Last Time

- Industrialization in the late 19th Century — up through WWII
- Import Substitution Industrialization (ISI) (1940s — 1970s)
- Export Promotion Industrialization
TODAY

• Population growth, distribution, and size in Latin America
• Urbanization
  ➢ Problems with urban growth continued
• The urban economy
• Migration
Population Size 2004

- Latin America & Caribbean ~ 540 m
- USA ~ 292 m
- World ~ 6,315 m
- Caribbean ~ 38 m
- Central America (with Mexico) ~ 144 m
- Mexico ~ 105 m
- South America (with Brazil ~ 358 m)
- Brazil ~ 177 m
- Mexico + Brazil ~ 282 m (> ½ of LA)
Demography: Growth related

- Rate of Natural Increase (RNI)
  - Meaning of “crude” in demography
  - Crude Birth Rate (CBR): live births/1000 pop in a given year
  - Crude Death Rate (CDR): deaths/1000 pop in a given year
  - $\text{CBR} - \text{CDR} = \text{RNI}$ (assumes no migration) in a given year
Rate of Natural Increase (RNI)/yr

- Latin America ~ 1.7%
- USA ~ 0.6%
- World ~ 1.3%
- More Developed World ~ 0.1%
- Lesser developed world ~ 1.6% - 1.9%
- Caribbean ~ 1.2%/yr
- Central America (including Mexico) ~ 2.4%
- Mexico ~ 2.4%
- South America (including Brazil) ~ 1.5%
  - Brazil ~ 1.3%
Rate of Natural Increase (RNI)/yr

- Notable extremes
- Historical trends: 1950s - 1980s
  - Decline but less rapidly now
Total Fertility Rate (TFR)

• = average total number of births to a woman in her lifetime (superior to CBR)
• ~ 2.1 => parents only replacing themselves (called replacement level fertility)
  ➢ need the extra 0.1 due to childhood deaths
2005 Fertility (TFR)

- Latin America ~ 2.6
- USA ~ 2.0
- World ~ 2.8
- More Developed World ~ 1.5
- Lesser developed world ~ 3.1 - 3.5
- Central America (including Mexico) ~ 2.8
- Mexico ~ 2.6
- South America (including Brazil) ~ 2.5
- Notable extremes:
  - Guatemala ~ 4.4
  - Chile ~ 2.0
Death related (mortality)

• Mortality
  - measured by “life expectancy at birth” ($E_o$) = AVERAGE projected span of life at the date for a pop

• Infant Mortality Rate (IMR)
  - # deaths of infants (< 1yr)/1000 live births in a given yr
Life expectancy at birth $E_0$

- Latin America ~ 71 yrs
- USA ~ 77
- World ~ 67
- More Developed World ~ 76
- Lesser developed world ~ 63 – 65
- Caribbean ~ 69
- Central America (including Mexico) ~ 74
- Mexico ~ 75
- South America (including Brazil) ~ 70
- Brazil ~ 69
- Individual extremes
Infant Mortality Rate (IMR)

- Closely correlated with $E_0$ & very diagnostic of social underdevelopment and poverty
- Latin America ~ 29 (per 1000 live births -or 2.9%)
- USA ~ 6.9
- World ~ 55
- More Developed World ~ 7
- Lesser developed world ~ 61 - 64
- Caribbean ~ 38
- Central America (including Mexico) ~ 27
- Mexico ~ 25
- South America (including Brazil) ~ 30
- Brazil ~ 33
- Individual extremes
Population age structure - youth

- Youthful pops: % of pop < 15 years old
  - USA 21%
  - World 30%
    - Lesser developed World 33% - 36%
    - More Developed World ~ 18%
  - Latin America 32%
    - Central America with Mexico 35%
    - Caribbean 30%
    - South America 31%
- Latin American extremes & consequences
Population age structures

- Population pyramid
- Concept of dependency ratio
  \( \frac{(\text{pop aged 0-15} + \text{pop aged 65+}) \times 100}{\text{Pop age 15-65}} \)
- USA dependency ratio
  \( \frac{100 \times (21\% + 13\%)}{66\%} = 51 \)
- Developing world dependency ratio
  \( \frac{100 \times (33\% + 5\%)}{62\%} = 61 \)
- Latin America dependency ratio
  \( \frac{100 \times (35\% + 5\%)}{60\%} = 66 \)
Population age structure - aged

- Aged pops: (> 65)
- USA 13%
- World 7%
  - Lesser developed World 4% - 5%
- Latin America 6%
  - Central America with Mexico 5%
  - Caribbean 7%
  - South America 6%
- Latin American extremes & consequences
Geographic distribution of population

- **High** density zones & low density zones
Geographic distribution of population

