

RURALIZING URBANIZATION: CREDIT, HOUSING AND MODERNIZATION
IN COLOMBIA, 1920-1948

A Dissertation

Presented to the Faculty of the Graduate School
of Cornell University

In Partial Fulfillment of the Requirements for the Degree of
Doctor of Philosophy

by

Susana Romero Sánchez

August 2015

© 2015 Susana Romero Sánchez

RURALIZING URBANIZATION: CREDIT, HOUSING, AND MODERNIZATION
IN COLOMBIA, 1920-1948

Susana Romero Sánchez, Ph. D.

Cornell University 2015

My dissertation examines state-led housing projects, credit democratization programs and urban development policies in Colombia's two largest and most important cities, Bogotá and Medellín, from the 1920s through 1948. I focus on the political economy and everyday functioning of housing, credit, and urban development programs as a vantage point from which to understand how state makers—politicians, intellectuals, reformers, businessmen, local groups—dealt with this transformation. I argue that by putting urbanization's concrete, material changes and ensuing political challenges at the center of the analysis, "Ruralizing Urbanization" offers a more nuanced understanding of the relationship between state formation and economic and social modernization in Latin America.

My focus on credit and housing reveals that the political relevance that urbanization and urban social issues gained by the late 1940s was the result of a process of state formation beginning in the 1920s. Back then, Colombian intellectuals, reformers, and economic officials did not equate modernization with urbanization or economic development with industrialization. The post-1945 developmentalist agreement around the precepts of modernization theory, which considered that being "modern" meant being urbanized and equated economic development with industrialization, resulted

from a two-decade long process of re-negotiating modernization's meanings and re-working state practices at the local and national levels. "Ruralizing Urbanization" therefore re-periodizes the relationship between state formation and modernization by showing the historical significance of pre-World War II discussions and institutions, demonstrates the centrality of credit as a modernization tool, foregrounds intellectual and political debates developed by Colombians—not by international experts, foreign advisors, and other external actors whose roles have been exaggerated in much of the current historiography—, and highlights the intimate connection between urban and rural transformations (not only did reformers not separate urban and rural issues when discussing policies, but also the systemic relationship between cities and their hinterlands profoundly shaped modernization policies).

BIOGRAPHICAL SKETCH

Susana Romero Sánchez received a B.A. in Economics from the Universidad Nacional de Colombia, Bogotá, in 2001. In 2007, she obtained an M.A. in History from the same university. In 2008, she began her doctoral work in History at Cornell University, where she was trained in Modern Latin American History. Her research focuses on the processes of modernization and urbanization in mid-twentieth century Colombia, and the profound impact of the rural/ urban divide on the redefinition of social modernization and economic development.

ACKNOWLEDGMENTS

Over the course of my Ph. D. studies many individuals and institutions have contributed to and supported the processes of researching and writing this dissertation. I would like to start the recognition of the many debts I have acquired by thanking the people at the archives and research collections in Bogotá and Medellín, who welcomed me in their work places and enthusiastically guided me through the magic world of document finding. In Medellín, I personally benefitted from the rational, pragmatic way in which Medellinenses administer their institutions, leading them to establish complete and incredibly organized archival collections. I want to thank the staff at the Archivo Histórico de Medellín for their assistance and support. I also thank María Isabel Duarte and her team of wonderful women in charge of the Colección Patrimonial at Universidad EAFIT's library. María Isabel was not only generous with her knowledge of Medellín and Antioquia's archival resources, but she was also incredibly supportive and encouraging towards my work. At EAFIT I met interesting people, participated in fulfilling conversations about the development of Medellín, and had the luxury of using a comfy sofa hidden in the back of the stacks when I desperately needed a place to nap. In Bogotá, I want to thank the staff at the Biblioteca Luis Ángel Arango and the Archivo General de la Nación. In particular, Mauricio Tovar at the AGN supported my cause of having access to public records, which by definition should be open to all citizens. At a time when state institutions—ones that state makers worked hard to consolidate—are being liquidated, this is not a small struggle. Without Mauricio's help, I might not have been able to access ICT's records.

Dora Brausin at the Fonoteca de la Radio Nacional de Colombia was also incredibly generous with her time and resources.

The research I conducted at Colombian archives and collections was funded by the generous support of the History Department at Cornell University, through the Walter LaFeber research fellowship and the Gillmore Fellowship. Pre-dissertation and dissertation trips were also funded by research grants from the Latin American Studies Program, the Graduate School, the Institute for the Social Sciences, and the Society for the Humanities at Cornell University. I thank them for their support.

At Cornell I had the fortune of having been mentored by the most stimulating dissertation committee a Graduate Student can have. My committee members were careful readers, generous with their time and unfaltering in providing encouragement. I am deeply grateful to them. Ray Craib pushed me (and continues to do so) to phrase my arguments in such a way that they “hit people directly on their heads.” Making bold arguments sometimes requires courage, and my conversations with Ray helped me gather some. Judi Byfield guided me through the richness of African historiography. She knows I do not exaggerate by saying that the ways in which Africanists have questioned such broad categories as development, state formation, and rural and urban have substantially shaped my own arguments. Derek Chang reassured me that the traditional way of interpreting the relationship between north and south could be challenged.

I also want to thank colleagues and Professors in the History Department at Cornell who patiently read my long chapters and provided insightful feedback. In particular, Professors Ernesto Bassi, Durba Ghosh, Mostafa Minawi, Rachel Weill and Molly

Geidel discussed my chapters at the Graduate Colloquium. My friends and colleagues Rebecca Tally, Kyle Harvey and Josh Savala read my drafty chapters, critically engaged with my approach, and provided me with crucial insights. My “Colombianist” friends Ricardo López and Rebecca Tally also have an important place in these acknowledgements. I hope that the fruitful intellectual engagement we had established over the years continues and strengthens. At conferences, Professors Barbara Weinstein and Mary Roldán commented on pieces of writing that eventually evolved into dissertation chapters.

In the acknowledgements of a dissertation where housing plays such a prominent role, I must thank to all those who hosted me in Medellín, Ithaca and New York during the last seven years. Housing is never just housing. For me, it meant the beginning of long-lasting friendships. The relationships, personal and intellectual, I established with Gloria Lopera and María Mercedes Botero in Medellín serve as a proof. I thank my family in New York and New Jersey for offering me a resting stop between the numerous trips I made between Ithaca and Bogotá. Finally, I was blessed with the intellectual and material support of the London-Roldán family. Their generosity, which has no boundaries, has always made me feel like home. Mary has been an incredible advisor and an inspiration. I hope we can continue our long chats about Colombian history now that I am embarking on a different journey.

My family and friends in Colombia deserve a special mention. My friends have patiently listened me ramble about Colombian history and respectfully taken me out of my own world every time I needed to. My parents not only have offered me a hand in critical moments, they have also helped me see things clearly when it seemed all

blurred to me. In a society where humanities are increasingly undervalued, I am deeply grateful of having grown up among a family who consider intellectual and artistic works great contributions to the world. It was from my parents' bookshelves that I picked up and devoured as a little child the first historical narrative of Colombia (Eduardo Caballero Calderón's *La historia en cuentos*). Back then neither of us expected that I was going to become a historian, but I am certain that I am now one because of the intellectual environment and encouragement I encountered at home. I am very lucky to have Adriana and Diego Alejandro as siblings. They have directly participated in the elaboration of this dissertation by taking pictures of documents, accompanying me to the library, reading magazines and scanning stuff for me. My conversations about modern architecture in Bogotá with my brother have been the source of many arguments I have presented in the dissertation. But more importantly, my siblings have been the cause of many laughs and enjoyable moments during times when things seemed way too serious. I am sure we will keep laughing at life as time passes by, and for that I feel blessed, happy and deeply grateful.

TABLE OF CONTENTS

Biographical Sketch	v
Acknowledgments	vi
List of Illustrations	xii
Preface	xiv
Introduction	1
Chapter 1. An Archeology of Social Reform: Economic Expertise, Credit, and Politics during the Great Depression	34
Introduction	34
Colombia in the Great Depression	38
The “Boom” Period (or the Boom of Speculation)	40
Contradictions Come to Light	50
Economic Crisis and Politics	60
Issues of Economic Expertise, Political Innovation, and Development	77
Chapter 2. The Social Question and the Origins of National Housing Policies	
Introduction: Rethinking Colombian Problems	97
From Urban Charity to Urban Business	108
The Early Urban Social Question and the Emergence of Public Housing	110
When Making Money Was a Social Service	120
A Modern Peasant Nation	132
The Agrarian Question	139
Colombia Is the Countryside, Agriculture Is Development, Credit Is the Tool	152
Rural Housing and Policy of Subdivision	165
Chapter 3. The Rise and Fall of the Modern Rural Nation	
Introduction	172
Navigating Obstacles: The Problem of the Municipality	178
The Pitfalls of Subdivision	
Doling Out Credit	195
The Rural Improvement Campaign	204
Rural Abandonment	207
Planning Rural Life	215
Building in the Midst of Conflict	226

From Rural to Urban	241
Was Making Money Really a Social Service?	250
Chapter 4. Urban Development Encounters Urban (and Rural) Discontent	
Introduction	256
The Making of a Modern City and Its Vicissitudes	261
Speculation and the “Rural-ization” of Medellín	265
“Civic Motto: Good Intelligence between the Employer and the Worker Is the Basis of Social Wellbeing”	280
Adequate Housing for the Proletarian Class	293
The Perfect Niche for Modern Architecture	304
Land Speculation and the “Urban-ization” of <i>Haciendas</i>	306
“ <i>A la carga!</i> ”	319
“A City Is a Conglomeration of Individuals Who Associate to Live a Better Life”	328
“ <i>El Bogotazo</i> ”	339
Epilogue	
Private and Public	344
Rural and Urban	352
Bibliography	358

LIST OF ILLUSTRATIONS

1.	“A Garden – Village in the Agricultural Colony of Sumapaz (TOL)”	218
2.	House Type No. 1	232
3.	Pictures of the Before and After of a Construction in Suesca, Cundinamarca	239
4.	Bewildered Bogotanos watch the opening of “Caracas” avenue in downtown Bogotá	341
5.	Sady González, “Machetes”	343

PREFACE

“Ruralizing Urbanization” is a history of how urbanization changed the meaning and practices of modernization and development in mid-twentieth century Colombia. The narrative focuses on the *process* of reworking social modernization’s and economic development’s meanings and the political practices leading to the imagined “modern society,” rather than on the long-term results of modernization and development policies. To unravel the forces accounting for this process, I analyze two fundamental and interrelated tools states had relied on to galvanize modernization and economic development: credit and low-income housing programs. Credit is the basis of all policies of development. However, studies deconstructing the idea and policies of development have paid little attention to the use of credit as a development tool. In addition, housing policies, fundamentally based on credit, not only were critical in spurring modernization; they were also essential in *re-defining* the meaning of modernization and shaping the ways in which the state would galvanize that type of modernization. Moreover, housing and credit were at the heart of the most critical socio-spatial transformation characterizing Latin America in the mid-twentieth century: urbanization. My focus on credit and housing reveals that the political relevance that urbanization and urban social issues gained by the late 1940s was the result of a process of state formation beginning in the 1920s. Back then, Colombian intellectuals, reformers, and economic officials did not equate modernization with urbanization or economic development with industrialization. The post-1945 developmentalist agreement around the precepts of modernization theory, which considered that being “modern” meant being urbanized and equated economic

development with industrialization, resulted from a two-decade long process of re-negotiating modernization's meanings and re-working state practices at the local and national levels.

In chapter 1 I elaborate what I call an “archeology of social reform policies,” or the story of how state officials, intellectuals and reformers redefined the role of the state in transforming the “national economy” and Colombian society, more broadly, in the context of the collapse of credit during the Great Depression. The chapter dwells on the political impact and local reverberations of the Great Depression, such as unbridled speculation and private/public indebtedness, to explain why state makers considered it necessary to implement nation-wide programs of social reform. It is structured around two intertwined arguments: first, social reform and economic development were not discrete categories of concern, but completely interconnected in economic officials' elaborations about state interventionism. Second, as a direct consequence, economic officials relied on the consolidation of a national credit system to address social (as well as economic) dislocations. Credit was defined as a neutral and mutually convenient tool. Consolidating a program of economic recovery and development based on credit allowed state makers to argue that economic development brought about concrete social benefits for all Colombians. Close attention is paid to the development of a sector of “economic experts,” whose conceptualizations about economic development and social progress were profoundly influenced by the principles of Catholic social doctrine.

Chapter 2 examines how reformers, intellectuals, and politicians perceived the so-called “social question” in the 1930s to understand the origins of the first national

housing program. I show how in contrast to prior understandings of the “social question” as a moral or hygiene problem among the urban destitute, for Colombian policy-makers in the late 1930s, the social question centered on the problem of colonization of agricultural land and ensuing rural unrest in critical food producing regions. I argue that for Liberal reformers a true national social policy could only be one that allowed for the consolidation of a “modern agricultural country,” based on a solid class of rural owners. This was the impetus for the creation of the *Instituto de Crédito Territorial* (Institute of Territorial Credit, ICT) in 1939, a credit agency for rural housing, envisioned as the social component of an overall policy of agricultural modernization and land redistribution.

Chapter 3 focuses on the history of the first years of the rural housing campaign led by the ICT. It demonstrates that rural housing was the social component of a complex system of credit the Liberal government had consolidated to fundamentally transform rural local relationships. The chapter explores the connection between housing and the first attempts at rural planning, showing that the rural housing campaign was an effort to intervene in conflictive rural areas. Liberal state officials believed that credit would help the government in Bogotá regulate chaotic relationships in the countryside, where Liberal policies of social reform were encountering serious obstacles (in particular, the program of agrarian reform based on land subdivision and title regularization was putting into question the political legitimacy of the Liberal government). Drawing on ICT’s Board of Directors’ minutes, the chapter shows that the program did not work as expected. Rather than contributing to rural social improvement, the rural housing campaign questioned the

political effectiveness of credit in fostering rural modernization. Economic officials disapproved of the high costs that the rural housing program was generating for the state. Peasants benefiting with state credit did not pay back their loans. Building houses in geographically diverse and distant areas resulted in enormous economic efforts that the state in Bogotá was unwilling to assume for the improvement of peasants' living conditions and the spatial and social planning of rural communities. In the mid-1940s, a critical economic and political shift led Colombian reformers to reconsider what a modern nation meant. The ICT was central in making that shift possible. In 1942, the Institute started financing the construction of working- and middle-class neighborhoods in cities like Medellín and Bogotá, through a new urban section created for that purpose. Since then, the ICT made urbanization a political priority for the state.

Chapter 4 explains how urban interests contributed to the shift from rural to urban. It shows that development companies, real estate owners, industrialists, architects, working- and middle-class unions and cooperatives greatly benefitted from the urbanization projects set up by the ICT. Through the programs implemented by the ICT, private and public interests converged. The state was able to make credit function in urban centers by capitalizing the ICT through increased taxation for the industrial sector and special programs for urban wageworkers. Development companies and real estate owners obtained substantial benefits from the urban development programs put in motion by national and municipal authorities. These programs were inspired by vanguard notions of urban planning disseminated in Colombia by modern architects. Some unions and cooperatives received credit from the ICT to advance their own

urbanization endeavors. The chapter compares the cases of Medellín and Bogotá, revealing that in both cities the ICT successfully articulated to the existing local political conditions, turning the Institute into a critical urbanizing force. The chapter ends by suggesting that “El Bogotazo,” the riot that destroyed most of Bogotá’s downtown area on April 9 1948, should be understood as an expression of anger against the violent physical transformations that the city experienced throughout the decade.

INTRODUCTION

“It is not hasty to say that peasants are on a pilgrimage to the city. Grandiose rumors about the comfortable and cheerful days that pass in cities spread to impoverished, ruined villages. Overcome by curiosity and desire, the naïve victim bids the countryside farewell and falls into the hustle and bustle of the unyieldingly seductive city. The city’s irrational development... can be the seed of serious problems for a people’s economy... It is urgent that the state turn its attention to the rural situation and invest a great part of its resources in transforming rural aggressiveness and antagonisms into human vitality.”

H. Tamara López, “La autonomía municipal,” 1941.¹

I

The manager of the “Instituto de Crédito Territorial” (ICT, Institute of Territorial Credit), the engineer Gabriel Isaza Botero, asserted in 1965 that during “a relatively short time [46 years], Colombia has stopped being a country of isolated villages to become one of clear urban features, having at least 31 cities of certain importance [more than 40,000 people].” The ICT, a credit agency created in 1939, was the state institution dealing with the consequences of mid-twentieth century urban sprawl: a deficit in housing supply and the inadequate configuration of urban centers, manifested in the proliferation of “tugurios” (slums), “barrios de invasión” (shantytowns where inhabitants had settled without previously acquiring property rights), and other low-income districts that had appeared in disarray on city maps during the last decade. As the Manager of such an agency, Isaza Botero focused on the enormous challenge posed by the continuous growth of urban centers, which had turned Colombia, according to the 1964 census, into a mostly urban country (51% of the population lived in cities, a total of 9.1 million people, as opposed to 8.3 million people living in the countryside). The censuses taken in 1918, 1938, 1951 and 1964 clearly demonstrated the radical change that urbanization had produced on the

¹ H. Tamara López, “La autonomía municipal y una mejor vigilancia y protección de la población campesina,” *El mes financiero y económico* 52, September 1941, 59. All translations are my own unless otherwise stated.

geographical distribution of the population across the national territory. The main four urban centers, Bogotá, Medellín, Barranquilla and Cali had grown into huge metropolitan areas. Almost every province in the country now had at least one city of over 10,000 inhabitants, including the poor and remote provinces of Chocó and La Guajira. The population of provincial capitals had also steadily increased over the previous four decades. Bogotá, the nation's capital, was a city of 144,000 inhabitants in 1918; by 1964, at least 10 cities in the country surpassed that size. Even more, many of the cities of more than 40,000 people in the country did not even exist in 1918 and some others were only small rural towns.²

The technical section of the ICT was in charge of assessing the magnitude of the urban housing deficit and the inadequate living conditions in shantytowns. It estimated that in 1964 at least 25% of urban families lacked a home and 200,000 families lived in shantytowns. In spite of the efforts of the Institution, the qualitative and quantitative housing problem continued to grow as urbanization advanced. Isaza Botero informed the Minister of Economic Promotion that to address the problem, the ICT had to build an average of 73,450 houses per year over a 10-year period, which required a multi-million investment in the provision of housing. The amount of resources—water supply, construction materials, electricity, land, street construction, schools, and hospitals—necessary to assist the new urban population and expand the urban infrastructure were considerable, considering that the urban population would keep multiplying at a fast pace. In addition, the population in need of homes could not afford them, not even under the most favorable financial conditions. At least 76% of the families requesting credit from the ICT did not have the capacity to pay for the installments and 90% could not afford the down payment of a house worth \$30,000 pesos (\$333.3 USD). The only solution available to address the housing

² Instituto de Crédito Territorial, *Informe al Señor Ministro de Fomento para su Memoria al Congreso Nacional, 1965*. (Bogotá: Instituto de Crédito Territorial, 1965), 15-23. Quote is on page 18.

problem was therefore to promote “auto-construcción” (self-help construction) a system in which the Institute provided the materials and the technical expertise for housing construction and beneficiaries contributed by providing their labor, thereby considerably reducing the cost of constructions, and investing capital in impoverished urban sectors.³

By the mid-1960s, self-help housing was an internationally promoted strategy to deal with the urban housing deficit. The ICT, created in 1939, had encouraged self-help construction since the early 1950s, when it was clear that one of the main obstacles in solving the housing deficit for the urban poor was the excessive cost of construction. In fact, since its creation, the ICT had experimented with a multiplicity of strategies to reduce construction costs and offer the most affordable type of housing to poor urban and rural families. The Institute initially focused on credit for rural families to improve or build their homes. Later on, the ICT granted credit to municipalities and provinces to channel national funds to help tackle local and regional housing shortages. It also advanced technical experiments through a technical section formed in the early 1940s, facilitated the efforts of grassroots housing cooperatives and workers’ unions by offering them financial resources, embarked on extensive urbanization programs with funds collected by the national government through direct taxation, funded slum clearance projects in the 1950s, and pushed for self-help constructions. Between 1939 and 1964, the ICT built 117,484 dwellings across Colombia in both rural and urban areas, based on different systems of credit and housing construction, including self-help housing or progressive housing development (beneficiaries would build their own homes by stages, avoiding the disbursement of large sums of money, usually required when purchasing an already completed house, they could not afford), the construction of “vivienda multifamiliar” (collective housing), and special financial packages for workers. The Institute was also involved in urban planning and renewal initiatives, which

³ ICT, *Informe al Ministro de Fomento, 1965*, 27-32.

addressed the problem of mushrooming shantytowns and slums through programs of slum eradication, improvement of living conditions in poor neighborhoods, and expansion of public services and urban infrastructure.⁴

Indeed, the neighborhoods more recently developed by the ICT were carefully planned neighborhoods that followed the precepts of the most recent theories of urban planning. ICT's policy of neighborhood development included comprehensive social programs of education, food provision and community building. For example, "Ciudad Kennedy," whose construction started in 1961, was initiated as a cohesive urban community of 1,264 families who had access to all public services, street cleaning, postal services, new bus routes that connected the neighborhood with almost every other sector in Bogotá, a school completely financed by the ICT—which offered a special restaurant service—and other 10 schools administered by the city, a wide commercial zone and a market, movie theaters, a hospital, two banks, two consumer cooperatives, a park with sports fields, and civic and community centers. These services expanded parallel to the growth of the neighborhood. Beginning in 1965, the expansion of "Ciudad Kennedy" was based on "supermanzanas" (a basic residential unit comprised of uniformly designed apartment buildings, modeled on the "superquadras," the residential mega-blocks in ultra-modern Brasília), consisting of almost 10,000 dwellings. The investment in "Ciudad Kennedy" reached \$260 million pesos by 1965 (\$28.8 million USD), of which \$13.5 million was financed through the Alliance for Progress, the United States-sponsored program of social and economic development for Latin America. The Development Loan Fund (DLF) and the Agency of International Development (AID)—which later merged into a single institution, the United States Agency of International Development, USAID—and the Inter-American

⁴ An institutional history of the ICT is INURBE, *Instituto de Crédito Territorial, ICT: medio siglo de vivienda social en Colombia, 1939-1989*. (Bogotá: Ministerio de Desarrollo Económico, INURBE, 1995).

Development Bank (BID) partnered with the ICT to put in place this massive housing solution. These agencies were committed to pushing for self-help construction in “Ciudad Kennedy.” In addition, the Point IV and United Nations World Food Programs supported food relief policies. These international agencies were also assisting the ICT in advancing neighborhood improvement projects, which included granting social assistance to slum dwellers.⁵

The works in “Ciudad Kennedy” or “Ciudad Techo,” as it was initially named (it was renamed in United States President J. Kennedy’s honor in 1963) were inaugurated by Kennedy himself in December 1961, when he visited Bogotá as part of the tour promoting the role of the United States in furthering development throughout the continent. “Ciudad Kennedy” became a symbol of the benefits of the Alliance for Progress, a program whose efficiency and reach were already being questioned by development experts in 1963, despite the significant capital investment it generated in the region. Critiques of the Alliance for Progress focused on the inefficacy of programs like the agrarian reform, which encountered resistance and faltered in their objective of making the agricultural sector more productive. However, urban housing boomed in cities like Caracas, Lima and Bogotá, making projects such as “Ciudad Kennedy” positive symbols of international development.⁶ In turn, the Alliance for Progress pushed the tasks of the ICT forward to a magnitude yet unseen in Colombia. Isaza Botero argued that although during the previous decade the Institute had assumed a more direct role in housing construction, it was in 1960 when massive housing projects were developed, thanks to Alliance for Progress funds. Indeed, 79% of all urban construction was made between 1960 and 1965.

⁵ ICT, *Informe al Señor Ministro de Gobierno*, 1965, 67-74; Instituto de Crédito Territorial, *30 años de servicio*. (Bogotá: ICT, 1969); INURBE, *Instituto de Crédito Territorial*, anexo, 211-213.

⁶ Jerome Levinson and Juan de Onís, *The Alliance that Lost its Way: A Critical Report on the Alliance for Progress*. (Chicago: Quadrangle Books, 1970); Irwin Baskind, Enrique Lerda, Theodore Mesmer, *The Alliance for Progress in Chile and Colombia: Some Latin American Perceptions*. (Washington: Friends of the Alliance for Progress, 2008); Jeffrey Taffet, *Foreign Aid as Foreign Policy: the Alliance for Progress in Latin America*. (New York: Routledge, 2007).

This means that during the period prior to 1960, the national government had invested \$257 million pesos (\$28,5 million USD) in urban housing through the ICT, whereas during 1960-1965, the investment had topped \$972 million pesos (\$108 million USD).⁷ This remarkable increase in the state's investments in housing made the ICT one of the biggest urban development companies, not only in Colombia, but also in Latin America. With a solid capitalization and a large investment portfolio efficiently administered by its directing Board (\$800 million pesos in 1969), a technical section, coordinated by engineers and modern architects who advanced studies of and proposed solutions to the housing shortage and other urban problems, and a section focused on attending to the social issues typical of the development of low-income neighborhoods, the Institute, in spite of political conflict and economic downturns, became a critical urbanization actor and one of the most important and stable state agencies in twentieth-century Colombia.

II

This dissertation is a history of how the Colombian state became engaged in urbanization projects in the mid-twentieth century. The narrative provided by Isaza Botero in his report to the Minister, could easily lead to the conclusion that the acceleration of urbanization during the 1950s, the aggravation of urban social problems, and the conceptualizations about “underdevelopment” provided by development theorists, which prompted the consolidation of regional programs like the Alliance for Progress, explain the urgency and commitment with which the Colombian state responded to urbanization since the late 1950s. The problem with this interpretation is that it erases the process through which Colombian state makers arrived at the conclusion that the state should participate in the urbanization of the nation in an effort to fix the

⁷ ICT, *Informe al Ministro de Fomento, 1965*, 35-38.

imbalances of and galvanize modernization. I argue that by looking at the evolution of ideas and debates about modernization, development and state interventionism, the critical urbanizing role the state played does not appear as the logical consequence of steep urban growth, serious urban inadequacies, or the response to international pressures. Moreover, modernization, development, and urbanization are historically fluid concepts and practices, whose interconnected meanings have changed while urbanization and modernization unfolded. The assumption held by the ICT in the 1960s about urbanization being natural and inevitable and the absolute necessity of massively building low-income neighborhoods was the result of a long process of state formation. Throughout this process, the interests of private developers, low-income urban residents with purchasing power and state agents gradually converged.

International development projects and discussions established the idea that urbanization was desirable and inevitable. Isaza Botero's interpretation of the urban problem was based on demographers' and sociologists' analyses of urbanization in so-called "underdeveloped" nations. According to these perspectives, in underdeveloped countries throughout the globe the accelerated rate of urbanization, the persistent increase in population, and the spread of urban poverty were the consequences of the unevenness between economic development and social modernization. Theorists' interpretation of the history of "underdevelopment" led them to conclude that although industrialization and urbanization were concrete facts, the economic advancement brought about by industrialization was not enough to provide for the needs of the larger population.⁸ These ideas were recapitulations of the basic tenets of modernization theory, put clearly together in Walt Rostow's foundational work, *The Stages of Economic Growth: a Non-Communist Manifesto*. According to Rostow, Kennedy's economic advisor during the

⁸ Isaza Botero cites demographer Kingsley Davis's and sociologist Gideon Sjoberg's studies of demographic transformations in underdeveloped countries and the transition from pre-industrial to industrial societies. ICT, *Informe al Ministro de Fomento, 1965*, 15-16.

implementation of the Alliance for Progress, there was one historical path that all societies were to follow towards economic development: traditional agricultural societies would be radically transformed by technological innovation, industrialization and the expansion of world markets, cementing democratic regimes in the hands of a thriving bourgeois class and large middle sectors with enormous consuming capacity. Underdeveloped societies had not achieved the necessary conditions for economic “take off,” suggesting that with intensive private and public investments allowing for the appropriation of modern technology, industrialization, and participation in world markets, all nations could eventually reach industrial societies’ levels of development.⁹ This was the main objective of the Alliance for Progress.

Urbanization was the most evident manifestation that once traditional, static—one could say pre-modern or even backward—societies were in the process of modernization. These ideas, however, had a long and complex history in the Latin American context. The United Nations Economic Commission for Latin America (CEPAL), for instance, strongly encouraged Latin American states to stimulate and protect domestic industries as the most important economic promotion policy they could advance. CEPAL was hugely influential in determining economic policies since the late 1940s. In 1948, years before Rostow’s publication, CEPAL, headed by the Argentine economist Raúl Prebisch, articulated a structuralist theory of economic development that vested industrialization with the capacity to spur radical economic transformations. CEPAL’s ideas legitimized Latin American industrialists requests for economic protection by the state, for CEPAL asserted that due to the inherent structural inequality of the international market, the lack of solid industrial production made Latin American economies unable to compete with industrialized economies. Predominantly agricultural economies were condemned

⁹ Walt Whitman Rostow, *The Stages of Economic Growth: a Non-Communist Manifesto*. (Cambridge: Oxford University Press, 1960).

to be part of the *periphery* of the world system, growing at relatively low rates, while industrialized economies, which constituted the *center*, garnered all the benefits of trading their industrial production for agricultural and other raw materials.¹⁰ During the 1950s and 1960s, CEPAL economists and sociologists questioned the idea of stages put forth by modernization theorists, redefining underdevelopment as a permanent state brought about by international inequalities, not a condition that could be surpassed with private investments and full integration to the world economy. For achieving development, Latin American states should further and protect their economies via consciously elaborated industrialization plans. Nonetheless, CEPAL did not question the idea that accelerated urbanization, the logical consequence of industrialization, was inevitable.¹¹

CEPAL's and modernization theory's notions of development were widely accepted in the post-World War II period: Latin American states would encourage industrialization—the base of economic development—and engage in urbanization—the most concrete manifestation of social modernization. I argue that this post-War agreement about the meaning and nature of “development” and “modernization” was the result of a historical process of discussing and negotiating the political terms in which these two concepts were to be materialized. These discussions were taking place within and between Latin American countries. United States and Western European ideas, although in permanent conversation with those in Latin America, did not determine the character of the Latin American debates while the region reworked its path

¹⁰ CEPAL's first publication, known as CEPAL's manifesto was: CEPAL, *El estudio económico de América Latina*. (Santiago de Chile: CEPAL, 1949).

¹¹ CEPAL changed its policy suggestions from the late 1940s unquestioned commitment to industrialization, to encouraging the consolidation of a strong agricultural sector for the export market to finance industrialization in the 1960s. Although the strengthening of agricultural production would create better living conditions for rural workers, in CEPAL's reformulations it was expected that the expansion of agro-industry would expel population from the countryside to the cities, as it was effectively happening. See Joseph Love, “Economic Ideas and Ideologies in Latin America, 1930-1980,” Leslie Bethell, ed., *Cambridge History of Latin America*, Vol. 6. (New York: Cambridge University Press, 1994).

toward modernization in the early twentieth century. In the case of Colombia, the close involvement of the state in urbanizing through massive housing was the unintended result of the implementation of policies aimed at achieving very different definitions of what modernization meant. These definitions and policies were elaborated and reworked starting in the 1920s.

In chapters 1 and 2, I discuss the content and character of those notions and policies and demonstrate that although urbanization was a critical phenomenon determining the timing and content of the debates about modernization, by no means was modernization equated with intense urbanization and industrialization. I argue that during the 1920s, a convergence of different circumstances led Colombian economic officials, reformers, and intellectuals to re-evaluate the path that the Colombian economy had been following since the late nineteenth century. Individuals of both political parties like the Conservative politician and many-times Minister of Finance Esteban Jaramillo, the Liberal engineer Alejandro López, or future Liberal President Alfonso López Pumarejo, who in their roles as Ministers, Congressmen, economic advisors or attachés at crucial embassies pushed for a redefinition of the role of the state in directing the “national economy” and the country toward “social progress.” These individuals perceived that the overlap between the financial crisis that gradually unfolded during the 1920s and social mobilization indicated not only that these phenomena were interconnected, but also that to avoid a political catastrophe, the state must solve the economic crisis in such a way that economic benefits reached a majority of the population. In their analyses of the crisis, financial speculation—considered to be the main cause of the collapse of the credit system at the time of the Great Depression—lay at the heart of the agrarian question, that is, the mobilization of agricultural workers and settlers for rights over land and better working conditions. In simple terms, the argument followed this arc: coffee production was the propeller of the most

impressive economic growth that the country had ever experienced. The coffee boom, forged by Antioqueño peasant colonization since the late nineteenth century, had benefited a sector of merchants and middlemen who lent money to settlers. Peasants in need of seeds, tools, and other resources to get their endeavor started relied on these merchants' capital; lenders, in turn, accepted future coffee production as collateral. The consequence was that peasants were massively in debt, while merchants and financiers invested their profits in urban businesses, like real estate, construction and banking.¹²

The fact that urban merchants and bankers were taking advantage of agricultural producers was manifested in rural out-migration, urban and rural poverty, high food prices, exorbitant rents, and unprecedented displays of bourgeois luxury consumption in cities. All these elements together made clear that the state had to intervene in the economy to fix the tendency to speculate and to strengthen the sector that had produced most wealth in the history of the country, this is, small and medium coffee producers. Thus, the increasing intervention of the state in the economy, a global-wide transformation typical of the Depression, was manifested in Colombia with the creation of institutions to regulate the banking system while protecting agricultural workers from usurers and speculators. From the mid-1920s forward, entities like the Agrarian Mortgage Bank (1924), the private/ public producers association, the Federation of Coffee Growers (1927), the “Caja de Crédito Agrario Industrial y Minero” (Caja Agraria, a credit union for the promotion of agricultural production, 1931), the “Caja Colombiana de Ahorros” (Colombian Savings Bank, 1931), and the “Banco Central Hipotecario” (Central Mortgage Bank, 1931), and the first consulting committees advising the Minister of Finance aimed at achieving an economic and political goal. In doing so, the state was leading the process

¹² Antioqueño colonization was the process in which peasants from the Western province of Antioquia moved southwards encouraged by a multiplicity of factors, including the possibilities offered by gold mining and state colonization programs that promised land in exchange for making that land productive

of economic recovery and simultaneously dealing with social imbalances. The political and economic circumstances at the moment of the Depression led the first generation of “economic experts” to connect economic development and social wellbeing.

Two main issues explain the identification between economic development and social reform, and therefore the political role that credit institutionalization played beginning in the late 1920s. On the one hand, although Conservative and Liberal Ministers of Finance, businessmen, bank managers, reformers and intellectuals clashed with each other over many issues such as economic policy, legislation reform, and labor policies, these individuals also shared two key ideological positions. First, they trusted in the modernizing power of the small rural farmer, this meant they put the creation of a “rural middle class of property owners” at the center of their political programs. Liberals Alejandro López and Carlos Lleras Restrepo and Conservatives Mariano Ospina Pérez and Esteban Jaramillo were representative crusaders of strengthening the small rural property holder as the main political ideal in Colombian society. Second, this model, though undoubtedly shaped by the realities of Colombia at the time, was interpreted within a very particular framework: Conservative and Liberal reformers were devout Catholics. These individuals’ conceptualizations of state interventionism were shaped by the teachings of Catholic social doctrine. The principles of the Church’s Social Action doctrine stated that the state should be an intermediary between capitalists and workers, having the responsibility to curb the excessive individualism that had dominated capitalist relations since the mid-nineteenth century. Catholic Social Action principles held that economic prosperity was not contradictory to social prosperity; it was just necessary to create the conditions in which a more egalitarian and cooperative society could solidify. Social assistance associations inspired by the principles of Catholic Social Action emerged in Medellín and Bogotá in the late nineteenth century. Most of

these charitable programs were focused on organizing cooperative work and providing inexpensive credit to the urban poor. Catholic Social Action therefore had imbued credit with a fundamental political and social role. This understanding of credit was taken up by the Liberal government in the aftermath of the Depression, when it was expected that state credit for rural owners would produce substantive economic growth and improve living conditions in the countryside.

On the other hand, the agrarian question also imbued credit with a social and political meaning. The intensified mobilization of peasants in various Colombian regions, particularly in the coffee-producing highlands of Sumapaz, in the central province of Cundinamarca, and the banana-producing Ciénaga in coastal Magdalena, demonstrated that land colonization was reaching a point of exhaustion. Liberal intellectuals and politicians emphasized the need to reform the land tenure structure through agrarian reform. The Liberal politician and oppositional Representative Jorge Eliécer Gaitán, in his legal investigation of the violent episode in which banana workers in the United Fruit Company enclave at Ciénaga were massacred by the army, demonstrated that the company was accumulating land by confiscating the property of banana producers who were unable to pay their debts to the UFCO. Alejandro López also strongly argued that the Liberal Party must advance an agrarian reform program, which comprised land redistribution and credit as a fundamental policy to consolidate the Party's program in his *Idearium Liberal* of 1936. Carlos Lleras Restrepo campaigned for materializing the Liberal Party's program as a young Representative in Congress in 1936, when he worked for the passing of an agrarian reform in Congress. Lleras Restrepo had also experienced first-hand the conflictive situation in Cundinamarca as Lieutenant Governor of the province in 1934. Furthermore, even the economist Antonio García, a Socialist, commissioned by the National

Comptroller's office in 1936 to perform a complete study of the coffee-producing province of Caldas, showed that coffee farmers were in debt and that land speculation was leading to the disintegration of the medium-sized family property.¹³ The pattern by which merchants and large landowners took advantage of the work of settlers through speculative credit deals or simply by claiming property over lands that were initially considered public was persistently raised in debates in Congress, publications, Ministers' reports, and the Press. The Liberal government of Alfonso López Pumarejo (1934-1936) therefore considered that tackling the agrarian question through implementing a policy of agrarian reform comprising land redistribution, regularization of property titles, and a system of rural credit to benefit small farmers and workers was central to maintaining its legitimacy.

It was in this context of economic crisis, institutional innovation, and agrarian conflict that the first discussions about economic development and modernization in Colombia emerged.¹⁴ In the early 1930s, economic officials, intellectuals, and businessmen defined economic development as the expansion of the economic endeavors of all citizens. Since most of the population was rural and most wealth was produced in the agricultural sector, economic development policies should especially attend to agricultural workers and owners. To modernize Colombia, to achieve an imagined improved standard of life for all members of the *nation*, Colombians did not have to start from scratch. Neither did they have to follow imported

¹³ The influence of CEPAL's ideas in Colombia's economic thought is evident in the introduction García wrote for the 1978 second edition of his work on Caldas. García claimed in 1978 that the main problem in Caldas was that the capital generated by the coffee economy did not favored the industrialization of the province, stalling the economic development of the region. See Antonio García, *Geografía económica de Caldas*. (Bogotá: Banco de la República, 1978).

¹⁴ Frederick Cooper has shown that the post-Depression labor mobilization throughout British and French colonies, particularly in Africa, led colonial bureaucrats to elaborate and conceptualize the idea of "development." Interestingly enough, those elaborations were happening in Colombia almost simultaneously. I have found that Colombian reformers, Alejandro López and Esteban Jaramillo specifically, were in fact paying attention to the economic and social reforms that the British and the French were implementing in their African colonies. See Frederick Cooper, "Modernizing Bureaucrats, Backward Africans, and the Development Concept," Frederick Cooper and Randall Packard, eds., *International Development and the Social Sciences: Essays on the History and Politics of Knowledge*. (Berkeley: University of California Press, 1997).

experiences from Europe or the United States, where urbanization and industrialization determined the path to becoming modern, as modernization theorists predicated. The model of colonization by small peasants for coffee production was indeed successful; it only had to be corrected and disseminated throughout the country. Therefore, modernization came to be identified with fostering the rural sector, since Colombia was, as economic officials would put it, a “peasant nation” or a country whose future depended on the consolidation of a “modern agricultural sector.”

