is argued in the empirical studies. Except from (formal) developments at the north part of Lima, most of them constitute piecemeal developments located uphill from the existing hills occupied by informal neighbourhoods. This shows that the recent trends toward densification of formal areas have not greatly modified the usual pattern of land consumption in Lima: the city keeps on expanding without control.

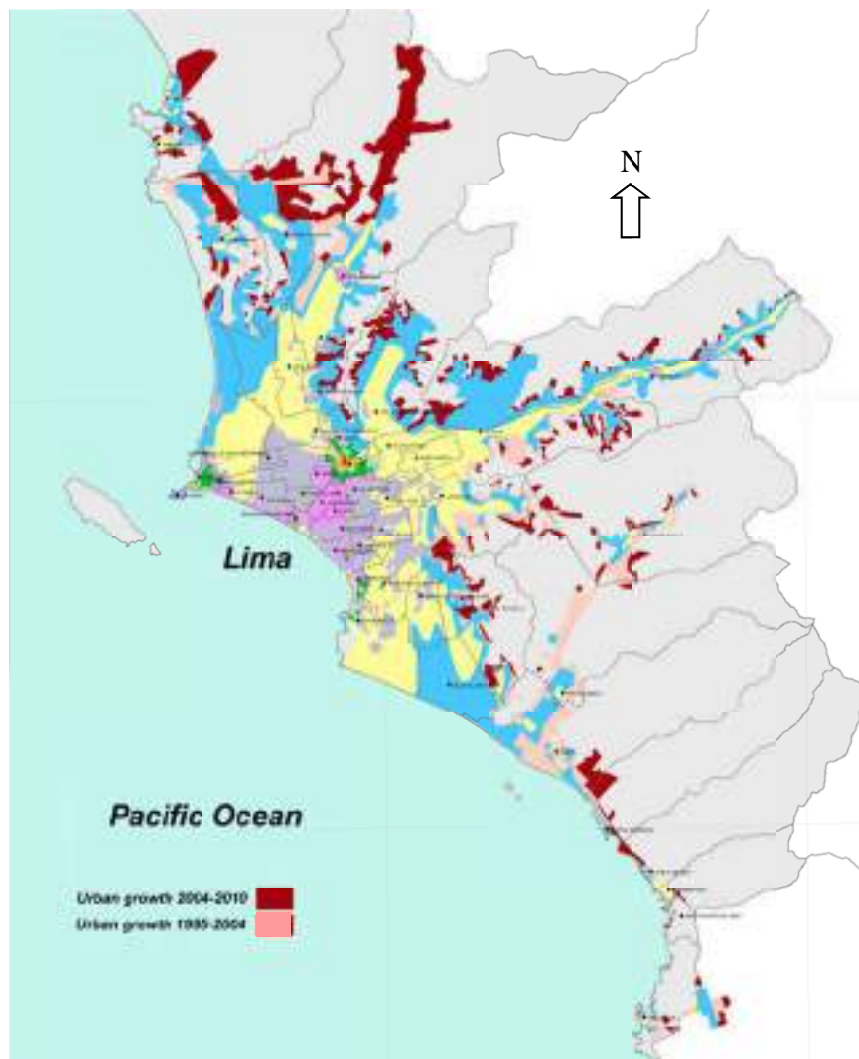


Figure 4. Urban evolution of Lima 1995-2010 (Source: Municipalidad de Lima, 2011)

The unplanned vertical expansion has produced an evident deficit of public spaces, which acquires a higher importance due to the higher densities and the smaller areas of the new homes (Riofrío, 2010a). Representatives of the professional association of architects have argued that, under the justification of supporting local investors, the state's approach to urban growth has been the deregulation of urban practices, instead of regulating and organising the densification process (Sota, 2011). Riofrío (2010a) comments that the housing policy constitutes a simple housing delivery scheme without attention to the surrounding urban space, without creating a city. Indeed, the exclusively commercial character and lack of urbanity of the new projects is widely discussed in the media by architects and urban professionals.

Since the densification of central areas has occurred without enough control from the local authorities, it is increasingly producing conflicts among the residents. Zoning and building codes are not always followed or are later arranged through fines or 'administrative silence', and developers build 12 storey building where there should

be 8, or plan less parking places than the norm (Sota, 2011), what increases congestion at street level. Better-off districts have been more efficient in controlling the densification process, modifying their regulations to demand stricter measures in criteria such as the number of parking places and square metres per apartment. But in general, the densification of central areas has developed according to the rules of a completely free market: the higher profits possible for the developers, without attention to issues of general welfare.

The housing boom resulting from the housing policies has produced a strong intensification of land use in central areas, but this process is not sustainable since 'the business of densification' is ending in central districts and the large construction firms have not found a way to extend it to low-income areas (Riofrío, 2010a), which are the ones who are more in need of affordable housing. Without solving this issue, there is no possibility of sustainable growth.

5. Results and Conclusion

The previous sections have examined how, as a result of the several limitations of the Peruvian planning system, the laissez-faire political attitudes toward urban growth seem to remain. The absence of regulatory framework for land use planning has produced a city that keeps on growing without control by means of informal land occupation. There has been a neglect of metropolitan planning since 1990, which has produced the absence of a long-term vision for the development of the metropolis and a clientelistic attitude to carry out opportunistic short-term projects to get fast political dividends.

The metropolitan government installed in 2011 seems eager to correct many of these serious troubles, but to reverse 20 years of nonexisting spatial planning seems an immense task. The participative character of the regional development plan in the making is an auspicious development and a step in the right direction, but it still has to pass the test of implementation.

In the absence of metropolitan growth policies, national housing policies have been traditionally the drivers of urban growth in Lima. Since 2003, Lima has experienced an acute intensification of real-estate led urban development that has rapidly densified its central districts. Remarkably, this process of 'return to the centre' has been the result of a sectoral policy without any links with the planning of the development of the whole city.

The unplanned horizontal growth has given way to unplanned vertical growth. The unregulated character of the densification process is bringing about serious conflicts and problems of urban space. The trends of social housing delivery – attending mainly the demand of middle income groups – suggest that it is, as local researchers claim, more an economic than a housing policy.

Lima has serious internal problems that demand proper attention: high housing demand, huge congestion and chaos in the roads, high levels of air pollution, lack of green areas, socio-spatial segregation, etc. But these problems should not be the reason to neglect growth management and other long-term issues. Lima is far behind

in terms of urban planning performance compared to other Latin American cities and has to do its homework to catch-up with them.

This first approach to the topic of spatial planning in Metropolitan Lima has found good ideas and stakeholders willing to improve Lima's urban situation. The fact that most stakeholders are demanding a more important role for spatial planning in Metropolitan Lima is a good step forward but, on the other hand, the fact that there is such a small body of research on the topic indicates a serious neglect to the subject for a long time. The good intentions will have to show an extraordinary ability to harmonise the different economic, environmental and socio-cultural assets of all important stakeholders involved in urban development for the sake of a more sustainable and inclusive city.

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