- Urbanization
  - Large city urbanization in LA
Geographic distribution of population

- Urbanization
  - Mega-cities
    1. Tokyo ~ 35 m
    2. Mexico City ~ 19 m
    3. NYC ~ 18.5 m
    4. Bombay ~ 18
    5. São Paulo ~ 20 m
    6. Dehli ~ 15 m
    7. Calcutta
    8. Buenos Aires ~ 13 m
    9. Jakarta ~ 13 m
   10. Shanghai ~ 13 m
   11. Dhaka ~ 12.5
   12. Los Angeles ~ 12 m

- Emerging Megalopolis zones
Geographic distribution of population

- Concept of primacy
Geographic distribution of population

- Concept of primacy
  - E.g. of Lima
Roots of urban growth

• Demographic
  - Urban migration
  - Natural increase

• Economic
  - Industrialization
  - Rural stagnation

• Organizations
  - Banks and governments
Benefits from urban growth

- Efficient provision of social services
- Cities are centers of information flow and knowledge
- Concentrated (and better educated?) labor pool
- Physical infrastructure often better
- Cities concentrate “human capital”
- Cities are a huge internal markets
- Easier linkages between industries
- Cities are often “better off”
Problems with urban growth I

- Housing
  - First destination of poor migrants is the inner city slums
  - **Elite** often still in posh neighborhoods in inner city
  - Often close **juxtaposition** of rich and poor
Problems with urban growth

- Self-help (often squatter) housing
  - *Favelas* (Brazil), *colonias proletarias*, *cuidades perdidas*, etc.
  - 2<sup>nd</sup> destination of R migrant
  - Seen as places of permanence
  - 25-40% of total pop in some cities
  - Initially settlements lack infrastructure
  - A main characteristic is improvement
Planned new housing area in Mexico City
Squatter housing in Mexico City
Self-help housing, Santo Domingo, DR
Self-help housing, Santo Domingo
Self-help housing, Santo Domingo
Self-help housing, Santo Domingo
Self-help housing, Saltillo

© J. M. Whitmore
Formal sector housing, Saltillo

© T. M. Whitmore
Formal sector housing, Tegucigalpa
Formal sector housing, Tegucigalpa
Problems with urban growth

- Subsidy and Sink effects
- Congestion
- Pollution
- Loss of urban open space
- Poor provision of basic services
Problems with urban growth

• Export of problems
• Poverty generally
• Employment not always good
The urban economy

- **Dual system**
  - **Formal**
    - corporate, government, commerce, and major businesses
    - Minority of jobs?
The urban economy

• Dual system
  ➢ Informal
    ▪ services, local assembly and repair shops, family-run micro-businesses; day labor, domestics, etc.
    ▪ Majority of jobs?
Migration—the 3rd part of demography

• Definitions
  ➢ More-or-less permanent change in the locus of one’s life
  ➢ Must cross political boundary

• “Circulation” a temporary change in residence
Migration — 4 major types

- 1st type: International within Latin America
- 2nd type: International to and from Latin America
- 3rd type rural => rural migration
- 4th type rural => urban migration
International migration within Latin America

- Mostly labor circulation flows
- Industrial and urban destinations
- Rural origin to urban destination
International to and from Latin America

- Colonial migrations
  - 10s of thousands of Iberians
  - Forced migration of ~10 m Africans
- 19th century migrations
  - Europeans to S Brazil, Argentina, Uruguay, Costa Rica
International to **and from** Latin America

• Contemporary migrations (e.g., Caribbean, Ecuador)
Example of International migration: Mexicans to US

- N limits of Mexico
- Loss of $\frac{1}{2}$ of Mexican territory to US in war of 1840s
- Post-Mexican war in 1880s
Example of International migration: Mexicans to US

- 1920s revolution and post-revolution chaos in Mexico plus demand for ag workers in WWI in US
Example of International migration: Mexicans to US II

- 1940s - 1960s => Bracero program
Example of International migration: Mexicans to US

• **1980s and beyond**
  ➢ Issue of illegal (undocumented)

• **Mexico — USA labor markets closely coupled since 1880s**
  ➢ Issue of remittances

• **Spatial** patterns of migration
C-51 PUENTE INTERNACIONAL "PASO DEL NORTE"
RAPID GROWTH
Nigeria. RNI 2.8%
2002 population: 126.6 million
Projected population for 2025: 204.5 million

SLOW GROWTH
United States. RNI 0.6%
2002 population: 284.5 million
Projected population for 2025: 346.0 million