III

I argue that credit was, and perhaps still is, a critical instrument in both defining the meanings of modernization and development and the policies for achieving them. This role has been overlooked in the historiography of development and modernization in Colombia and Latin America. The historiography on Colombia has established a long-standing critique of the national state, claiming that it has been unable to generate modernization, but without a close examination of the concrete tools state makers have employed. Broadly speaking, economic and political historians argue that because national and regional elites have been reluctant to implement social reform policies to democratize the benefits of economic development, the state has failed at modernizing the nation, as social modernization has historically lagged behind economic growth. Persistent violence in the countryside since *La Violencia*, the deep-rooted, primarily rural conflict that swept through various regions in the country from 1948 to 1953, permanent political rivalries hindering the implementation of progressive economic policies, and pervasive urban and rural poverty and inequality have apparently offered dramatic proof that the

Colombian state's efforts to galvanize modernization have failed.¹⁵ This argument shockingly similar to what modernization theorists argued in the 1960s. By keeping modernization theory's interpretation unchallenged, this overarching narrative is also de-historicizing development and modernization, as modernization theory does, by focusing on the *results* of how development and modernization have evolved, instead of the *process* that led to those contradictory results. Looking at credit from a historical point of view is critical in questioning the universality of development and modernization as concepts. This is to say, investigating the context in which credit emerged as a favored instrument of the state for galvanizing economic and social progress, the practicalities of implementing credit-based policies, and the lessons actors learned from these experiences, is central in understanding modernization and development as processes, which are inherently political.

I argue that if defining the terms of modernization involves historicizing a process of political negotiations, one in which economic development was inseparable from political issues, credit, the favored tool used to spearhead modernization and development, must also be historicized and understood as fundamentally political. This perspective reinforces the intrinsically interrelated nature of policies of economic development and social modernization. Conceptually, credit is essentially a connector. At a macroeconomic level, credit connected the wealthiest international bankers to nations in need of capital; locally and regionally, credit also linked producers and consumers, capitalists and landowners, farmers in rural areas and bankers and merchants in urban centers. Credit connected campaigns for social improvement to the need

¹⁵ See for instance, Consuelo Corredor, "La modernización inconclusa," in: Gabriel Misas, ed., *Desarrollo económico y social en Colombia, siglo XX*. (Bogotá: Universidad Nacional de Colombia, 2001); Jonathan Hartlyn, *The Politics of Coalition Rule in Colombia*. (Cambridge: Cambridge University Press, 1988); James Henderson, *Modernization in Colombia: The Laureano Gómez Years, 1889-1965*. (Gainesville, University of Florida, 2001); Salomón Kalmanovitz, *Economía y nación: una breve historia de Colombia*. (Bogotá: Editorial Norma, 2003); Paul Oquist, *Violence, Conflict and Politics in Colombia*. (New York: Academic Press, 1980); Marco Palacios, *Between Legitimacy and Violence: A History of Colombia, 1875-1994*. (Durham: Duke University Press, 2006); Daniel Pécaut, *Orden y violencia: Colombia, 1930-1954*. (Bogotá: CEREC, 1987).

to promote economic growth and development. But credit was essentially a political tool. Once the national state became a major lender by creating mortgage banks and credit unions, credit connected the state and the citizens. For someone like Alfonso López Pumarejo, who in his role as President and head of the Liberal Party, was utterly concerned about the possibility of the Liberals losing political legitimacy, the democratization of credit not only served the purpose of fostering agricultural production; it was also an opportunity for the Liberal government to make actual presence in remote areas where the national state had not arrived before. Indeed, from its inception in the early 1930s through the 1990s, the Caja Agraria was perhaps the institution that more effectively represented the national state across the country. Even in the most remote village, before it was liquidated in the early 2000s, there was an office of the Caja Agraria

In chapter 3 I expand on the political dimensions of credit, by emphasizing the critical role that state officials and reformers hoped credit could play in spreading the power of the state across the territory. I already explained that credit was at the heart of the consolidation of a rural middle class of property owners, as credit would necessary direct capital to small farmers, helping them to advance their productive endeavors and regularize their ownership over their lands. State credit was fundamentally sidelining the greedy usurer, private banker or middleman and replacing him with a more just institution that was going to invest in peasants' wellbeing: the public bank. This was certainly a commendable objective, but one that also expressed a profound need for (urban) state leaders in Bogotá to control the countryside. As agrarian reform programs advanced and encountered serious obstacles in sensitive regions like Sumapaz, in Cundinamarca, state officials constantly re-evaluated the stakes of creating such a thriving class of small rural producers. Conflict, resistance of peasant associations to the program of land subdivision led by the Agrarian Mortgage Bank, reclamation of property rights over lands that settlers considered

public, and radicalization of peasant politics characterized the local political environment within which the agrarian reform was being implemented. Local social relationships in the countryside appeared to reformers, politicians, and state officials in Bogotá as a messy reality over which they had no real control.

Establishing a system of credit offices in remote rural areas was considered an effective and advantageous way of regulating those chaotic relationships. In contrast to the agrarian reform legislation, which had encountered the fierce opposition of landowners and Conservatives both in Congress and at the local level, “credit democratization,” as credit experts called the policy, had the enormous advantage of being supported by broad sectors within the political spectrum. Investors, landowners, politicians in government and the opposition, local administrators and bureaucrats, and even peasant organizations could not deny the benefits of offering inexpensive capital to small producers. Also, in the language of bureaucrats and economic officials, the disarray and conflict present in rural areas evinced an anti-economic logic among local elites, who were delaying, and in some cases deterring, the implementation of social reform programs, and pushing peasants into poverty. By offering state credit, a tool that functioned according to non-political, clear, pre-established mechanisms, state officials hoped to restructure these anti-economic relationships. If credit was administered correctly, the state could empower small producers while controlling local authorities and elites, who would have to abide by the rules set up in Bogotá if they wished to access the national state resources. In this way, credit offered by the state was defined as a neutral and mutually beneficial transaction between the state and rural actors.

I show in chapter three that this double characteristic of credit—neutrality and mutual convenience—was tested by the rural housing campaign advanced by the ICT. The campaign,

the social component of the credit democratization program of the Liberal government, revealed that credit was far from neutral. Credit advocates' discourse of apparent neutrality hid that, at its very core, credit was an economic transaction based on inequality. The owner of capital, whether it be the state, the private bank or the merchant, could imbue their economic endeavors with a discourse of social improvement and general wellbeing, whereas for the client, in this case the peasant, credit meant debt. This fundamental inequality became evident in the obstacles that the ICT rural program faced soon after its creation. For the state, the investment in rural housing was becoming too costly and inefficient. The technical and administrative requirements of constructions demanded extra-investments and houses were expensive, putting the financial stability of the state into question. Moreover, peasants did not pay back their debts to the state. Although it is very difficult to discern the reasons behind peasants falling behind in their economic responsibilities to the state, the fact that small owners were "delinquent debtors" undermined the state's willingness to invest in forging the individual endeavors of small producers. I argue that this realization forced the state to reconsider how and where it was possible to make credit function. In the context of domestic industrial expansion and intensified urbanization, credit for social modernization gradually concentrated in urban areas, as the ICT shifted its focus from the countryside to the cities. Even though the rural housing section of the ICT would be shut down only in the mid-1950s, by the early 1940s, the "failure" of the campaign had already produced profound effects on state policies, contributing to the redefinition of Colombia's path toward modernization. The consensus over the imagined model of a rural middle class began to crumble as a new model built around urban centers and the promotion of industrialization and city-based economic activities emerged.

My focus on credit thus sheds light on the politics of economic development and modernization, laying bare the intrinsic inequality of any policy of economic and social promotion based on credit. But in the case of the rural housing campaign, the inequality of the relationship between the state and its beneficiaries was also sustained in the complicated boundaries that divided the countryside and the city. “Countryside” and “city” or “rural” and “urban” are categories whose meanings are not only defined in opposition to each other, but also this very opposition is unstable and, of course, historically contingent.¹⁶ In the 1920s, state officials and intellectuals connected a set of social transformations—rural out-migration, political instability, high consuming prices, for example—to the evolving economic crisis, leading them to interpret urbanization as the undesired consequence of a disorderly process of economic growth. Urbanization, thus, and the urban, more broadly, acquired a negative connotation that seemed somehow related to the images that late-nineteenth-century urban reformers crafted about prominent industrial cities in Europe and the United States. Cities were mainly overcrowded, unhygienic, polluted, dark, and riddled by poverty *and* radical politics. For Colombian reformers, Colombian urban centers were not as *urbanized*. Moreover, this type of urbanization could be avoided by investing in the countryside through credit.

But before expanding on how credit exposed the fluidity of urban and rural relationships, it is important to say a few words about how policy makers concretely defined the urban and rural. Interestingly enough, in the censuses, the primary source of demographic information, there was not a discussion about what constitutes the difference between urban and rural until the early 1960s, when Colombian statisticians joined international debates about where to set the

¹⁶ Raymond Williams tracks the different contrasting meanings of “country” and “city” throughout England’s history, from the medieval times until, roughly, the mid-twentieth century. Williams shows that although the contrast between the two categories persists throughout history, the experiences, meanings and symbolisms they evoke are historically contingent. Raymond Williams, *The country and the city*. (New York: Oxford University Press, 1973).

boundaries between urban and rural areas—the ICT, for instance, adopted the conventional notion that any settlement of over 10,000 inhabitants was a city.¹⁷ However, at the height of the rural improvement campaign, in the mid-1930s, finding a common ground to define urban and rural seemed less of a problem. The 1938 census, whose entire organization was aimed at quantifying the demographic and economic differences between rural and urban areas, did not discuss the meanings of both categories at all. However, based on the data provided by the census and the interpretation of the main demographer in charge of the analysis, the Mexican Emilio Guthardt, Colombian statisticians were collapsing “rural” with “agricultural.”¹⁸ It is possible therefore that the steady and increasing rural-to-urban flow of people had forced statisticians and officials to reconceptualize what rural and urban meant during the 1960s, or the so-called “age of development.” Moreover, one could even argue that the intrinsic identification of modernization and development with the urban was an ideological construct emerging out of a complete disconnection with the actual fact that the intensified linkages between the rural and the urban seemed to make the act of defining them ever more difficult.

¹⁷ See ICT, *Informe al Ministro de Fomento, 1965*, 27. The ICT explains that the Colombian Department of National Statistics defined in the 1964 census as “urban” all the population living in the “cabeceras municipales,” or the centers of any municipal conglomeration and “rural” the population living outside of those centers. The ICT elaborated a different definition of urban, only considering cities those centers of over 10,000 people, because “a community of these characteristics requires particular goods and services that are merely urban,” whereas smaller towns’ problems needed to be addressed with “semi-urban or semi-rural solutions.”, 27.

¹⁸ One suggestion of how rural was somehow linked to agricultural is the fact that both urban centers and small capital cities could be rural and urban simultaneously. For instance, remote Leticia, the southernmost town of the entire republic on the Amazon basin, since it was the capital of a “national territory” (provinces that were sparsely populated did not acquire the administrative status of provinces but that of “national territories”), was considered as mainly urban, despite that it was a small town of about 6,500 inhabitants. In contrast, Florencia, also a capital of a national territory located on the southeastern hills of the Andean chain, was mainly a rural town, even though it had an urban segment of over 4,500 people. The main urban centers, including Bogotá and Medellín, although evidently urban, also consisted of a rural segment. In addition, Guthardt seems to conflate agriculture with rural. For instance, when emphasizing the importance of agricultural production for the national economy, Guthardt explains that one manifestation of agriculture’s great relative weight is the fact that “in the countryside and villages of less than 1,500 people is spread out a population of over 6 million people.” Emilio Guthardt, *Distribución demográfica de los municipios colombianos*. (Bogotá: Contraloría General de la República, 1938), 176.

The difficulty in finding the limits between urban and rural is revealed in the use of credit as a political tool for modernization and development. As I suggested earlier, offering credit to farmers was an effort to regulate and intervene in rural local relations or, in other words, to make the state in Bogotá present in areas where the state had been previously absent. The state therefore aimed at *urbanizing* local rural relationships, which reformers considered highly problematic, by implementing rural plans of improvement that included housing, land subdivision and credit. However, it became clear that just the opposite was happening, that is, credit, the neutral, economic tool, was being *ruralized*, as credit agents became enmeshed in the net of local power relationships. This fluidity between rural and urban is also inherent in the unintended evolution of the rural housing campaign led by the ICT. I discuss in chapter 3 that one of the most important consequences of the campaign was that it set up the technical, administrative, and political conditions in which the construction of low-income urban housing developed since the early 1940s. The increasing importance of the construction sector, engineers, and architects *urbanized* the rural housing campaign. But one could assert that as rural housing was being urbanized, the cities were being *ruralized* by the transplantation of a model designed for the rural sector. Furthermore, as I suggest in chapter 4, the expansion of Colombia's two main urban centers, Bogotá and Medellín, was a double-tiered process in which urban social relations were being ruralized and rural relations in the cities' surrounding regions were being urbanized. Rural out-migration, the set up of semi-rural communities, and the structuring nature of pre-existing patterns of land tenure over urbanization are a few examples of how cities were ruralized, whereas the increasing influence of urbanization over regional economies—spurring timber exploitation, for instance, or the disintegration of large estates for the purpose of building urban communities—were consequences of expanding urbanism. However, the crisis of credit as

a social tool and the rural housing campaign that pushed the state to get increasingly involved in urbanizing endeavors in the early 1940s meant that the contrasting meanings between urban and rural were being fundamentally redefined.

IV

The accelerated process of urbanization, or the expansion of urbanism while urban social relations were being ruralized, is the focus of chapter 4. I consider that urbanization itself was fundamental in transforming political discourses and practices about modernization and development, leading to the state's deep involvement in the process of urbanization and, thus, turning the state into a critical urbanizing force. I show how real estate owners, construction companies, urban developers, working- and middle-class unions and associations and urban planners—who ultimately instilled among state makers the notion that intense urbanization was a controllable, positive force—came together in reshaping state policies. The unprecedented political power that urbanizing actors amassed starting, roughly, in the mid-1930s (in the case of Medellín this process could be dated back to the mid-1920s) suggests that urbanization was itself a political process. The chapter suggests that the actions of subdividing, preparing and commercializing land for urbanization, laying out streets and public service infrastructure and equipment (when this actually happened), destroying, building, and inhabiting were political. Urbanization became such a profitable business that the administration of urban resources was turned into a politically sensitive issue, one in which various sectors had a stake. Urban developers, real estate owners and construction companies were heavily represented in Bogotá's and Medellín's City Councils, where decisions about where to build and what to build were made. Municipal workers and working- and middle-class groups were also empowered by urbanization, as their aspirations of home ownership coincided with the interests of urban

developers. They also attained representation in local and national administrative bodies. Urban planners infused the process of urbanization with a sense of national transcendence. Broadly, urbanization—the further annexation of land, the construction of new neighborhoods, and the renovation of urban areas and the appropriation of new and renovated constructions—had enormous political significance.

Latin American historiography has emphasized the political transcendence of urbanization. Urbanization is the backdrop of huge political and social transformations taking place in the region in the mid-twentieth century, such as the emergence of populist politics, grassroots movements for political inclusion and citizenship, and exclusionary ideologies that ultimately shaped the state and the nation. Indeed, the historiography has shown that in many countries since the late nineteenth century, cities were places where major political and social changes, with national repercussions, were at play. The early-twentieth century urbanization of cities like Rio de Janeiro, Buenos Aires, Mexico City, Veracruz, Bogotá and Medellín spurred the need among ruling sectors to control potential social unrest growing out of unresolved aspects of the so-called “social question.” In the context of political instability, particularly in revolutionary Mexico City, urbanization and the resulting social question—the political, cultural, and spatial manifestation of the contradictions of urbanization—acquired enormous political significance. In these cities, the social question came to be manifested in the proliferation of unsanitary working-class neighborhoods where workers lived in crowded tenement houses or occasionally in slums; the eruption of epidemics; the spread of crime and “immoral” habits such as alcoholism; the escalation of anxieties produced by shifting gender relations conducive to prostitution and growing, pervasive urban poverty, and the threatening fact that workers and neighbors were organizing and even radicalizing politically. National elites in urban centers

drove the local and in some cases the national states to intervene with legislation, local policies of crime and prostitution control, urban renovation projects, health campaigns, housing policies, and social assistance institutions.¹⁹

More broadly, the steady urbanization of cities after the Great Depression was the basic socio-spatial transformation undergirding industrialization and the expansion of state functions and other urban services. As labor relations were increasingly urbanized, the working and middle classes expanded considerably, fundamentally transforming the entire political panorama in various Latin American countries. This is the general framework scholars have used to understand the emergence of “Peronismo” in Argentina and the figure of Getulio Vargas, and later his Estado Novo, in Brazil, or “Gaitanismo” in Colombia.²⁰ More specifically, the consolidation of the industrial working-class in cities like São Paulo, Buenos Aires, Medellín, or Mexico City drove industrial elites to negotiate with regional and national states the implementation of a model of labor relations based on relatively progressive social policies and economic concessions for workers. By organizing and striking and acting as direct interlocutors with the state, workers have been critical in shaping those negotiations. In some cases, these

¹⁹ See for instance: Adriana Bergero, *Intersecting Tango: Cultural Geographies of Buenos Aires, 1900-1930*. (Pittsburgh: University of Pittsburgh Press, 2008); Katherine Bliss, *Compromised Positions: Prostitution, Public Health and Gender Politics in Revolutionary Mexico City*. (University Park: Pennsylvania State University Press, 2002); Ann Farnsworth-Alvear, *Dulcinea in the Factory: Myth, Morals, Men, and Women in Colombia's Industrial Experiment, 1905-1960*. (Durham: Duke University Press, 2000); Hayley Froyland, “Para el bien común”: *Charity, Health, and Moral Order in Bogotá, Colombia, 1850-1936*. (Ph. D. Dissertation, University of Virginia, 2002); Donna Guy, *Sex and Danger in Buenos Aires: Prostitution, Family, and Nation in Argentina*. (Lincoln: University of Nebraska Press, 1991); John Lear, *Workers, Neighbors and Citizens: The Revolution in Mexico City*. (Lincoln: University of Nebraska Press, 2001); Teresa Meade, “Civilizing” *Rio: Reform and Resistance in a Brazilian City, 1889-1930*. (University Park, Pennsylvania State University Press, 1997); Pablo Piccato, *A City of Suspects: Crime in Mexico City, 1900-1931*. (Durham: Duke University Press, 2001); Julia Rodríguez, *Civilizing Argentina: Science, Medicine and the Modern State*. (Chapel Hill: University of North Carolina Press, 1987); Andrew Grant Wood, *Revolution in the Street: Women, Workers, and Urban Protest in Veracruz, 1870 – 1927*. (Willmington: SR Books, 2001).

²⁰ Herbert Braun, *The Assassination of Gaitán: Public Life and Urban Violence in Colombia*. (Madison: Wisconsin University Press, 1985); Daniel James, *Resistance and Integration: Peronism and the Argentine Working Class, 1946-1976*. (New York: Cambridge University Press, 1988); Robert Levine, *Father of the Poor? Vargas and his Era*. (New York: Cambridge University Press, 1998).

negotiations, conflicts, and concessions, all taking place in industrial urban centers, have exerted great influence over national politics, furthering the role of industrial capitalists and workers.²¹ Historians have also highlighted the political importance of state bureaucrats and other middle-class employees in shaping state policies, particularly at the social level, by engaging with organized electoral politics, participating as intellectuals and officials in national discussions about modernization and progress or avoiding altogether their involvement in populist politics as a trade off for keeping their economic stability.²² More recently, the political implications of urbanization have been explored through the notion of citizenship. Considering that the rigid category of class does not encompass the mass of dispossessed that have surged since the mid-twentieth century in Latin America's urban centers, scholars have explored the urban poor's struggles over property rights and political inclusion, and the reaction against them, to grapple with the persistence of social inequality, spatial segregation and political marginalization.²³

The social question, class and electoral politics, and citizenship are all critical political effects of the intensive steady growth of Latin American cities. In chapters 2 and 4, I have included a succinct analysis of how the early-twentieth century social question was expressed in Bogotá and Medellín, and how local urban politics evolved as urbanization intensified since the late 1920s. However, I argue in chapter 2 that in Colombia the “question” bearing political

²¹ Farnsworth-Alvear, *Dulcinea in the Factory*; James, *Resistance and Integration*; Kevin Middlebrook, *The Paradox of Revolution: Labor, the State, and Authoritarianism in Mexico*. (Baltimore: Johns Hopkins University Press, 1995); Barbara Weinstein, *For Social Peace in Brazil: Industrialists and the Remaking of the Working Class in São Paulo, 1920-1964*. (Chapel Hill: The University of North Carolina Press, 1996).

²² Patrick Barr-Melej, *Reforming Chile: Cultural Politics, Nationalism, and the Rise of the Middle Class*. (Chapel Hill: University of North Carolina Press, 2001); Brian Owensby, *Intimate Ironies: Modernity and the Making of Middle-Class Lives in Brazil*. (Stanford: Stanford University Press, 2002); David Parker, *The Idea of the Middle Class: White-Collar Workers and Peruvian Society, 1900-1950*. (University Park: Penn State University Press, 1998).

²³ Teresa Caldeira, *City of Walls: Crime, Segregation and Citizenship in São Paulo*. (Berkeley: University of California Press, 2000); Brodwyn Fisher, *A Poverty of Rights: Citizenship and Inequality in Twentieth-Century Rio de Janeiro*. (Stanford: Stanford University Press, 2008); James Holston, *Insurgent Citizenship: Disjunctions of Democracy and Modernity in Brazil*. (Princeton: Princeton University Press, 2008); Edward Murphy, *For a Proper Home: Housing Rights in the Margins of Urban Chile, 1960-2010*. (Pittsburgh: University of Pittsburgh Press, 2015).

significance was not related to the fears and anxieties of urban elites about the degradation and immorality that the urban poor was spreading across expanding urban centers. As their conceptualizations of the modern ideal hinged on the consolidation of a rural middle class of property owners, Colombian reformers and officials centered the social question on the problem of the colonization of agricultural land and ensuing rural unrest in critical food and coffee producing areas. In the case of Colombia, the demographic and economic dynamism and social conflict experienced in rural areas, which cannot be understood in disconnection from urbanization, were underlying forces in the process of state formation during the first half of the twentieth century. My analysis of the Colombian social question thus invites historians of the mid-twentieth century to reconsider the deterministic nature that the social question as a cultural and political phenomenon has acquired in our understanding of the political implications of urbanization.

Nonetheless, as I suggest in chapter 4, the evolving dynamics of urban local politics in Medellín and Bogotá would eventually contribute to the state's credit policy's shift from the rural to urban in the mid-1940s. I show that in both cities, municipal workers and unions and middle-class cooperatives were critical actors in shaping local politics. In the case of Medellín, grassroots groups like municipal workers and neighborhood associations found in the elites' dominant discourse of urban regulation and social harmony, "civismo," or civic engagement, a channel to address their grievances. "Civismo" was the belief that everyone's deep commitment to the progress of their communities—whether it be a neighborhood or the city as whole—, which would entice each and every citizen's engagement in public matters to push for the adoption of policies, only contributed to the advancement of the community as a whole. Consequently, this discourse imbued citizens' grievances about better living conditions in their

neighborhoods with a sense of collective political responsibility, calling out the attention of the municipal administration. In spite of the influence of political parties over local organizations, electoral politics did not dominate local political participation in Medellín. Neighbors' and workers' associations therefore attained concrete benefits, and the municipality directly supported the creation of its employees' cooperatives. It was precisely white-collar workers' cooperatives, in particular those organized for advancing housing solutions for their associates, that were the groups that would initially attract and benefit from the state's credit for urban communities through the ICT.

In contrast to Medellín, in Bogotá a discourse of "civismo" did not take hold among such a large and diverse urban population. Not only did grassroots groups come from diverse regional origins, but also elites who had interests in the city were also investors from different parts of Colombia. In addition, because Bogotá was the capital of the country and the hub of national bureaucracy, the nation state had a large stake in the city's functioning and had intervened closely in municipal matters since the late nineteenth century. As a consequence, local politics in Bogotá were deeply connected to electoral politics, to the extent that the city's social institutions were influenced by national party leaders' political rivalries. In this context, the populist leader Jorge Eliécer Gaitán, who intentionally built his constituency among Bogotá's municipal workers, working-class neighborhoods' residents, and white-collar employees, became a prominent channel through which Bogotá's urban masses could address their grievances. This channel was suddenly closed with Gaitán's assassination on April 9, 1948. The violence that Gaitán's assassination ensued was no doubt an expression of anger against the actual disappearance of the leader. However, I argue that "El Bogotazo" was also an expression of anger against the exclusionary, almost violent ways in which Bogotá had been changing

physically. Constructions and renovations in the downtown area and housing developments in peripheral areas in the south and north were displacing workers from the traditional “centro.” New avenues, modern corporate and residential buildings were replacing old colonial constructions at an overwhelming speed. Rural migrants coming to Bogotá found that the state was in fact investing in urban development, contradicting the Liberal rhetoric that put the rural worker, the small farmer or the peasant at the center of the nation. Bogotá’s urban masses lost their interlocutor with Gaitán’s assassination and thus reacted violently against the constructions and renovations that were uprooting their place in the city.

Hence, urbanization is not only imbued with political significance, but the actions that ultimately lead to the expansion of any urban center, that is, land commercialization, the renovation of already built areas, and the construction and appropriation of the urban space were in and of themselves political. The historiography has paid little attention to the enormous power that those with the means to build and renovate urban areas had garnered in Latin America.²⁴ Real estate owners, construction companies and urban developers in Medellín and Bogotá were influential in the cities’ administration by extending their net of connections and political ties to councilmembers and local administrators. Urban inhabitants willing to pay for a new home also became part of the network of political influence, including cooperatives and unions. Modern architects and urban planners, who put forth a discourse about modernization centered on the regularization of urban space and life, provided developers with ideas about what, how, and where to build. But the political influence of these individuals surpassed the administration of the

²⁴ There are studies of Medellín, Bogotá, Mexico City and Buenos Aires that foreground the power that urban developers exerted over local administrations in understanding the evolution of each city. See for instance: Fernando Botero, *Medellín 1890-1950. Historia urbana y juego de intereses*. (Medellín: Universidad de Antioquia, 1996); Diane Davis, *Urban Leviathan: Mexico City in the Twentieth Century*. (Philadelphia: Temple University Press, 1994); Adriana Suárez, *La ciudad de los elegidos: crecimiento urbano, jerarquización social y poder político. Bogotá (1910-1950)*. (Bogotá: Universidad Nacional, 2006); Richard Walter, *Politics and Urban Growth in Buenos Aires, 1910-1942*. (New York: Cambridge University Press, 1993).

city. The grid of power supporting urbanization reached national politics. Urban interests intervened in the administration of the state's urbanization agency, the ICT, pushing the state to become a major urbanization force.

V

Lastly, I bring into the history of modernization and development actors whom Colombian political and social historians have consistently overlooked: architects and urban planners. In the case of Colombia the role of architects and planners, including the construction of public buildings, the drafting of planning schemes, and the development of public housing, has been studied almost exclusively by architects themselves. These studies, understandably, concentrate on the architectural works and do not situate architects within the political and economic context in which they were functioning—we, for instance, know very little about the political affiliation of prominent Colombian modernist architects like Carlos Martínez or Gabriel Serrano. Based on these works, the development of modern architecture seemed to have developed in a parallel fashion to the economic, social and political modernization of the country, not *in connection* to it.²⁵ I suggest that architects were critical in shaping state policies. They provided state officials with conceptualizations of rural and urban planning and, even though these plans might have not been implemented or worked as expected, it is clear now that state officials and reformers were in constant dialogue with modern architects. I also show that the group of modern architects led by Carlos Martínez, PROA, was essential in the

²⁵ See for instance: Silvia Arango, *Historia de la arquitectura en Colombia*. (Bogotá: Universidad Nacional de Colombia, 1989); Carlos Niño, *Arquitectura y Estado. Contexto y significado de las construcciones del Ministerio de Obras Públicas. Colombia, 1905-1960*. (Bogotá: Universidad Nacional de Colombia, 1991); Alberto Saldarriaga, Corporación Colegio de Villa de Leyva, CEHAP (Medellín), and CITCE (Cali), *Estado, ciudad y vivienda. Urbanismo y arquitectura de la vivienda estatal en Colombia, 1918-1990*. (Bogotá: INURBE, 1996).

transformation of the character of the ICT and in pushing it to develop far-reaching planning and urbanizing projects.

Architects have been brought to the fore of national development and modernization in the Latin American historiography. The creation of Brasília offers an extreme example of how architects and planners pushed for the transformation of social relationships by influencing state policies. The modernist designers and planners involved in the idea of Brasília and in the materialization of this ideal were trained by and professionally linked to CIAM (Congrès Internationaux d'Architecture Moderne) architects. Between the late 1920s and the 1960s, CIAM was the most important forum for the discussion and dissemination of the tenets of modern architecture. CIAM architects considered that the task of urban planning was to work with the city's four main functions: housing, work, leisure and transportation. The correct administration of those 4 functions through effective planning, or the control of unbridled private interests dominating the development of the industrial city, was the key to harmonious urban life. In this sense, CIAM architects promulgated the preeminence of collective wellbeing and rights over private interests, imagining an ideal city dominated by public spaces, densely populated residential areas where constructions were homogeneous and inclusive, not segregating and differentiating as it occurred in the private-interest-dominated industrial city. Design and planning would make this city possible, as modernist architects firmly believed that by generating and manipulating the urban space, urban actors would be forced to interact and behave in different ways. Modernist architecture therefore offered developmentalists and modernizers the promise that the imagined, desirable future could happen by the regulation and designing of modern cities. Brazilian architects took this notion to the extreme and assured the

Brazilian government that the creation of a modern city in one of the least developed regions in the country would develop and modernize all of Brazil.²⁶

Historians of Argentina and Mexico City have also shown the critical role that architects have played in the process of state formation in the mid-twentieth century. Architects in Mexico were central in reinterpreting and giving meaning to the project of the Revolution since the late 1920s. In discussing the meaning of the Revolution, architects adopted a multiplicity of architectural styles to materialize this meaning in Mexico City's built environment.²⁷ Modern architects were also relevant in advancing the Peronist project, by providing the government with ideological and material tools to intervene in the urban environment—through housing programs and planning models that focused on improving working class's living conditions—and planning notions to galvanize modernization in the interior.²⁸

In Colombia, modernist architects were also linked to CIAM and pushed for the transformation of Bogotá in such a way that the old, stratified, and outdated “centro” would become the heart of a modern, inclusive city, comprising a densified residential area and the administrative, civic center. The members of the Colombian Society of Architecture enticed the Colombian government to invite the Swiss architect, and leader of the CIAM movement, Le Corbusier, to visit the city and propose a master plan for Bogotá. Le Corbusier arrived in Bogotá in June 1947 and delivered a lecture on the city's main problems and possible solutions, as he perceived them, talked to many prominent political actors, like the President Mariano Ospina Pérez and Bogotá's Mayor, Fernando Mazuera, and started his studies for the development of

²⁶ James Holston, *The Modernist City: An Anthropological Critique of Brasilia*. (Chicago: The University of Chicago Press, 1989), chapters 2 and 3.

²⁷ Patrice Elizabeth Olsen, *Artifacts of Revolution: Architecture, Society, and Politics in Mexico City, 1920-1940*. (Lanham: Rowman & Littlefield Publishers, 2008).

²⁸ Anahí Ballent, *Las huellas de la política: vivienda, ciudad, peronismo en Buenos Aires, 1943-1955*. (Buenos Aires: Prometeo, 2005); Mark Healey, *The Ruins of the New Argentina: Peronism and the Remaking of San Juan after the 1944 Earthquake*. (Durham: Duke University Press, 2011).

Bogotá's master plan, which he drafted between 1949 and 1950. The plan, composed in conjunction with the United States-based planners José Luis Sert and Paul Lester Wiener and a Colombian team of architects, most of them trained by Le Corbusier in Paris, ended up generating profound disillusionment. Le Corbusier proposed the almost complete destruction of Bogotá's colonial downtown area for the development of a civic center consisting of several tall administrative buildings, residential blocks built with homogeneously designed apartment towers, wide public spaces, plazas and parks, and wide avenues and connecting streets, just as PROA architects had been envisioning since the mid-1940s. However, the complete inapplicability of the plan and the cost it entailed, led PROA architects to reconsider their interpretation of CIAM principles.²⁹

Architects played a role in the transition from the modern ideal of a nation based on a solid rural middle class to the modern urban nation. The contradictions and obstacles in trying to materialize the first model led to the widespread acceptance of the second. The ideal of the modern country of industrialized, regulated cities was not universal, ahistorical, or natural. It developed as the product of the crisis of credit as a favored tool to transform local rural relationships and the up surge of interests linked to urbanization efforts. Here is the history of how the Colombian state participated in such a transformation.

²⁹ John Williams Montoya, . "Planificación, urbanismo y la construcción de la Bogotá moderna. De Brunner a Le Corbusier," Isabel Duque Franco, ed., *Historiografía y planificación urbana en América Latina*. (Bogotá: Universidad Nacional de Colombia, 2013); Carlos Eduardo Hernández Rodríguez, *Las ideas modernas del Plan para Bogotá: el trabajo de Le Corbusier, Wiener y Sert*. (Bogotá: Alcaldía Mayor de Bogotá, 2004).

CHAPTER 1

AN ARCHEOLOGY OF SOCIAL REFORM: ECONOMIC EXPERTISE, CREDIT, AND POLITICS DURING THE GREAT DEPRESSION

“I will appreciate that you, my dear Eduardo, keep me abreast of all you know about the banking situation... You tell me that there is complete calm in the country. So I wish. Nonetheless, in the few letters I receive, I observe a growing fear of social disorders. All of them mention the dissatisfaction with the economic crisis and the possibility of a reaction that could harm liberalism. If, as you say, the government finally negotiated [the debt] based on the monopoly of the match industry (el monopolio de fósforos), and attained an unforeseen income of several millions, the situation the country is going through will probably not evolve into crisis. But, otherwise, it is possible that from February on we will be seeing very dark days.”

Alfonso López to Eduardo Santos, London, November 21, 1931.¹

Introduction

Esteban Jaramillo, a lawyer and politician from the northwestern province of Antioquia, who would be in charge of administering the country’s finances during the worst moments of the Great Depression, argued in 1927, in a conference he gave as Minister of Finance, that Colombia was perhaps the most expensive and costly country one could live in at the time.² The economic transformations taking place in the country and elsewhere over the course of the 1920s pushed prices up through complicated mechanisms that Jaramillo tried to untangle and explain to a general audience in simple terms. As Jaramillo perceived it, ever-higher prices were a symptom of world-wide political, social and economic crisis. As a diplomat in Europe he had witnessed that the world had not fully recovered from the general havoc brought about by the First World War, as unemployment, high prices, and general economic instability were common problems

¹ Alfonso López to Eduardo Santos, London, November 21, 1931. Biblioteca Luis Ángel Arango, *Archivo Eduardo Santos* (hereafter *ES*), Fondo Correspondencia Personajes (hereafter Correspondencia), caja 8, carpeta 4, 485.

² Esteban Jaramillo, *La carestía de la vida. Conferencia dictada en el Teatro Municipal de Bogotá por el doctor Esteban Jaramillo, por iniciativa de la Sociedad de Agricultores de Colombia*. (Bogotá: Imprenta Nacional, 1927).

for the most industrialized economies on earth, marred by a “production-consumption imbalance.”

This macro-economic instability was concerning for Jaramillo due to the “tragic and tormented poetry” underlying high prices and unemployment, or in other words, “the international tragedy, the social tragedy, the domestic tragedy, and the internal tragedy that each of us frequently suffer” when “el pan nuestro de cada día” (“our daily bread”) became unaffordable.³ Even more concerning was that national states, even the most powerful ones, in spite of their highly interventionist roles, had proven unable in any meaningful way to deal with the economic downturn, and therefore to bring a definite solution to these multiple tragedies. High prices in Colombia manifested those same tragedies. However, in trying to explain their domestic particularities, Jaramillo could only sketch an analysis of the recent economic development of the country, to conclude that, different from other places, in Colombia, state officials knew very little or almost nothing about the national economy; thus, the first step in solving the problem was to study it. Only by really grasping the national economy’s configuration, and the needs and realities of labor and capital across regions, cities, and rural villages, could the national state aspire to “provide some relief to many Colombian households, who in their prayers to the Almighty, they zealously ask Him may send them a less scarce and hard bread.”⁴

Indeed, the very fact that Jaramillo was delivering a public conference on an economic phenomenon hints at the political and intellectual transformations taking place at a time of economic despair. First, his call on state officials to engage in a profound analysis and research of Colombia’s economic particularities shows that Colombian ruling sectors increasingly

³ Jaramillo, *La carestía de la vida*, 3-4.

⁴ Jaramillo, *La carestía de la vida*, 24.

regarded Economics and Statistics as indispensable tools for the exercise of political power. Moreover, by 1927, a sector of “economic experts” intervening in the design of economic policy was already in the process of consolidation—Jaramillo himself, a Conservative politician⁵, was considered to be an authority in Economics and Finances. Secondly, Jaramillo’s conference also sheds light on the ways in which the process of consolidation of economic expertise took shape. Since for an “expert” such as Jaramillo economic imbalances (e.g. high prices) manifested a “social tragedy,” economic issues and social tensions were completely interconnected; in other words, at this time, when “economic experts” were pondering the national economy (whatever this concept meant), they were also pondering the nation’s social conditions. Lastly, and as a consequence of the latter, for economic officials, political stability depended on guaranteeing material wellbeing to all citizens, and therefore economic policies HAD to address, almost as a moral and ethical responsibility, the social question.

This chapter attempts to show how this linkage between the social question and economic policy happened in the minds of economic officials and reformers, and how it was translated into the actual practice of politics, leading the state to adopt a set of comprehensive national social policies, the first of its kind. More specifically, this chapter does two things: on the one hand, it digs into the intellectual, political and social transformations (and the debates ensuing from them) that allowed individuals like Jaramillo, and other members of the economic technocracy, to infuse their elaborations about economic policy with their conceptualizations about the social question. On the other hand, it shows that the recovery measures, adopted in the early 1930s to handle the effects of the Great Depression, which heavily focused on the

⁵ In the early twentieth century, the political arena in Colombia was mostly dominated by two political parties, the Liberal and the Conservative. During the nineteenth century both parties were involved in intense political rivalry (they even confronted each other militarily). By the late 1920s, the Conservative party had governed the country for, roughly, a 40-year period known in the historiography as the “hegemonía conservadora” (“Conservative hegemony”).

expansion of public credit for the agricultural sector, were also attempting to deal with the social question. Credit and credit democratization became crucial instruments for the Colombian state to promote economic expansion, one that could simultaneously benefit small producers, farmers, middle-class urban consumers, and why not, big financiers and capitalists. More importantly, as this chapter will suggest, credit policies were perceived by policy makers as the most effective way to expand the reach and power of the central state.

Colombian economic historians have argued that the Great Depression marked a downward cycle in a broader process of economic growth that had been set in motion since the late nineteenth century. This historiography argues that perhaps the most important effect of the Great Depression was to further state interventionism and industrialization. According to this perspective, the crisis, although it did not imply a breakthrough in the evolution of Latin American economies in general, forced the state to step in and offer solutions to banks and creditors to avoid complete financial chaos, while local producers responded positively to external shortages of cash and manufactured production.⁶ Even though industrialization accelerated in the 1930s, discourses about political economy did not revolve around fostering industrialization, urbanizing the country or turning Colombian workers into a solid, unionized industrial proletariat, as this chapter will show. By understanding economic policy as a logical outcome of the crisis, instead of looking at the process through which these policies came into being, existing interpretations of the 1930s period fail to account for the nuances, contradictions, and confrontations entailed in Colombia's process of economic development, leading to the

⁶ See for instance: Salomón Kalmanovitz, *Economía y nación: una breve historia de Colombia*. (Bogotá: Editorial Norma, 2003); José Antonio Ocampo and Camilo Tovar, "Colombia en la era clásica del desarrollo hacia adentro", in: Enrique Cárdenas, José Antonio Ocampo, and Rosemary Thorp, eds., *Industrialización y estado en la América Latina*. (México: Fondo de Cultura Económica, 2003); José Antonio Ocampo and Santiago Montenegro, *Crisis mundial, protección e industrialización*. (Bogotá: Editorial Norma, 2007); José Antonio Ocampo, et. al., *Historia económica de Colombia*. (Bogotá: Editorial Planeta, 2007).

assumption that urbanization was inevitable and industrialization broadly desired. How the Great Depression threw into stark relief these tensions and contradictions is the focus of the following section.

Colombia in the Great Depression

The 1920s in Colombia, generally speaking, have been seen as a time of unprecedented prosperity. International capital flowed into the country—in the form of revenues from exports (coffee production blossomed since the late nineteenth century), the \$25 million dollar indemnity the United States agreed to pay Colombia for the loss of Panama, and international lending for the private and public sectors. The expansion of the international financial system, particularly in the United States, offered non-industrialized small economies, such as those in Latin America, an exceptional amount of dollars through private credit. Colombia, like many other countries, quickly went into debt as this credit became available, mostly investing in public works. The construction of roads, water systems, the improvement of ports and other commercial infrastructure were considered as steps toward the integration of the internal market and the “modernization” of the national economic structure (whatever that meant). When the availability of international monies plummeted due to the financial crash, the country experienced an economic downturn that lasted for about 5 years: the price of coffee exports declined, debtors could not pay their external and internal obligations, devaluation affected macroeconomic stability, inflation rose exponentially, and finally, a set of defaults were decreed by the government starting in 1932, followed by an expansive monetary policy, which together allowed economic indicators to rally rather fast.⁷

⁷ Rosemary Thorp, *Progress, Poverty and Exclusion: An Economic History of Latin America in the Twentieth Century*. (Washington: Inter-American Development Bank, 1998), 106-111; Ocampo and Tovar, “Colombia en la era clásica del desarrollo hacia adentro”, 326, 338-339; Ocampo and Montenegro, *Crisis mundial*, 58; Fabio

Although macroeconomic indicators might speak to the contrary (unprecedented rates of economic growth, expansion of international and internal commerce, development of banking and other financial institutions, and advancement of public infrastructure)⁸ the 1920s were not a decade of strong, sustained, generalized “prosperity”, nor did the crisis quickly pass fast without leaving its mark on the Colombian economy. On the one hand, the financial boom, growth of commercial agriculture, and expansion of infrastructure in the form of roads, railways, and urban services, produced unforeseen social consequences related to rural/ urban migration, labor supply, urban growth, and food prices. On the other hand, given these social conditions, the Great Depression was felt as an internal disruptive process, rather than just an external shock that was handled quickly and simply accelerated previous tendencies. This meant that policy makers now were facing a situation where they were compelled to intervene, assert control, and improve social conditions to avoid even more serious consequences.

Sánchez Torres, “Moneda y política monetaria en Colombia, 1920-1939,” in: Fabio Sánchez Torres, comp., *Ensayos de historia monetaria y bancaria de Colombia*. (Bogotá: Tercer Mundo Editores, Fedesarrollo, Asobancaria, 1994).

⁸ Take for instance these indicators, all based on Colombia’s central bank, *Banco de la República*, data: credit operations grew 30.6% just in 1927. Bank deposits grew 32.19% from 1925 to 1926, the highest rate during the period ranging from 1923 to 1928. The total value of imported goods increased from \$64.486.000 USD in 1923, to \$158.916.000 million USD in 1928. In a similar way, total exports increased from \$57.808.000 USD in 1923, to \$122.771.000 million USD in 1928. The total value of cattle transactions (an incredibly important indicator for gauging the population’s purchasing power) rose by 203% in Girardot and by 152% in Medellín between 1923 and 1928. Transactions over real estate in Bogotá grew by 284% from 1923 to 1928. Basic indicators are in Alfonso Patiño Rosselli, *La prosperidad a debe y la gran crisis, 1925-1935. Capítulos de historia económica de Colombia*. (Bogotá: Banco de la República, 1981), Chapter XVII, “El auge y la gran crisis en cifras.” According to Patiño Rosselli, the area occupied by newly constructed buildings in Bogotá grew from 36.763 to 220.630 sq. mts. In the same period, the freight transported along the Magdalena River more than doubled and aerial shipping almost quadrupled, 22-23. In terms of transportation, in 1925 there were 1.827 kms of built railroads and 763 more were under construction, see Esteban Jaramillo, *Memoria destinada a los miembros de la Conferencia Económica Internacional que se reunirá bajo los auspicios de la Sociedad de las Naciones y presentada al Comité preparatorio de dicha Conferencia por el Doctor Esteban Jaramillo*. (Paris: Imprenta París-América, 1926), 37. Jaramillo stated that some money was invested in building roads and highways but the results of such endeavors were not as visible and efficient as the government would have liked them to be, mainly due to difficult topographic conditions. However, from 1926 to 1930, the government built 942 kms of roads for motor vehicles, Gabriel Poveda Ramos, *Historia económica de Colombia en el siglo XX*. (Medellín: Editorial Universidad Pontificia Bolivariana, 2005), 201.

The “Boom” Period (or the Boom of Speculation)

In Europe and the United States, the industrial revolution and the subsequent expansion of international commerce required the setting up of new financial and banking organizations to support the growth in productivity and commercial transactions. In the mid-nineteenth century, new firms for credit and capital markets were created, alongside joint stock companies, stock exchanges and banks. Immediately after World War I, the United States became the world’s most important creditor as European financial powers such as Great Britain and Germany had to redirect their capital to the military campaign and post-war reconstruction efforts, heavily borrowing from United States banks as well.⁹

After World War I, Latin American countries that had previously borrowed from European banks were forced to turn to the United States for funding. Some of them found willing private banks ready to offer long-term credit and direct investors. United States capital tripled in the region during the 1920s. However, smaller and more unstable economies had few lending options than the so-called “dollar diplomacy,” the State Department’s policy of conditioning private credit to the adoption of United States supervision and economic stabilization policies.¹⁰ Colombia occupied a sort of middle-ground position in terms of the international financial policy of United States foreign advisors and bankers. Frequently perceived as a perplexingly backward country, Colombia nonetheless offered an abundance of natural resources (oil in particular) as well as strategic access to both the Atlantic and Pacific Oceans. As such the country appeared as a potentially profitable prospect for United States investors and exporters. Although somewhat unstable politically and characterized by extremes of social inequality, Colombia was never

⁹ Emily Rosenberg, *Financial Missionaries to the World: The Politics and Culture of Dollar Diplomacy*. (Durham: Duke University Press, 2007), p. 97; Thorp, *Progress and Exclusion*, 100-101.

¹⁰ Rosenberg, *Financial Missionaries to the World*, 2-3, 93-94; Paul Drake, *The Money Doctor in the Andes: The Kemmerer Missions, 1923-1933*. (Durham: Duke University Press, 1989), 13.

perceived as a *banana republic*, where United States corporations with major economic interests or United States officials could intervene as they pleased.¹¹

In the early 1920s Colombian diplomats deployed their best tools in finding willing banks to lend funds to the country. Conservative governments urgently required external currency to pay previously-contracted debt and to finance the fiscal expansion of the state. In 1923, Colombia was the host country of the first economic mission led by Edwin Kemmerer, a prestigious professor of Economics at Princeton, who was a strong believer in the positive general effects on society of the implementation of sustained monetary and foreign exchange controls. Kemmerer restructured the banking and monetary systems of countries as diverse as Ecuador, Bolivia, Peru, Chile, Poland and China, all subsequent recipients of Kemmerer's advice, after his apparent success at reforming Colombia's economy. Kemmerer and his team created Colombia's first central bank, "Banco de la República" (Bank of the Republic), established a watchdog institution to oversee banking ("Superintendencia Bancaria"), encouraged the collection of economic data and statistics (setting up the "Contraloría General de la Nación," the national comptroller, for that purpose), and re-organized government finances by simplifying and streamlining customs collection, ministerial expenditures, and consolidating government accountability. These reforms served the government of Pedro Nel Ospina (1922-1926) as a sign of approval for US banks, who now could look to Colombia as a trustworthy debtor and business ally.¹²

¹¹ Given its low commercial and economic indicators, Drake argues that United States officials saw it as a "third-class" country. Drake, *The Money Doctor*, 30-31. See Fred Rippy's 1931 description of Colombia, as a backward country, inhabited by illiterate people who mainly worked in agricultural endeavors, using unscientific methods, and dispersed throughout a fragmented but yet not fully explored territory. Colombia was extremely rich in natural resources and waiting for technique, capitals and knowledge to cannily exploit them. Fred Rippy, *The Capitalists and Colombia*. (New York: The Vanguard Press, 1931), 32-36.

¹² Drake, *The Money Doctor*, 51-54.

Although seemingly independent—the terms of their mandate were negotiated directly between Kemmerer and the country’s diplomatic representatives, the Kemmerer missions were part of the State Department’s policy of guaranteeing external stability for United States banks and lenders. Kemmerer was in fact an intermediary between US banking interests, the State Department and borrower countries.¹³ But beyond advancing the hidden agendas and interests of the United States, the Kemmerer mission in Colombia opened the door to external debt and prepared the financial system for the influx of an unusual abundance of currency and credit. In 1924, for instance, the Conservative government was able to push for policies such as creating the “Banco Agrícola Hipotecario” (BAH, Agrarian Mortgage Bank) to direct credit toward coffee producers and embark on a broad campaign to build commercial and urban infrastructure, railways and roads.¹⁴

The financial reforms and the influx of international capital unleashed by the Kemmerer Mission took place at a time of intense financial speculation. Colombia’s banking structure at the turn of the century and during the first decades of the twentieth century was highly fragmented: with the exception of two large banks, the “Banco de Bogotá” (Bank of Bogotá) and the “Banco de Colombia” (Bank of Colombia), which had established offices and important business connections with importers and exporters in commercial centers such as Bogotá, Medellín, and Barranquilla, banking activities responded to regional and local commercial networks and capitals. Local banks were more often than not short-lived financial experiments that went bankrupt or simply dissolved due to the fluctuations of export prices, currency matters, and the fortunes of domestic commercial businesses. The national government had tried to centralize

¹³ Rosenberg, *Financial Missionaries to the World*, 108-121.

¹⁴ Drake, *The Money Doctor*, 32-34; Rosenberg, *Financial Missionaries to the World*, 154-160; Patiño Roselli, *La prosperidad a debe*, 35-36.

monetary emission, tightening up control over regional and local banking operations, and watching over unruly speculation with rather orthodox monetary and banking policies.¹⁵

In Medellín, the capital of the province of Antioquia, in particular, speculation was rampant. At the turn of the twentieth century, Medellín was a place where a prosperous class of merchants had consolidated around the commercialization of Colombia's most important domestically owned exports: coffee and gold. The incredible amount of money circulating in Medellín was such that any ordinary worker could be as wealthy as—or even wealthier than—the most prosperous businessman, being the owner of several properties in town and of a great amount in cash, or at least so the story goes. These ordinary nouveau riche individuals would gamble their fortunes, supposedly made by mere accident, at “La Bolsa” (The Stock Market), an informal market of bonds, letters and other financial titles and gold bars (“marranas,” or pigs, in the popular argot) that emerged at the “Parque Berrío” (the most important public square in the city). Accidental stock traders, experienced businessmen, and bank managers got together every week in the courtyard of the Basílica of Nuestra Señora de la Candelaria, on the eastern flank of the Parque Berrío, to make the most adventurous financial deals. Gamblers would borrow from local banks, sell bonds at exorbitant rates, and spread news about the financial market (some false, some true). These transactions were so common and regular that money became incredibly expensive: interest rates reached 10% in 1904.¹⁶

The instability of the financial system had directly affected Colombian big businesses. A major financial crisis had struck the country right before the arrival of the Kemmerer Mission. The most important coffee houses, which had opened offices in New York from which they

¹⁵ See chapters on Antioquia, by María Mercedes Botero, the Caribbean Coast, by Adolfo Meisel, and Bogotá, by Carmen Astrid Romero, in: Sánchez Torres, comp., *Ensayos de historia monetaria y bancaria*.

¹⁶ Enrique Echavarría, *Crónicas e Historia bancaria de Antioquia*. (Medellín: Instituto Tecnológico Metropolitano, 2003), 326-327; Ricardo Olano, *Memorias*. Tomo I. (Medellín: Fondo Editorial Universidad EAFIT, 2004), 24-25.

negotiated with United States bankers, went bankrupt in 1923 when international coffee prices suddenly dropped. The Banco López (owned by Pedro A. López, a successful merchant from Bogotá who had established his coffee emporium in Honda, Tolima, a port on the Magdalena river)¹⁷, a big commercial bank that captured money from coffee producers and invested in commercializing it, suffered from a bank run and in a matter of just two days was completely bankrupt and in the hands of its New York based creditors. Several coffee houses and commercial businesses met the same fate, including the houses of “Vásquez Correa & Hermanos” and “Alejandro Ángel,” the most well-known financial agents in Medellín, and Ricardo Olano, a wealthy merchant and real estate owner in that city.¹⁸ This crisis made evident the need to intervene in the financial and banking systems, which was Kemmerer’s main argument in reforming Colombia’s financial structure. Moreover, the problems of speculation and instability in the money market led policy makers under the Ospina government to create the first state-owned development bank, the Agrarian Mortgage Bank (BAH).

When the BAH was created, in the mid 1920s, there were very few mortgage banks in the country, and those existing in Bogotá and Medellín were unsurprisingly connected to big commercial interests in both cities. The “Banco Hipotecario de Bogotá” (Bogotá’s Mortgage Bank) and the “Banco Hipotecario de Colombia” (Colombia’s Mortgage Bank), both founded in the late nineteenth century, were already making transactions supported by commercial assets and agricultural properties located in and near Bogotá. In the meantime, in Medellín, Olano, the commercial houses of “Vásquez Correa & Hermanos” and “Alejandro Ángel,” and other big

¹⁷ Pedro A. López was the father of Alfonso López Pumarejo, Liberal politician and president from 1934 to 1938. His mandate was called the “Revolución en Marcha” (“Revolution on the March”), a period of intense implementation of reforms, at the political, economic, and social levels. López Pumarejo is a central figure in this chapter.

¹⁸ Fabio Sánchez Torres, “Moneda y política monetaria en Colombia, 1920-1939,” in: Sánchez Torres, *Ensayos de historia monetaria y bancaria*, 62-63. Olano, *Memorias*, 128-130.

merchants founded the “Banco Hipotecario de Medellín” (Medellín’s Mortgage Bank), which stopped its operations due to the 1923 banking crisis. In fact, mortgage operations were at the core of this crisis, as mortgage credit was partly financing speculative operations. Since the turn of the century, commercial banks, to get hold on extra cash to expand their businesses, tried intermittently to place mortgage bonds on the market. The advantage of these bonds for merchants and local banks was that they were easily convertible into cash and could be sold or, even better, used as payment documents. These transactions were restricted by the government in 1914, and although mortgage operations practically stopped, speculation continued.¹⁹

The existing structure of mortgage credit and ongoing speculation meant that for small producers, in rural and urban areas, it was almost impossible to have access to credit without resorting to speculative middle-men. For economic policy makers, this was, by all means, an utterly undesirable situation, in which the growth of the productive sector—especially agriculture—was dependent on the twists and turns of risky investments. Thus, with the BAH, the government expected to channel commercial capital to the agricultural economy and, to some extent control financial speculation and shield agricultural production from the swings of the banking system. The case of coffee production perfectly exemplifies the problem. In the early twentieth century, coffee haciendas commonly depended on commercial credit to function, and in the central province of Cundinamarca (where the nation’s capital, Bogotá, is located), the home of many coffee haciendas, the biggest of these properties were debt-ridden. Since the very first wave of coffee expansion in the late nineteenth century, large coffee producers contracted international debt and participated in the transaction of commercial mortgage bonds. At the turn

¹⁹ María Mercedes Botero, “Los bancos en Antioquia, 1905-1920,” *Informe final*. (Proyecto presentado a la Fundación para la Promoción de la Ciencia y la Tecnología del Banco de la República, 1989), 50-62.

of the century, most of these haciendas were on the verge of bankruptcy, and by the 1920s, the financial collapse of the hacienda system was almost inevitable.²⁰

Small coffee production was also affected by debt and speculation. In fact, the main force driving coffee expansion in Colombia was the colonization of land by small farmers. The epicenter of this process was the province of Caldas, located in the central highlands, northwest of Cundinamarca and south of Antioquia, where peasant settlers were also subject of the unjust conditions and high interest rates imposed by money lenders. Peasants, in need of cash to buy tools and seeds to improve the land or to commercialize their produce, took credit from merchants and financial speculators.²¹ The BAH was therefore intended to address the problem of agricultural debt, as was typical of other such institutions in Latin America that were set up from the mid- to late 1920s. The advantage of agrarian mortgage banks, in contrast to what commercial banks were doing, was that they offered agriculturalists long-term credit at the lowest interest rates possible.²²

What is tricky here is that mortgage banks, particularly the BAH, and Colombia's municipalities and provinces²³ were the agents of Colombia's borrowing fever, which reached its peak in 1926-1928, a period known in the historiography as "the dance of the millions." Money

²⁰ Marco Palacios, *Coffee in Colombia, 1850-1970: An Economic, Social, and Political History*. (Cambridge, UK: Cambridge University Press, 1980), 49-53. The next chapter will explain the profound connection between the problem of debt for coffee hacendados in Cundinamarca, the radicalization of the peasant movement in this province, and the creation of the first national housing institution, the Instituto de Crédito Territorial (Institute of Territorial Credit) in 1939.

²¹ See Antonio García, *Geografía económica de Caldas*. (Bogotá: Banco de la República, 1978 [1938]).

²² See Luis Felipe Latorre, *Crédito hipotecario*. (Bogotá: Águila Negra Editorial, 1928). According to Latorre, who was the attorney of the Agrarian Mortgage Bank, Costa Rica's Mortgage Credit Bank was created in 1926, and in the same year the Mexican government founded the National Bank of Agricultural Credit of Mexico and opened regional and credit union offices linked to the bank throughout the country. The Mortgage Bank of Peru was founded in 1928 and by that year Argentina, Chile and Uruguay were also intensely negotiating agricultural mortgage bonds on the international market, *passim*.

²³ Colombia's administrative division consisted of "departamentos" (departments or provinces), "municipios" (municipalities or towns), "corregimientos" (smaller towns administratively dependent on municipalities), and large regions, such as La Guajira, Chocó, the far eastern plains of Vaupés, Vichada, and Guanía, the Caribbean islands of San Andrés and Providencia, and the Amazon area were called "intendencias" and "comisarías," or "territorios nacionales" (national territories).

was obtained in New York on the stock exchange, where municipalities, provinces and mortgage banks sold their bonds, obtaining long-term credit that would be redistributed in Colombia through the Bank of the Republic. Municipalities and provinces were to use these credits to build water and sewage systems, improve ports and other commercial infrastructure, enhance the provision of electricity, and expand the transportation system. In turn, the BAH, in theory, would negotiate with agricultural businessmen to mortgage their properties in exchange for access to capital to invest in the expansion of coffee exports. Under this model, regional governments, especially Antioquia, Caldas, and Cundinamarca, the municipal governments of cities such as Medellín, Bogotá, Cali, Bucaramanga, Barranquilla, Cartagena and Santa Marta, and landowners and agricultural merchants in Cundinamarca, Antioquia, Caldas, Valle and Tolima brought unprecedented quantities of dollars into Colombia.²⁴

The BAH began its international operations at the New York Stock Exchange in May, 1926. In the first two years, the bank brought to Colombia two long term loans by selling a modest amount of bonds at an also modest interest rate. In late 1927, however, the bank became a first-line receiver of international debt when it signed with W. A. Harriman & Co. and Equitable Trust Co. a contract by which these companies agreed to buy a permanent number of bonds during 5 years. This credit, it was thought, would allow a steady inflow of dollars, which in turn would supposedly be directed to support agricultural investments. The bank defined its

²⁴ See Fred Rippy, *The Capitalists and Colombia*, 157-171. On how municipalities and provinces negotiated loans for public infrastructure with US banking corporations: Esteban Jaramillo, *Memoria de Hacienda*. (Bogotá: Banco de la República, 1990), año 1927, 14. Jaramillo also explains the proportional distribution of these monies among railway and infrastructure building throughout the territory in 1927 (these constructions covered the Caribbean coast, the Pacific coast, Valle and Cauca, Nariño, Tolima and Huila, Santander and the border with Venezuela at Cúcuta; also, there was investment in improving docks and ports in Cartagena, Barranquilla and the Magdalena and Cauca rivers basins); see Patiño Rosselli, *La prosperidad a debe*, 48, on the amounts received by Bogotá (8,7 million dollars), Medellín (12 million dollars), the Agrarian Mortgage Bank (16 million dollars), Bogotá's Mortgage Bank (6 million dollars), and Colombia's Mortgage Bank (13,06 million dollars) in 1927.

mission as that of being an efficient intermediary between foreign and national capitalists.²⁵ Indeed, the exact terms in which the general manager of the bank, Lucas Caballero²⁶, coached the bank's mission are quite fascinating. For Caballero, these macroeconomic financial affairs were aimed at pursuing a social goal, one that implied the promotion of agricultural production. "It is a glaring and indisputable fact," Caballero argued, "that among all investments in social promotion that the state has made in the last 5 years, which amount to several millions, none is more advantageous than the Agrarian Mortgage Bank and the Bank of the Republic..."²⁷ Caballero also explained that the Conservative government had followed the example of Britain, where agricultural mortgages were crucial measures of economic recovery after the First World War, and of agricultural credit institutions in France, the United States, Chile, Mexico and Argentina.²⁸

That the manager of the most important mortgage bank and debt contractor in Colombia talked about social reform in a financial report points to the crux of political transformations taking place at the time and that will be analyzed in this chapter. Caballero went even further arguing that the bank was contributing to improving the general living conditions of Colombians and consolidating a modern nation, since the bank's social function, namely to promote national businesses, implied enhancing working opportunities for farmers, investment possibilities for capitalists, and capital return options for property owners. Ultimately, Caballero stated, "progress and civilization rest on work and savings," and work and savings were the basis of the Bank's businesses.²⁹ The problem was that, in spite of the positive outlook provided by the report, for

²⁵ Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1928*. (Bogotá: Editorial Minerva, 1928), 13-14.

²⁶ Lucas Caballero was a Liberal general and politician from the Eastern province of Santander. His role and influence will become more clear later in the chapter.

²⁷ Banco Agrícola Hipotecario, *Informe del gerente en 1928*, 14-15.

²⁸ Banco Agrícola Hipotecario, *Informe del gerente en 1928*, 16-17.

²⁹ Banco Agrícola Hipotecario, *Informe del gerente en 1928*, 29.

the public it was clear that neither work nor savings were flourishing through contracting increasing international debt. By late 1928, the symptoms of the Great Depression were being felt more strongly, as United States credit access began to slow down. Even though the government obtained additional credit for the BAH with Lazard Brothers & Co. of London and was pleased to announce that almost 50.000 depositors had invested in the Bank, public finances and commercial banking were clearly starting to wane.³⁰

While the crisis was developing and the economic policies of the Conservative government were rebuked in Congress and the press, and in particular the role the BAH had played in contracting debt while failing to improve agricultural production, Caballero defended mortgages as a promotion policy and emphasized the need to solve what he considered a universal concern at the time: the problem of lack of credit and economic security for agricultural producers. As a provider of long term credit (debts were to be paid off over a 30 year period) for the development of agricultural projects, which included buying property or machinery, constructing irrigation projects, and preparing fields for cultivation, the bank was just “helping producers to become more productive and better citizens.”³¹ To effectively solve the problem of lack of resources for agriculture at a time of crisis, Caballero encouraged the creation of consumption and production cooperatives and the expansion of government credit for production and commercialization of agricultural goods.³²

Given the Bank’s stated social mission, the advent of an economic crisis posed a political dilemma. Almost for the first time, Colombia’s economic authorities were claiming to contribute to the modernization of the nation and the improvement of all citizens’ social conditions yet their

³⁰ See Francisco de Paula Pérez, *Memoria de Hacienda*, 1929. (Bogotá: Banco de la República, 1990), 92-95.

³¹ Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1929*. (Bogotá: Editorial Minerva, 1929); Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1930*. (Bogotá: Editorial Minerva, 1930).

³² Banco Agrícola Hipotecario, *Informe del gerente en 1930*, 28.

economic policies seemed to have achieved just the opposite: recession, indebtedness, and high prices. When the Depression fully hit Colombia, unemployment, bankruptcy for debtors, a halt to public works construction, and the debacle in public finances sank the Conservative government of Miguel Abadía Méndez (1926-1930). The economic crisis put into stark relief the social and political implications of speculation and debt.

Contradictions Come to Light

A closer look at the social implications of debt-fueled economic growth and speculation helps us understand why the Depression spurred crucial political and social changes. The expansion of the banking system, government administrative tasks, and commercial services was not only a macroeconomic process, but a phenomenon with tangible effects visible in Bogotá's downtown area, Medellín's commercial center, and the market places, roads, ports and administrative centers of other major cities. New buildings housing banks, hotels, commercial houses, and government offices, designed by foreign or Colombian architects and engineers who formed part of what has been vaguely called the "republican period" of Colombian architecture, which blossomed during the 1910s and 1920s, for instance, proliferated.

Construction companies such as Martínez Cárdenas & Cia., Ltda. ("Edificio de la Compañía Colombiana de Seguros" in downtown Bogotá, 1918), Echeverry Hermanos & Cía. ("Edificio Cubillos" on the Avenida Jiménez de Quesada, Bogotá, 1926) and architects such as Alberto Manrique Martín ("Edificio de la Policía," Bogotá, 1920; "Alcaldía de Bogotá," finished in 1931; *Hotel Granada*, Bogotá, 1928), Arturo Jaramillo (*Gobernación de Cundinamarca*, Bogotá, finished in 1933), Arturo Tapias and Jorge Muñoz ("Teatro Faenza," Bogotá, 1924), Mariano Santamaría ("Estación de la Sabana," 1924, the most important railway station in the city), Gaston Lelarge ("Escuela de Ciencias Naturales y Medicina," finished in 1931), Agustín

Goovaerts (“Gobernación de Antioquia,” “Palacio de Calibío” and “Palacio de la Cultura,” Medellín, 1920), Félix Mejía (Medellín’s bullring “La Macarena,” 1928) and Nel Rodríguez (“Palacio de Bellas Artes,” Medellín, 1926), just to mention a few examples, were in charge of satisfying new demands for banking, commercial and urban infrastructure.³³ Although, in terms of architectural style, the 1920s did not entail a radical change, but rather reflected an eclectic spirit that combined Art Nouveau, Art Deco, and Neoclassicism, new constructions constituted a visual testimony of the expansion of credit, transportation, urban services, governmental activities, and commerce.³⁴ The increase of construction in urban areas was considered, and still is, an important indicator of economic prosperity. Construction stimulated the import of materials, spurred the development of Colombia’s first cement factories, stimulated labor demand, transportation services, and technical knowledge, while fundamentally altering urban landscapes.³⁵

The expansion of construction also generated unexpected social consequences: as the need for workers grew, migration from the countryside to the cities also increased. Although no census data specifically tracking internal relocation and migration of people during the decade of the 1920s exists, a comparison between the census of 1918 and 1938 shows that population in

³³ Alberto Saldarriaga Roa, “Arquitectura colombiana en el siglo XX: edificaciones en busca de ciudad,” in *Credencial Historia*, No. 114, June 1999, at: <http://www.banrepcultural.org/blaavirtual/revistas/credencial/junio1999/114arquitectura.htm> [accessed: October 8, 2013]. See some information on buildings of the period in Ministry of Foreign Affairs, *The History of Architecture in Colombia*. (Ministry of Foreign Affairs, National University of Colombia, Andes University, 1986), 18-19; *Guía de arquitectura, Bogotá, Colombia*. (Bogotá: Universidad de los Andes, Facultad de Arquitectura, Ediciones PROA, 1994); *Atlas histórico de Bogotá, 1911-1948*. (Bogotá: Corporación La Candelaria, Editorial Planeta, 2006); Mercedes Lucía Vélez White, *Arquitectura contemporánea en Medellín*. (Medellín: Instituto Tecnológico Metropolitano, Ediciones Biblioteca Básica de Medellín, 2003).

³⁴ See the impressive digital archive of professional photographer Gumersindo Cuéllar’s pictures, put together by the Biblioteca Luis Ángel Arango. This collection constitutes a visual journey through the people, objects, and places in Bogotá and its surrounding towns and countryside areas in the 1920s and 1930s. A great majority of buildings built in Bogotá in the 1920s and 1930s were subjects of Cuéllar’s compositions. Biblioteca Luis Ángel Arango, *Colección Gumersindo Cuéllar Jiménez*, at: <http://www.banrepcultural.org/blaavirtual/gumercindo-cuellar> [accessed: October 8, 2013].

³⁵ Poveda Ramos, *Historia económica de Colombia*, 196-197.

cities like Bogotá, Medellín, Cali and Barranquilla grew many times more than it did in surrounding rural areas or even in smaller provincial towns. For instance, during this period, population in Antioquia grew 18,8%, while just in Medellín, it grew 38,9%. Similarly, in Cundinamarca, grew by 18,9% while Bogotá grew by 43%. Population in cities like Bogotá and Medellín, but also Barranquilla, Cali, Ibagué, and Bucaramanga more than doubled during a span of just 20 years.³⁶ Esteban Jaramillo, who was Colombia's delegate at the International Economic Conference of the League of Nations at Geneva in 1926, proudly attributed the overall increase in Colombia's population to the success of the first health and sanitary campaigns advanced by the government with the support of the Rockefeller Foundation.³⁷

If the population growth of Colombia's major cities was a sign of prosperity, the fact that agricultural workers were migrating, permanently, to urban centers was nonetheless a concern. By 1928, when all evidence indicated that any such prosperity was about to crumble, rural migration raised several debates in the press and in Congress. Critics of the Conservative government argued that agricultural workers were scarce, farms were desolated in areas where peasants preferred to be hired as construction workers to earn cash wages, and consequently, food production was declining while prices were soaring. Intellectuals and politicians blamed the unbalanced credit policy for the vulnerability of the economy during the Depression years, as it had benefitted the interests of bankers and financiers, at the expense of the agriculturalists who became indebted and Colombian workers who had to pay exorbitant prices for foodstuffs and rents.³⁸ Indeed, Jaramillo's idea that Colombia was "the most expensive country in the world" was not necessarily an overstatement, since in fact, food prices in the cities increased

³⁶ Emilio C. Guthardt, *Distribución demográfica de los municipios colombianos*. (Bogotá: Contraloría General de la República, 1938), 5-9.

³⁷ Jaramillo, *Memoria destinada a los miembros...*, 8-9.

³⁸ Vernon Lee Fluharty, *Dance of the Millions: Military Rule and the Social Revolution in Colombia, 1930-1956*. (Pittsburgh: University of Pittsburgh Press, 1966), 33-34.

considerably (they almost tripled from 1923 to 1929), while salaries, although on the rise too, could not match the cost of living.³⁹

The link between rural migration and inflation in the 1920s is not one drawn or given any significance in economic analyses of Colombia's development in the first half of the twentieth century. While some economic historians acknowledge that an expansion in general demand and construction projects might have contributed to a scarcity of labor in the agrarian sector, which in turn increased urban food prices, most insist that food production increased in the long run, agriculture was the least affected sector during the Depression, inflation in Colombia was one of the lowest in Latin America, and if prices skyrocketed for a couple of years, the causes rather lay in the monetary and external exchange markets.⁴⁰ According to such views, political debates resulted from clearly defined class tensions within elite sectors, that often times took the form of partisan rivalry. Criticisms of the external credit policy and the construction of public works came directly from agricultural businessmen (mostly portrayed as Conservatives), who were seeing how their old and obsolete labor regime was unable to compete with construction and urban wage-paid jobs. Consequently, the 1920s had brought to the political arena new actors calling for modernization (mostly portrayed as Liberals), threatening the interests of entrenched agricultural interests. Those who defended agricultural credit were thus representatives of such interests.⁴¹

³⁹ Travelers of the time commented in their chronicles that living in Bogotá was more expensive than living in Buenos Aires, Paris, or London. James Henderson, *Modernization in Colombia: The Laureano Gómez Years, 1889-1965*. (Gainesville: University of Florida Press, 2001), 54-155; Poveda Ramos, *Historia económica de Colombia*, 235. Patiño Rosselli argues that food costs increased more rapidly in 1926, precisely when the flow of dollars coming from the Panama indemnity and external credit was exceptional; that year, food costs grew by 23% in Medellín, 19% in Bogotá, 14% in Cali, and 11,5% in Barranquilla. Patiño Rosselli, *La prosperidad a debe*, 77-78.

⁴⁰ Sánchez Torres, "Moneda y política monetaria," 85-86; Jesús Antonio Bejarano, "El despegue cafetero (1900-1928)," in: Ocampo, et. al., *Historia económica de Colombia*, 205-209; Poveda Ramos, *Historia económica de Colombia*, 235-236.

⁴¹ Kalmanovitz, *Economía y nación*, 294-297; Drake, *The Money Doctor*, 42-43, 47-48.

However, high cost of living, rural/ urban migration, and food shortages raised political debates that transcended the frames of bipartisan differences or competing elite interests. A group of politicians and intellectuals, Jaramillo included, was well aware of the social and political consequences of a situation in which food was expensive and scarce and people were arriving in large numbers to cities short in basic services and goods. In 1927, in the face of the serious consequences that the high cost of living could unleash, Jaramillo, as Minister of Finance in the Conservative government of President Abadía Méndez, convoked a bipartisan group formed by the Minister of Industries, the Conservative José Antonio Montalvo, Luis López de Mesa—an Antioqueño Liberal intellectual who had recently returned from France and was considered an expert in educational matters, and other individuals linked to agriculture, commerce and banking from both parties to advise the government on its economic policy. Jaramillo himself, with the support of this committee, decided to dramatically reduce custom tariffs for basic foodstuffs like rice, wheat, flour, sugar, corn, beans and lentils, grains, potatoes, salt-cured meats, and lard. This policy, known as the “Emergency Law”, was to be accompanied by measures of agricultural promotion through BAH’s credit.⁴²

Indeed, Jaramillo’s explanation about high consumption prices also dealt with issues of agriculture, food production, and rural migration. In his conference on the high cost of living, Jaramillo had explained that in fact, “agriculture, the most abundant and pure source of wellness, affluence and wealth, [was] in a state of abandonment, surrounded by enemies, and no strong allies to give it a hand.”⁴³ The inequalities in labor conditions between rural and urban workers were at the core of what he then called “the social question,” or the realization everywhere in the industrialized world that economic growth must serve to improve all citizens’ living conditions,

⁴² Jaramillo, *Memoria de Hacienda*, año 1927, 38-40, 46-52; Patiño Roselli, *La prosperidad a debe*, 84-85.

⁴³ Jaramillo, *La carestía de la vida*, 14.

and the steps taken by states to promote more just labor conditions, provide education, health, and other policies conducing to some kind of social equality.⁴⁴ When he portrayed the agricultural sector as a Colombia's great source of wealth and lamented that it had been left to its own fate, Jaramillo was doing more than just defending pre-modern agricultural interests. He knew that high prices was the cause of both rural and urban social agitation, which was growing more organized and intense in Colombia—as it was in many other places in the world at the time.

Businessmen also viewed high prices and speculation as the seeds of social and political agitation and asked the government to implement effective immediate measures to reduce food prices, and long-term policies to promote agricultural production. These requests did not come only from agriculturalists in need of state protection. For instance, in Medellín, Bernardo Vélez, a Conservative merchant, banker and industrialist who rose to become a member of the boards of the main industrial firms and banks in Medellín, had been asking Conservative governments to reduce import fees on foodstuffs to “alleviate to some degree the precarious situation of the populace and the middle class and to avoid events such as the recent strike in Cali, a sign of what lies ahead, if the distressingly high cost of living does not get solved.”⁴⁵ Vélez, who was a staunch critic of any increase in indirect taxation, also considered that Colombia's cost of living was the most expensive in the world. According to his essays, published in the most important Conservative newspaper in Medellín, *El Colombiano*, the country suffered from an endemic scarcity of labor, had to import food to feed its population, and just to make the problem worse, established “ridiculously” high import tariffs. He also contrasted urban wealth and rural poverty:

⁴⁴ Jaramillo, *La carestía de la vida*, 16-17.

⁴⁵ Bernardo Vélez, *Una campaña económica (1923-1929)*. (Medellín: Librería de Antonio Cano, 1930), 16-17.

Medellín's speculators had made fortunes out of negotiating with urban real estate, while Antioquia's countryside was being desolated due to rural migration.⁴⁶

Stories about the terrible living conditions of rural migrants and the middle class in the cities—who barely survived on their salaries—abounded in contemporary newsmagazines and newspapers. José Antonio Osorio Lizarazo, a journalist, chronicler and novelist, who wrote extensively about Bogotá's urban poverty and social decay, began publishing a series of chronicles in *Mundo al día*, a local Liberal newspaper beginning in 1924. Osorio Lizarazo visited squats proliferating in downtown Bogotá and described with appalling detail the lives of those confined in “pasajes,” or shantytowns arranged as passageways. In 1926, Bogotá was already a city facing an alarming housing deficit, a situation that favored the businesses of urban speculators, who offered rural migrants, students, vagrants, and poor artisans a place to live. Osorio Lizarazo's work vividly narrated the poverty, unsanitary conditions, and misery experienced by squatters in these “mansiones de pobrería” (mansions of poverty). In his fictional stories, Bogotá's public servants were unable to survive on the salary the head of the household received. Civil servants employed in government offices got into debt with loansharks and usurers, who were introduced to employees by their own supervisors (a seeming acknowledgement that it was impossible to survive on a government paycheck given the high cost of living). Paychecks went directly to the pockets of these despicable petty businessmen.⁴⁷

Over the course of the 1920s it became increasingly clear that the problem of poverty which had elicited anxiety among elite reformers and philanthropists since the late nineteenth

⁴⁶ Vélez, *Una campaña económica*, 28-32, 41-43.

⁴⁷ José Antonio Osorio Lizarazo, “Mansiones de pobrería (1926)” and “La cara de la miseria” and “Hombres sin presente (1938),” in: José Antonio Osorio Lizarazo, *Novelas y crónicas*. (Bogotá: Instituto Colombiano de Cultura, 1978). On “the social question” and reformers in Bogotá at the turn of the century, see: Hayley Froyland, *Para el bien común: Charity, Health, and Moral Order in Bogotá, Colombia, 1850-1936*. (Charlottesville: Ph. D. Dissertation in History, University of Virginia, 2002). On the housing problem in Bogotá and the work of the religious Association of San Vicente de Paúl, see also: *Cromos*, 557, 7 May 1927.

century had grown in scope and potential. Poverty could no longer be solved through isolated, private charitable efforts, as it was increasingly perceived as national in reach and an indicator of deeper, structural problems. Poverty in Bogotá, reflected an unbalanced model of economic growth, one that had pushed peasants to leave the countryside for the urban centers. Stories about poverty in Bogotá circulated alongside reports of intense urban migration by workers from food-producing regions such as Boyacá (a province bordering Cundinamarca in the north), increased social mobilizations of various types in strategic areas—from protests organized by petroleum workers in Barrancabermeja (located in the Eastern province of Santander, where the Tropical Oil Company exploited the biggest oil well in the country), to peasant rallies in Boyacá and Cundinamarca, and massive demonstrations at ports and railroad stations on the banks of the Magdalena River.

For instance, in February, 1927, *Cromos* reported that an entire convoy of Boyacenses was transported to Antioquia to help with the construction of the road that would eventually connect Medellín to port towns on the Pacific coast. The government of Antioquia, aware of the dislocating effect that multiple construction projects had on the rural population, decided to stop hiring local rural workers and “import” labor from other regions. This last migration of Boyacenses was apparently just one link in a chain of a migration process that had left Boyacá in “a deplorable spectacle of anarchic depopulation, whose visible results have been an alarming reduction of local agricultural work and a problematic return of workers to their home grounds...”⁴⁸ Girardot, a port town on the Magdalena and an important railway station, was portrayed as a connecting point between Bogotá and the southwest of Colombia. Due to the construction of railways and bridges over the river, Girardot grew in size and importance during the 1920s. In 1927, according to *Cromos*, Girardot represented “the hand on the Magdalena that

⁴⁸ *Cromos*, 544, 12 February 1927; 563, 25 June 1927.