ZERO GROWTH
Germany. RNI -0.1%
2002 population: 82.2 million
Projected population for 2025: 80.0 million
LA cities in World’s top 100
(19 of the top 100)
Elite housing, Santo Domingo
Elite house Cuidad Juarez
Urban water, Santo Domingo
Subsidence in Mexico City
Subsidence in Mexico City
Find the globalization! Tegucigalpa
Informal sector economy
Informal economy, tile making (for export to posh homes in USA), Saltillo
Informal economy: tile making (for export to posh homes in USA), Saltillo
Return migrant (remittance funded) housing in Ecuador
© Brad Jokish
Fig. 3. Percentages, by Origin, of Undocumented Migrants to the U.S., 1975 [26].
Remittances: The Human Face of Globalization

Source: © IADB
Remittances – a major consequence of migration

• People move North by the millions, and money moves South by the billions.
• Remittances are monies sent by workers in the US to their Latin American (and other) homes.
• About 10 million Latin American immigrants (of the 16.5 m total) living in the United States:
  ➢ Send about $44 billion to their families on a yearly basis.
  ➢ Each monthly transaction averages approximately $240.
Scale of remittance Flows

- Exceeded the combined Foreign Direct Investment (FDI) and net Official Development Assistance (ODA) to the Region
- LA is now the fastest growing and highest volume remittance market in the world
  - 150 million transfers annually to over 20 million recipients
- Flows exceed tourism income to each country
- At least 10% of GDP in six countries (Haiti, Nicaragua, El Salvador, Jamaica, the Dominican Republic, and Guyana)
- Almost always exceed the largest export.
Scale of remittance Flows

• Remittances to Mexico
  ➢ the country's total tourism income
  ➢ two-thirds of the value of petroleum exports
  ➢ ~ 180% of the country's agricultural exports.

• The earnings of Salvadorans residing in the United States
  ➢ entire GDP of the country.
Return migrant (remittance funded) housing in Ecuador
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Y ENVíOS EN GRAL. ENTR
GUATEMALA Y USA
Recall: Migration — 4 major types

• 1\textsuperscript{st} type: International within Latin America
• 2\textsuperscript{nd} type: international to and from Latin America
• TODAY
  ➢ 3\textsuperscript{rd} type rural => rural migration
  ➢ 4\textsuperscript{th} type rural => urban migration
Permanent: rural ⇒ rural

• From densely settled highlands to sparsely settled lowlands
  ➢ Andean to Amazonia
  ➢ Andean to coast
  ➢ Central American

• From densely settled NE Brazil to Amazonia

• From Brazilian cities to Amazonia

• Also temporary r ⇒ r circulation
Permanent: rural => rural

- Sierra de Lacandon, Peten, Guatemala
4th type: rural => urban migration

• What is it?
  ➢ rural to urban migration => permanent change of residence

• Why migrate?
  ➢ “Push” and “Pull” forces
  ➢ economic welfare
  ➢ social welfare
  ➢ other factors
Why migrate?

- Economic (pushes & pulls)
  - Lack of land
  - Few non-farm opportunities
  - Little upward mobility
  - Development => fewer rural jobs & jobs with less dignity
Why migrate?

• Social (pushes & pulls)
  ➢ Education
  ➢ Health care access
Why migrate?

• Other (pushes & pulls)
  ➢ Environmental
  ➢ Violence
  ➢ Individual factors
  ➢ Family strategy
Who migrates?

- Age
- Gender
- Marital status
- Education level
- Personal
- Ethnicity
How do migrants move?

- Migration patterns
  - Role of information
  - Role of social networks
How do migrants move?

- Migration patterns
  - Step vs direct migration
  - Fill-in migration
  - Role of distance
Wealth

- Average wealth in GDP in PPP/capita
  - World ~ $9,300
    - Lesser developed ~ $4,600
  - USA ~ $41,500
  - LA ~ $7,700
  - Very low in LA (< $5,000)
    - Honduras, Nicaragua, Guatemala, El Salvador
    - Jamaica, Haiti
    - Ecuador, Bolivia, Paraguay, Guyana
  - Above world average
    - Costa Rica, Mexico
    - Argentina, Chile
Wealth distribution

• USA
  ➢ Richest 20% have 40% of all income
  ➢ Poorest 20% have 5%
  ➢ 55% in middle

• Latin America
  ➢ Richest 20% have 50-65% of all income
  ➢ Poorest 20% have 2-5%
  ➢ 30% in the middle

• Countries with top 20% with more than 50% of all income
  ➢ Brazil, Panama, Costa Rica, Argentina, Mexico, Peru, Venezuela
Percentage of Adults Receiving Remittances

- Ecuador: 14%
- El Salvador: 28%
- Honduras: 16%
- Guatemala: 24%
- Mexico: 18%

Source: © IADB
Amazonia