Bogotá [offered], with the greatest enthusiasm, the western sections of the country. Girardot [was] the first urban demonstration of the capital's spirit to the immigration tide, which has always been warmly welcomed..."⁴⁹ In an article about education and the work of Luis López de Mesa, a commentator suggested that education was "the second most important issue in Colombia, right after internal migration," and that educational policies should aim at grappling with this migration's consequences.⁵⁰

News about rural migration and depopulation in the countryside were accompanied by astonished comments on how the stock exchange market was under a "fever of speculation," or how real estate prices in cities like Bogotá and Medellín had reached all-time highs.⁵¹ The social side of speculation was undoubtedly the explosion of usury in urban centers and desolation in the country side. Urban social life was also portrayed through social pages of the contemporary press that reported the fancy parties thrown by engineers, managers of the main mortgage banks and public utility companies, doctors, diplomats and politicians held at Bogotá's "Hotel Regina" (built in 1921) or "Hotel Granada" (1928).⁵² The public increasingly viewed with suspicion relationships in which politicians, engineers, and bankers appeared to benefit each other. As public works construction frantically expanded, the efficiency, design, economic viability and organization of those projects were questioned; political commentators asked whether such projects actually benefitted the nation, or only the personal interests of bankers, desperate to lend money, engineers, or politicians.⁵³ In Congress and the press, accusations of graft, waste, lack of

⁴⁹ *Cromos*, 545, 19 February 1927.

⁵⁰ *Cromos*, 546, 26 February 1927.

⁵¹ Patiño Rosselli, *La prosperidad a debe*, 74-76.

⁵² See, for instance: *Cromos*, 543, 5 February 1927; 546, 26 February 1927; 547, 5 March 1927; 548, 12 March 1927; 549, 19 March 1927; 551, 2 April 1927; 582, 5 November 1927.

⁵³ See *Cromos*, 548, 12 March 1927; 551, 2 April 1927; 552, 9 April 1927; 555, 30 April 1927; 558, 21 May 1927; 563, 25 June 1927; 574, 10 September 1927; 589, 24 December 1927. On the debate launched by *El Tiempo* in February and March of 1928 about the efficiency with which external credit was being invested by the Conservative government, see: Patiño Rosselli, *La prosperidad a debe*, 103-113.

planning and mismanagement became the dominant focus of debates about public debt and constructions. Moreover, it was public knowledge that credits granted by United States firms were secured “by extensive mortgages on public properties and revenues.” Municipalities and provinces had to put up as collateral for loans almost all of their income, which consisted of the revenue derived from railways, public markets, public utilities and services, and taxes on tobacco, liquor and slaughterhouses. In addition, municipalities’ and provinces’ pledged property was to be administered by a special board, in which bankers participated with one representative.⁵⁴

In 1928, the United States Federal Reserve imposed substantial limits on the circulation of public bonds, which directly pushed down the prices of certificates that the BAH had just put on the market, heralding the explosion of a full blown economic crisis. Once credit for Colombia was affected, political tensions flourished. At the heart of the debates about external credit and the construction of public works were two intertwined political concerns: on the one hand, the crisis showed that thriving banking, finances, and other urban-based businesses did not guarantee sustainable economic growth in a country like Colombia. On the other hand, past experience suggested that a crisis in banking could entail dangerous social consequences. The fear of social agitation in the wake of banking failures was fresh in the memory of bankers, such as the future Liberal President, Alfonso López Pumarejo, the son of Pedro A. López whose Banco López had gone bankrupt, spurring widespread protests in 1923. As the crisis was unfolding, the connection that reformers like Esteban Jaramillo established between speculation, agricultural crisis, and high prices became the seed of intense political debates and tensions. This section showed that speculation was a political issue that entailed serious social repercussions. The ways in which

⁵⁴ Rippy, *The Capitalists and Colombia*, 157-169.

these social effects of unbridled speculation became the center of political tensions is the focus of the following section.

Economic crisis and politics

In June, 1928, when the BAH's bonds collapsed on New York's stock exchange market, Liberal senator Alfonso López Pumarejo, in an article published in *El Tiempo*, criticized the Conservative government's policy of indebtedness. He challenged Conservative Minister Esteban Jaramillo, by saying that Colombia's prosperity was just "prosperidad a debe" or "prosperity through indebtedness," and asked whether this type of economic growth was sustainable or fictitious, and what kind of benefits the nation was deriving from all the money unsystematically invested in public works. Laureano Gómez and Mariano Ospina Pérez, Conservative senators, joined López in criticizing the government's debt and public works investment policies. Gómez, who had been Minister of Public Works in 1925-1926, under Pedro Nel Ospina's government, lashed out at President Miguel Abadía Méndez's spending patterns, arguing that whereas spending had tripled, projects were in their great majority unfinished and money had been blatantly wasted. Senator Mariano Ospina Pérez (a prominent spokesman for the National Federation of Coffee Growers) regretted that the BAH was not achieving its mission of promoting coffee production and other agricultural endeavors, as it seemed that the bank's capital was used in urban projects, housing for urban popular sectors, and the promotion of simple consumption. Both Ospina Pérez and Gómez agreed with López that in a country "where milk and bread are luxury goods" there was no real prosperity.⁵⁵

The moment seemed ideal to López for arranging a series of conferences on Colombia's present conditions and future perspectives at the Municipal Theater in Bogotá. The topics ranged

⁵⁵ Patiño Rosselli, *La prosperidad a debe*, 103-112, 118-125.

from the problem of external debt, the policy of public works construction, oil production, national finances, transportation, the perspective and organization of banking, the reality of agriculture, the situation of the peasantry, custom tariffs, the administration of law, public health, to considerations of literature, music, divorce, philosophy, socialism, Colombian intellectual life, and the role of women. Individuals whose public image was being shaped by notions of expertise, knowledge, and practical experiences contributed with conferences aimed at explaining what Colombia was at the time.⁵⁶

Debt and credit were the dominant themes discussed in magazines, specialized journals, newspapers, Congress, and conferences, as economic conditions were deteriorating in late 1928 and 1929. A central issue of debate was whether the government should strive to get more external loans to complete ongoing construction projects, and whether massively investing in public works was the wisest thing to do with foreign loans. In early 1929, the New York stock exchange market showed a downward trend that reduced bond prices even further; when financial markets finally crashed in October, Colombian external credit was almost paralyzed in its entirety. Critics' worst fears seemed to have come true: fiscal resources were almost depleted, the construction of public works stopped, and thousands of construction workers were dismissed. Moreover, increasing unemployment made arguments about the potential of social unrest more relevant than ever. It was López Pumarejo who had raised the issue first, arguing that the erratic

⁵⁶ Alongside López Pumarejo and Laureano Gómez themselves—who talked about the possibility of an economic crisis, Gonzalo Córdoba, Julio Caro (a Conservative from Bogotá, general manager of the Bank of the Republic for twenty years since 1927, and the son of Conservative President Miguel Antonio Caro (1892-1898)) and Giovanni Serventi, renowned bankers, spoke about banking and economic issues; Germán Arciniegas, a young journalist and student of Law at the National University, touched on education and university reform; Luis López de Mesa referred to the problem of honorability in the Colombian nation; Jorge Eliécer Gaitán, a young Liberal lawyer—he had just received his doctoral degree in Italy—and representative in Congress, analyzed the problem of juvenile criminality among children; and Gloria Rodríguez addressed the question of women in Colombia. Patiño Rosselli, *La prosperidad a debe*, 118-125.

economic policy of the Conservative government could bring about a social crisis of great proportions.

Also, another issue brought up when discussing the crisis was the notion that agriculture was the source of all wealth and the buttress of stable economic growth, an idea that broadly resonated within political circles. This defense of agriculture did not emerge as a result of the consolidation of strong interest associations within agricultural capitalists, as the historiography on the period suggests. On the contrary, agricultural interests were heterogeneous and fragmented. Colombia's first private producer association and lobbying group, the "Sociedad de Agricultores de Colombia" (SAC, Colombia's Agriculturalists Society) did not hold any clearly articulated stand on international credit and debt during the crisis, even though it occasionally used the opportunity brought up by these debates to demand more sources of credit for agriculturalists through the BAH.⁵⁷ The "Federación Nacional de Cafeteros" (National Federation of Coffee Growers), created in 1927, also asked for a more effective role of the BAH in offering credit to agriculturalists (in this case, coffee producers) and other policies to protect coffee prices. Like the SAC, however, the Federation of Coffee Growers did not wage too much political influence, only in 1930, when Mariano Ospina Pérez was appointed director, would it assume an influential role in the implementation of national economic policies.⁵⁸ Undeniably, Ospina Pérez's outcries about the unsatisfactory credit policy of the BAH in Congress were motivated by his own interests in coffee production. But as was true of many other coffee businessmen in the 1920s, Ospina Pérez was not defined solely as an agriculturalist; he was also

⁵⁷ Jesús Antonio Bejarano, *Economía y poder. La SAC y el desarrollo colombiano, 1871-1984*. (Bogotá: SAC, Fondo Editorial CEREC, 1985), 176-186.

⁵⁸ José Antonio Ocampo, "La crisis mundial y el cambio estructural (1929-1945)," in: Ocampo, et.al., *Historia económica de Colombia*, 251-253.

a successful entrepreneur, who had been involved in mining and construction projects as an engineer and in the management and organization of manufacturing and import businesses.⁵⁹

Additionally, the interests of agriculturalists and bankers were tightly connected. Coffee producers were involved in commerce, banking and import activities. As it was suggested above, commercial capital was the financial muscle behind the successful expansion of coffee production in earlier decades. In turn, some individuals indentified as “bankers” owned commercial coffee farms and cattle ranches, others had made their fortunes commercializing coffee, like the López Pumarejo family, or held investments in mining, becoming rich merchants who took part in the first industrial experiments established in Medellín and Bogotá.⁶⁰ In other words, the economic crisis did not necessarily reflect deep contradictions associated with distinct economic interests or aligned strictly along either private producer groups or partisan lines in Congress. Although critics would blame greedy speculators and financiers for the severe consequences of the financial crash and banks were accused of not contributing to the well being of the nation, what these arguments actually reflected was an emerging preoccupation regarding the relationship between a strong agricultural sector, economic stability and social well-being.

Electoral politics, nonetheless, permeated the tone of the discussions about the economic crisis. The Conservative Party had held political power since 1886, and when President Abadía Méndez succeeded Ospina in office in 1926, there were already strong opposing groups in both political parties who demanded changes in the administration of the state. The fact that Liberal Alfonso López Pumarejo and Conservative Laureano Gómez stirred up criticism against the government’s policy of external credit and expansion of public works in Congress and the press was not a coincidence. López Pumarejo and Gómez had been friends since the early years of

⁵⁹ Alfonso Mejía Robledo, *Vidas y empresas de Antioquia. Diccionario biográfico, bibliográfico y económico*. (Medellín: Imprenta Departamental de Antioquia, 1951), 459-460.

⁶⁰ See for the case of Antioquia: Echavarría, *Crónicas e Historia Bancaria*.

their professional careers. Gómez, an engineer by profession, had been involved in the construction of public works, while López Pumarejo, as the manager of the Mercantile Bank of the Americas in 1918, had hired Gómez for one of his projects. By the late 1920s, these two adventurous businessmen and skillful speakers were representatives of a generation of active, well-informed, politicians that discredited the “old way of making politics” and were ready to assume the leadership of their respective parties.⁶¹

Laureano Gómez, Mariano Ospina Pérez, and Alfonso López Pumarejo had in common that they had come to politics through their experiences as businessmen, which led them to develop a strong belief that economics and politics were completely intertwined, yet their beliefs cannot be reduced to a mere question of self-interest or desire for personal enrichment. The personal fortunes of López Pumarejo and Ospina Pérez, in particular, were already quite large, and whatever else might be said of the polemical Conservative leader, Laureano Gómez (and plenty was), no one suggested that self-interest and personal enrichment motivated either his political positions or actions. More importantly, for this generation of politicians, a new element linked economics and politics: their fear of social agitation.

In the 1920s, a multiplicity of agrarian movements gained some momentum. A few of them were led by settlers claiming they had been dispossessed of their lands and improvements by landowners who irregularly held formal land titles. Others were organized by sharecroppers and agricultural workers who demanded possession over commercial crops or better labor conditions, or indigenous groups who struggled to keep control over indigenous lands. In the early years of the decade, Socialists already exerted some influence over peasant movements; when the Socialist party, the “Partido Socialista Revolucionario” (PSR, Revolutionary Socialist Party) was founded in 1926 by a labor congress, urban workers and Socialists overtly supported

⁶¹ Henderson, *Modernization in Colombia*, 134-153; Fluharty, *Dance of the Millions*, 39-40.

settlers', sharecroppers', and indigenous people in several conflicts against landowners and invited rural delegates to national conventions.⁶²

Labor mobilization was also significant: in the 1910s, workers at small factories, construction works, ports, and railways began to raise their grievances. The first strike in Colombia took place in Barranquilla in 1910, when cargo workers at the Magdalena River stopped working in reaction to the employer's threat of reducing wages. Throughout the 1910s and 1920s, railway workers actively demanded better working conditions by going on strike at crucial connecting points along the railroad system. In fact, simultaneously with the financial breakdown of the early 1920s, railway and transportation workers of the Magdalena River were forging protests in Girardot and La Dorada, in Tolima, which were crucial ports on the Magdalena and also railway stations. Oil workers in Barrancabermeja and factory workers in different cities protested throughout the decade too.⁶³

The government's poor handling of labor and peasant unrest was definitely used by opponents in both parties to reclaim some popular support. López Pumarejo, for instance, acknowledged during the debates about the economic crisis that Socialists' support of the labor and peasant movements was a wise political position, and that, if Liberalism aspired to retake power, Liberal leaders should understand that politically something had fundamentally changed.⁶⁴ López Pumarejo's position was not only a product of political opportunism. Liberal leaders knew that economic instability was the perfect ground for social conflict, and the Conservative government had proved unable to effectively intervene to avoid such a conflict. The proof of this fact was the strike in the Magdalena banana zone in late 1928, when the army

⁶² Catherine LeGrand, *Frontier Expansion and Peasant Protest in Colombia, 1830-1936*. (Albuquerque: University of New Mexico Press, 1986), 105-108.

⁶³ Mauricio Archila, *Cultura e identidad obrera. Colombia, 1910-1945*. (Bogotá: CINEP, 1991), chapter 5.

⁶⁴ See Marco Palacios, *¿De quién es la tierra? Propiedad, politización y protesta campesina en la década de 1930*. (Bogotá: Fondo de Cultura Económica, Universidad de los Andes, 2011), 144-145.

violently crushed the banana workers' strike against the United Fruit Company in Ciénaga. The infamous incident, which left thousands of casualties, completely discredited the government of Abadía Méndez, opening strong debates about the role of international corporations, economic and labor policies, and the dubious legality of land titles in several regions in Colombia. Future Liberal leader, Jorge Eliécer Gaitán, after his professional investigation of the causes of the conflict, explained in Congress that the protest was a peasant revolt against the UFCO's attempts to deprive them of their lands and irrigation sources, and denounced that the government had acted in complicity with the company.⁶⁵

During the presidential elections of 1929 and in the first months of 1930, issues directly related to the economic crisis—external debt, public finances, policies of economic emergency and reactivation—became the center of the political contest. At this time, the crisis deepened, as coffee prices continued falling, unemployment worsened, and the government could not get hold of additional external loans to reactivate the construction of public works and at least partially balance public finances. Liberals benefited from the dreadful outlook for the economy and political agitation winning the 1930 presidential elections. Enrique Olaya Herrera became the first Liberal President during the so-called “Liberal Republic” (1930-1946), when the Liberal Party consolidated its control over electoral positions and initiated an important process of political and economic reforms. Olaya Herrera came from an aristocratic background and was a conciliatory politician, one who garnered the support of Conservative sectors in the opposition. His political appeal, to both Conservatives and Liberals, was also based on the fact that he was well aware of the nitty-gritty of international financial operations and had excellent connections in Washington and New York. As Colombian ambassador in Washington, he had successfully negotiated the Kemmerer Mission in 1923 and brought external credit to Colombia. His

⁶⁵ Rippy, *The Capitalists and Colombia*, 187-188; Fluharty, *Dance of the Millions*, 37-38.

diplomatic skills, it was hoped, would help the government acquire some international loans and perhaps soften the demands of New York bankers.

The conciliatory attitude of the first Liberal government allowed Conservatives to assume crucial positions. Ironically, the management of the national economy, the most contentious political issue and the one that, Liberals claimed, demanded a drastic change in outlook, remained in the hands of the Conservative Party. All ministers of Finance under the Olaya Herrera administration were Conservatives from Antioquia: Francisco de Paula Pérez (1930-1931), Jesús María Marulanda (1931), and finally, Esteban Jaramillo (1931-1934). It was Jaramillo, who in 1928-1929 had maintained a very cautious approach to the negotiations with international lenders and to the handling of the crisis in general, who implemented the set of expansive and “countercyclical” economic policies that characterized the recovery period following the “great crisis.” In 1930-1932, these three Antioqueños, while holding strenuous debates in Congress (Jaramillo often complained that the most difficult job on earth was that of Minister of Finance), took steps long requested by some politicians and businessmen: devaluated currency, abolished the gold standard, relaxed the monetary and financial control exerted by the Bank of the Republic, established protective commercial measures (including raising tariffs and reversing the main dispositions of the Emergency Law of 1927), decreed the partial default on the external debt, and, more importantly, created a set of public financial institutions that would be in charge of alleviating the problem of debtors, reactivating banking operations, and expanding credit.⁶⁶

The adoption of less conservative monetary policies was perhaps a protective response to the ongoing shakiness of international finances. However, the expansion of credit in a context of

⁶⁶ Sánchez Torres, “Moneda y política monetaria en Colombia,” 90-103; Ocampo and Montenegro, *Crisis mundial*, 90-99.

such financial constraints was not only a measure taken toward stabilization and protectionism, it implied a reconceptualization of both the “agrarian question” (chapter 2) and the banking problem. Jaramillo was appointed again as Minister of Finance in November of 1931. In that same month the government created the “Caja de Crédito Agrario, Industrial y Minero” (better known as Caja Agraria), a public credit union entity focused on advancing internal production, particularly, promoting the agricultural sector by channeling public resources through credit. A month earlier, Jesús María Marulanda had organized the “Caja Colombiana de Ahorros” (Colombian Savings Bank), initially an office of the Agrarian Mortgage Bank that captured resources for savings and redistributed them among agricultural cooperatives. In January of 1932, when the Caja Agraria and the Caja Colombiana de Ahorros were already under operation, thanks to a loan the government secured by offering as collateral a lien on the production from the state salt monopoly—owned and managed by the Bank of the Republic, Jaramillo and his economic advising committee created the “Corporación de Arreglos Bancarios” (Corporation of Banking Arrangements), a joint-stock financial entity that would help current debtors to refinance their debts. This Corporation became the “Corporación Colombiana de Crédito” (Colombian Credit Corporation) a month later, when it started negotiating the debt already contracted by mortgage banks, municipalities and provinces. In May, after implementing additional measures to stimulate the internal monetary and financial markets, the Colombian Credit Corporation became the “Banco Central Hipotecario” (BCH, Central Mortgage Bank), which would also partially assume the debt previously contracted by the BAH to provide the latter with partial financial relief.⁶⁷

That credit expansion focused on agriculture does not seem surprising at this particular moment. As mentioned earlier, in the late 1920s, high prices spurred a nation-wide debate about

⁶⁷ *Revista del Banco de la República* 49, November 1931; 50, December 1931; 55, May 1932, 147-148.

the current situation of agricultural production, wherein some economic analysts argued that problems such as debt, labor scarcity, and, political conflict were manifestations of structural imbalances. But, starting in 1931, on top of agriculture's structural problems, a severe drought considerably affected food and cattle production and increased inflation levels. Internationally, persistent financial restrictions in Europe (in August stock exchanges at Berlin and Vienna, important centers for the commercialization of Colombian coffee, suffered from another crash and, in September, the British government abandoned the gold standard, spurring a wave of financial panic) pushed coffee prices further down. Additionally, Ospina Pérez, newly elected as the president of the Federation of Coffee Growers, kept asking the government for public funds to promote agriculture and his intervention seems to have been crucial in spurring the creation of the Caja Agraria.⁶⁸

Simultaneously, the question of whether the national government should default on the external debt captured the attention of public opinion. While the government refused to even consider a default, bankers, financiers, and even the Bank of the Republic were blamed for the persistence of the crisis. In Congress and the press, politicians and commentators argued that while the nation's scarce capital kept enlarging the vaults of greedy banks and financial companies, ordinary citizens' economic situation would never improve. Consumers and producers were those in debt, struggling to fulfill their financial obligations or suffering from under-consumption due to inflation. Bankers defended themselves from the "continuous attacks against banks in the press", arguing that it was financial capital which ultimately made production possible and, given the international financial situation, the failure of Colombian

⁶⁸ *Revista del Banco de la República* 39, January 1931, 4; 41, March 1931, 79; 46, August 1931; Patiño Rosselli, *La prosperidad a debe*, 394-395; Ocampo and Montenegro, *Crisis mundial*, 91.

banks, Julio Caro argued, “would be the harshest blow to the country’s credit and the nation’s economic independence.”⁶⁹

For the manager of the Bank of the Republic, the importance of keeping Colombia’s credit record in good standing was certainly a matter of macroeconomic stability. To stop paying the country’s external debt or even delaying payment would only stain Colombia’s reputation among international creditors, indefinitely closing international sources of funding so desperately needed by the government to keep up with the construction of public works and to balance the public budget. However, the political relevance of international credit went far beyond macroeconomic concerns. On the one hand, although it was inaccurate to speak of a fully developed “banking class,” as mentioned above, the fact that banks were being publicly shamed did not contribute to recovery. The Bank of the Republic often mentioned that the most difficult aspect of the crisis was perhaps dealing with the general distrust the public demonstrated toward credit and that unless investors trusted again in banking operations, an economic rally would be impossible.⁷⁰

On the other hand, economic crisis, as we saw above, was often couched within political circles and in the press as fundamentally a political problem with serious social repercussions. During the presidential elections, both candidates rhetorically connected the debt problem to the constant state of popular disapproval toward the government. According to politicians of both parties, the debt manifested serious structural shortcomings, which were the cause of social discontent.⁷¹ However, this was not only rhetoric. The connection politicians and economic officials were publicly making between banking, external debt, political dissatisfaction, and the

⁶⁹ *Revista del Banco de la República* 46, 278. On the continuous criticisms to bankers in the context of the discussions about defaulting on external debt, see Patiño Rosselli, *La prosperidad a debe*, chapters X and XI.

⁷⁰ *Revista del Banco de la República*, 46; 47, September 1931; 48, November 1931; 51, January 1932; 52, February 1932; 54, April 1932.

⁷¹ Patiño Rosselli, *Prosperidad a debe*, 254-270.

social question rather reveals the more immediate intellectual and political effects of the Great Depression years.

Just when the crisis was becoming a more cumbersome problem for the treasury, López Pumarejo was sent off to London as representative of the Olaya Herrera government—he was a well-known individual within British financial circles and therefore an ideal negotiator with creditors in London (particularly Lazard Brothers & Co.). López, who became the president of the Liberal Party in 1929, was also paid by the government to produce economic and financial reports so officials in Bogotá were well acquainted with international economic fluctuations. In López Pumarejo’s correspondence with Eduardo Santos, then Colombia’s ambassador to France and the director of Colombia’s most influential newspaper, the Liberal *El Tiempo*, López was quite emphatic about the disastrous political consequences that the banking crisis could entail for the Liberal Party. He warned Santos, who was very close to President Olaya Herrera, that if the government did not act with resolution in tackling the “banking situation,” then the crisis would become social and, therefore, would mean a failure for the Liberals.⁷²

More explicitly, López Pumarejo complained about the timid policies of the Bank of the Republic in dealing with both international creditors and internal debtors. For López, the Bank should do whatever it could to maintain macroeconomic stability, since what was at stake was nothing less than the economic viability of the government, meaning that the collapse of the Treasury would lead to complete administrative havoc. But if this administrative crisis were to happen, it would have been so in the context of increased social dissatisfaction, or at least, so López was informed, late in 1931, by his closest political comrades in Colombia:

“I will appreciate that you, my dear Eduardo, keep me abreast of all you know about the banking situation... You tell me that there is complete calm in the

⁷² Alfonso López Pumarejo to Eduardo Santos, London, June 8, 1932. *ES*, Correspondencia, caja 8, carpeta 4, 496-497.

country. So I wish. Nonetheless, in the few letters I receive, I observe a growing fear of social disorders. All of them mention the dissatisfaction with the economic crisis and the possibility of a reaction that could harm liberalism. If, as you say, the government finally negotiated [the debt] based on the monopoly of matches, and attained an unforeseen income of several millions, the situation the country is going through will probably not evolve into crisis. But, otherwise, it is possible that from February on we will be seeing very dark days.”⁷³

Indeed, Colombia was not completely calm. Although the government had in fact gathered some additional funds, as mentioned above, by pledging the Bank’s salt monopoly as guarantee⁷⁴, thereby keeping public finances afloat, political tensions remained. The Liberals rose to power as a result of a continuous process of grass-roots social mobilization, giving the Party little option, if it was interested in maintaining its political legitimacy, other than to address popular grievances. In particular, and closely related to the problem of debt, was the emergence of agrarian mobilization in Cundinamarca and, to some extent, the banana zone in Magdalena. Both situations were especially concerning for the Liberals in power. In his interpretation of this state of intensified political participation and demands for political democratization, López Pumarejo informed President Olaya Herrera that he and Gómez had agreed that to step out of the crisis, it was necessary “to guarantee the social conditions” that would allow the government to effectively intervene in and “study” the “problems of public administration.”⁷⁵

Yet, López and Gómez differed on the nature of such an intervention. While for Gómez it was mainly an economic problem, for López “the problem [was] first and foremost political.” López strongly tried to convince Olaya Herrera that “[misery] can lead us to disorder; and there is just one step left from disorder to anarchy. Our fundamental need is peace. During the next

⁷³ Alfonso López to Eduardo Santos, London, November 21, 1931, 485.

⁷⁴ López mentions that the government also negotiated the monopoly over match factories, but it seems that what really financed the creation of the Caja Agraria was the saltworks. In the memoirs of the Ministry of Finance for 1931, the negotiation of the monopoly of match production only comes up as a suggestion made to Minister Pérez to get hold of additional resources to support the operations of the Caja Agraria or the Agrarian Mortgage Bank. See Pérez, *Memoria de Hacienda, 1931*, 13, 78.

⁷⁵ Alfonso López to Eduardo Santos, London, June 8, 1932, f. 497.

elections, those presuming that they are not under peril, and can behave according to the current mood and already settled rules of our traditional political parties, are completely mistaken.”⁷⁶ Needless to say, López had a particular notion of what peace meant: that the Liberals in power could steadily consolidate their project of economic and political modernization. To keep relying on financial constraints to avoid dealing with sensitive political issues was in his opinion an outright mistake.

During the first half of 1932, López might have been dismissed as a thorn in the side of moderate Liberals such as Eduardo Santos and Olaya Herrera, or as a paranoid, egocentric individual who insisted in long letters from London that a national catastrophe would ensue if the government did not do what he suggested. But the story completely changed when on the first of September, 1932, a convoy of Peruvians surprisingly took over the frontier town of Leticia, in the Amazon basin, the southernmost point of Colombia’s national territory, in a surprise attack. While it took a while for Colombians in Bogotá to realize that their national sovereignty was threatened, the Peruvian offensive did produce immediate effects. In economic terms, the threat of an international confrontation occurred at the worst moment imaginable. Colombia’s army was noticeably small (it was among the smallest in Latin America) and had no presence other than in main cities and central regions; the navy was concentrated on the Caribbean coast and there was almost no air force. Not to even mention how poorly equipped all Colombia’s Armed Forces were. Any military operation to defend the border implied enormous expense that, given the Colombia’s current budgetary provisions, the government simply could not afford. There was no other choice than to implement expansive monetary and fiscal policies. And this happened fast. On the 23rd of September, 1932, Finance Minister Estaban Jaramillo was authorized by Congress to sign the “Empréstito Patriótico Nacional” (Patriotic National Loan) that would be

⁷⁶ Alfonso López to Eduardo Santos, London, July 8, 1932. *ES*, Correspondencia, caja 8, carpeta 4, 510.

paid through the application of extra taxes on gambling, lotteries, public spectacles, and even public servants' salaries. In December 1932, Jaramillo further decreed a partial default on the external debt, considerably reducing the outflow of money in the form of remittances and increasing national spending.⁷⁷

In spite of these efforts, the government knew that it was impossible to win the conflict strictly through a show of military prowess. Instead, Colombian leaders undertook a diplomatic international campaign. Olaya Herrera wisely made use of propaganda on radio to gain international and national support, projecting the Liberal government as the legitimate representative of civilian rule, modernity, and international diplomacy, in opposition to countries led by military and exclusionary regimes like Peru. Thus, the War with Peru became the perfect opportunity to reassert, nationally and internationally, the role the Liberal Party was playing in shaping the Colombian nation. According to this campaign, Colombia, in the hands of the Liberals, was a democratic and progressive country, an example for other countries to emulate in the regional arena. They were convincing enough, so much so that the Colombian case was openly endorsed by the international community, forcing Peru to acknowledge Colombian sovereignty over Leticia and to sign a peace treaty in 1934. But more importantly, this campaign contributed to an upsurge of nationalist sensibility. People paid extra taxes willingly, collected and donated money for the government's foray (some of them sent their gold wedding bands to the Bank of the Republic to enlarge its gold reserves and keep it from bankruptcy), and even enlisted as volunteers to defend the national interest on the border. Additionally, the War with Peru made Liberals come to an important realization. The level of official abandonment characteristic of Leticia—and it was certainly not the only village, region, or town in the country

⁷⁷ Mary Roldán, "Battle over the Airwaves: The Use of Radio to Shape Public Opinion in the Colombo-Peruvian Conflict." *Committee on Latin American History, Annual Meeting*. (Boston, January 7, 2011); Patiño Rosselli, *La prosperidad a debe*, 474-481.

in such a state—served as a wake-up call for the government to make its presence effective in places where people had not seen the national state before. If the Liberals wanted their project to succeed and to be truly national, public administration would have to be conducted in a different way.⁷⁸

This dilemma facing the Liberal government can be clearly perceived in a letter Eduardo Santos received in Paris in 1934, from Jorge Zalamea, who was then a young and promising Liberal writer and member of the generation known as “Los Nuevos.” Zalamea explained the consequences of the Depression in a peculiar analysis that captured how Liberals were profoundly concerned about missing the opportunity to fulfill their political project. According to Zalamea, Colombia’s economic straits was more than the result of an “avalanche” of “unbridled international credit” that “indigested an impoverished economy,” as contemporary discourses claimed. True, the Conservative regime had botched up managing a buoyant treasury, given that for the first time in Colombia’s history, the national state counted on “the capital it needed to dominate its territory and organize the production and distribution of its fruits,” multiplying “those voices intoning worshipping hymns to credit and preaching the dollar gospel.” But for Zalamea the real problem lay deeper in an alleged “disproportion” between the possibilities of Colombia’s work forces and the real productive results those forces offered. Therefore, the state had failed in providing Colombian workers (which in this case were simply all the citizens who compounded the national economy) with the tools, knowledge, and possibilities to wisely use resources. This meant that if the Liberal Party, now facing the historical opportunity to fix this disproportion, did not act accordingly, it would lead to general dissatisfaction and further despair. Therefore, Liberalism must promote “a work culture” that would allow Colombians to

⁷⁸ Roldán, “Battle over the Airwaves.”

“dominate technical instruments,” be on top of all innovations brought about by modernization, and to think about the future in terms of “actions and purposes.”⁷⁹

For Jorge Zalamea, it was evident that the implementation of public education programs across the breadth and length of Colombia would improve and strengthen a national “work culture.” Indeed, he became a central figure in processes of educational democratization not long after he wrote this letter to Eduardo Santos. But more generally, this way of understanding the national problem led Liberals and a generation of intellectuals, thinkers, politicians, and economic officials to conceive of economic and social reform virtually as a political responsibility. And not only within the ranks of the Liberal party was this transformation happening. It was not a coincidence that those charged with managing the economy for the Olaya Herrera government were Conservatives from Antioquia. Or that another Conservative Antioqueño, Mariano Ospina Pérez, was now politically influential as the president of the Federation of Coffee Growers. A fascinating intellectual transformation was taking place inside particular political circles. The War with Peru and the effects of the Great Depression alone cannot account for this intellectual shift. Instead, one should look at this conjuncture as an ideal moment when a whole new set of ideas and interpretations regarding the national economy and the purposes of economic policy gained widespread relevance.⁸⁰ These first “reformers” were convinced that in order to attain steady economic prosperity and growth it was necessary to address social issues and grapple with the “social question.” How the first sector of “economic

⁷⁹ Jorge Zalamea to Eduardo Santos, London, May 24, 1934. *ES*, Correspondencia, caja 20, carpeta 2, 57-61.

⁸⁰ Or in the words of the Liberal journalist and politician, Luis Eduardo Nieto Caballero, also known as LENC, it was in the context of the economic crisis that political leaders became aware that “all social aspirations were connected to economic problems and all political problems were fundamentally economic, although presented as something different.” Luis Eduardo Nieto Caballero, “Concepto,” in: Nicasio Anzola, *Conferencias sobre economía política, dictadas por el profesor de la materia Doctor Nicasio Anzola*. (Bogotá: Imprenta Nacional, 1936), X.

experts” in Colombia developed this tight connection between economic policy and the social question is the focus of the following section.

Issues of economic expertise, political innovation, and development

The late 1920s and the early 1930s were years of remarkable innovation in economic knowledge and conceptualization, and in the actual practice of economic administration in Colombia. The Kemmerer Mission had provided the government in Bogotá with the initial theoretical justification to concentrate on the management of monetary and banking policies which in turn led to the creation of Colombia’s first national economic institutions, all of them related to the banking sector: the Bank of the Republic, the National Comptroller’s Office, and as a byproduct of the latter, the Agrarian Mortgage Bank. These institutions were to exert a fundamental role in both disseminating economic knowledge and collecting information regarding the social and economic configuration of the country. The Bank of the Republic started its own publication in 1927, the *Revista del Banco de la República (Journal of the Bank of the Republic)*, opened offices throughout the country, established libraries specializing in Economics, and got involved in the protection of the “national patrimony” by buying pre-Columbian gold pieces and Colombian art works. Although timid and limited in nature, the BAH set up supervising surveys in the areas where its money was invested, bringing back information about the agricultural sector. The Bank of the Republic and the Office of the National Comptroller were committed to collecting statistical records, diffusing international economic debates (by translating into Spanish articles on economic theory and economic policy from French and English), and, more importantly, allowing the economic notions and ideas developed by Colombian “experts” to circulate.

Many times Minister of Finance, Esteban Jaramillo's consulting committee on the problem of skyrocketing prices was perhaps the first organism formed by "experts in Economics," on which the state relied to consider a "national" economic and social problem and suggest political alternatives to solve it. Simultaneously, López Pumarejo's conferences at the Municipal Theater in Bogotá served as an open forum for "experts" in different areas to share their perceptions about Colombia's main problems and discuss economic policy. Jaramillo again created a consulting committee in 1931 to deal with the worst moments of the crisis, but this time it was the result of a national law that regularized how expert knowledge—or what was understood as such—would influence economic policy. In 1927 Jaramillo himself was already considered an "expert" in fiscal management and banking. In addition to his public conference on the problem of prices, in 1918 he had published his first book, a treatise on tax policies and reform. A crucial double-edged intellectual change was happening among ruling sectors: it was the first time that the concept of a "national economy" was used and, as emphasized earlier, the national state became aware of its social responsibilities.⁸¹

This section focuses on how the development of economic expertise, the consolidation of a sector of economic experts, innovations in economic management, and the realization that the state now had to tackle social issues were intertwined intellectual and political transformations. Individuals from roughly two different generations became experts in economics and economic management at this particular moment and were crucial in training future reformers, economic technicians, and politicians. There was a younger generation, to which Alfonso López Pumarejo, Mariano Ospina Pérez and Laureano Gómez belonged. They were practical politicians, born in the late 1880s or early 1890s, conscious of the needs of their respective political parties, but

⁸¹ Cárdenas, Ocampo, and Thorp, *Industrialización y estado*, 21; Ocampo and Montenegro, *Crisis mundial*, 26-29.

knowledgeable of the substance of finances and banking as they had been directly involved in banking, construction, coffee production and commercialization themselves.

The second generation, a decade or two older, was formed by individuals who had experience as public officials, writers, businessmen, or even military and political leaders (or reflected a combination of these different activities) during the War of Thousand Days (1899-1903). Liberals and Conservatives waged this war over military and political control of several regions in the country. The conflict furthered political instability, and created widespread economic destruction, hindering initial attempts to promote agricultural production or extend public infrastructure. The War also infused this generation with a profound sentiment of political responsibility about, on the one hand, reaching agreements with the opposition to avoid conflict and guarantee civilian rule and, on the other, committing to overcome economic stagnation. As politicians, the generation active in the War of the Thousand Days was, for the most part, pragmatic and, since they had mostly lived through a situation where economic and political shakiness prevailed, they would frequently mention that to build a nation based on material and spiritual balance, where people could live moderate, peaceful, simple and work-centered lives was the ultimate political goal. Although most of them were in the process of quitting public life by the late 1930s and 1940s, this generation nonetheless instructed younger leaders on how to negotiate international loans (most of them were also coffee planters, the first industrialists, or wealthy merchants who used their private networks for the benefit of national or regional governments, and vice versa) or how to administer meager treasuries in moments of economic crisis.

The first manager of the BAH, Lucas Caballero, is a good example of this older generation. Caballero was a Liberal military leader, successful coffee planter, importer, and a

pioneer of the textile industry in his province, Santander, in the eastern part of Colombia. As a commander of the Liberal army during the War of the Thousand Days, he used his experience as an international borrower to obtain credit and import military equipment for the Liberal forces. Caballero raised his nephews, Luis Eduardo and Agustín Nieto Caballero when they were orphaned and they later became prominent reformers in the mid-twentieth century: Agustín Nieto Caballero would spearhead educational reforms, founding the influential Bogotá boy's school, the Gimnasio Moderno, while Luis Eduardo Nieto Caballero would use his position as one of the only permanent staff writers on the Liberal daily, *El Tiempo*, to consistently address social issues in his widely circulated newspaper columns. Like many of the Liberals who fought during the War, Caballero shared and praised most of General Rafael Uribe Uribe's ideas and notions about the mission and responsibilities of Liberalism in shaping the Colombian nation.⁸² Broadly speaking, Uribe Uribe, an Antioqueño coffee grower, believed the Liberal Party should consolidate a system of "state socialism," in which the state would watch out for the exploitation among social classes, protect the weak, and invest in providing the conditions for economic growth for the benefit of society as whole. A staunch critic of economic liberalism, Uribe Uribe considered that it was the responsibility of the state to intervene in the economy to stop usury and speculation. Moreover, according to Uribe Uribe, state socialism would lead Colombia to material prosperity. To do so, the state should consciously foster agricultural production by embarking on colonization programs based on the democratization of land ownership, education campaigns to eradicate illiteracy, and national projects of public hygiene to improve people's sanitary conditions and health.⁸³

⁸² Lucas Caballero, *Memorias de la Guerra de los Mil Días*. (Bogotá: Instituto Colombiano de Cultura, 1980).

⁸³ Rafael Uribe Uribe, *Escritos escogidos*. (Bogotá: Cámara de Representantes, 1979). See in particular "Socialismo de Estado" and "Los problemas nacionales."

The influence of Uribe Uribe's conceptualization of state-making will be considered in more detail when discussing the agrarian question in chapter 2, but for the moment, what is important to emphasize is that officials like Lucas Caballero, although not going as far as defending a state-led socialist system, nonetheless advocated the implementation of social reform programs. He argued that: "Social reform, meaning to improve the lot of the humble, is predominant in the work of thinkers and economists and is gaining more preeminence in the administration of societies." Policies such as "[social] assistance, collective insurance, work contracts, promotion of savings and hygienic dwellings for workers," were crucial to consolidating "democratic regimes, where there are not privileges based on class or on the law."⁸⁴ The future manager of the BAH, Alfredo García Cadena, also a coffee planter and savvy banker from Santander, pushed the connection between the need to address the social question and the administration of the state even further. In the early decades of the twentieth century, García Cadena played an important role in reaching political agreements with Conservatives in Santander, while later in the 1930s, after the BAH was liquidated, he became Santander's governor, a member of the board of the Federation of Coffee Growers, and a firm defender of the mission of the Caja Agraria. He criticized the Colombian leadership for having failed at fulfilling their "political duty" of solving the "social question" that, in the case of Colombia, was mainly manifested in the situation of poverty, landlessness, and abandonment of the peasantry, who were the heart of the nation and outnumbered any other sector of the population.⁸⁵

An emphasis on the agrarian problem was consistent in the publications, statements and addresses of Colombia's economic officials. Both Liberals and Conservatives were to touch on the challenges that the situation of the Colombian peasantry was posing to the national state.

⁸⁴ Banco Agrícola Hipotecario, *Informe del gerente en 1928*, 50-51.

⁸⁵ Alfredo García Cadena, *La tierra y el crédito. Conferencia dictada en el Paraninfo de la Universidad Javeriana el día 3 de junio de 1935*. (Bogotá: Juan Casís Editor, 1935).

Their experiences as agriculturalists or simply as a result of witnessing firsthand how poor settlers wandered ceaselessly in the search for land and the social consequences of inadequate administrative policies, no doubt shaped the thinking of economic officials. Esteban Jaramillo is a classic example of an economic policy-maker who was deeply influenced by his experience of living through the social consequences of inadequate administrative policies. He was born in Abejorral, Antioquia, the son of a “colono” (settler) family that migrated from the eastern mining and commercial town of Ríonegro as a result of a major economic depression. In the broader context of the colonization of Antioquia’s southwestern region, Abejorral was a place where “colonos” migrated back and forth, in search of a more stable source of income in agriculture. Jaramillo grew up in the midst of economic restrictions. In the early 1890s, nonetheless, he made his way to Medellín to study Law at the Universidad de Antioquia (a public institution financed by the regional government). During the War of the Thousand Days, Jaramillo had served as a judge in Abejorral and Fredonia (where Uribe Uribe’s coffee farm was located and Antioquia’s largest coffee producing municipality), and right after the two political parties signed a peace treaty in 1902, he was appointed Lieutenant Governor of Antioquia, charged with overseeing the reconstruction and pacification of the province. His outspoken defense of the Liberals’ rights to fully exert their citizenship (Liberals had lost the War and therefore were excluded from the exercise of political power under Conservative rule), caused him to be ousted from his position, but launched his career as a national political figure.⁸⁶

A few years later, Jaramillo was appointed director of a failed central bank experiment and at the tender age of 29, he became Minister of Finance under the Rafael Reyes administration (1902-1904). Reyes also named Jaramillo Colombia’s diplomatic representative at

⁸⁶ Abel Cruz Santos, *Cuatro humanistas colombianos del siglo XIX al siglo XX*. (Bogotá: Editorial Kelly, 1975), 32-54; Mario Jaramillo, *Esteban Jaramillo: indicador de la economía colombiana*. (Bogotá: Taurus. 2006), 49-55.

The Hague and visitor of several Colombian consulates in Europe. It was at this moment, in the early 1900s, when Jaramillo attended Pierre Leroy-Beaulieu's lectures on Political Economy at the Collège de France. Leroy-Beaulieu was a classic liberal economist who published on the problem of French colonization in Algiers and Tunisia. Liberal political economy was not necessarily what Jaramillo admired most, but he was probably attracted by the possibility of learning how the French were dealing with the problem of populating and administering their North African colonies. However, it was during his visit in 1917 to the United States, as economic representative of Antioquia, when Jaramillo seemed to find an economic viewpoint that more accurately reflected his own emerging ideas. He attended the lectures of Columbia University professor of Economics, Edwin Robert Anderson Seligman. In contrast to Leroy-Beaulieu, Seligman had published on taxation and the social function of private property, advancing rather interventionist theses. The influence of Seligman on Jaramillo is noticeable in the latter's first book *La reforma tributaria en Colombia. Un problema fiscal y social (Tax Reform in Colombia: a Fiscal and Social Problem)*, published in 1918, which became a required text book for law students being trained in fiscal issues.⁸⁷

From then on, even though he also became governor of Antioquia, senator, and magistrate of the Supreme Court, Jaramillo's career focused on the management of national finances, garnering him the title of "the first great technocrat of the Colombian economy."⁸⁸ Unlike Lucas Caballero or Alfredo García Cadena, who were also involved in shaping economic policy as bank managers, Jaramillo was formally trained in fiscal matters and consciously pioneered the consolidation of a school of thought on these issues. But like García Cadena and Caballero, he was also concerned about the situation of the agrarian sector and strived while in

⁸⁷ Jaramillo, *Esteban Jaramillo*, 56-72.

⁸⁸ Jaramillo, *Esteban Jaramillo*, 14.

office to foster agricultural prosperity. This concern for agrarian issues coupled with his prominent role in regional and national politics during the Depression. While disregarding this connection, his intervention during the crisis has been misinterpreted. Jaramillo has been tagged as a representative “in [President] Abadía’s cabinet of the rising capitalists of Antioquia and of North American banking groups (supposedly opposed to British financial interests),”⁸⁹ and, contradictorily, as the agent of traditional rural elites, who substantially benefitted from the recovery measures he adopted in 1932-34.⁹⁰ This confusion might stem from the fact that Jaramillo’s economic intervention completely shifted from monetary orthodoxy, during the Depression, to expansionary countercyclical protectionism in the early 1930s. This shift, however, did not mean that Jaramillo represented different competing interests, or that he simply contradicted himself throughout his public career; it probably had more to do with his pragmatic approach to state management. In his own words: “a crisis cannot be tackled with the dead letter of texts; government, more than a science ruled by inflexible principles, is the art of right-guessing within particular circumstances.”⁹¹

What is consistent in Jaramillo’s public life, though, especially from the mid-1920s on, is his steadfast concern about how state interventionism could effectively tackle the social question. In his 1927 conference on the high cost of living, for instance, Jaramillo emphasized that, from the perspective of the “social economy,” high food prices were a concern because they made evident that “Colombians, in a great majority, have poor nutrition... a people that lack enough nutrition to maintain balance between organic forces are impeded, at the biological, social, and

⁸⁹ Palacios, *Coffee in Colombia*, 210.

⁹⁰ Drake, *The Money Doctor*, 55-61. Drake even complains that Jaramillo seemed to have too much of an influence over Kemmerer during his second visit to Colombia in 1930, which explains why Kemmerer accepted the implementation of much more unorthodox and expansionary monetary policies. According to Drake, this unorthodoxy was ultimately the product of agriculturalists’ pressures, 69-70.

⁹¹ Cited in Cruz Santos, *Cuatro humanistas colombianos*, 50.

economic levels, from thriving.” The Colombian state could not neglect that a poorly fed or ill population was unable to substantially contribute with their work to the national economy, or even to struggle in defense of their own subsistence. Helping Colombians to meet the challenge of poor nutrition and health by addressing the reasons behind high food prices, Jaramillo believed, was a serious responsibility the state had to assume. For Jaramillo, the reign of “systematic and somber individualism,” when states let “economic laws” function freely, had crumbled, leading the world onto the worst crisis in the history of civilization, the First World War. In the most industrialized societies, leaders had come to the realization that workers and employers should cooperate in advancing material wellbeing, putting into effect policies like minimum wages, regulation of the work day and working conditions, and protections for women and children to assuage the dire social consequences of industrialization. Modern social reform policies, the state’s conscious efforts to address “the great tragedy of the working class in the last century,”⁹² were not consistent in Jaramillo’s thinking with a liberal economic policy. Rather, Jaramillo firmly believed that modern states were infused by principles of “solidarity or social fraternity, from which intervention and cooperation have emerged.”⁹³

Colombian leaders aspired to make the Colombian state be “modern.” Alfredo García Cadena, Lucas Caballero, and many other politicians from both parties and state officials of the time actively worked to keep the Colombian state from remaining on the margins of modernization. They most likely also shared a deep fear of the spread of Socialism and Communism, which in fact influenced the emergence of social reform policies elsewhere, a political development that Jaramillo himself acknowledged, thereby expressing concern about the sway of radical ideologies over Colombian workers. But the fear of the expansion of

⁹² Esteban Jaramillo, *Conferencia sobre el concepto jurídico-social de la propiedad, dictada en la Universidad Javeriana el 6 de noviembre de 1934*. (Bogotá: Editorial Minerva, 1934), 15.

⁹³ Jaramillo, *La carestía de la vida*, 10-11, 16-18.

Socialism and Communism does not account for the fact that economic officials at this moment were modeling economic policy so that it grappled with social problems as well. In fact, Esteban Jaramillo, Alfredo García Cadena, Lucas Caballero, Francisco de Paula Pérez, Jesús María Marulanda, and even younger politicians like Mariano Ospina Pérez shared what were perhaps more powerful beliefs. They were all devoted Catholics and profoundly influenced by the teachings of the Church's Social Action doctrine.

This connection deserves further examination. Take for instance the cases of Esteban Jaramillo, Francisco de Paula Pérez, Jesús María Marulanda and other politicians from Antioquia who undertook tasks related to the administration of the treasury at the national and regional levels.⁹⁴ The Catholic Church exerted far-reaching influence in Antioquia over the course of the nineteenth century by consolidating devotional associations, most of them undergirded by the principles of Catholic Social Action. During the second half of the nineteenth century, when political conflicts also revolved around the extent to which the Church should influence state policies, in Antioquia even Liberals—who strongly advocated a clear separation between the Church and the state—were devoted Catholics and were in some measure influenced by Social Action's teachings. Even as a conservative Church hierarchy was monitoring and censoring (both Liberal and Conservative) Antioqueños' public statements and writings, some Catholic

⁹⁴ Another example could be Antonio José Uribe, a prominent Conservative politician from Antioquia who occupied multiple public posts; during the last years of the 19th century and the first two decades of the 20th, he served as Minister of Finance, Public Instruction, and Foreign Relations, Senator, diplomat, and economic representative. As diplomat, he was crucial in negotiating the treaty by which the United States agreed to pay an indemnity to Colombia for the loss of Panama. As minister, he implemented scattered socially driven policies such as the design of new legislation for improving public education. Later, in the early 1930s, devoted to the study of economic legislation, he often published in the *Revista del Banco de la Republica*. In his articles he talked about how a "spirit of association" infused economic policies in thriving economies in Europe, a trend he expected to happen in Colombia. He was a member of the Saint Vincent the Paul Society in Medellín and professor of Law at the Universidad del Rosario, a Catholic university in Bogotá. See *Revista del Banco de la República*, 41, 88.

politicians did develop a much more progressive and less dogmatic political ideology.⁹⁵ Indeed, some Conservative politicians in Antioquia, Jaramillo included, did not identify with the extreme right embodied by the Church hierarchy; they were influenced by the more progressive and socially oriented ideas of Pope Leo XIII's encyclical, *Rerum Novarum* (1891) and Pope Pius XI's, *Quadragesimo Anno* (1931). In both encyclicals, the Church officially recognized the adverse effects of industrialization and of capitalism more broadly, and set up acceptable Catholic bases upon which labor relations should be built in the contemporary capitalist world. According to *Rerum Novarum*, just as workers had responsibilities at their work place, capitalists also were obliged to ensure their workers' wellbeing. The state was also responsible for protecting the poor, those who lacked private property or suffered most the hardships of capitalism, such as women and children. This ideological umbrella allowed the organization of several Catholic working class associations in France, Germany, and Spain in the late nineteenth century, and in the first decades of the twentieth century elsewhere in the Catholic world.⁹⁶

This principle of mutual reciprocity and obligation was precisely what undergirded Jaramillo's idea that solidarity and cooperation were the principles guiding modern state interventionism. Jaramillo, in fact, drew on the *Rerum Novarum* encyclical to elaborate his own theory of the state. He argued in an essay published in 1934 on the social function of private property that the state was an agent of social peace, the "supreme entity of justice in all social relations," and citing Pope Leo XIII, the "protector of the weak."⁹⁷ Moreover, he stated in 1931 that "we [the citizens] all are the state," which he defined as "a political organization created to

⁹⁵ Patricia Londoño Vega, *Religion, Culture, and Society in Colombia: Medellín and Antioquia, 1850-1930*. (Oxford: Clarendon Press, 2002), chapter 1.

⁹⁶ Londoño, *Religion, Culture, and Society*, 115. For the complete version of the *Rerum Novarum*, see: http://www.vatican.va/holy_father/leo_xiii/encyclicals/documents/hf_l-xiii_enc_15051891_rerum-novarum_en.html [accessed: December 17, 2013]. A complete version of the *Quadragesimo Anno* is available at http://www.vatican.va/holy_father/pius_xi/encyclicals/documents/hf_p-xi_enc_19310515_quadragesimo-anno_en.html [accessed December 17, 2013].

⁹⁷ Jaramillo, *Conferencia sobre el concepto jurídico-social de la propiedad*, 20.

satisfy the collective needs of civil society and to foster human wellbeing throughout the globe. We, as citizens, force the state, through authorized means and organizations, to work tirelessly to benefit the great majority and expand its capacity of action as the complex and multiform modern life requires it.”⁹⁸ This was not just an abstract elaboration. Jaramillo applied this core principle to defining the direction of state policies regarding private property (it must protect property rights, but also guarantee that such rights were advantageous for the society as a whole), or even much more practical issues such as the construction of public works and transportation networks (they should allow Colombian consumers to buy food and basic consumption items at affordable and reasonable prices), monetary policy, or how to handle economic cycles and crises.⁹⁹

More precisely, at the elementary level, it was perhaps Jesuit education and devotional organizations what bore upon political leaders and state officials most strongly. From roughly the late nineteenth century through the 1920s, the Jesuits established devotional associations, societies, schools, and mutual aid organizations inspired by Catholic Action’s tenets, including the *Círculo de Obreros* (Circle of Workers) and Centers of Catholic Action.¹⁰⁰ Businessmen, politicians and intellectuals, who were to be prominent during the crisis and in the adoption of economic and social policies during the 1930s, attended these schools, were part of congregations, or supported Jesuit workers’ associations. Finance Minister Francisco de Paula

⁹⁸ Esteban Jaramillo, “El estado y los transportes,” in: *Revista del Banco de la República* 43, May 1931, 167.

⁹⁹ Jaramillo, *Conferencia sobre el concepto jurídico-social de la propiedad*, passim; Esteban Jaramillo, “El ciclo de los negocios y el final de la crisis,” *Revista del Banco de la República*, 45, July 1931, 240-243; Jaramillo, “El estado y los transportes,” 166-169; Jaramillo, “La intervención del estado en la economía de los pueblos,” *Revista del Banco de la República* 94, August 1935, 268-272. In this last article, Jaramillo exposed his sympathy with the New Deal and Roosevelt’s strategy of “increasing public spending.” He considered that Roosevelt’s policies were inspired by principles of social and economic justice and particularly praised the expansion of state credit and the creation of consumer and producer cooperatives, which “avoided a social and political catastrophe in the United States.”

¹⁰⁰ Londoño, *Religion, Culture, and Society*, 77-78, 98, 115-117; Beatriz Castro Carvajal, *Caridad y beneficencia, el tratamiento de la pobreza en Colombia 1870-1930*. (Bogotá: Universidad Externado de Colombia, 2007), 215-227.

Pérez, who was also a Representative to Congress from Antioquia, was educated by the Jesuits and influenced by the principles of Catholic Social Action. In his interventions in Congress on economic policy, he would often emphasize that the most urgent problem to solve was “the social problem.”¹⁰¹ Finance Minister Jesús María Marulanda studied at Medellín’s Seminar and at the San Ignacio School, founded and directed by the Jesuits. Mariano Ospina Pérez, like many other businessmen and politicians of his generation in Medellín, also attended the Jesuit San Ignacio School. But his Jesuit secondary education may not have been what necessarily what impacted him most; before studying engineering in the United States, he got his first engineering degree at the School of Mines in Medellín, where he was trained in “industrial economy.” Tracing Ospina Pérez’s formal education actually helps to show how strongly and closely Antioqueño Conservatives and Liberals were linked in the conceptual development of state interventionism, and how these conceptualizations were radically infused by Catholic Social Action.

The Ospina family had a long tradition of simultaneously cooperating with Catholic associations, contributing to the advancement of formal education in Antioquia, taking part in politics, and venturing into flourishing businesses. The brothers Tulio Ospina Vásquez (Mariano Ospina Pérez’s father), and former President Pedro Nel Ospina Vásquez (1922-1926), for example, were close to the Church’s social endeavors, sponsoring and personally conducting several social programs. They were also thriving businessmen, who developed techniques for coffee cultivation and imported new breeds of cattle that were to improve local offerings of meat in Antioquia. What is relevant here is that they both, as engineers formally trained at Berkeley, were also professors of Engineering at the School of Mines, established in 1887 to train Antioqueños in the science and techniques of Engineering and Business Administration for the

¹⁰¹ Patiño Rosselli, *La prosperidad a debe*, 290-293.

booming regional mining economy.¹⁰² It is important to emphasize that the School of Mines was not an institution of the Conservative Party or, in any way, was it involved in regional party politics. In fact, Tulio Ospina and Pedro Nel Ospina trained Liberal engineer Alejandro López, who would later teach Mariano Ospina Pérez, as well as many other industrialists, the “industrial economy” class at the School of Mines. This course basically dealt with the main problems and prospects of developing a flourishing industrial—broadly understood as comprising all economic sectors, not only manufacturing—economy within Antioquia and Colombia as a whole.¹⁰³

Alejandro López, the son of a family of mulatto artisans, exercised a nation-wide influence regarding the consolidation of economic thought, economic policy, and state interventionism, particularly by contributing to the development of an “ethic” of work for the industrial sector in Antioquia.¹⁰⁴ Uribe Uribe’s notion of state socialism led by the Liberal Party was at the core of Alejandro López’s elaborations about the state, explicitly laid out in his widely known essays *Problemas colombianos* (1927) and *Idearium Liberal* (1936). As Uribe Uribe did, López firmly believed that the future of the Colombian nation depended on the democratization of property in land, and that the Liberal Party should lead the consolidation of a rural sector of medium property holders, who would steadily increase agricultural production and expand and integrate the internal market. He strongly stated that the main problem of Colombia’s economic configuration was the erratic process of colonization that was feeding the concentration of fertile

¹⁰² Mejía Robledo, *Vidas y empresas de Antioquia*, 135-138.

¹⁰³ On the School of Mines see Alberto Mayor Mora, *Ética, trabajo y productividad en Antioquia. Una interpretación sociológica sobre la influencia de la Escuela Nacional de Minas en la vida, costumbres e industrialización regionales*. (Bogotá: Ediciones Tercer Mundo, 1984).

¹⁰⁴ See Mayor Mora, *Ética, trabajo y productividad en Antioquia*, chapter VI, “La ‘sociología del trabajo’ de Alejandro López y el catecismo de los industriales.” This “ethic” would be transplanted into the policies that the Federation of Coffee Growers would implement in coffee producing regions in terms of technical assistance, credit, and improvement of social conditions. Individuals like Ospina Pérez were central in this process. See Christopher London, *The Cultural Politics of Technical Change in Colombian Coffee Production*. (Cornell University, MS Thesis, 1994).

lands for cattle raising, instead of favoring food production and peasant agriculture.¹⁰⁵ Although López did not cite any of the encyclicals nor ever explicitly state that Catholic Social Action's tenets shaped the way he conceived of state interventionism, consolidating a peasant middle class as a political ideal was also rooted in Catholic teachings.

Besides having been trained by two prominent practitioners of Social Action's creed (the Ospinas), López had contact with the ideas of a British Catholic distributist, G. K. Chesterton, while he resided in London and dedicated himself to a profound study of theories of political economy. Moreover, *Idearium Liberal* and "Prospectus of Social Action," the Conservative program signed in 1937 by Esteban Jaramillo, Francisco de Paula Pérez, and Mariano Ospina Pérez, among others, coincided in both showing a deep concern about the "social question" and placing the rural problem at the center of Colombia's political and economic debates. The two party programs, despite constitutive fundamental differences, were committed to the consolidation of a rural "middle class" of small landowners, by pushing for the division of uncultivated large states, increasing taxation, expanding access to inexpensive credit, promoting the creation of consumption and production cooperatives, and sponsoring the adoption of social security policies. These principles were profoundly influenced by the writings of the United States Bishop, Edwin Vincent O'Hara, the founder of the National Catholic Rural Life Conference (1923), an organization of Catholic activism involved in issues of rural development and labor organization in the United States.¹⁰⁶

¹⁰⁵ Alejandro López, "Idearium Liberal," and "Problemas Colombianos," *Escritos escogidos*. (Bogotá: Instituto Colombiano de Cultura, 1976).

¹⁰⁶ Mary Roldán, "Popular Cultural Action, Catholic Transnationalism, and Development in Colombia before Vatican II." *Catholic Activism in the Americas, 1891-1962, Conference*. Catholic University of America, Washington D. C., October 18, 2013. The agrarian question and the commonly shared ideal of the Colombian nation being based on an "agrarian middle class" fundamentally shaped the adoption of social policies, including the democratization of credit, the creation of cooperatives and the purpose and nature of the first national housing institution. This connection will be explored in detail in the following chapter.

The influence of individuals like Jaramillo and Alejandro López—and the principles of Catholic Social Action—cannot be highlighted enough. At the time of the Great Depression, politicians, reformers, managers of national banks, and directors of offices in charge of economic issues, regardless of political affiliation, were, in their great majority, either directly influenced by the principles of Catholic Action, or indirectly, by having been trained by individuals like Esteban Jaramillo and Alejandro López.¹⁰⁷ Alfredo García Cadena, for example, also cited frequently both encyclicals and, following the programmatic ideals of the Liberal Party, advocated for the consolidation of a middle rural class and asked the national state to focus on attending peasants' needs and problems. One can trace the personal influence of these individuals and ideas over the most powerful politicians of the time. Both Alfonso López Pumarejo and Laureano Gómez worked for Jaramillo during their entrepreneurial attempts in the late 1910s. Jorge Eliécer Gaitán adopted *Idearium Liberal's* main concepts in sketching his own political program. More importantly, Liberal Carlos Lleras Restrepo, at the moment of the crisis a young lawyer and rising politician, who also attended a Catholic (Salesian) school in Bogotá, not only imbibed the ideas of Alejandro López, but also was Jaramillo's political protégée. He recognized the important role Jaramillo had played in developing his thought and career, and remembered that his very first speech in Congress, in 1933, in which he supported the monetary policies of minister Jaramillo, initiated a close political and professional relationship and friendship between the two of them.¹⁰⁸

¹⁰⁷ In Bogotá, for instance, Guillermo Nannetti, a Liberal politician from Popayán, member of the Municipal Council, and Senator, was the founder of the Institute of Social Action in 1933, a municipal entity engaged in middle-class housing and projects to support small factory owners and artisans, clearly influenced by the principles of Catholic Action. Nannetti was trained as a lawyer at the Universidad del Rosario and served also as counselor for the Colombian embassy at the Vatican in the late 1930s. This Institute and Nannetti's role as a reformer will be further developed in chapter 4.

¹⁰⁸ Lleras Restrepo, *Crónica de mi propia vida*, Vol. I. (Bogotá: Stamato Editores, 1986), 64-65.

The degree to which Catholic ideas about social change permeated notions about political economy and economic policy itself went beyond informal contact or personal networks between policy makers, or Antioquia's regional educational institutions. In fact, although both Liberals and Conservatives disagreed at many levels, a few of them converged in their Catholic beliefs and their conviction about the need to solve the social question through effective state measures.¹⁰⁹ Esteban Jaramillo and Francisco de Paula Pérez initiated what came to be called “la escuela de abogados hacendistas,” or the first group of “experts” in public finance trained at the National University Law School in Bogotá. Future ministers of Finance, Agriculture, and Industries (regardless of party allegiance) were pupils of this school. These lawyers took classes in Public Finance, Political Economy, and Statistics, where they learned about monetary theory, international commerce, credit, and the possibilities of state interventionism.¹¹⁰ Jaramillo gave lectures on Economics at the Universidad del Rosario, and the first permanent “cátedra” (lectureship) on “Problemas Económicos Colombianos” (Colombian Economic Issues) was established at the Universidad Javeriana in 1930, as soon as the university was created by the Jesuits (Jaramillo was also active in this process), counting García Cadena as one of its lecturers.¹¹¹ Moreover, courses on Political Economy were also taught at institutions of technical education, such as the National School of Commerce, founded in 1905 under the administration of Rafael Reyes. Ministers lectured at the School of Commerce on economic principles, public finances, and international commerce and trade. Professors of Economics at this institution also

¹⁰⁹ Nieto Caballero, in a comment on a book about political economy published by a Conservative lawyer and Professor of Political Economy, Nicasio Anzola, in 1936, explained this ideological tension. For him, all Colombians were liberal in economic terms, but interventionists in terms of the role of the state in the economy. The difference between Conservatives and Liberals lay in the form that such intervention of the state should take. However these differences, LENC argued, “social equity, the social question, all gets solved on Jesus.” Nieto Caballero, “Concepto,” IX-XIV.

¹¹⁰ Hernán Jaramillo Ocampo, “Francisco de Paula Pérez,” in: Pérez, *Memoria de Hacienda, 1929, 1931, 1946*, XV-XVI. In his 1931 report to Congress, Pérez even cited Alejandro López's analysis about the causes of the Great Depression, 13.

¹¹¹ See for instance García Cadena, *La tierra y el crédito*; Cruz Santos, *Cuatro humanistas colombianos*.

modeled their notions of the state's role in society based on "the principles of charity and Christian morality," as taught by Pope Leo XIII. Students would learn that the state, therefore, should implement social reform programs, such as the creation of cooperatives and the expansion of credit opportunities.¹¹²

The Great Depression served as the perfect context for these ideas about social change and national state-led social reform to become institutionalized. It was a moment of uncertainty about the economy and of intense social mobilization and organization, and the Catholic-inspired notion that solving the social question was a political (and economic) responsibility of the state made complete sense. The political innovations and recovery measures that came into existence in the aftermath of the Depression responded to this principle. Take for instance the "Consejo de la Economía Nacional" (Council of the National Economy), the consultant entity that would propose alternatives to deal with the crisis and ratchet up economic growth, coordinate the activities of economic offices within the national government, and collect data and general statistics of the Colombian economy, created by Francisco de Paula Pérez in March, 1931. The Council was formed by the ministers of Industries, Public Works, and Finance, the managers of public banks, and the presidents of the most relevant business associations (the Federation of Coffee Growers, the Society of Colombian Agriculturalists, the Chamber of Commerce of Bogotá), and the director of the office of national statistics.¹¹³ This means that Mariano Ospina Pérez (president of the Federation of Coffee Growers), Francisco de Paula Pérez, Jesús María Marulanda, and later on Esteban Jaramillo (the last three, all Ministers of Finance at one time or

¹¹² Anzola, *Conferencias sobre economía política*. Liberal journalists Germán Arciniegas and Jorge Zalamea and the Liberal politician Julio César Turbay were students at the School of Commerce.

¹¹³ Antonio José Uribe, "El Consejo de la Economía Nacional," 86-89; Cámara de Comercio de Bogotá, "El incremento de la producción nacional," 90-92, *Revista del Banco de la República* 41. This Council was permanently reformed to keep up with the constant institutional changes taking place in the 1930s and 1940s. See for instance "El Consejo de la Economía Nacional," in: *Revista del Banco de la República* 90, May 1935, 159.

another), Francisco José Chaux (Minister of Industries under Olaya Herrera, a Liberal from Cauca and prominent reformer during the 1930s and 1940s), Lucas Caballero (manager of the BAH), and Julio Caro (manager of the Bank of the Republic) would get together on a regular basis to talk about the national economy (and surely, and simultaneously, about the social question).

This council focused on the expansion of credit as one of the policies the national government should implement to improve the economy. After a few months of the council's functioning—and only after new external funding was obtained—the government created the Caja Agraria and the Caja Colombiana de Ahorros, which were supposed to reactivate the banking system, but by providing inexpensive credit to agricultural producers and consumers. Credit, in the context of the Depression, was not merely a macroeconomic measure. It was a political tool Colombian reformers privileged as it did what precisely economic policy should do: set the groundwork for economic expansion, allowing ordinary citizens to participate from the benefits of this expansion. Public credit allowed the state to address economic problems such as usury, speculation, indebtedness, and lack of capital, while tackling the social conditions of peasants, small producers, and the working- and middle-class by integrating them—and their work—into the economy.¹¹⁴ In other words, by intervening in the economy and setting the scene for a new “work culture,” the state was also taking care of the social question.

In fact, the importance of credit as a political instrument went way beyond the conjuncture of the worst years of the Depression or the problem of international credit. The

¹¹⁴ The Federation of Coffee Growers had initiated his own credit initiatives to supposedly protect small coffee farmers while at the same time having the possibility of controlling coffee prices and the quality of peasants' produce. The Federation established the “Almacenes Generales de Depósito” (General Warehouses) to buy peasants' produce through credit schemes. The Almacenes allowed the Federation to control coffee supply, export quality and quantity, diffuse technical initiatives through credit programs, and channel capital to coffee farmers, shunning speculative middlemen from taking advantage of the farmers' needs of financing. London, *The Cultural Politics of Technical Change*, 51-58.

government of Alfonso López Pumarejo (1934-1938) adopted as one of its most important political campaigns the democratization of credit by establishing offices of the Caja Agraria throughout the country. During his term, this institutionalization of credit overlapped with the institutionalization of housing, as a social *and* economic policy. The Banco Central Hipotecario's (created in 1932 to deal with the problem of domestic debtors) first manager, Julio Lleras, Carlos Lleras Restrepo's uncle, developed an interesting discourse about credit being a social service and bankers being responsible for social wellbeing. Under the direction of Julio Lleras, the Banco Central Hipotecario supported a program of housing for the middle-class in Bogotá in 1935-1938. This was the first housing program ever sponsored by a national institution in Colombia. The intimate connection between the democratization of credit, the first housing policies, and the agrarian question will be explored in the following chapter.

CHAPTER 2

THE SOCIAL QUESTION AND THE ORIGINS OF NATIONAL HOUSING POLICIES

“We have proclaimed with such an emphasis, as in literature, the return to the land. We complain of having left the farmer at the mercy of his own forces, subject to the randomness and uncertainties of his occupation, the dangers threatening him, the blind control of nature, and abandoned from all state help in his hard work, while we keep for the habitant of the metropolis the benefits of civilization. Without putting this thesis to the extreme of denying protection to other industries, which complement agriculture and are its main support... it is undeniable that protection for farmers is a primary obligation of public power... Colombia is first and foremost the countryside...”

Jorge Gartner, *Informe del Ministerio de la Economía Nacional*, 1939.¹

Introduction: Rethinking Colombian Problems

Alejandro López, a Liberal Antioqueño engineer designed and taught a popular class on “Economía Industrial” (or Industrial Economics) at the School of Mines in Medellín.² He was also the author of the widely read and circulated analysis of Colombia’s economic problems, *Problemas colombianos (Colombian Problems)*.³ *Problemas colombianos* was published in Paris in 1927, when López was appointed as Colombia’s fiscal agent in London, after being a representative for the province of Antioquia and the main railway companies for many years.⁴ In England, López devoted his spare time to the study of classical Political Economy, and became a

¹ Jorge Gartner, *Informe del Ministerio de la Economía Nacional*, 1939. (Bogotá: Imprenta Nacional, 1939), 12.

² The School of Mines was an engineering and business school created by Antioqueño elites in 1880 to train administrators and engineers for the expanding mining, construction, industrial, and commercial endeavors in the region. The school’s curriculum was infused in a moral ethic of business management, based on the rational and efficient use of time and resources. By the mid 1940s, a great number (17 out of 59 in 1946) of industrial company managers and presidents in the country, an already prosperous and profitable sector, were educated at the School of Mines. See Alberto Mayor Mora, *Ética, trabajo y productividad en Antioquia. Una interpretación sociológica sobre la influencia de la Escuela Nacional de Minas en la vida, costumbres e industrialización regionales*. (Bogotá: Ediciones Tercer Mundo, 1984), chapters 1 and 2.

³ In the review of the book published in the weekly magazine, *Cromos*, the author praised López’s acute analysis and the important role engineers were playing in pushing the country towards progress. *Cromos* 587, 5 November, 1927.

⁴ By the end of the decade all railroads would be Colombian-owned.

member of political and academic societies. These activities substantially influenced his perception of the political economy of Colombia's road to progress. In particular, he seemed to have closely studied social and labor policies the French and the British were implementing in their African colonies.⁵ At this moment, an interesting convergence of processes was taking place in Colombia. It was precisely in 1926-1927 when international negotiations to obtain resources, technical assistance, and better administrative conditions to improve infrastructure and transportation networks adopted political relevance. During this time as well, prices of basic consumer goods were rising rapidly, making Colombia's cost of living incredibly high. As an international agent of Colombian businesses in London, López keenly observed the political debate spurred by the high cost of living and wanted to contribute to it, by offering ideas to policy makers on how to boost the agricultural sector.⁶

As the previous chapter showed, in 1926 the "Banco Agrícola Hipotecario" (BAH, Agricultural Mortgage Bank) started its financial operations on the New York stock exchange, and the investment of public monies in the construction of roads and highways rose to unprecedented levels in Colombia. Debt, public works construction and high prices were all related, in one way or the other, to intense political discussions about the development of agricultural production. The BAH, for instance, justified the necessity of acquiring debt by arguing that it was fulfilling the social function of fostering agricultural production and

⁵ López refers to labor and social policies implemented in Africa to suggest national elites should learn from these examples in the spirit of solving pressing social problems and encouraging economic growth at home. In *Problemas colombianos*, López noted the huge problem of roaming workers in the province of Tolima after the War of the Thousand Days who lacking jobs or attachment to the land, having therefore nothing to lose, were "ready for revolt." If this problem had been managed with "at least such wise measures as the Layautey policies implemented by the French to deal with their colonized Algerians" the consequences of the war in Colombia, López felt, would not have been so bleak. Alejandro López, "Problemas colombianos," *Escritos escogidos*. (Bogotá: Instituto Colombiano de Cultura, 1976), 49. In "Idearium Liberal" he went further, arguing that the colonial experience in Africa, in particular, constituted a successful example of state interventionism and that Colombian leaders should learn from it to adequately manage the problem of colonization of the agricultural frontier. López, "Idearium liberal," *Escritos ecogidos*, 180-183.

⁶ Alberto Mayor Mora, "López, Alejandro," *Biografías Gran Enciclopedia de Colombia del Círculo de Lectores*, at: <http://www.banrepcultural.org/blaavirtual/biografias/lopealej.htm> [accessed May 8, 2014].

improving the lives of small rural owners and workers. But some journalists, politicians and businessmen countered that what was happening was just the opposite. Contrary to the BAH's insistence that its policies were improving rural conditions, critics suggested the construction of public works was drawing labor away from rural areas, leaving food producing regions in a state of desolation and they blamed rising prices on the migration of rural workers to the cities and the inflow of foreign debt resulting from the BAH's policies. Alejandro López intended *Problemas Colombianos* to be a direct intervention into this debate, addressing the thrust of his essays to the ruling sectors, in particular the up and coming administrators and industrialists he had once trained at the School of Mines.⁷ He chastised rural landowners for not behaving with an efficient and business mentality and not responding to the increase in food demand. This was the actual force behind high prices: due to higher wages in coffee production and the construction sector, rural and urban workers' purchasing power increased allowing these sectors to consume more.⁸

Problemas colombianos also touched on a sensitive issue in the emerging national debate about agriculture and modernization. In April 1926, the Supreme Court issued a piece of legislation establishing that all land in Colombia was considered to be public, unless landowners held formal title by which national authorities could verify that the state had alienated the land they claimed to possess. This was a watershed decision in the context of a longstanding political concern about the occupation and effective economic exploitation of public lands (*baldíos*) through policies of colonization. After years of discussion in Congress by executive officials and politicians, it became clear that new legislation was needed to regulate colonization. It was the case, for instance, that when a settler family asked the authorities for formal title to the land they cleared and improved, a previously unknown proprietor—presumably a land speculator or

⁷ Mayor Mora, "López, Alejandro."

⁸ López, "Problemas colombianos."

merchant who had clearly stopped short of investing in the land to turn it productive—would claim possession in order to reap the added value the land had acquired by virtue of settlers' hard work. The Supreme Court's ruling represented an attempt to address the state's ignorance regarding the status of remaining public lands and, consequently, the irregular character of private land titles that predominated in various Colombian regions.⁹

Throughout the second half of the nineteenth century, the national government had relied on homesteading legislation and colonization policies to provide the labor increasing coffee production demanded. This legislation allowed for the process of Antioqueño colonization southward to Caldas, Quindío and Valle, which became the backbone of coffee expansion in the late nineteenth century. At the same time in Cundinamarca, particularly in the coffee producing region of Sumapaz, located immediately to the south of Bogotá, two types of land allocation conflicted. The legitimate rights of peasant settlers who improved lands encouraged by colonization policies, the expansion of coffee, and the increasing demand for lumber and food created by the urbanization of Bogotá, ran headlong into the government's tendency to issue "bonos territoriales" (treasury bonds payable in land) to alleviate its precarious fiscal situation. The Colombian government had made a habit of paying the unmet wages of the army in times of political turmoil like the War of the Thousand Days (1899-1903) with land bonds. The government also used these bonds to pay debts it had contracted with wealthy merchants and private banks. The latter had been a particularly common practice in Cundinamarca where big merchant capital acquired land bonds whose title limits were typically unclear or overlapped with the land claims of settlers. More often than not, the limits of the lands allotted were vague (a large boulder, a source of water that had since dried up, or an imprecisely described hill

⁹ Catherine LeGrand, *Frontier Expansion and Peasant Protest in Colombia, 1830-1936*. (Albuquerque: University of New Mexico Press, 1986), 98-100.

established the borders of properties), making it incredibly difficult to distinguish between private and public land. As colonization intensified, this situation sparked conflicts between settlers and landowners.¹⁰

The Supreme Court decision reflected the fact that state officials had been mulling over the land tenure issue for some time and that colonization had become a pressing political concern. The political relevance of colonization was certainly palpable in Alejandro López's analysis of the agrarian problem in *Problemas colombianos*. López based his conceptualization of Colombia's agrarian problem mainly on his understanding of the evolution of land tenure in Antioquia and the process of Antioqueño colonization, extrapolating from what he found in Antioquia to build his analysis of other areas in the country. Indeed, his idea that one of the main obstacles facing agricultural production was the existing struggle between "el hacha y el papel sellado" (the ax and the deed) was perfectly applicable to the situation in Sumapaz in Cundinamarca. For López, this struggle symbolized the socially unjust and economically unviable tension characterizing colonization, in which a plucky farmer, possessed of just "an ax, a bag of seeds and other personal items, a wife, and offspring," in fact occupied the land, "most times snatching it from the exclusionary title holder," owner of "the despicable paper put on the market with the name of *Bonos Territoriales*." What is more, the official solution to this struggle, the expansion of the agricultural frontier by offering settlers public lands in remote areas, where transportation and commercialization possibilities and market access were non-existent or limited, was in fact aggravating the land tenure problem. When a peasant family was forced to colonize remote, isolated areas, not only did their land have almost no value, but they were typically reduced to subsistence farming that produced little or no economic growth. For López,

¹⁰ Elsy Marulanda, *Colonización y conflicto. Las lecciones del Sumapaz*. (Bogotá: Universidad Nacional, IEPRI; Tercer Mundo Editores, 1991), 39-43.

this particular dynamic of colonization and land bonds led peasants to poverty, and Colombian agriculture to underproduction and waste.¹¹

López concluded that a policy of land redistribution was necessary in places close and connected to consumer markets, where land was suitable for cultivation, but was used mainly for extensive crops, which employed very little labor and yielded very little production. A policy encouraging the redistribution of land among peasant settlers wielding axes rather than useless pieces of paper, had the enormous advantage of capitalizing on what López saw as the most relevant psychological characteristic of Antioqueños in particular, and Colombians in general: “an inextinguishable wish for personal independence.” This desire for independence and autonomy, López argued, would be fostered by favoring the role of the “campesino terrateniente” (the peasant property holder), and “creating a comfortable middle class that would be, as in any civilized country, the backbone of society, the sinew of peace and stability.”¹² The efforts of the rural middle class, López further argued, should be directly supported by the state, which beyond redistributing the land, should provide technical training to create skilled agricultural administrators and workers. State intervention should also be directed to manage demand, “the fundamental social phenomenon,” by improving transportation networks and guaranteeing low transportation fees for agricultural products.¹³

Alejandro López believed that the consolidation of an independent rural middle class was at the heart of the solution of Colombia’s most pressing economic problems. This belief led him to define Colombia’s “road to progress” as the need to “fill in, at every level, the huge distance

¹¹ López, “Problemas colombianos,” 27, 37-39, 43, 58-59.

¹² López, “Problemas colombianos,” 35.

¹³ López, “Problemas colombianos,” 125-138. López concluded by strongly suggesting that the BAH implement a program similar to the one developed by the Mortgage Bank of Uruguay. The latter was buying land from large landowners, paying a high percentage (85%) of the value in 30-year bonds, and selling it back to small producers, who would maintain their properties mortgaged with the bank, 164.

existing between the upper and lower sectors” in order to close the “abyss between the masses and the ruling classes.”¹⁴ The consolidation of a rural middle class became a hugely influential political notion for the Liberal Party and the core of the Party’s modernization program. The agrarian conflict ensuing from colonization would in fact critically shape the early political interventions and careers of emerging young Liberal leaders like Carlos Lleras Restrepo and the populist Jorge Eliécer Gaitán. The agrarian issue and the ideal of a rural middle class would also resonate with Conservative leaders of the period. Antioqueños like Esteban Jaramillo and Francisco de Paula Pérez, who as government officials dealt with the economic crisis in the late 1920s, and Antioqueño engineer and future Colombian president, Mariano Ospina Pérez, who had been instrumental in the creation of the Federation of Coffee Growers in 1927 and the institutionalization of agricultural credit in 1931, made the consolidation of a rural middle class the defining principle of how modernization should be conducted in Colombia. In 1937, these three Antioqueños drafted the Conservative Party’s political program, in which the consolidation of a rural middle class was the central pillar of its agenda.¹⁵

Furthermore, this set of ideas had a profound influence on the discussions leading to the elaboration of the first programs of economic development. During the 1930s through the early 1940s, in economic reports elaborated by ministers of Finance, economic conferences, debates in Congress, economic journals, and their own publications, these reformers, most of them influenced, directly or indirectly, by the Catholic principles of Social Action, would emphatically state that Colombia was fundamentally an agrarian country, and that national policies of development should strengthen the agricultural sector, by consolidating a broad class of small landholders. Despite disagreements on many issues, these Liberal and Conservative reformers

¹⁴ López, “Problemas colombianos,” 125.

¹⁵ The personal and professional connections between these individuals were already explored in the previous chapter, as well as how this notion was firmly rooted in the Catholic Social Doctrine.

and policy makers shared a common belief that economic modernization meant keeping rural populations rooted in the countryside and controlling the flow of rural migration to cities. The idea of development in Colombia did not emerge out of the need to emulate industrialized economies, by intensively urbanizing and industrializing Colombian society. Rural out migration was perceived as producing undesirable economic and social consequences (such as increasing demand that the national production could not satisfy, giving rise to a wandering population of workers in the search of wage employment, and, the “factory-ization” of labor) that converged in the visible intensification of political tensions couched in terms of conflicting class interests. As Alejandro López would put it:

“I hate class struggle as much as anyone can hate it. Moreover, I have focused during my public career on setting up adequate conditions and equality of opportunities to avoid leaving our children a terrible class struggle like the one taking place now, as I write, in England with three million workers on strike.”¹⁶

The historiography on the agrarian question in Colombia has argued that industrialization and the expansion of the economic capacity of the state, which actively supported the expansion of manufacturing as a way to advance economic development, spurred interest in the so-called “agrarian problem,” shifting the national government’s agricultural policy from promoting export agriculture to promoting production for internal consumption. This shift was based on the notion that industrialization—and consequently, urbanization—would lead to an increasing demand for food, which could be more securely achieved by consolidating an independent class of small producers. The rebirth of the agrarian question in the late 1920s through the 1930s was therefore the consequence of economic modernization and policy makers’ conceptualization of modernization as the need to promote industrialization and urbanization. According to this interpretation, the interest in fostering the formation of a rural middle class reflected a resurgence

¹⁶ López, “Problemas colombianos,” 47.

of Liberal ideas from the mid-nineteenth century which marked the content of the reforms related to homesteading and colonization.¹⁷

That modernization was at the heart of the debates about the agrarian question is no doubt correct. However, as López's quote suggests, he did not think that industrialization—in the way it had happened in Europe or the United States, where millions of workers were confined to factories and forced to depend on a salary—could fulfill Colombian citizens' desire for individual independence. López, like many other Colombian intellectuals and reformers of his time, was concerned about the disruptive effect that accelerated industrialization and urbanization could wage in a mainly rural and highly regionalized society. After all, the most successful economic enterprise developed in Colombia was the expansion of coffee production by Antioqueño settlers, bringing about levels of economic progress the country had not seen before. In contrast to the position adopted by Liberalism at the turn of the century—which did not mark clear distinctions between the rural and urban sectors as forces driving progress—, discourses of modernization developed in the late 1920s through the early 1940s positioned the agrarian sector at the center of the process of economic growth and social transformation. Yet, policy makers during this period maintained a serious concern about the situation in the cities as migration intensified. Urban hygiene, sanitation, slums, alcoholism, the regularization of work at factories and public offices, labor politics, and other ways in which the urban social question

¹⁷ LeGrand, *Frontier Expansion*, 94-98. The argument focusing on the resurgence of Liberal ideas also explains that “substantial” reform policies were taken only during the Liberal Republic (1930-1946), particularly during its first two administrations. As the first chapter explained, the fact that Liberals took power in 1930 does not account for the adoption of the first social reform policies, nor did Conservative politicians were necessarily opposed to this process. See: Rocío Londoño Botero, “Concepciones y debates sobre la cuestión agraria (1920-1938),” Rubén Sierra Mejía, ed., *República Liberal: sociedad y cultura*. (Bogotá: Universidad Nacional, 2009), 56-65. In his brief explanation of the 1930s reforms, Palacios gives very little attention to political debates about the social question in general and the agrarian question in particular; however, he seems to argue that the “agrarian question” in the early 1930s and the implementation of reforms in general, and an agrarian reform law in particular, was more the product of international influences (French legal notions about property rights, the Mexican Constitution of 1917, the Spanish reformist agrarian policy of 1932, and the New Deal tax reforms) than of policy makers' rethinking of Colombia's social conditions. Marco Palacios, *Between Legitimacy and Violence: A History of Colombia, 1875-2002*. (Durham: Duke University Press, 2006), 105-108.

manifested spurred particular sectors within the economic and political elites to implement programs in an attempt to alleviate these problems. These concerns and policies, nonetheless, did not push the state to implement nation-wide policies of housing and credit. What institutionalized housing and credit policies was the agrarian question. The chapter that follows explores how concerns about the urban question—and the deep interconnection between urban social dislocations and the agrarian question—made policy makers rethink how the national state should direct the process of modernization. Instead of favoring straightforward industrialization and urbanization, reformers considered that a national policy of modernization and economic development should focus on solving the agrarian question and improving rural living conditions. National housing and credit policies, therefore, were agrarian in their inception.

This chapter demonstrates that a comprehensive policy of housing aimed at reaching the nook and cranny of the national territory emerged in tandem with re-conceptualizations about modernization, which defined Colombia fundamentally as an agrarian nation. Land redistribution through subdivision of large estates and a program of rural credit constituted the core components of modernization policies. The agrarian question in the 1930s was therefore putting into question the actual capacity of the Liberal regime to advance its program, which justified its own rule and the state apparatus's expansion led by the Party. The creation of a national housing institution was a response to the difficulties that the Liberal government faced in materializing subdivision and credit democratization. However, the making of the idea of modern Colombia as an agrarian nation was also permeated by the ways in which private organizations had dealt with the early-twentieth-century urban social question. Colombian reformers in the mid-twentieth century weaved together rural and urban issues in their analyses and interpretations of the

nation's most urgent political matters. The rural and the urban are intimately interwoven in how social reform policies in general and housing in particular came into being in Colombia.

To make this connection visible, the first section of the chapter revisits early-twentieth-century housing initiatives in Bogotá and Medellín. It shows that these early policies were a response to late nineteenth- and early twentieth-century concerns about the social question, which considered poverty and social dislocations as urban phenomena. In both cities, private lay and religious associations intervening in the urban environment to address poverty drove local administrations—and in the case of Bogotá, regional and national entities as well—to cooperate in setting up urban regulatory plans and building the first low-income neighborhoods. This section ends with the first housing program advanced by a national institution, the “Banco Central Hipotecario” (BCH, Central Mortgage Bank), in the mid-1930s, which mainly benefitted middle-class public servants in Bogotá. The most important lesson credit advocates gathered from this short experience was that credit in fact offered the possibility of making social policies accessible to broad sectors within the national population. However, this program faced obstacles in expanding its reach outside Bogotá, because it did not address directly what would be the most important social problem taking place in Colombia in the 1930s: the agrarian question, which is the focus of the second section of the chapter. It explains why the agrarian conflict that emerged in Sumapaz and Tequendama in Cundinamarca, areas that neighbored the capital of the country and were crucial providers of food and lumber for the city, became the main social question that the Liberal government had to tackle. It also shows how the agrarian question led reformers and policy makers to rethink the road Colombia should follow to attain modernization, now defined as the consolidation of a rural middle class of independent small owners. This section also explains the ways in which the need to consolidate a rural middle class materialized into concrete

rural credit institutions that would support the agrarian economy and the contentious process of land subdivision directed by the “Banco Agrícola Hipotecario” (BAH, Agrarian Mortgage Bank). The last section of the chapter explains the profound connection between the policy of subdivision and the creation of the first national housing institution, the Instituto de Crédito Territorial (ICT), a land credit agency that would provide credit for housing construction and improvement to rural families. This credit institution was conceived of as the social component of a comprehensive program of rural improvement.

From Urban Charity to Urban Business

General Rafael Uribe Uribe, the Liberal politician whose ideas were the groundwork for Liberals’ elaborations about social reform in the early twentieth century, in his conference of 1910, *Problemas nacionales (National Problems)*, enumerated the policies he thought the national state should implement to set up the conditions for progress. These policies were at the heart of the consolidation of “state socialism” in the context of the slow recovery of political stability, reconciliation, and national “unity” after the War of the Thousand Days. To achieve national unity, the state had to address with *national* policies the most pressing social, political, and economic problems of the nation. Among those national policies, Uribe Uribe emphasized the need to educate the population as fundamental for the consolidation of democracy; the need to develop credit and popular banking institutions that would give the material resources that Colombians could use as “work instruments” to improve the economy; the need to regularize public employment to improve the administration of the state, and the need to deal with the problem of hygiene, mainly manifested by tropical diseases and alcoholism, with sanitation, health and educational campaigns. He also considered it necessary to “slowly democratize property,” given that “latifundia feudalism [was] incompatible with the Republic,” and to draft

new legislation to protect rural and urban workers and tenants, which should consider issues such as women's and child labor, protection for the elderly, insurance against work accidents, and the construction of houses for workers.¹⁸

One can see some continuity between Uribe Uribe's position on issues related to land distribution, rural technical training, and credit democratization and Alejandro López's formulation about the agrarian problem. There was a general concern among Liberal politicians, since the nineteenth century, about the negative impact of latifundia on the overall development of the Colombian nation and the urgent need to provide farmers with the monetary and technical resources to improve their economic and social situation. However, in the way Uribe Uribe conceptualized the social question, there was not a clear tension—or even a direct connection—between urban and rural social and economic issues. For him rural and urban labor could be addressed with similar kinds of protective legislation, and the state could tackle the social effects of industrialization with social reform policies focusing on improving hygienic conditions at the work place and at the home, building working-class housing, controlling alcoholism, encouraging a better use of people's spare time, expanding and strengthening public instruction, and creating credit institutions oriented to support working-class savings and farmers' productivity, such as the ones the Catholic Church was already establishing in cities like Bogotá and Medellín.¹⁹ The next section examines how, in the first decades of the twentieth century, the social question was mainly an urban problem and revisits briefly the institutions and ideas that, by dealing with the urban social question, shaped the first local housing programs in both cities.

¹⁸ Rafael Uribe Uribe, "Los problemas nacionales," *Obras selectas*. Tomo I. (Bogotá: Cámara de Representantes, 1979). Quotes are on page 246.

¹⁹ Uribe Uribe, "Problemas nacionales."

The Early Urban Social Question and the Emergence of Public Housing

Some of Uribe Uribe's ideas about social policies were put into effect during the 1910s and 1920s. The first legislation having to do with housing adopted in Colombia was Law 46, 1918, which established that all cities bigger than 15.000 people must allocate 2% of their budgets for the construction of hygienic housing. To avoid incurring fines, owners of tenements and all landlords were also obliged to follow the basic sanitation and hygiene requirements determined by the Dirección General de Higiene (General Office of Hygiene), which granted a subsidy (\$100.000 pesos) to the municipality of Bogotá to buy land for developing hygienic working-class housing.²⁰ The great flu pandemic, affecting millions of people throughout the world at the end of World War I, left about 10.000 casualties in Colombia, 6.000 alone in Bogotá (3% of the city's population). Urban reformers believed the flu's devastating effects were rooted in rural migrants' pattern of urban settlement—instead of expanding the urban area with the construction of new neighborhoods, rural migration was increasing the density in certain areas of the city through the proliferation of “inquilinos” (tenement houses).²¹ The sanitation emergency made state officials aware of the need to regulate hygiene conditions in working-class neighborhoods and, significantly, imbued policies encouraging urbanization and the construction of working-class neighborhoods with a social meaning. Law 46, 1918, has been considered the first state effort to directly intervene in the provision of housing in Colombia, signaling the beginning of what has been called the “hygienic period” of public housing in the country.²²

²⁰ Ley 46, noviembre 19 de 1918. At: http://camacol.co/estudios_juridicos/Archivos/LEY_CONGRESO_NACION_0046_1918.html [accessed; 22 April, 2014].

²¹ León Darío Espinosa Restrepo, “El Estado en la construcción de las áreas residenciales de Bogotá,” *Urbanismos* 2, 2005, 57-58.

²² Alberto Saldarriaga Roa, Corporación Colegio de Villa de Leyva, CEHAP (Medellín), and CITCE (Cali), *Estado, ciudad y vivienda. Urbanismo y arquitectura de la vivienda estatal en Colombia, 1918-1990*. (Bogotá: INURBE, 1996); Espinosa Restrepo, “El Estado en la construcción de áreas residenciales de Bogotá.”

But Law 46 signified more than a simple response to the 1918 health crisis. This new piece of legislation drew from discourses, like Uribe Uribe's, and practices already in motion with regard to social reform, and particularly the need to intervene with concrete campaigns (either private or public) to improve the living standard of the urban "working-class." As was the case in many Latin American countries, lay and religious associations had been created by elite reformers to deal with the problem of "poverty" since the mid-nineteenth century. Poverty was conceptualized as an urban problem, mainly related to the issue of beggars and vagrants wandering the cities' streets, abandoned children, prostitution, alcoholism, and deficient living conditions among artisans and workers. By the late nineteenth century, with the steady increase of population in urban centers, this urban phenomenon came to define what was called the "social question." In Colombia, although urbanization was not particularly high during this period, the urban problem raised concern among urban elites and was tackled by religious organizations like the "Sociedad San Vicente de Paúl" (Saint Vincent de Paul Society), prominent and influential in Bogotá and Medellín, whose members visited poor neighborhoods, administered charity, and advanced campaigns to moralize "the poor." Later in the century, the "Junta General de Beneficencia" (an institution created by the most prominent individuals in Bogotá to provide relief to those living under poverty or the ill) assumed the administration of institutions of public welfare, like the charity hospital, asylums, orphanages, and the Lazareto of Agua de Dios (a leper colony in Cundinamarca). The Beneficencia in Cundinamarca functioned with the support of private donations and subsidies from the municipality of Bogotá, the province of Cundinamarca, and the national government, which occasionally would sponsor some of its activities.

Towards the turn of the century, to improve the urban environment, reformers created “Sociedades de Mejoras Públicas” (SMP, Societies of Public Improvements) in all major urban centers, which advanced campaigns to plant trees, clean public spaces, and expand the provision of water, sewage and transportation services. In Medellín, where the SMP became an extremely prominent actor in the administration of the city and the development of urban public works and services, it intervened in the first plans of urban development very early in the twentieth century. Religious-inspired organizations and groups to address social concerns mushroomed by the mid-1910s, when the Colombian Episcopate formally endorsed the principles of Catholic Social Action. Thereafter, the Catholic Church supported and encouraged artisans, urban wage workers, and public employees to organize into Mutual Aid societies, which promoted the creation of “cajas de ahorros” (savings banks or credit unions for low-income sectors) or “Montes de Piedad” (or “Montepíos,” credit unions directly dependent on Mutual Aid societies) as a solution for the pressing problem of urban usury and speculation and to offer some sort of social insurance in case of accident or illness. Finally, some Catholic institutions worked directly with industrial workers and artisans. Examples of this type of organizations were the “Círculo de Obreros” (Circle of Workers), headed by the Spanish priest José María Campoamor in Bogotá—which also furthered popular savings and credit, offered food and shelter, as well as religious and vocational training to its affiliates—and the “Patronato de Obreras” in Medellín, created by two elite women to protect—and control—single working-class women. These single working class women were mostly recent rural migrants who constituted the great majority of the industrial labor force in the city, and the Patronato provided them with dwellings, food, and religious and moral education.²³

²³ Hayley Froyland, *Para el bien común: Charity, Health, and Moral Order in Bogotá, Colombia, 1850-1936*. (Charlottesville: Ph. D. Dissertation in History, University of Virginia, 2002), chapters 6 and 7; Patricia Londoño

The first “barrios obreros” (working-class neighborhoods) were built in the 1910s in both cities, as fundamental components of these early private efforts to control the process of urbanization with the implementation of public welfare policies. Occasionally, neighborhoods for the working class were sponsored by the municipality, the province, or the national government, as in the case of the Beneficencia de Cundinamarca. Reformers’ discourses of the late nineteenth and early twentieth century often described with horror how workers lived in overcrowded tenement houses, packed into rooms that lacked light, ventilation, and basic public services, and yet, landlords charged exorbitant high rents. In Bogotá, the problem of “inquilinos” was more pressing than in Medellín, mainly because of two interconnected reasons. Firstly, the problem of speculation was more acute in Medellín than anywhere else in the country in the early twentieth century. This meant that the city’s merchants and speculators began to invest in and make transactions based on urban land very early on, and some of them became the first urban developers, building neighborhoods for incoming rural migrants. Secondly, the accelerated growth of textile manufacturing in the city during the first decades of the twentieth century, and the fact that factory workers were mainly migrant women from the countryside, fundamentally shaped private social assistance in Medellín, especially housing. In some cases, textile companies built houses to be rented out to workers in areas close to the

Vega, *Religion, Culture, and Society in Colombia: Medellín and Antioquia, 1850-1930*. (Oxford: Clarendon Press, 2002), chapter 5. On the practicalities of the administration of the “Junta General de Beneficencia” and its role in shaping state public welfare policies, see: Beatriz Castro Carvajal, *Caridad y beneficencia, el tratamiento de la pobreza en Colombia 1870-1930*. (Bogotá: Universidad Externado de Colombia, 2007), 285-293. On the emergence of Mutual Aid societies in Bogotá and their connection to the nascent urban labor movement, see: David Sowell, *The Early Colombian Labor Movement: Artisans and Politics in Bogotá, 1832-1919*. (Philadelphia: Temple University Press, 1984), chapter 5. On the “Sociedad San Vicente de Paúl” and Mutual Aid societies in Medellín, see: Catalina Reyes, *La vida cotidiana en Medellín, 1890-1930*. (Bogotá: Tercer Mundo Editores, 1996), 106-112; on the “Patronato de Obreras de Medellín” and the influence of the Catholic Social Action principles in the how the first industrialists dealt with industrial labor, see Alberto Mayor Mora, *Ética, trabajo y productividad en Antioquia. Una interpretación sociológica sobre la influencia de la Escuela Nacional de Minas en la vida, costumbres e industrialización regionales*. (Bogotá: Ediciones Tercer Mundo, 1984), 251-270, and on the role of the “Sociedad de Mejoras Públicas de Medellín” in the administration of the city, the expansion of public services, and the development of urban plans, see: Costanza Toro, “Medellín: desarrollo urbano, 1880-1950,” Jorge Orlando Melo, comp., *Historia de Antioquia*. (Bogotá: Suramericana de Seguros, 1988), 300-303.

factories. In other cases, urban developers offered plots of land to rural families who would eventually send their young daughters to work at the factories. In this way, housing became a double strategy for industrialists to attract a particular kind of labor—namely, young women raised in the heart of nuclear families, and for urban developers to expand their business. But Medellín was also notable for the fact that, beginning very early in the century, urban developers offered rural immigrants the opportunity to become urban property owners.²⁴

The strong influence of Catholic Social Doctrine on Medellín's industrialists (most of the founders of industries were linked to the Sociedad San Vicente de Paúl or the SMP) and elites also influenced the character and nature of urban reform in the city. The "Patronato de Obreras," for instance, found an important policy in offering shelter to female workers alongside the teaching of religious doctrine to address what elite women considered being a serious moral problem, that of young single women of rural background living by themselves in a city under the threat of degeneration.²⁵ More importantly, the SMP started to campaign, as early as the 1890s, for the general improvement of urban infrastructure, in particular in working-class neighborhoods, and the provision of basic public services. The Society also advised municipal authorities to regulate the problem of urban plots sold to migrants by speculators, an acute problem in the city, and to advance policies for the actual provision of public hygienic housing for workers as part of the first programs of urban development. The SMP, whose president for many decades was Ricardo Olano, a wealthy merchant and industrialist who was a fervent believer in the benefits of urban planning and regulation, was also active in the making of the "Plano del Medellín Futuro." This plan, the first long-range effort to regulate the process of

²⁴ Fernando Botero, *La industrialización en Antioquia. Génesis y consolidación, 1900-1930*. (Medellín: Universidad de Antioquia, 1984), 143-146.

²⁵ Ann Farnsworth-Alvear, *Dulcinea in the Factory: Myth, Morals, Men, and Women in Colombia's Industrial Experiment, 1905-1960*. (Durham: Duke University Press, 2000), 73-83.

Medellín's expansion over time, was elaborated in 1911 and approved in 1913. It standardized the construction of public spaces, roads, and residential neighborhoods. Although Medellín, like most cities, failed to fulfill the requirements of Law 46, 1918, Medellín's Municipal Council, under the tutelage of the SMP, established a local code regulating construction and the allocation of public monies to the provision of housing in 1923. Five percent of the city's budget was set aside for the purchase of plots of land and the construction of low-income dwellings. In addition, in 1924 the Comisión de Asuntos Sociales (Commission for Social Issues) was created to, among other activities, develop hygienic neighborhoods for working-class families, the firsts (Aranjuez and Manrique) being built in 1927.²⁶

The main ideas, debates, and political dynamics behind these first public housing projects in Medellín and Bogotá, as well as the first efforts to implement urban planning programs in both cities will be analyzed in greater detail in chapter 4. For the moment, it is important to mention that the active involvement of the SMP's reformers in the administration of Medellín was also a response to political concerns. Catholic Social Doctrine's professed aversion to class conflict and the establishment of Catholic Social Action groups in reaction to the spread of Socialism and Communism among industrial workers everywhere in the world is well known. Antioqueño reformers, such as future Ministers of Finances Esteban Jaramillo or Francisco de Paula Pérez, were also aware of this threat and concerned about the effects it might have on the Antioqueño working-class. Pérez actively worked in the regional Assembly to turn the principles of Catholic Social Action into legislation, through the adoption in 1918 of an Ordinance aiming at protecting female factory workers in a vulnerable position vis-à-vis owners and administrators.²⁷ In fact, in 1920, women at the Bello textile factory went on strike, an action that elicited sympathy in the

²⁶ Fernando Botero Herrera, *Medellín 1890-1950. Historia urbana y juego de intereses*. (Medellín: Universidad de Antioquia, 1996), 109-127, 255-256.

²⁷ Farnsworth-Alvear, *Dulcinea in the Factory*, 83-85.

local press, forcing reformers and industrialists to reconsider the effectiveness of the structure of social assistance they had put in place to increase productivity, discipline their female work force, and politically control industrial labor.²⁸ During the 1920s, programs advanced by Catholic reformers encouraged, rather than prevented, the organization of industrial workers into “Centros Obreros” (working-class centers) and other neighborhood associations that began to proliferate throughout Medellín. In unanticipated ways perhaps, workers learned valuable lessons from their participation in Catholic Worker Centers. If, as Catholic Social doctrine insisted, social justice should be the principle ruling labor relations, then workers had the right to demand that their employers comply with such principles. These Catholic-inspired working-class organizations proved central in the intense political organization of industrial workers and public employees from the late 1920s through the 1930s.²⁹

In the case of Bogotá, the first “barrios obreros” developed as a strategy to deal with the issue of overcrowding tenement houses or “inquilinos,” which was how housing deficiencies mostly manifested during the first two decades of the twentieth century. In Bogotá, Catholic associations concentrated on providing housing for rent and regulating hygiene and sanitation in tenement houses, while slowly, urban speculation also enabled migrant families to settle on urban land. However, industrialization also played a role in the emergence of working-class neighborhoods. The first “barrio modelo obrero” was built for the workers of Bavaria, a burgeoning beer factory founded by an immigrant German Jew, Leo Kopp, in 1890, close to the factory (the Perseverancia neighborhood), where houses were rented to workers. Early in the century, the Sociedad San Vicente de Paúl also developed housing campaigns focusing on

²⁸ Farnsworth-Alvear, *Dulcinea in the Factory*, 90-101.

²⁹ Mayor Mora, *Ética, trabajo y productividad en Antioquia*, 360-374.

renting hygienic rooms or houses for industrial workers.³⁰ In 1913, the *Círculo de Obreros* initiated the construction of the Villa Javier neighborhood. The erection of a working-class neighborhood complemented Father Campoamor's overall project of strengthening workers' Catholic faith and moral virtues through education and savings and credit programs. The houses in Villa Javier were built in "etapas" (stages) throughout the 1910s and 1920s with the support of meager financial contributions from the city's wealthiest members. Initially, these houses were offered to working-class families for rent, but as the project expanded, the system of "autoayuda" or "autosuficiencia" ("self-help" or "self-sufficiency")—in which beneficiaries contributed their physical labor and the *Círculo* helped them financially through a credit program to buy the plot and construction materials—was implemented.³¹

In contrast to Medellín, where ideas of urban planning were tied to the development of local public housing projects, in Bogotá the first public housing institution, the "Junta de Habitaciones para Obreros" (Board of Dwellings for Workers), created in 1919, was more the product of the close relationship that national authorities and the municipal government were weaving together through the action of institutions like the *Beneficencia* and the city's influential representatives in Congress. The "Junta de Habitaciones para Obreros" was the result of an agreement signed between the nation and the city to make it easier for the municipal government to follow the exigencies of Law 46, 1918. The national government offered the Junta a subsidy to acquire land for the construction of houses that were also rented out to workers. Beginning in the early 1920s, urban developers and the Junta acted together in fostering urbanization in Bogotá by establishing contracts according to which development companies would build neighborhoods on

³⁰ Luis Carlos Jiménez, "Las áreas residenciales de origen popular," *Urbanismos* 3, 2005, 163-164; Castro Carvajal, *Caridad y beneficencia*, 51-52, 204-208.

³¹ See Rocío Londoño Botero and Alberto Saldarriaga Roa, *La Ciudad de Dios en Bogotá. Barrio Villa Javier*. (Bogotá: Fundación Social, 1994).

land the Junta had already acquired. Already by the mid-1920s, urban land speculation was a very profitable activity, and with the direct intervention of the Junta, speculators and developers would start pushing the urbanization of the city. In fact, in 1925 the “Plano Bogotá Futuro” was adopted by the Municipal Council. This plan’s spirit was similar to the one adopted in Medellín over a decade earlier, partly because Ricardo Olano’s campaigns for the adoption of urban development policies carried some influence on Bogotá’s municipal administrations.³² The national government would also be involved in this process. In 1927 the BAH opened a mortgage credit line for acquiring urban property in the city and two years later in 1929, the Junta authorized the BAH to sell and mortgage the houses it had built and was going to build in the future. Under this model, a sort of convergence of interests emerged between municipal authorities, developers, land speculators, and the national government. The first embodiment of this convergence, the Restrepo neighborhood, was built in 1930 on land that had once been a huge hacienda.³³

However, the expansion of public housing in Bogotá beginning in the late 1920s was not directed exclusively at the working-class. Bogotá, of course, was the nation’s capital and the center of government and therefore also the home of an expanding state bureaucracy. Public employees working at ministries, the Bank of the Republic, the BAH, and for municipal and provincial (Cundinamarca) administrative offices, however, were appallingly underpaid. Liberal journalist José Antonio Osorio Lizarazo showed in his chronicles of Bogotá, and later fictionalized in his novel, *Hombres sin presente. Novela de empleados públicos* (*Men with no Present: a Novel about Public Servants*), published in 1938, how the typical middle-class family

³² Juan Carlos del Castillo Daza, *Bogotá. El tránsito a la ciudad moderna, 1920-1950*. (Bogotá: Universidad Nacional de Colombia, 2003), 75-82. Ricardo Olano even offered Bogotá’s municipal government to finance the elaboration of the urban plan in the early 1920s, 79.

³³ Saldarriaga Roa, *Estado, ciudad y vivienda*, 97-98.

in Bogotá lived below the poverty line and scrambled to maintain its “honorability and decency.” Public employees’ salaries were so low that, in the novel, one of the first things the supervisor of the office at the Ministry does with a new public servant is to introduce him to the loan shark, who would lend money by heavily deducting from the future paychecks of public employees. Servants relied on the usurer to afford the monthly rent at a tenement house, the food for their families, and perhaps a less worn out second-hand suit for the office.³⁴ In fact, white-collar workers’ families’ socio-economic conditions were very close to those of working-class families’, if not lower. They lived all mixed together in the same neighborhoods in the south of the city or in tenement houses in the central area, and, well into the 1930s, they were only able to consume minimum amounts of meat and grains, while milk, eggs, and bread remained for them luxury foods that were off limits.³⁵ The state as an employer left much to be desired—it was not behaving as the just and generous employer that state reformers were trying to force industrialists to become. For a state in the process of expansion, this was certainly a highly conflictive situation. As later chapters will show, public servants were fundamental in linking the Liberal Party into neighborhood associations throughout the 1930s; public employee unions established close ties with the left wing of the Party, headed by the populist, and constantly antagonistic, Jorge Eliécer Gaitán.

Indeed, in the 1930s, public servants were the main beneficiaries of housing policies in Bogotá. In 1931 the “Junta de Habitaciones para Obreros” donated the land for the first middle-class neighborhood (Barrio Acevedo Tejada in Central-Western Bogotá), built by the “Empresas Unidas de Energía Eléctrica” (the private electric company). The “Instituto de Acción Social,”

³⁴ José Antonio Osorio Lizarazo, “Hombres sin presente (Novela de empleados públicos),” *Novelas y crónicas*. (Bogotá: Instituto Colombiano de Cultura, 1978), 133-292.

³⁵ María del Pilar López Uribe, *Salarios, vida cotidiana y condiciones de vida en Bogotá durante la primera mitad del siglo XX*. (Bogotá: Universidad de los Andes, 2011), 56-58.

(IAS, Institute of Social Action) deeply imbued with the principles of Catholic Social Action, was created by the Municipal Council in 1932 to replace the Junta's tasks in terms of housing provision, building neighborhoods for middle-class families, and advance projects of credit and commercialization for small workshop owners and artisans.³⁶ Moreover, in the mid-1930s, the first housing projects advanced by national institutions were developed in Bogotá by the "Banco Central Hipotecario" (BCH, Central Mortgage Bank), created as part of the emergency measures to deal with the Great Depression. These projects were intended to benefit public servants, in particular employees at national banks and ministries. Yet, while these first projects were in fact responding to a potentially disruptive social problem, they were as well the product of the momentum that ideas of reform inspired by the Catholic Social Doctrine had achieved among highly placed economic officials and the increasingly relevant political role that credit began to play in shaping mid-twentieth century Colombian national politics.

When Making Money Was a Social Service

In the 1920s, the need to control speculation and its social consequences lay at the roots of the political relevance of debt and credit. To a great extent, the connection between credit and politics was possible due to the influence that the Catholic Social Doctrine's ideas about social reform had over economic officials. In fact, one of the most important services that Catholic organizations such as the *Círculo de Obreros* or Mutual Aid societies offered to workers was to make available inexpensive credit so that they could sidestep loan sharks and usurers to subsist. The *cajas de ahorros* created by the *Sociedades de San Vicente de Paúl* in the late nineteenth century and Mutual Aid groups' *montes de piedad*, which received public financial support, were the inspiration used by the government to create the "Caja Colombiana de Ahorros," initially a

³⁶ Saldarriaga Roa, *Estado, ciudad y vivienda*, 98.

section within the BAH, and an independent savings agency since 1931. Local cajas de ahorros and montes de piedad also received contributions from big merchants and banks in both cities. However, they became public credit agencies beginning in the late 1920s. Local cajas de ahorros were absorbed later by the Caja Colombiana de Ahorros (the one in Medellín was bought by the national Caja de Ahorros in 1943). In the late 1920s and early 1930s, municipal governments also became more active in offering inexpensive credit to white-collar and blue-collar workers. Municipalities created “bancos prendarios” (pawning banks) which functioned as municipal Montepíos. In Medellín, the Banco Prendario was created in 1920, and the Montepío Municipal in 1929. In Bogotá, the manager of the Banco Prendario Municipal, announced in 1936 the expansion of the bank’s operations as a contribution to its social campaign of protecting “the poor class” from the attacks of “usurers and speculators.”³⁷

At the national level, credit initiatives were also at the core of post-Depression economic policies of recovery. The policies adopted by the Antioqueño Ministers of Finance Esteban Jaramillo and Francisco de Paula Pérez in 1931-1932 focused on the creation of national credit institutions, among them the *Caja de Crédito Agrario, Industrial y Minero* (Caja Agraria) and the BCH, with the double purpose of offering some solution to broke debtors while reactivating the banking system. In addition, Lucas Caballero, the manager of the BAH, claimed even earlier than this that the institution he represented, which was negotiating bonds on the New York stock exchange, was spearheading a social mission, one of helping farmers to become productive and, therefore, better citizens. The expansion and democratization of credit through the creation of regional and local offices of the Caja Agraria and the active intervention of the BAH in the redistribution of land and regularization of titles in Sumapaz, became one the most relevant

³⁷ Enrique Echavarría, *Crónicas e historia bancaria de Antioquia*. (Medellín: Instituto Tecnológico Metropolitano, 2003), 355-358, 364; *El Espectador*, 6 January, 1936.

policies of economic promotion and social betterment that the government of Alfonso López Pumarejo (1934-1938) adopted during his term.

Despite the ultimate success of public credit initiatives, bankers and financiers in general, and the BAH and the Bank of the Republic in particular, were accused by politicians in Congress and the press of being responsible for slowing down or impeding the long and treacherous road to economic recovery after the crisis. While Julio Caro, the Bank of the Republic's manager, and big business interests publicly defended the role of credit and of bankers in the historical dynamism of the Colombian economy, other public bank managers like Lucas Caballero, crafted conceptualizations about banking according to which banks and bankers were advancing a social service. After the crisis, it was not easy for public banks to demonstrate that they were in fact contributing to progress or, for the government to defend its policies of recovery. In this particular context, the general manager of the BCH, Julio Lleras Acosta, a banker from Bogotá, used his position to make the BCH and the Bank of the Republic spearhead the first national campaign for public housing in Bogotá.

Julio Lleras was the brother of the prestigious scientist, physician and hygienist, Federico Lleras Acosta. Federico Lleras was, in turn, the father of the person who would become the most prominent reformer and economic modernizer in Colombia, Liberal politician Carlos Lleras Restrepo. While Federico Lleras Acosta campaigned against leprosy and all sorts of infectious diseases in Bogotá—he conducted laboratory research on the sanitary conditions of meat and water—Julio Lleras Acosta and Carlos Lleras Restrepo became Colombia's credit kingpins.³⁸ Julio Lleras Acosta, also Liberal, was one of the avowed economic experts emerging on the political scene in the early 1930s, but like his Antioqueño colleagues, and his brother Federico,

³⁸ See Diana Obregón, "Lleras Acosta, Federico," in: *Biografías Gran Enciclopedia de Colombia del Círculo de Lectores*. At: <http://www.banrepcultural.org/blaavirtual/biografias/llerfede.htm> [accessed: 22 April, 2014].

was also a devout Catholic. He worked with Conservative Esteban Jaramillo in the organization of the BCH and became its first manager in 1932. During the first years of the bank's operations, Julio Lleras was forced to defend the agency publicly, in the press, in Congress, and in formal letters to producers' associations, in particular, to the Federation of Coffee Growers, which often complained to the government that despite the new credit policy, for coffee producers it was still difficult to have access to mortgage credit. One of the main rebukes came from landowners, who deemed it was a large burden to comply with the bank's requirements, including the pledging of their production as collateral, in order to negotiate their debts and avoid foreclosure. Instead of actually channeling money to desperate landowners, critics such as Conservative leader Laureano Gómez argued, new credit agencies, which were expanding rapidly across the country, were sucking up whatever resources the government had left to pay for idle bureaucrats. Julio Lleras continuously justified the bank's policies, explaining that credit institutions' expenditures did not "arise from paying fabulous salaries, but rather from the increasing number of offices that [it was] necessary to maintain to establish [these agencies] throughout the country, even though their incomes [did] not cover yet their administration costs."³⁹

It was common knowledge that government offices did not pay well. White-collar workers' unions in the process of organizing in the late 1920s could testify to the penury of public servants. The strategy Julio Lleras followed during the administration of Alfonso López Pumarejo—a strong believer in the benefits, certainly economic, but most definitely political, of credit—was to advance a campaign in favor of public bank employees. In 1935-1936, the BCH teamed up with the urban development company "La Urbana" and the bureau of constructors and

³⁹ Julio Lleras Acosta, *Conferencia del señor Julio E. Lleras, Gerente del Banco Central Hipotecario (dictada en el salón de la Universidad Javeriana, el 18 de mayo, acerca de algunas medidas de emergencia y en especial sobre el Banco Central Hipotecario, y cartas cruzadas entre el Gerente de la Federación Nacional de Cafeteros y el Gerente del citado Banco)*. (Bogotá: Tipografía Regina, 1933). Quotes are on page 13.

engineers “Uribe, García Álvarez & Cía.”, to “build modern houses for workers and white-collar employees.” In 1936 the project comprised “well designed” houses of different value, with prices determined by size and location, in 4 neighborhoods in Bogotá, the great majority intended for the middle-class. About 200 houses were built in Muequetá, Las Mercedes, and Bosque Calderón Tejada, recently urbanized neighborhoods, while just 26 houses were offered to working-class families (in Restrepo, the working-class neighborhood built by the municipality). These houses were offered in mortgage mostly to servants at the Bank of the Republic which supported the endeavor of the BCH “to contribute to the expansion of mortgage credit and to benefit its own employees for whom most of the houses were built.”⁴⁰ Lleras Acosta represented the Bank’s employee housing campaign as a contribution to the “vast program of social works” that the López Pumarejo government was undertaking, by taking a small but significant step towards improving “the economic situation of the middle class,” historically characterized by instability and poverty. The Bank of the Republic defined Lleras Acosta’s endeavor in defense of the middle class as a demonstration of the BCH’s “resolved involvement in social action in Colombia.”⁴¹ Even the press publicized and praised the “admirable social work” of the BCH during 1936, inviting all employees to attend the screening of a documentary featuring the Bank’s housing projects to be shown at the main theaters (Faenza, Astral, and Real) in downtown Bogotá.⁴²

Julio Lleras had learned his brother’s hygienist discourse very well. He explained to the press that the reason why the Bank focused its housing campaign on middle-class families was simply that their living conditions were dismaying. He supported this claim with the traditional hygienist discourse about how middle-class families were forced to live in unsanitary tenement

⁴⁰ *Revista del Banco de la República* 104, June 1936, 197-198.

⁴¹ *Revista del Banco de la República* 104, 197-198.

⁴² *El Espectador*, 10 February, 1936; 17 April, 1936; 27 June, 1936; 29 June, 1936; 18 September, 1936.

houses that lacked minimum conditions of sanitation and were the nuclei of alcoholism, public scandals, and disease. Whereas working-class families were becoming homeowners with the help of the municipality and a few industrialists, the middle class had been ignored, Julio Lleras argued. The banker also stressed in new reports that the income of the working class was not that low either—industrial workers were even able to amass some savings and improve their general living standards. Lleras Acosta framed the Bank's motivations in benefitting the middle class in such a way as to preclude any doubts about the Bank's altruism. How different the lives of middle-class children would be by being raised somewhere surrounded by children from their same class (modest but decent), where they could go out to play at parks, and enjoy light and fresh air, instead of daily witnessing quarrels between drunks and uneducated "comadres." Would the rescue of the middle class from its state of abandonment not be an incredibly important contribution to Colombian society over the years to come? If the working-class was already protected by local and national authorities, what could be more beneficial to urban life than changing the environment in which middle-class families lived?⁴³ It was very difficult to argue against these statements.

Publicity for the BCH project was part of an advertising campaign intended to mold the public's opinion of banking and credit by portraying the BCH and all banks in general as crusaders for the improvement of workers' living conditions. Banks were socially oriented institutions by nature, as Julio Caro, the manager of the Bank of the Republic, had argued a couple of years before this campaign started because banks' depositors were "widows, orphans, charity institutions," for whom banking resources were "their only sources of subsistence."⁴⁴ Moreover, news of newly built middle-class houses were accompanied with notes on supposed

⁴³ *El Espectador*, 10 February, 1936.

⁴⁴ *Revista del Banco de la República* 49, November 1931, 379-380.

meetings, convened by Esteban Jaramillo, that bankers and the managers of the most important commercial and industrial concerns in Bogotá were holding to discuss the possibility of organizing a fund to finance social campaigns throughout the city. Besides housing, these campaigns also included the construction of hospitals, and the improvement of public services, especially in working-class neighborhoods. According to the press, these discussions invariably came back to the need to address the problem of usury and the fact that all workers were debt-ridden, prompting these businessmen to appoint a commission charged with developing strategies to address the issue.⁴⁵

It is tempting to assume that businessmen were tuning up their social discourses so they could conform to the reformist political discourse permeating most levels of the national administration during the López Pumarejo presidency. They needed to show that they were concerned about social inequalities and therefore that it was not necessary to issue social legislation to force them to care about their workers. However, the campaign to rescue the middle class also hinted at the tensions still existing between public bankers and economic officials, on the one side, and certain investors and businessmen, on the other, who viewed with some skepticism the role of the new credit institutions in promoting economic recovery. Julio Lleras claimed that when trying to gather financial support for his campaign from company owners—the resources these companies would grant were to be reimbursed by discounting the mortgage payment from the beneficiaries' paychecks—he found “open hostility.”⁴⁶ Julio Caro, a Conservative, hinted in public speeches at “the selfishness, jealousy, and pessimism” that the

⁴⁵ *El Espectador*, 7 July, 1936. This commission was composed, not surprisingly, by Esteban Jaramillo, Julio Lleras, and Benjamín Moreno, the latter a Liberal banker a financier, manager of the Compañía de Tabaco de Bogotá with a history of active involvement in beneficencia institutions.

⁴⁶ *El Espectador*, 10 February, 1936. Lleras told the journalist of *El Espectador*, to the surprise of the latter, that some companies even threatened their employees with dismissal if they requested any of the benefits of the housing campaign. The interviewer exclaimed: “Unbelievable!”

housing project had initially encountered, but which had nonetheless become a reality thanks to the efforts of the BCH, the Bank of the Republic, the private development group “La Urbana,” the courageous contribution of companies like the municipal water and electric companies, the municipal tram, the Banco de Colombia and Banco de Bogotá, and last but not least, the workers, “whose daily effort had made this [project] possible.”⁴⁷

By the end of the year, this campaign had favored the financial standing of the BCH. Even though BCH’s bonds were less profitable than other financial papers on the market, according to the financial report of the Bank of the Republic, the “selectivity and security” of the credits offered by the bank and the “good reception of its mortgage notes among investors” were contributing to its increasing financial soundness.⁴⁸ This does not mean that managers of public banks, in particular someone like Julio Lleras, did not believe at all in their own discourse about hygiene and social reform. On the contrary, the very fact that they were using the social reform argument to convince other businessmen about the importance of public credit institutions speaks of the profoundly interconnected meaning that social reform and economic development had for economic officials. By advancing a project of urbanization for the middle class, the BCH was stimulating credit, promoting the construction sector, creating new jobs, pushing rents down while turning previous renters into home owners, and improving the fiscal situation of the government. These houses were not a gift. Public servants were paying them back with their salaries, but they were funded by a hitherto nonexistent program of credit made available by the state. The bank was helping to establish a new contractual relationship between the state and its employees, while at the same time it was addressing a real social dislocation brought about by the way urbanization and the expansion of state bureaucracy had unfolded.

⁴⁷ *Revista del Banco de la República* 108, October 1936, 355.

⁴⁸ *Revista del Banco de la República* 109, November 1936, 392.

The BCH helped to integrate housing in the set of social, economic, and political reforms that López Pumarejo's political aides were intensely fighting for in Congress. In 1936, a proposal elaborated by Liberal representatives for reforming Law 48, 1918, was approved among a set of social reforms that also included dispositions on health, social security, and the organization of civil service and public sector careers. The new housing law, Law 61 of 1936, approved in March, increased the percentage that municipalities were obliged to invest in the construction of housing (3%). A few months later, a new law authorized the BCH to operate in tandem with a construction subsidiary, the "Compañía Central de Construcciones" (Central Construction Company), to buy land to build working- and middle-class neighborhoods. This law also regulated the terms in which middle-class and working-class families acquired houses through subsidized mortgage: downpayments should be lower than 10% of the value of the house, and new homeowners were exempted from paying property taxes for ten years, in most cases. Municipalities were also authorized to channel a considerable percentage of their budget to offering housing for their own employees.⁴⁹

This new legislation worked as an extra push for the BCH to expand its low-income housing operations. In 1937-1938, the Bank continued building in the Muequetá, Bosque Calderón Tejada, and Restrepo neighborhoods and attempted to initiate the urbanization of an area located in the western part of the city. The new phase of these projects coincided with the culmination of some of the public works advanced for the commemoration of the 4th centenary of the founding of Bogotá, for which the Austrian urban planner, Karl Brunner, designed a model working-class neighborhood, "Centenario." The Compañía Central de Construcciones and BCH's projects did not lag behind the urban planning focus of the Centenary's constructions. They even re-conceptualized the structure of working-class neighborhoods, by ordering street

⁴⁹ Saldarriaga Roa, *Estado, ciudad y vivienda*, 36.

planning around a central park with ample green zones.⁵⁰ More importantly, the bank expanded its programs to Medellín, Cali, and Manizales, and tried to start a project in Barranquilla that same year. In addition, to substantially reduce construction costs in Manizales, the Bank reached an agreement with the railway company so the latter would transport construction materials at a lower rate. However, the institution still faced resistance from different sectors, which affected the behavior of its bonds on the market and the pace of the construction and size of the projects. In Medellín, the BCH built more than a hundred houses for white-collar workers in “El Poblado,” at least 104 were finished by late 1938. Even though the BCH’s housing campaign in Medellín was initially received “with coldness” by businessmen and even workers, Lleras noted that this attitude gradually changed as the project advanced. However, in 1938 the Bank was forced to scale back the new neighborhood’s size in Bogotá by half and postponed the project in Barranquilla “for better times,” due to a harsh fall in the value of BCH bonds on the stock exchange.⁵¹ The housing strategy was not enough to completely recover the financial stance of the BCH as its bonds continuously stumbled on the stock exchange. A year earlier, in 1937, in a report on the BCH’ activities, Julio Lleras argued that

“White-collar employees have to suffer the consequences of the actions of those who thought that by attacking the Bank’s bonds they were harming just the Bank. They forgot the role this institution is playing in the national economy. Workers have understood the problem exactly in these terms; workers’ associations have sent in from cities all over the country their expressions of sympathy for the institution and complaints about the campaign undertaken against the Bank.”⁵²

The problem was precisely that for the BCH it was still very difficult to demonstrate that it was contributing to the national economy or furthering economic development. On the one hand, in spite of the apparent support with which white-collar workers across Colombia received

⁵⁰ Espinosa Restrepo, “El Estado en la construcción de áreas residenciales en Bogotá,” 58-59.

⁵¹ *Revista del Banco de la República* 124, February 1938, 46; 130, August 1938, 285-286.

⁵² *Revista del Banco de la República* 124, 46.

the BCH housing campaign, including those in Medellín who had initially been indifferent, the BCH's strategy for advancing national housing was limited in scope, particularly in regard to economic development purposes. The companies that were contributing to the Bank were all either related to the banking sector (the banks of Bogotá, Colombia and of the Republic) or public utility companies. In one way or another, they all were interested in expanding credit operations, were connected to the public sector and shared the state's concerns about the social situation of civil servants. The Bank of the Republic was in charge of overseeing the government's financial stability and was interested, more so than any other governmental institution, in the strengthening of credit in general. Indeed, the Bank of the Republic developed its own housing project at the salt production mines in Zipaquirá, in Cundinamarca, which it had managed since the Depression years.⁵³ The Banks of Bogotá and Colombia were in fact share holders of the BCH.⁵⁴ Public utility companies, although privately managed, were also affected by the problem of debt. Municipalities had borrowed heavily during the 1920s offering their assets as collaterals. Finally, as pressing as the situation of the urban middle class was and as important as it was for these public institutions to offer some relief to their workers, the ultimately limited and specific scope of the project could not bestow the housing campaign with a truly national meaning.

The most important contribution of the housing campaigns of the BCH was to link housing with credit. Previous local campaigns focused on renting houses, selling plots to migrants, or helping workers with resources so they could build their own houses. As limited and short-lived as the BCH's first forays into housing might have been, they nonetheless showed a

⁵³ The Bank built an entire neighborhood for miners, equipped with playing fields for the enjoyment of mine workers' children. With the support of the town's Beneficencia, the Bank was also improving Zipaquirá's school and hospital. *Revista del Banco de la República* 126, April 1938, 120-122.

⁵⁴ The BCH was a joint venture agency, although administered by the state, that was also helping private banking to address the crisis of the system after the Depression.

couple of important things. First, economic officials came to see that a way to make social and economic policies national was to turn them into credit enterprises. Second, the idea that housing was indeed a tool for modernization was reinforced. The promotion of housing connected the financial and construction sectors, companies as employers, workers, and the state in public funded campaigns. The housing campaign also perfectly materialized the idea harbored by most economic officials about economic development and social policies. Social policies benefited all by creating a happier, healthier labor force. Economic development was also beneficial for everyone; stable financial institutions and solid industrial concerns were in fact accomplishing a social goal and were ready to advance great social projects. In this perspective, economic development was understood as a social transaction in which everyone could win.

Very few would have denied the BCH's argument that the middle class deserved to be supported given the fact that unlike the working class, no legislation existed establishing economic rights for public servants and bureaucrats. Why then did the BCH's campaign fall short? The problem lay perhaps in the nature of the BCH as an institution: its economic and social mission was somewhat disconnected from the central discussions about modernization and development. The Bank relied too heavily on urban mortgages, which were considered one of the main triggers of the depth and long duration of Colombia's economic crisis. Whether urban mortgages promoted the type of economic growth that would help the Liberal Party further its political program of democratic inclusion or could spur real national progress, moreover, still raised skepticism and resistance. Instead, a sort of national agreement on how modernization and development rested on promoting the agricultural sector emerged. The following section explains the nature of the debates on modernization and development and the context in which they developed.

A Modern Peasant Nation

It is not surprising that high consumption prices had spurred such great concern among policy makers in the late 1920s. High prices, of food items in particular, indicated a whole set of dislocations that forced economic officials to rethink policy making. For politicians and reformers such as Esteban Jaramillo, or intellectuals such as Alejandro López, problems with food supply entailed serious social and economic consequences. Esteban Jaramillo's 1927 conference on the high cost of living, although it also included rents and clothing in calculations about the unaffordability of white-collar and blue-collar workers' basic consumption needs, mainly focused on the problem of food. From the perspective of "the social economy," Jaramillo argued, the consequence of an inadequate supply of food (inadequate because it was insufficient and deficiently distributed, and therefore expensive) was that the great majority of the Colombian people were underfed. "This, according to my judgment is a fact, and a disturbing one. A people that lack enough nutrition to maintain balance between organic forces is impeded, at the biological, social, and economic levels, from thriving. A poorly fed people is weak in body and spirit; inefficient to do work... Do tell me if it is possible some day to found a great country with such an ethnic element."⁵⁵ In consequence, the problem of high food prices needed to be solved as a precondition to advance economic growth and solidify a prosperous nation.

Briefly, Jaramillo's general argument in this conference was that high prices were the consequence of a complex combination of forces, ones related to production, and ones related to distribution. In the realm of distribution, besides monetary issues or the problem of the difficult

⁵⁵ Esteban Jaramillo, *La carestía de la vida. Conferencia dictada en el Teatro Municipal de Bogotá por el doctor Esteban Jaramillo, por iniciativa de la Sociedad de Agricultores de Colombia*. (Bogotá: Imprenta Nacional, 1927), 10. Jaramillo made calculations about what a typical industrial worker or public servant earned and spent on food and rent and found that, at current wages, consuming basic foodstuffs was impossible. The prices of "bad bread," sugar, beans, flour, corn, rice, potatoes, "such indispensable items for living," were higher than everywhere else in the world, 9.

and costly transportation fees for food in the country, another acute problem was speculation. Intermediaries, in the expectation of higher prices or difficult seasons (as occurred in Colombia in the late 1920s), held back some products from the market—a fairly common practice with items such as sugar and grains—keeping prices artificially and permanently high. A good solution to this problem was the creation of consumer and producer cooperatives, which “were producing excellent results in other countries.”⁵⁶ In terms of production, Jaramillo argued that in Colombia there was “a notorious deficiency in the production of foodstuffs.” Part of the problem was the inadequate distribution of labor and capital in the agricultural sector. At the same time that Jaramillo wrote about the inadequacy of food production, Alejandro López noted in *Problemas Colombianos* that the best lands were used for extensive cattle raising or for coffee cultivation. Although Jaramillo recognized the great contribution of coffee production in the creation of national wealth, it was true that coffee competed for land and labor with other indispensable agricultural products, mostly cultivated and harvested by peasants, and yet Colombian coffee was even cheaper in New York than in Bogotá. Meat was perhaps the only food item that was successfully satisfied through internal production and sold at relatively decent prices in the main cattle distribution centers, namely, Medellín, Girardot, and Bogotá.

In any case, given his close involvement with the construction of public works, Jaramillo also reflected on the fact that agricultural workers were being employed in the construction sector, and others were migrating to the cities. For him, this was a political dilemma. Should the government follow the path of stopping the construction of roads and railways—fundamental to the development of markets—and focus instead on controlling rural out-migration in order to push prices down?⁵⁷ We now know that Jaramillo opted to reduce import tariffs which succeeded

⁵⁶ Jaramillo, *La carestía de la vida*, 18.

⁵⁷ Jaramillo, *La carestía de la vida*, 14-16; 22-24.

in pushing prices down, and that he kept his commitment to the improvement of transportation networks, even though this latter policy was contributing to the exacerbation of the labor imbalances in agriculture and construction. In the long run, Jaramillo believed that the construction of roads and railroads would help stabilize prices, however, he was aware of and discomfited by the impact of public works construction in worsening the phenomenon of rural out-migration.

Generally speaking, for a certain sector of economic officials and policy makers belonging to both political parties, urbanization was a process connected to a whole set of transformations charged with negative connotations. On the one hand, both Esteban Jaramillo and Alejandro López linked urbanization with rampant “factory-ization” of labor, whose long-term social consequences were deeply disturbing. Jaramillo also mentioned the “terrible” economic, political, and social effects of the 1926 General Strike in the United Kingdom, “fomented and held by the Muscovite Soviet,” just to make the point that uncontrolled industrialization was perhaps a path Colombia should better avoid.⁵⁸ Hygienist discourse, moreover, had spread the notion that urbanization and factorization were unsanitary, which seemed to be confirmed by the 1918 health crisis in Bogotá. Finally, urbanization was also culturally dubious. As the Liberal Antioqueño intellectual and politician, Luis López de Mesa argued in 1926, cities were sites of intense ideological discussion, where technological innovation and comfort went hand in hand, but also places of superfluous consumption, anxiety and ambition.⁵⁹

⁵⁸ Jaramillo, *La carestía de la vida*, 17-18.

⁵⁹ Luis López de Mesa, *Civilización contemporánea*. (Paris: Agencia Mundial de Librería, 1926).

But on the other hand, and perhaps more relevant with regard to economic development, is the fact that “no city feeds itself.”⁶⁰ In moments of economic distress or inclement climate, when food production was affected and urban food supply became scarce and expensive, urbanization was a potentially explosive situation, socially and politically. Jaramillo technically defined this situation as “the imbalance between consumption and production.” In addition, superfluous consumption in the cities signaled unsuccessful economic practices. Urbanization was the symptom of the expansion of a business that certain sectors looked at with some distrust: mortgage banking. It was claimed that during the Great Depression, landowners, who owned properties in the countryside but resided in the cities, used mortgages for idle spending: luxurious imports, international travel, and the purchase of urban real estate. The proliferation of fancy parties and new elegant buildings and hotels inaugurated during the 1920s were visible proof of this phenomenon. Mortgages, speculation, and the expansion of the urban area were seen as the result of unregulated and disorganized economic activity. The question for state officials and policy makers was then what kind of policy the national government should implement to regulate private economic initiative and generate a type of growth that would allow the party in power to justify not only its right to govern, but also the expansion of the national state, which was being couched by these politicians as an indispensable political development that would benefit all Colombian citizens.

This was precisely the way in which the first discussion about development and modernization in Colombia was formulated. What is interesting is that, although urbanization influenced the timing and content of the discussion, the latter did not focus on urbanization or

⁶⁰ Richard Graham, *Feeding the City: From Street Market to Liberal Reform in Salvador, Brazil, 1780-1860*. (Austin: University of Texas Press, 2010), 4. Although referring to a completely different historical context, Graham’s insight about how food supply raised questions about government responsibility, the right direction of economic regulation, and debates about social justice is useful for understanding the political implications of high food prices.

industrialization. In other words, although economic officials were concerned about the social and political effects of urbanization, their discussions did not revolve around fomenting and restructuring the nascent process of industrialization in a way that banking and commerce became fruitful, migrants productively employed, and urbanization regulated. As the comparative chronology of housing in Bogotá and Medellín developed in the previous section shows, in both cities the urban social question was mainly addressed by private organizations and interests who pulled in local authorities (particularly in the case of Medellín), and occasionally the national and regional governments (especially in Bogotá). The national state intervened by issuing legislation or contributing with resources to specific campaigns. Moreover, it was in the mid-1930s when the BCH came up with the first attempt to undertake a campaign in cities other than the nation's capital.

How urbanization unfolded in relation to other demographic changes in Colombia can help us understand the way policy makers conceptualized social problems in the country. The 1918 census, published between 1921 and 1924 sheds some light on the main demographic transformations taking place in the country. The census demonstrated that, in fact, urban centers had grown considerably over the course of the previous decade. Urbanization intensified, especially in Barranquilla, where internal migration and foreign immigration multiplied by two the city's population in the course of just 6 years. Bogotá's population grew 18.75% between the previous census in 1912 and 1918, while Medellín's population increased by 7.45%.⁶¹ Surprisingly, urbanization was not the main factor stimulating internal demographic mobility. Between 1912 and 1918, the place that attracted the greatest internal migration was Ciénaga, Magdalena (the province's population grew 41.35% between 1912 and 1918 leading Ciénaga to

⁶¹ Reyes, *La vida cotidiana en Medellín*, 6; *Censo de Población de la República de Colombia, levantado el 14 de octubre de 1918*. (Bogotá, Imprenta Nacional, 1921).

become even bigger than the province's capital, Santa Marta). Ciénaga's explosive growth moreover was not triggered by industrialization, but rather by banana production. Distant second in terms of proportional growth due to internal migration was Caldas (25.46%), where coffee production was thriving during the period.⁶² Coffee had been the main engine of internal migration since the late nineteenth century. The expansion of the agricultural frontier in Sumapaz, Cundinamarca, for instance, by colonization mainly for coffee production, entailed a population growth of 208% in just 42 years, between 1870 and 1912, a rate higher than the one registered for Bogotá in the same period (138%).⁶³ Consequently, colonization and the expansion of the agricultural frontier rather than urbanization and industrialization were the main forces driving demographic changes in Colombia in the first decades of the twentieth century.

Both urbanization and frontier colonization intensified a tendency that contributed to high food prices: an increase in the price of agricultural land. But whereas urbanization had an indirect effect over land prices in areas where food was grown for urban consumption, colonization, at times stimulated by urbanization, was the immediate cause of rural land speculation.⁶⁴ Interestingly enough, the conflicts that elicited political attention at the national level took place in areas of colonization, namely, Ciénaga and Sumapaz in Cundinamarca. In the banana zone, the labor strike of 1928 was severely repressed by the Conservative government. During the 1930s, the banana zone continued to be an economic concern for the Liberal governments, as the political crisis was accompanied by a plague that destroyed several crops. The Liberal politician Jorge Eliécer Gaitán had argued, after investigating the conditions leading

⁶² Data available in: Departamento de Contraloría, Dirección General de Estadística, *Censo de Población de la República de Colombia, levantado el 14 de octubre de 1918 y aprobado el 19 de septiembre de 1921 por la Ley 8*. (Bogotá, Imprenta Nacional, 1924).

⁶³ Marulanda, *Colonización y conflicto*, 43.

⁶⁴ Gonzalo Sánchez, *Las ligas campesinas en Colombia (auge y reflujos)*. (Bogotá: Ediciones Tiempo Presente, 1977), 8.

to the banana strike and crisis in 1928, that the main problem with banana producers was that they were being dispossessed of their lands due to the policy of indebtedness practiced by the United Fruit Company (UFCO). The company monopolized the export of the fruit, and as such, bought production in advance demanding land as collateral. In the 1930s, economic officials of the López and Eduardo Santos (1938-1942) administrations acknowledged this issue and argued that it could be effectively counterbalanced with public credit policy through the BAH and the Caja Agraria. The government also supported the lending policy of the “Cooperativa Bananera del Magdalena” (The Magdalena Banana Producers Cooperative), created by local producers, but subsidized by the government with banana export tariffs.⁶⁵

In Caldas, coffee settlers did not face these problems with foreign companies or speculators and merchants grabbing the land cultivated by peasant settlers. The tensions in Caldas were related to access to markets and resources controlled by merchants from Medellín who would invest in urban real estate and commercial enterprises and were powerful intermediaries for coffee farmers. In addition, in Caldas there was also the issue of privatization of communal indigenous lands. The Federation of Coffee Growers tried to address both issues with credit and commercialization programs.⁶⁶ The social tensions produced by colonization in Caldas would be extensively analyzed in the mid-1930s by Antonio García, a leftist intellectual who became influential in the development of Economics as a discipline in Colombian universities.⁶⁷ Finally, the situation in Sumapaz, represented so well by Alejandro López with his metaphor of the struggle between the ax and the deed thus had important political implications,

⁶⁵ Abogado consultor a Señor Presidente de la República, Bogotá, 16 July, 1937. Caja 68, carpeta 1, 1-12; Ministerio de la Economía Nacional, Memorándum para el Señor Presidente sobre la labor desarrollada por el Ministerio de la Economía Nacional y el programa para el futuro, u.d. Caja 69, carpeta 24, 13-23. Archivo General de la Nación, *Fondo Presidencia de la República* (hereafter, *Presidencia*), Despacho Señor Presidente (hereafter, DSP).

⁶⁶ Catherine LeGrand, *Frontier Expansion*, xv.

⁶⁷ See Antonio García, *Geografía económica de Caldas*. (Bogotá: Banco de la República, 1978 [1936]).

ones that would lead economic officials to consider the need to solve the agrarian question as a precondition for economic development. The following section will try to explain the main features of peasant mobilization in Sumapaz from the late 1920s through the 1930s and their national repercussions.

The Agrarian Question

Peasant mobilization was not a new political development of the late 1920s, nor was it a particular phenomenon of Cundinamarca. More significantly, despite the inordinate attention the case of Cundinamarca has elicited among historians of rural conflict, the mobilization of rural workers and settlers in the region, with the important exception of Viotá (a coffee producing municipality located southwest of Bogotá, just 86 Km. away from the center of the capital city), was not Colombia's most radical. Peasant leagues and unions had emerged on the Atlantic Coast and in Tolima since the late 1910s influenced by Socialist and Communist ideas and leadership. Like Cundinamarca, these regions were affected by a recent process of colonization in which settlers were dispossessed of their lands by big commercial interests.⁶⁸ But in the case of Cundinamarca, although settlers had confronted large landowners since the late nineteenth century—large landowners, the obnoxious holders of deeds, had been the actual beneficiaries of the policy of colonization of public lands, at the expense of the work of those actually opening the agricultural frontier with their axes—they had done so mainly by relying on law as a tool. Peasants petitioned to local authorities, legal and administrative, to intervene in solving conflictive issues such as the access to water and roads their plots disputed with neighboring haciendas or to define the limits of large properties, which owners kept enlarging irregularly to claim possession over peasants' small plots and labor. Given the ambiguity of land plots'

⁶⁸ See Sánchez, *Las ligas campesinas en Colombia*, 61-67.

boundaries, settlers had to turn to local judges when, after acquiring a plot of public land, this same plot was arrogated by somebody else who presented dubious property titles. On other occasions, settlers were forced to start lawsuits against new owners of “territorial bonds,” who expelled them from the plots they had settled on and improved, as the stamped paper indicated formal ownership over settlers’ lands. It was in the context of permanent legal discussion over property rights that the first forms of peasant organization emerged in Cundinamarca.⁶⁹

By the late 1910s, the national government had already learned that the process of colonization had serious limitations and that big capital, interested in accumulating public lands, was taking advantage of legislation encouraging colonization, leading to land concentration and conflict. The national government addressed conflicts between settlers and landowners with new decrees, aiming at achieving some control over colonization, but the concentration of land continued.⁷⁰ In fact, the census of 1918 demonstrated that in Antioquia and Cundinamarca the levels of land concentration were disturbingly high. In spite of the government’s intention of granting public land to small settlers in Cundinamarca, just 15,17% of the population were property owners (including Bogotá). The phenomenon of land concentration that Alejandro López explained for the case of Antioquia was expressed in the fact that, according to the census, just 7,89% of the population (including Medellín) owned property.⁷¹ But not only was colonization leading to the concentration of property. It was also producing a whole set of complex tensions over the use of land and labor. On the one hand, sanitary inspections conducted by the national government in the early 1920s revealed the dismay living conditions of rural workers on coffee haciendas. They were undernourished, victims of diseases, and consumed high

⁶⁹ Marulanda, *Colonización y conflicto*, 31-32, 55-56, 61-71.

⁷⁰ Rocío Londoño Botero, *Juan de la Cruz Varela: sociedad y política en la región de Sumapaz (1902-1984)*. (Bogotá: Universidad Nacional de Colombia, 2011), 105-107.

⁷¹ Departamento de Contraloría, *Censo de Población de la República de Colombia*. Calculations on the concentration of property are mine, based on census data of property ownership.

quantities of alcohol; their dwellings lacked basic sanitary conditions (like latrines) and there was a tendency within young women to have children before getting married, discouraging the consolidation of nuclear families. Peasants also engaged in violent episodes, to the point that local court dockets were filled with cases of fighting and murder.⁷²

On the other hand, peasants did react against the hacienda system. While some of them were in fact settlers fighting to acquire formal access to public lands and disputing the hacendados' annexation of their plots to the haciendas, others were employed as tenants in haciendas and started demanding better labor conditions. Peasants' fights and interests were fundamentally different, even conflictive at times. Just in the central strip of Sumapaz, located between Bogotá and Cundinamarca's border with Tolima, areas of intense colonization coexisted with colonial haciendas based on sharecropping. Perhaps the cases that best illustrate this complex situation were the haciendas "Doa" and "Sumapaz" located in Pandi (on the border between Cundinamarca and Tolima) and the haciendas "La Argentina," "El Retiro," and "La Constancia" in Pasca, a former indigenous "resguardo" situated about equidistant from Bogotá and Pandi. Very close to Pasca, toward the northeast, existed perhaps the most extreme example of a colonial property turned into coffee hacienda and structured around tenancy, the hacienda "El Chocho."

Located in the jurisdiction of Fusagasugá (now in the town of Silvania), "El Chocho" was the property of the Caballero family and functioned as a fully self-sufficient and autonomous economic unit. The hacienda had its own currency, network of roads, and artisan workshops with their own carpenters, saddlers, blacksmiths, mechanics and masons, as well as a complicated accounting system managed by a group of permanent accountants and clerks. The Caballeros

⁷² Michael Jiménez, *The Limits of Export Capitalism: Economic Structure, Class, and Politics in a Colombian Coffee Municipality, 1900-1930*. (Ph. D. Dissertation, Harvard University, 1985), 380-400.

controlled the mobility of workers within the hacienda with the purpose of keeping all the production tenants extracted from the hacienda under strict vigilance and accountability. Tenants were allowed to grow coffee in their plots alongside staple crops, and occasionally sugar cane used in the hacienda's trapiche, for subsistence, and commercialization. They were obliged, however, to sell their coffee to the hacienda (usually at prices considerably below market levels), required to pay a percentage of any lumber, straw, and brushwood they had picked for selling, and also were punished with fines if they happened to violate the hacienda's norms. It seems that the Caballeros used violent punishment in cases where they deemed it necessary.⁷³

Northeast from Fusagasugá and Silvania, in the Tequendama Valley, in Viotá, a slightly similar complex of coffee haciendas developed during the last two decades of the nineteenth century. In these haciendas, the majority owned by wealthy merchants from Bogotá, labor for coffee cultivation was also based on tenancy contracts, but with the difference that these hacendados did not allow their tenants to grow their own coffee. In their plots, peasants were allowed to plant staple crops for subsistence and commercialization in the town, but in highly restrictive and harsh conditions. Contracts specified the time and tasks the workers should accomplish on a regular basis by working on the hacienda's coffee plantation, which hacendados and managers usually changed arbitrarily depending on the economic needs of the haciendas. To exert further control, hacendados often relied on paternalist practices, creating hierarchies among peasants in which good, loyal workers were "rewarded." Also, tenants shared coffee harvest tasks with temporary, seasonal labor which was basically constituted by a mass of migrant

⁷³ Roberto Velandia, *Silvania, pueblo agrario. El Chocho y su revolución rural*. (Bogotá: Junta Organizadora del Cincuentenario, 1985), chapter V; Marulanda, *Colonización y conflicto*, 52-54.

workers. This was a highly conflictive system, in which tensions over tenancy contracts, salaries, and distribution of tasks constantly emerged.⁷⁴

In this conflictive and diverse rural labor system, legal battles over formal access to land or occasional complaints (formal or violent) against tenancy contracts turned into a movement against the coffee hacienda system in the second half of the 1920s. In Viotá and Fusagasugá, tenants refused to comply with contracts or to pay their obligations. At “El Chocho,” beginning in 1925, tenants lobbied for a substantial reform of labor contracts: they demanded to be allowed to sell their coffee outside of the hacienda (or at least receive for it the equivalent of commercial prices); the adoption of a “modest” interest rate for the money they received in advance for their crops; and a substantial reduction of the obligatory labor demands they were asked to fulfill on the hacienda. During 1927, with the support of a lawyer they paid, tenants obtained minor concessions, but nothing on the main issue, namely the liberty to sell their own coffee. In 1924, the young Socialist lawyer, Erasmo Valencia, who had been involved in the organization of working-class centers related to the Communist and Socialist parties in Bogotá, was hired by the settlers in the region of Pandi. His involvement with the peasant movement at the hacienda “Sumapaz” brought peasants’ grievances to the Oficina del Trabajo (National Labor Bureau) of the Ministry of Industries. In 1928, Valencia started the publication of *Claridad* (Clarity) a highly influential newspaper that circulated throughout Sumapaz and the Tequendama Valley (west of Bogotá), in which peasants disseminated their complaints and grievances, and denounced landowner abuses. Simultaneously, in April, 1928, the tenants of “El Chocho”

⁷⁴ Michael Jiménez, *The Limits of Export Capitalism: Economic Structure, Class, and Politics in a Colombian Coffee Municipality, 1900-1930*. (Ph. D. Dissertation, Harvard University, 1985), 400-422.

marched into Bogotá to call on the attention of the national government, organizing what was perhaps the first peasant protest taking place in the capital's streets.⁷⁵

To these actions and other local eruptions of protest, which landowners quelled with the intervention of the local police, the national government responded with a new colonization law. In 1928, the Ministry of Industries launched a new government-sponsored colonization program, creating a colony in the municipalities of Icononzo and Cunday, in southern Sumapaz (in Tolima). According to the Ministry's decree, all the territory designated to the colony was public land, with the exception of tracts over which owners could show valid property titles. Immediately after this decree was issued, tenants of several haciendas in neighboring areas declared that the lands they were tilling had been irregularly annexed to private estates and, in consequence, identified themselves as settlers, not tenants.⁷⁶

In 1929, with the support of Valencia, peasants in Pandi organized the Colonia Agrícola del Sumapaz (Agricultural Colony of Sumapaz), which in the following years advanced strikes at haciendas and coordinated land invasions—that year alone, at least 25,000 peasants threatened to go on strike. Peasants were evicted, harassed, persecuted, and sent to jail.⁷⁷ The Oficina del Trabajo of the Ministry of Industries was forced by the peasant leagues and colonias agrícolas in Sumapaz to revise the legitimacy of hacendados' titles in the early 1930s. After several missions to the region and meetings with peasant representatives, landowners, and local authorities, the government declared that the titles held by the Hijos de Francisco Pardo Roche commercial house over the settlers' lands within the haciendas "Sumapaz" and "Doa" were illegitimate, as well as those in possession of Francisco Flórez, who had bought "El Soche" from the Caballero

⁷⁵ Londoño Botero, *Juan de la Cruz Varela*, chapter 7.

⁷⁶ LeGrand, *Frontier Expansion*, 112-122.

⁷⁷ Valencia himself was also the target of landowner's harassment. At the peak of Sumapaz's mobilization, in 1933, Valencia was arrested in Bogotá under the allegation of vagrancy.

family in 1926. The Departamento de Baldíos (Office of Public Lands) headed by the Conservative politician Guillermo Amaya Ramírez, from Cundinamarca, signed a contract with the Pardo Roche family and distributed the land among settlers in 1933-1934. Amaya Ramírez was especially important in shaping the policy of the Ministry of Industries by insisting on the need to revise titles, specify the limits of public lands, and acknowledge the rights of the settlers, given that the magnitude of social conflict, already distressing, could reach incontrollable proportions.⁷⁸

In the meantime, the tenants at “El Chocho” gained an important ally: the populist Liberal politician Jorge Eliécer Gaitán. In 1930, Gaitán started supporting the tenants’ movement while also advancing an aggressive campaign against most policies aimed at intervening in the agrarian question that the Liberal government of Enrique Olaya Herrera put before in Congress—with the important exception of a reform project presented by the Ministry of Industries, in whose elaboration he participated in 1934. In the early 1930s, Gaitán organized his own opposition political party, the “Unión Nacional de Izquierda Revolucionaria” (UNIR, National Union of Revolutionary Left), which was quickly linked to the “Federación de Arrendatarios de El Chocho” (Federation of Tenants at El Chocho), created in 1930. In 1933, the conflict at “El Chocho” reached a peak when tenants also claimed that they were settlers and asked the Ministry to revise the Caballeros’ property titles, which were validated by the Ministry that same year. In the midst of protests in Fusagasugá, land invasions, evictions, and acts of violence, the Minister

⁷⁸ Londoño Botero, *Juan de la Cruz Varela*, chapter 9. On the role of Amaya Ramírez, see pages 224-225. Unsurprisingly, Amaya Ramírez was related to the generation of economic officials trained at a religious institution (Colegio Mayor de Nuestra Señora del Rosario) who later pursued a law degree at the National University and acquired expertise in economic issues. His political and administrative career focused on the agricultural sector. After directing the Oficina de Baldíos, he became director of the Oficina de Tierras y Aguas (the entity created by the Olaya Herrera administration to advance policies of agricultural promotion and land redistribution) for 11 years (1930-1941), then Minister of Finance under the government of Mariano Ospina Pérez (1948-1949), director of the Caja Agraria (1951-1953), and finally professor of “Agrarian Legislation” at the Catholic Universidad del Rosario in Bogotá. See *Quién es quién en Colombia*, 3rd edition. (Bogotá, Oliverio Perry & Cía. Editores, 1961), 8.

of Industries, Francisco José Chaux, a Liberal politician from Cauca also connected to the Catholic Social Action circle, tried to maintain the mayor of Fusagasugá under control to avoid the spread of violence. At the same time, the governor of Cundinamarca, the Liberal Liborio Cuéllar, had already advanced negotiations with the Caballero family and other landowners in Pasca to buy their land and sell it to the peasants. The governor was formally authorized to issue treasury bonds to pay for the properties and to establish a program of subdivision in which peasants would acquire their lands with support from a credit program administered by the Agricultural Mortgage Bank (BAH), which would grant peasant 20-year loans and favorable conditions for downpayments.⁷⁹

With the subdivision of haciendas in Pasca and Fusagasugá, the BAH aimed at combining its avowed social mission with the possibility of solving the serious financial problems it had been facing since the Great Depression. It is not a coincidence that it was the BAH that oversaw the subdivisions, nor was it a coincidence that when these subdivisions were taking place, mortgage credit and credit agencies were the object of such strong criticism in some circles. In political discourse, the financial boom of the 1920s and its immediate collapse was subsumed in a set of somewhat interconnected, yet complex and diverse social tensions, putting issues such as speculation, credit, and urban banking business in the forefront of discussions about economic policy. During the boom, the BAH offered extensive and flexible credits to landowners while arguing it was helping peasants become better citizens. Not only did financial instability ensue, but also the protests in Cundinamarca cast serious doubt on the social mission of the BAH and banking in general. Although it is difficult to exactly pinpoint, based on the information available, which haciendas of those going through conflict happened to be mortgaged, it is clear that several haciendas the Bank subdivided after 1933-1934 were already in its hands (out of the

⁷⁹ Londoño, *Juan de la Cruz Varela*, chapter 10.

217 haciendas the Bank subdivided through the mid-1940s, when the Bank was absorbed by the Caja Agraria, at least 98 were received as payment for outstanding mortgages, 88 were offered by their owners to alleviate their debts, and just 31 were bought directly by the Bank).⁸⁰ Besides Cundinamarca, the BAH also subdivided land in other provinces including Antioquia, Bolívar, Cauca, Boyacá, Santander, Tolima, Valle and Huila.⁸¹

Emerging peasant protest in Cundinamarca did more than just challenge the Bank's claims about its function being fundamentally social, neutral, and for the benefit of all. The conflicts over land and labor in Cundinamarca also highlighted the inverse relationship between urban growth and prosperity and agricultural crisis and conflict. Agrarian unrest seemed to be another indisputable fact demonstrating that urban economic growth was brought about at the expense of the work of settlers, tenants, and migrant rural workers and that this relationship was mediated through speculation, debt, and unregulated credit. The infamous case of "El Chocho" can serve as a good example. The Caballeros themselves were going through economic insolvency in the early 1930s, after they had contracted "copious mortgages." In the early 1930s, their debt with the BAH amounted to 860,000 pesos (about 52,908 USD at the time)⁸²; the subdivision of 4,375.04 hectares of land in "El Chocho" alleviated almost half of the family's debt. But these mortgages were not used to improve food or coffee production. They had established a colonization company, the "Sociedad Caballero & Flórez," with Francisco Flórez, the owner of "Doa" who had also acquired debt with the BAH, for the extraction of wood and lumber intended for the construction sector from their haciendas and settlers' plots. The

⁸⁰ Álvaro Ramírez, "Estudio histórico sobre las actividades de parcelación de tierras agrícolas en Colombia." *Proyecto 206 del Programa de Cooperación Técnica, IICA, OEA*. (Bogotá: IICA, 1966).

⁸¹ Banco Agrícola Hipotecario, *La parcelación de tierras en Colombia*. (Bogotá: Tipografía Lozano y Cía., 1937), Anexo. According to the BAH's own data, by 1937 the Bank was in the process of subdividing a total of 106 haciendas, from which 70 were located in Cundinamarca.

⁸² In 1934, the exchange rate Colombian peso/ USD was 1.6255. Alfonso Patiño Rosselli, *La prosperidad a debe y la gran crisis, 1925-1935. Capítulos de historia económica de Colombia*. (Bogotá: Banco de la República, 1981), 694.

Caballero and Flórez's thriving enterprise, which owned a lumbermill, a warehouse and a land plot for future urbanization in Bogotá, expanded during the 1920s based on debt and on settlers' work.⁸³

Speculation with land to invest in urbanization was not the only connection between urban growth and agrarian crisis that the peasant movement exposed. The Sumapaz and Tequendama areas were considered to be Bogotá's "granary," and national elites had showed concern about the social repercussions that the shaky countryside would bring about in the capital city. Even though the conflict was mainly over coffee production, peasants were also producing food for commercialization. Moreover, Cundinamarca contributed almost 50% of national agricultural production, including coffee, and accounted for almost 40% of the area devoted to food crops in the country.⁸⁴ And while peasants were up in arms, food prices were particularly high and food seemed scarce. The agrarian conflict dramatically demonstrated the social and political effects of the "imbalance between production and consumption," that is, the agrarian question showed that the expansion of cities, which meant luxurious consumption and good profits for a very few speculators, also meant poverty for rural and urban migrants. In the countryside, settlers, dislocated from their plots, became an unstable, unproductive, landless mass of rural workers, while in the cities, although less preoccupying, the effects of unrestricted urbanization were already visible and politically worrisome. It was a moment when the profound interconnectedness between the urban and rural sectors was brought into relief, as policy makers were rethinking the national economy, and finding a way to make it truly national and prosperous.

⁸³ Londoño, *Juan de la Cruz Varela*, 289-293; Velandia, *Sylvania, pueblo agrario*, 97-101.

⁸⁴ Jiménez, *The Limits of Export Capitalism*, 11; Jesús Antonio Bejarano, *Economía y poder. La SAC y el desarrollo colombiano, 1871-1984*. (Bogotá: SAC, Fondo Editorial CEREC, 1985), 182.

At the heart of the national political repercussions provoked by peasant mobilization during the 1930s was the inextricably, profound connection between (rural) Sumapaz and (urban) Bogotá. On the one hand, landowners were connected to national networks of political power through businesses and practices of sociability—they were active members of the Federation of Coffee Growers, for instance. While on the other hand, for peasants in Cundinamarca employed by or in conflict with nationally connected landowners, it was not very difficult to put forward their grievances in the capital, the nation's center of power. Peasants demonstrated in downtown Bogotá and called on the support and attention of influential opposition leaders like Gaitán.⁸⁵ National political leaders, moreover, were also inevitably participants in regional and local political debates, so that whatever happened in the provinces reverberated in the capital and vice versa. Leading political figures of national stature like the Conservative Laureano Gómez, the Liberal Eduardo López Pumarejo, Alfonso López Pumarejo's brother, a prominent businessmen and politician, and Gaitán himself, were elected to Cundinamarca's provincial Assembly in 1934, when the agrarian conflict was in full swing.⁸⁶

Due to the deep connection between national and regional politics, politicians and economic officials who became prominent reformers and political leaders in the mid-twentieth century were fundamentally and inevitably shaped, in their thinking about social issues and their political careers, by the political dynamics and social dimensions of the agrarian question as it played out in Cundinamarca in the early 1930s. This was particularly true for Liberals in power dealing with the problem in Sumapaz who witnessed firsthand the alarming influence that populism spearheaded by Gaitán could wage over the electorate. Even though the spread of Communism and Socialism among the peasants of Viotá was troubling to Liberals, it was Gaitán

⁸⁵ Sánchez, *Las ligas campesinas en Colombia*, 36.

⁸⁶ Carlos Lleras Restrepo, *Crónica de mi propia vida*, I. (Bogotá: Stamato Editores, 1983), 108.

who benefitted most from the tensions taking place in the region. He capitalized on peasant mobilization and provided it with a channel to reach national audiences, while seriously challenging the legitimacy of the Liberal Party. Tensions between the official Liberal Party and Gaitán would get transposed onto the urban scenario, as I will discuss in chapter four, once the UNIR disintegrated, mainly as consequence of the agreements reached about “El Chocho.”⁸⁷

Perhaps the Liberal politician who, very early in his career, most closely participated in finding political solutions to the social mobilization in Cundinamarca, and to the preoccupying influence of Gaitán, was Carlos Lleras Restrepo, the nephew of the Central Mortgage Bank’s (BCH) manager, Julio Lleras Acosta. Lleras Restrepo’s career in politics started in the late 1920s as a law student at the National University, when he participated in demonstrations against the economic measures of the Conservative government. In 1933, Lleras Restrepo, just 25, was elected as Liberal representative of Cundinamarca in Congress.⁸⁸ He occupied this position for about a year, during which he participated in the discussion of the economic policies of Minister of Finance Esteban Jaramillo and drew up several projects to reform the legislation governing landownership that were spurred by the agrarian mobilization taking place in Cundinamarca. In discussing these projects, he engaged in intense political discussion with Gaitán.

In the last year of Olaya Herrera’s term, 1934, Lleras Restrepo was appointed Secretario de Gobierno (Lieutenant Governor) of Cundinamarca. As such, Lleras Restrepo directly mediated between peasants, landowners, municipal authorities, the BAH, and Gaitán himself. In his memoirs he recounts how, to solve the problem in Fusagasugá, he met with the Caballeros, who “did not aim at fighting and were not in a position to delay an agreement as they were hounded, like many other Colombians, by the economic crisis.” He had to “drink ‘aguardiente’

⁸⁷ Lleras Restrepo, *Crónica de mi propia vida*, I, 100.

⁸⁸ Lleras Restrepo, *Crónica de mi propia vida*, I, 27-28, 56-57.

that did not always come from the official factory” (in other words, moonshine liquor) with the tenants, explain to them “with infinite patience” the policy followed by the regional government, and deliver speeches in the town square (“climb[ing]” on tables arranged as improvised stages at local “tiendas”) to convince peasants that the Liberal government was working on making all parts reach a mutually convenient understanding. Lleras Restrepo was also responsible for establishing the conditions on which the Bank would administer the haciendas going through subdivision, as well as constantly negotiating with mayors to limit local eruptions of violence. In Lleras Restrepo’s opinion, one of the main problems impeding a solution to the issues in Cundinamarca was that the agrarian conflict overlapped with other kinds of political tensions, namely, those resulting from the transfer of power from Conservatives to Liberals, who in several towns were fighting to retain local control. In his memoirs, he shows his irritation about how Gaitán took advantage of this volatile political situation with statements like “More than a few times controversies emerged, but more than with the tenants, I had them with the “gaitanistas” who fought me as I went about my task.”⁸⁹ The Liberal Party’s effort to demonstrate that the mediation of the state could benefit everyone was seriously impaired by Gaitán’s discourse on confrontation and struggle.

The agrarian question raised a dilemma for the Liberals in power, one that led them rethink and reconceptualize economic development. It had to be defined in a way that everybody in the country would feel invited to enjoy the benefits of it. Moreover, the policies advancing economic development should be of the sort to appear as if they were in fact benefitting everyone. Conservative and Liberal economic officials, moreover, had found a common ground for addressing these issues: the state should implement social reform policies to manage social dislocation while simultaneously prompting economic development. The debate about the

⁸⁹ Lleras Restrepo, *Crónica de mi propia vida*, I, 97-107. Quote is on page 100.

meaning of economic modernization thus took place within the context of the apparent divide that economic development had created between the urban and the rural, political tensions between the two parties and the rise of populism, and the government's desperate need to strengthen national state institutions. The next section is aimed at exploring the arguments that Liberals elaborated, the institutions that were involved in this discussion, and the extent to which this discussion was translated into actual policies.

Colombia Is the Countryside, Agriculture Is Development, Credit Is the Tool

Alejandro López's solution for Colombia's main social and economic problems through the consolidation of a rural middle class proved an influential idea among Liberals. His suggestion of pulling in the BAH to intervene in the subdivision and sale of plots to peasants, for instance, was implemented. Indeed, his ideas resonated in many political circles, including those of the opposition. Conservative politician and businessman Mariano Ospina Pérez, director of the Federation of Coffee Growers between 1930 and 1934, who had been López's disciple at the School of Mines, was convinced that the state had to defend the model in which coffee production had become successful: small coffee producers in Caldas and Quindío. Similarly, Conservatives Esteban Jaramillo and Francisco de Paula Pérez, who served as Ministers of Finance during the Liberal government of Enrique Olaya Herrera, also agreed with López on the fact that it was necessary "to fix the house up and arrange the national body in the march of work, returning the country to what it was before the dance of 1926-1929."⁹⁰ In other words, the state had to reform the treasury, correct the speculative rage, and give citizens the resources with which to produce. Pérez regretted, though, that the government lacked the resources to invest directly in promoting agriculture with "anticipated payments, bonuses, and the like," so as to

⁹⁰ This is a statement of Alejandro López quoted by Francisco de Paula Pérez in *Memoria de Hacienda*, 1931. (Bogotá, Banco de la República, 1931), 13.

foster national employment, which necessarily meant “attend[ing] the urgency that workers return to the land.”⁹¹

In fact, from the moment of the Liberal Party’s rise to power in 1930, the agrarian question and the problem of agricultural workers had been the focus of intense discussion in Congress. Politicians, including Jorge Eliécer Gaitán and Minister of Industries Francisco José Chaux, highlighted the limitations that the latifundia system posed for economic growth, dwelling on the unregulated labor practices that hacendados followed. The combination of land concentration and restrictions imposed on rural workers’ mobility and freedom to produce profit considerably diminished the contribution that peasants—those who actually worked the land—were able to make to improve the national economy.⁹² Economic officials and senators insisted on the need to keep workers tied to the land, and the best way to accomplish this was to offer them the possibility of becoming property owners. Carlos Lleras Restrepo’s formulations, based on this political urgency, made the idea of a rural middle class central to the government’s economic development policy. In 1933, as a representative in Congress in a debate about Minister of Finance Esteban Jaramillo’s policies of economic recovery, Lleras Restrepo savagely critiqued landowners’ lavish tendency to resort to mortgages to address their financial needs, or in other words, “their crazy wastefulness.” He questioned the government’s policy of focusing solely on alleviating the situation of debtors, since in most cases he felt debtors themselves were responsible for the serious problem of the popular sector’s declining purchasing power. Moreover, as a spokesman of the Liberal Party, “the genuine representative of the poor classes of the country as has been demonstrated by the 500.000 votes that have allowed us to occupy the seats on the left in this precinct,” as Lleras Restrepo proudly put it, the Party should defend any

⁹¹ Pérez, *Memoria de Hacienda*, 1931, 14.

⁹² Marulanda, *Colonización y conflicto*, 137-139.

measure that would convince workers that their “economic liberation was rooted in the land, the very land they had just abandoned due to disillusionment and rebelliousness.” One such measure was to inject capital in to the agricultural sector through the Caja Agraria.⁹³

In this political speech in Congress, Lleras Restrepo was clearly responding to Conservatives’ and Gaitán’s critiques of Minister of Finance Esteban Jaramillo.⁹⁴ But Lleras was also aiming at demonstrating that, since the Liberal Party represented the majority of citizens, it was committed to providing the conditions which agricultural workers needed in order to return to the land. In fact, later that year, in the context of the discussions over the situation in Sumapaz, Lleras Restrepo put forth a project of “land expropriation and agrarian ownership,” with the support of other Liberal congressmen who identified themselves as members of the Liberal left. Gaitán forcefully criticized the Liberals’ project, as he had participated on the commission that, while studying the situation of “El Chocho,” elaborated the project presented by the Ministry of Industries. The two projects generally coincided in establishing that private lands that were uncultivated or settlers’ lands that had been irregularly claimed as the property of landowners were to be expropriated and redistributed among peasants. The main differences were, on the one hand, that Lleras Restrepo’s project considered, in addition to the subdivision of expropriated land, the subdivision of private property to be paid with treasury bonds to solve conflicts over tenancy contracts. On the other hand, these subdivided lands were to remain public; the state would rent these plots to peasants based on life-long, inheritable rent contracts. The state would also provide technical assistance and credit to rural workers, and regulate peasant organization,

⁹³ Discurso pronunciado por el Dr. Carlos Lleras Restrepo en la Cámara de Representantes el día martes 2 de agosto de 1933. Biblioteca Luis Ángel Arango, *Archivo Carlos Lleras Restrepo* (hereafter *CLLR*), Fondo Escritos, caja 1, carpeta 1, 1-8. Quotes are on folios 1 and 8.

⁹⁴ In his memoirs, hinting at the convergence between Gaitán and the Conservatives, Lleras notes that often times when Gaitán intervened in congressional debates, Conservatives would frantically applaud.

in an effort to support peasant associations and to avoid the proliferation of minifundia or the further concentration of land.⁹⁵

Lleras Restrepo justified this policy by arguing that it was urgent to humanize rural labor and eliminate the situation of prevailing injustices and inequalities. Proponents believed it was “necessary to go farther by substituting the situation of dependency between workers and masters by a regime based on autonomous workers.” This was a reformulation of the notion that the state had to consolidate a rural middle class. The problem was that “the inexistence of credit for the peasant and the lack of savings among the rural poor made inefficient indirect measures such as the redistribution of rural estates,” and therefore, an “Agrarian Reform would never materialize if we decide to wait until poor peasants, who barely make a living, have enough resources to acquire land in full ownership.”⁹⁶ Here the influence of Alejandro López’s idea of the need to consolidate a rural middle-class is evident, and indeed, Lleras Restrepo himself acknowledged that in crafting an agrarian policy, he followed “other Liberals’ thought, like Alejandro López’s.”⁹⁷

Lleras Restrepo was fundamental in putting the consolidation of a rural middle class, or a sector of autonomous rural workers, at the center of the Liberal Party’s program. Months later, in May 1934, in a conference at the “Casa Liberal” (Liberal Center) in Bogotá, he explained that the most pressing social question in Colombia, the agrarian question, should be addressed by an all-encompassing agrarian policy that transcended the issue of land titling without denying the political relevance of the peasant movement. This overarching policy should include programs of

⁹⁵ Lleras Restrepo, *Crónica de mi propia vida*, I, 65-75; Carlos Lleras Restrepo, “Proyecto de ley sobre expropiación de tierras y régimen de propiedad agraria, viernes 18 de agosto de 1933.” *CLLR*, Fondo Cargos Públicos (hereafter Cargos Públicos), caja 2A, carpeta 3, 768-774.

⁹⁶ Discurso pronunciado por el Doctor Carlos Lleras Restrepo el día 30 de agosto de 1933 (debate sobre temas agrarios). *CLLR*, Fondo Escritos, caja 1, carpeta 1, 26-40.

⁹⁷ Lleras Restrepo, *Crónica de mi propia vida*, I, 82.

“education, agricultural credit, rationalization of production, peasant association, and the improvement of living conditions among the working classes in the countryside.” An independent class of workers was impossible to attain if the state did nothing to avoid that the product of peasant efforts “ends up in the hands of voracious intermediaries or exploitative masters.” After all, Lleras Restrepo argued, the reason why agrarian reform policies in other countries had failed was that they did not consider “the efficient organization of cooperation and agricultural credit.” In this way, the Liberal agrarian policy would achieve the double objective of strengthening the economy and promoting social justice.⁹⁸

After leaving the position of Lieutenant Governor of Cundinamarca, Lleras Restrepo returned to Congress with the mission of advancing the agrarian policy of the government of Alfonso López Pumarejo. He was convinced by López Pumarejo’s discourse that Liberalism in power meant a true revolution for the country, although he never really liked López Pumarejo personally, and later would align with the more moderate sector of the Party headed by Eduardo Santos, the director and owner of the most widely circulated national daily, *El Tiempo*. However, in the early months of López Pumarejo’s term Lleras Restrepo put forth all sorts of projects in Congress aimed at reforming the regime of private ownership and transforming tenants, sharecroppers and wage workers into owners. By then he had already abandoned his initial idea that the state should remain in control of peasants’ plots, since after having intervened directly in the conflict in Cundinamarca, he had realized that a project focusing on subdivision of large estates was “the fastest and most efficient way to avoid that the emerging social conflict turns

⁹⁸ Carlos Lleras Restrepo, *El cambio social*. (Bogotá: Editorial Argra, 1934). Quotes are on page 5; Carlos Lleras Restrepo, “La cuestión agraria, apartes de una conferencia dictada en la Casa Liberal de Bogotá, mayo de 1934.” *CLLR*, Cargos Públicos, caja 2A, carpeta 3, 750-767. The “Casa Liberal” was a center for the discussion of Liberal ideas; the directorate would meet at the Casa Liberal, and the leaders of the Party would give conferences, set up debates, and even announce political candidacies. Lleras Restrepo, *Crónica de mi propia vida*, I, 82.

into a peasant revolt of immeasurable and terrifying consequences in just a few months.”⁹⁹ He perhaps learned that peasants themselves would not settle for an agreement with the government in which they were not the actual owners of their lands. In 1935, while the government fought to get all its reform projects, including the agrarian and the tax reforms, approved despite the ferocious opposition of the Conservatives, Carlos Lleras Restrepo worked with Alejandro López, who was elected representative for a short period, in the design of the tax reform program. At this moment, recalls Lleras Restrepo, Alejandro López was preparing a declaration of principles for the Liberal Party that would serve as the basis for the Party’s program, his *Idearium Liberal*.¹⁰⁰

The structure of *Idearium Liberal* mirrored the core of the social question in Colombia: the complex relationship between the city and the countryside. Alejandro López started his proclamation of Liberalism by advising political leaders to follow the example of the French political economy, where “the small rural owner, the small industrialist, the artisan have resisted the competition of mass production, both in agriculture and manufacturing. Domestic and independent work keeps being the material granting stability and solidity to the French economic structure.”¹⁰¹ The idea that the future of the nation rested on independent producers had been stated by Alejandro López in *Problemas colombianos*, and was also being defended by Lleras Restrepo in Congress, and campaigned by the Federation of Coffee Growers who harbored it as a principle. There were two main problems in Colombia for reaching this goal: speculation and unequal access to land ownership. According to Alejandro López,

⁹⁹ Proyecto de ley por el cual se provee la transformación en propietarios de los arrendatarios, aparceros y jornaleros agrícolas presentado a la consideración de la Honorable Cámara de Representantes, 83; Discurso del Doctor Carlos Lleras Restrepo en la Cámara de Representantes el sábado 25 de agosto de 1934; Discurso sobre la Reforma de la Propiedad del Doctor Carlos Lleras Restrepo en la Cámara de Representantes en las sesiones del 7 de noviembre y del 12 del mismo mes de 1934. *CLLR*, Fondo Escritos, caja 1, carpeta 1.

¹⁰⁰ Lleras Restrepo, *Crónica de mi propia vida*, I, 156-178.

¹⁰¹ Alejandro López, “Idearium Liberal,” in: *Escritos escogidos*, 180.

“There has been speculation in real estate, especially with urban and suburban properties, more in the cities than in the villages, more with houses and urban plots, than with farms. Ownership of buildings passes from hand to hand at always increasing prices... Urban development produces more profit than oil... there is speculation with stock exchange securities, goods and foodstuffs.”¹⁰²

Urbanization, as speculation, lay at the heart of the unequal distribution of land for agricultural production. In a clear defense of the Agrarian Reform project the government presented, López emphasized the lack of economic rationality among landowners, exposed the economic consequences of the unclear situation of land titles and public lands, and seriously questioned a policy of colonization based on further expanding the agricultural frontier. He forcefully stated: “We just ask that the land be democratized”; this was the only way in which the flow of migrants leaving the countryside could be regulated. In other words, the “best distribution of the population between the city and the countryside” could only be achieved by “[densifying] rural population, subdividing properties and throwing out the cattle. The cow should be replaced by homes; these families would work their own plot together and live independently and freely, feeling as if they are like any other Colombian.”¹⁰³

The image of the ideal Colombia that López was crafting for the Liberal Party was that of a mainly rural country, populated by a middle class of rural owners; in the cities, artisans and small industrialists would be the center of the urban economy. The core of the nation was the independent, productive family, and the Liberal state was committed to protect it; therefore, the Liberal Party could not “accept the process of proletarianization.” The route the state had to follow to achieve the complete fulfillment of this ideal was the implementation of an overarching program of reforms, at the economic, political, and administrative levels. Political reforms were mostly oriented towards guaranteeing the free exercise of voting, the education of the electorate,

¹⁰² López, “Idearium Liberal,” 184.

¹⁰³ López, “Idearium Liberal,” 205-206.

and the acceptance of a minority role for the opposition. But most reforms were economic, and they were primarily focused on the issue of land democratization and credit. López asked for policies to foster savings and strengthen official credit; protect national work, which was based on “reclaiming for the land its social function”; and stop land speculation through the implementation of progressive property taxes. He also lobbied for legislation to efficiently administer the Agrarian Reform Program, recently approved in Congress; improve agricultural production through technical commissions and research; support coffee production through the active intervention of the Federation of Coffee Growers in the coffee market; and adopt a set of stimuli to develop the artisan and peasant classes as a way to “enhance the size of the middle class.”¹⁰⁴

Promotion of agricultural production and the strengthening of official credit formed the hub of discussions over economic development. In 1934, recently elected President Alfonso López Pumarejo convened a committee of “economic experts” to advise the new government on the measures it should adopt to set the country on the road of permanent economic growth. This committee, the “Comité de Información Económica” (Committee of Economic Information), was tasked with collecting data, evaluating the fiscal problems of the government, and consulting with businessmen and intellectuals (“a large select group of people entitled to give their opinions on these issues”) about their own economic situation, and the possible direction of economic policy reforms. The Committee, composed of experts in banking, rendered a long report in which they explained the conditions of each sector of the economy, in particular agriculture and banking.¹⁰⁵ The road to recovery, the Committee concluded, was basically in the hands of the

¹⁰⁴ López, “Idearium Liberal,” 215-237.

¹⁰⁵ The Committee included Mariano Ospina Pérez, Emilio Toro (a Liberal businessman, López Pumarejo’s personal friend, and successful credit negotiator, who would eventually become official with the World Bank), and José

Caja Agraria: the government should invest in the Caja Agraria to solidify the coffee industry, support banana producers (and the producers' cooperative), diversify agricultural production, regulate cattle raising, and stimulate mining and manufacturing. The Committee insisted that in order to consolidate the "development of the country," the government should give the Caja Agraria more capital and resources for "making the benefits of credit and cooperation reach small business owners," which was "one of the most pressing issues in the agricultural development of the country." The strengthening of the Caja Agraria was accompanied by a serious restructuration of the banking system and the implementation of a progressive tax reform according to "the dominant principles that today rule social matters," to make, again, "social benefits easily available to all."¹⁰⁶ Reform of the banking system included the promotion of savings through the reorganization of the Caja Colombiana de Ahorros, and a policy of official banking to fix the big mistake, "[from] a social point of view," of having based "savings on industrial or banking equities or mortgage banks' bonds." In this vein, the government should "put an end to the profit motive that dominates BCH's (Central Mortgage Bank's) businesses" and take into account that a new official mortgage bank "must obligingly pay attention to the social question to avoid further problems and solve those already existing."¹⁰⁷

The report justified technically what politicians had been arguing in the context of the agrarian mobilization and intense political rivalries in Congress over the Liberals' programs of reform. Moreover, the idea of the experts in banking, Serventi, Tamayo, Andrade and Michelsen, that "[credit] is a powerful mechanism. Not even Russia has done without credit" and that "[credit's] deep principles are socialization and the division of labor" was broadly accepted and

Arturo Andrade, Ernesto Michelsen, Luis Tamayo and Giovanni Serventi (managers of banks and members of the board of directors of the Bank of the Republic).

¹⁰⁶ Mariano Ospina Pérez, Emilio Toro, Ernesto Michelsen, Luis Tamayo, Giovanni Serventi, and José Arturo Andrade to Alfonso López, u.d. *Presidencia*, Secretaría General (hereafter, SG), caja 232, carpeta 4: Bancos, 1-104.

¹⁰⁷ Mariano Ospina Pérez, et. al. to Alfonso López, 51-60.

supported by economic officials in the López Pumarejo administration. The notion that the recovery of the economy was based on promoting agriculture (and expanding the Caja Agraria) was also the cornerstone of the economic discussions advanced by these economic officials. Economic officials and experts in economic issues gave lectures, published articles in economic journals, and gave interviews for the Liberal press in which they relied on this two-tier conceptualization of development.

In 1935, in a lecture at the Jesuit Universidad Javeriana in Bogotá, Alfredo García Cadena, who had just been appointed by López Pumarejo as manager of the Agricultural Mortgage Bank (BAH), defined Colombia as a “pastoral and rural country”; severely questioned previous governments for responding to “an urban mentality” and ignoring their “social and political duty with the peasant masses” who constituted the majority of the population and the main contributors to the national wealth. In his conference, García Cadena juxtaposed the poverty of the peasants to the comfortable living style of bankers, speculators, and financiers, defended a program of land redistribution, and proposed a plan of action to make BAH credit more accessible to small producers.¹⁰⁸ In his public interventions as manager of the BAH, when explaining the policy of subdivision, he would often come back to this same argumentation to justify the role the Bank was playing in mediating the land conflict in Cundinamarca. Moreover, in his explanations about the causes of the early 1930s economic crisis and the different dislocations present in the Colombian economy, he reproduced Alejandro López’s arguments about the limits of colonization and the economic consequences of speculative investment in urban real estate. García Cadena worked hard to sell the idea that the BAH was materializing the Liberal state’s mission of bringing workers back to the land, creating individual owners,

¹⁰⁸ Alfredo García Cadena, *La tierra y el crédito. Conferencia dictada en el Paraninfo de la Universidad Javeriana el día 3 de junio de 1935*. (Bogotá: Juan Cassís Editor, 1935).

promoting agricultural production, and democratizing credit, while protecting farmers from usury and speculation.¹⁰⁹

Alejandro López, Alfredo García Cadena, the Socialist Antonio García, and officials of different ministries related to economic promotion, like Guillermo Amaya Ramírez, published in the economic journal, *El mes financiero y económico: la revista para comerciantes, industriales y hombres de negocios* (*The Economic and Financial Month: the Magazine for Merchants, Industrialists, and Businessmen*), founded in 1937 by the Liberal politician Plinio Mendoza Neira, who also founded a weekly political newspaper, *Sábado*, and was the director of an annual national statistical publication, *Colombia en cifras*. *El mes financiero y económico* included a section focusing on “Economía y agricultura,” which Mendoza Neira justified by arguing that “agriculture is the matrix of all economic activities, on whose situation either the prosperity or decadence of the entire economy depends.”¹¹⁰ This section included analysis of the problems and needs of agricultural production, and the basis of the government’s agricultural policy, in most cases emphasizing that “Colombia is first and foremost an agricultural country.” López, García Cadena, and Amaya Ramírez, among others, discussed the policy of subdivision, the difficulties of the Agricultural Mortgage Bank, the policies of agricultural promotion and colonization

¹⁰⁹ See Alfredo García Cadena’s articles published in *El Tiempo* and *El Espectador* in 1935-1936 in Banco Agrícola Hipotecario, *La parcelación de tierras en Colombia*. (Bogotá: Tipografía Lozano y Cía., 1937), 3-15; Alfredo García Cadena, “El crédito agrícola,” *Revista del Banco de la República*, 86. December, 1934, 415-416; “El problema del café en la economía nacional,” *Revista del Banco de la República*, 105. July, 1936, 239-240; “El precio de la tierra en Colombia,” *Revista del Banco de la República*, 127. May, 1938, 159-160; “El Banco Agrícola Hipotecario,” *El mes financiero y económico*, 6. October, 1937, 119-126; “La Caja de Crédito Agrario” (originally published in *El Tiempo*. September, 1932), 315-318; “La cuestión agraria” (originally published in *El Tiempo*. April, 1934), 319-323; “Hombres sin tierra” (originally published in *El Tiempo*. 28 March, 1935), 329-333; “Crédito para producir” (originally published in *El mes financiero y económico*, 19. November, 1938), 346-350, Alfredo García Cadena, *Unas ideas elementales sobre problemas colombianos. Preocupaciones de un hombre de trabajo*. (Bogotá: Imprenta del Banco de la República, 1956).

¹¹⁰ *El mes financiero y económico*, 10. February, 1938, 149.

implemented by the Liberal government, the economic possibilities of particular agricultural goods, and the importance of state interventionism through credit programs.¹¹¹

But beyond all discussions held within the circles of politicians, economic officials, and businessmen, the Liberal Party had already made the idea that Colombia was first and foremost an agricultural country the centerpiece of political rhetoric and the policy of promoting agricultural production and protecting the farmer, a publicly avowed obligation. President Alfonso López Pumarejo himself argued in his speeches, when trying to gather public support for his policies of reform, that it was the priority of the government to attend the situation of the “majority of the population,” namely landless peasants, the “vast and miserable economic class” that remained on the margins of the advantages of economic growth and full political participation. His way of convincing wealthy landowners and big capitalists that it was urgent to improve the living conditions of peasants—and working classes in general—was to tell them that they should realize that under these conditions “the economy is methodically destroying consumers,” and understand that “the vicious circle of our economic organization is annihilating capital with the same strength that it has ruined the working class.”¹¹²

In 1937, when evaluating the accomplishments and setbacks of his government, López Pumarejo concluded that perhaps the most important policy his government had put in motion was the expansion of official credit to protect agricultural producers through regional branch offices of the Caja Agraria set up throughout the country for the benefit of coffee, wheat, cotton,

¹¹¹ See for instance: Luis Enrique Osorio, “Economía y agricultura,” *El mes financiero y económico*, 5, 1937, 63-91; Guillermo Amaya Ramírez, “Temas de estudio”; Alfredo García Cadena, “El Banco Agrícola Hipotecario,” 119-126; Julio Malagón, “Movimiento parcelario en el país,” 129-131; Rafael Parga, “Las seccionales y la democratización del crédito,” 137-140, and “Alejandro López, “El problema ganadero,” *El mes financiero y económico*, 6, October, 1937; Raul Varela Martínez, “Política agraria,” *El mes financiero y económico*, 9, January, 1938, 163-170; Alejandro López, “El retorno a la tierra,” *El mes financiero y económico*, 26, June, 1939, 5-14. The initial interest of the journal in agriculture and agricultural credit will be slowly displaced by issues related to construction, urbanization, and architecture. The historical process behind this shift will be explored in chapter 4.

¹¹² Texto del mensaje del Señor Presidente de la República al Honorable Congreso sobre Educación Nacional, No. 19. Bogotá, 17 de diciembre de 1934. *Presidencia*, DSP, caja 62, carpeta 5: Congreso, 22-27.

sugar, and rice producers. He acknowledged that there was more work yet to do to make credit more accessible to small producers and that, in spite of the policies of promotion, there was still migrant labor roaming on the national territory, which the government hoped to employ for the construction of public works. However, the reforms implemented by the government, in particular the agrarian, labor, and the tax reforms, had been central in returning the country to economic stability and managing the social agitation in the countryside and in the cities. In answering criticisms faulting the reforms as Socialist and anti-business, López stated that, on the contrary, the reforms were “instrumental in reaching economic prosperity for all.”¹¹³

Yet, it was not completely true that all Colombians felt they had gained from the reform programs or credit expansion. Landowners from both parties exerted a ferocious campaign against the agrarian reform law, faulting the government for responding favorably to the action of agitators and subversives, while Conservatives opposed the reform agenda, making it difficult for the Liberal Party to get its projects approved in Congress. The process of subdividing large estates, with the intervention of the BAH also faced serious difficulties. Some peasant organizations continued requesting the revision of hacendados’ titles, for instance, arguing that the lands they were working were public and therefore they had the legitimate right to own them without incurring debt or paying for land in any way, and refusing to accept the offers made by the BAH. Moreover, peasants appropriated the government’s own arguments for their own purposes: they demanded the government’s immediate intervention on behalf of their cause since as the government itself had insisted, *they* were the real producers of national wealth. The cacophony of competing opinions posed a quandary for the Liberals. The more moderate wing of the party headed by Eduardo Santos partly solved the problem when it came to power in 1938 by

¹¹³ Alfonso López Pumarejo, “La gestión económica y fiscal del estado,” *Revista del Banco de la República*, 117. July, 1937, 267-271.

demonstrating to the opposition that the Liberals were not pushing for any sort of popular revolution. However, the situation of conflict in Cundinamarca persisted and the BAH was being criticized for the ineffectiveness of the policy of subdivisions. Carlos Lleras Restrepo, Minister of Finance under Eduardo Santos, came up with an alternative: the creation of a new credit institution to address social issues directly, while trying to keep rural workers attached to the land. This institution would complement what the BAH and the Caja Agraria were doing by detaching itself from the issues of titles and mortgage credit. This was the context in which the first national housing institution, the “Instituto de Crédito Territorial” (ICT, Territorial Credit Institute), the topic of the next section, came into existence.

Rural Housing and the Policy of Subdivision

From the start of the very first program of subdivision in which the BAH intervened, the case of the hacienda “El Chocho” in 1934, the process was marred with conflict. On the one hand, and in the context of the discussion of the agrarian reform law, landowners and agriculturalists vehemently opposed the supposedly lenient response of the national government to peasant mobilization, which they considered to be the product of Communist agitators, “degenerating in subversive movements against social order.” The Federation of Coffee Growers, which was not necessarily against the programs of land reform, warned President López Pumarejo, when the latter assumed the Presidency, of the magnitude of the problem in Sumapaz, suggesting that what coffee hacendados claimed about social agitation was not a lie after all, and that the constant state of restlessness created by “well-known elements” was “detrimental” for the normal functioning of the economy.¹¹⁴ The Sociedad de Agricultores de Colombia (Society of Agriculturalists of Colombia, SAC), asked the government for protection

¹¹⁴ Federación Nacional de Cafeteros to Alfonso López Pumarejo. Bogotá, 31 August, 1934. *Presidencia*, DSP, caja 62, carpeta 12: Federación de Cafeteros, 1-2.

of their property in face of land invasions and strikes, given that, ultimately, they were agriculturalists, the center of the production of wealth, so Liberals had insisted. The SAC, however, to tone down the reactionary tenor of their requests, feigned sympathy for a rural reform campaign that would include credit to small farmers, the creation of credit unions, sanitation, and education (in other words, a program of social reform that would leave out of the equation the problem of landownership).¹¹⁵ But there were much more reactionary positions. The Sindicato Central de Propietarios y Empresarios Agrícolas, or Junta de Empresarios Agrícolas (Junta of Agricultural Businessmen), an association of hacendados founded in Cundinamarca as a response to the political agitation of peasants, asked the government to take action against peasant mobilization. They also portrayed the movement as the result of a “Communist campaign” to create havoc and demanded repression, rejecting the argument that the situation was the product of the “injustice existing in a feudal system created by owners and capitalists.” Even though they were willing to cooperate in the improvement of peasants’ conditions, they rhetorically argued, they would not support any effort to “accommodate inadequate legislations and systems that do not improve working people’s conditions, but rather add to our own civilization the problems of others that might be ill.”¹¹⁶

President López and the Liberals in Congress insisted that the idea to implement an agrarian reform was not imported from Mexico or the Soviet Union—nor were taxes and enfranchisement an irrational copy of legislation adopted in industrialized countries, adopted without taking into consideration the particularities of Colombia.¹¹⁷ López repeatedly responded

¹¹⁵ Pompilio Guzmán, Presidente de la Sociedad de Agricultores de Colombia, to Señor Presidente de la República. Bogotá, 6 September, 1934. *Presidencia*, SG, caja 233, carpeta 26: Ministerio de Agricultura, 15-17.

¹¹⁶ Sindicato Central de Propietarios y Empresarios Agrícolas to Alfonso López Pumarejo. Bogotá, 20 September, 1934, 8-9; Sindicato Central de Propietarios y Empresarios Agrícolas to Alfonso López. Bogotá, 26 September, 1934, 10-13. *Presidencia*, SG, caja 235, carpeta 43: Sindicatos.

¹¹⁷ Congreso, Comentarios sobre el discurso de López, u.d. *Presidencia*, SG, caja 236, carpeta 9: Congreso, 48-51.

to the reactionary requests from landowners by asking them to understand that peasants' claims were justifiable and that what could attract agitators and subversives to influence peasant organization was precisely an insistence on maintaining intact an unjust system of labor relations. He explained that peasant mobilization was partly stimulated by the triumph of Liberalism in 1930 and its proclaimed defense of democratic principles and justice. To comply with these principles, the government was forced to consider a serious revision of the law which currently guaranteed the rights of private owners while leaving settlers and tenants defenseless. In complaining about the opposition his suggestions had encountered in Congress and among public opinion, López told landowners that to "raise the economic and moral condition of Colombian peasants and subtract them from agitation is a crucial endeavor. I hope agricultural industrialists and businessmen will cooperate with this task."¹¹⁸

Indeed, peasants took the Liberal discourse about social justice seriously. Whether they were asking the Liberal government to revise landowners' property titles, complaining about how regional authorities had reacted against their just cause, pointing out how agreements about subdivision were harming their interests, or requesting protection for their organizations, peasants told the government they identified as the true producers of national wealth and claimed that the regime of landownership in place was feudal. So did the Federación de Trabajadores de "El Chocho" when requesting that López Pumarejo move to revise the Caballeros' titles over the hacienda.¹¹⁹ The President's legal advisor recommended that López accept the peasants' request, ask the governor to reach an agreement in which the improvements peasants had made to the

¹¹⁸ Alfonso López to Enrique Soto, Ruperto Aya, Daniel Sáenz, Antonio J. Mejía and K. Y. Williamson. Bogotá, 6 September, 1934. *Presidencia*, SG, caja 233, carpeta 26: Ministerio de Agricultura, 18-25.

¹¹⁹ Federación de Cultivadores de la región de "El Chocho" to Alfonso López. Fusagasugá, 19 September, 1934. *Presidencia*, DSP, caja 62, carpeta 23: Ministerio de Industrias, 1-6.

land were recognized by the Caballeros, and push for the expeditious subdivision of the land.¹²⁰ In fact, subdivision became the most important policy the government relied on to deal with the agrarian question. Before the approval of the agrarian reform law, the Minister of Industries, Benito Hernández Bustos, explained in 1935 that the main issue his office was confronting was the constant complaints about labor contracts and requests to verify the validity of titles over land that the Oficina del Trabajo received from peasants. Subdivision and colonization were the main programs advanced by the Ministry “to neutralize social conflict.” Hernández Bustos argued that it was urgent that new legislation regulating land ownership be drafted, given that the existing land tenure regime was “insecure for proprietors, detrimental to workers, and inconvenient for the state.”¹²¹

Despite peasant support for the Liberal government’s efforts to redress their grievances, the governor of Cundinamarca, the Ministry of Industries, and the BAH never stopped being the constant object of complaints for the high prices of the land, the lack of other credit channels to advance production, and for buying and selling lands that had been hoarded illegally by landowners. In the case of “El Chocho,” for instance, in 1936 the government of Cundinamarca was forced to revise the terms of the agreement about subdivision after it sent a mission to the old hacienda and corroborated that peasants were still living in appalling social conditions (poor hygiene, no education, and widespread poverty). The mission concluded that peasants’ lands were far too small for peasants to make a living out of their cultivation, not to mention the difficulties peasants encountered in marketing their goods since owners had blocked their access

¹²⁰ Tulio Enrique Tascón to Alfonso López Pumarejo. Bogotá, 19 September, 1934. *Presidencia*, DSP, caja 63, carpeta 23: Ministerio de Industrias, 7-8; Carlos Pérez, Secretario de la Presidencia, to Ministro de Industrias y Trabajo. Bogotá, 5 August, 1934. *Presidencia*, SG, caja 234, carpeta 32: Ministerio de Industrias, 16; Tulio Enrique Tascón to Alfonso López Pumarejo. Bogotá, 9 February, 1935, 46-49. Tulio Enrique Tascón to Señor Presidente de la República. Bogotá, 5 March, 1935, 86-87. *Presidencia*, DSP, caja 64, carpeta 1: Abogados consultores.

¹²¹ Memorándum sobre las actividades del Ministerio de Industrias y Trabajo en el primer año de la actual Administración Ejecutiva y los propósitos que se inicia el 20 de julio entrante, u.d. *Presidencia*, SG, caja 238, carpeta 30: Ministerio de Industrias, 40-66.

to roads or bridges.¹²² The Bank, in the meantime, defended its intervention in the conflict as a contribution to the “search for an adequate and practical solution” of the problem. By coming to terms with the peasants, offering them credit at low interest rates and allowing payments in installments, the Bank had helped peasants become property owners. The price of the land, moreover, was established by following technical criteria to avoid speculation. Favorable conditions had been created for all—for peasants, for owners, and for the Bank.

Unfortunately, intervening positively to provide the tools with which to resolve longstanding land conflicts in Cundinamarca was not the Bank’s only responsibility of activity. The Bank continued with its international debt operations and as it was renegotiating debts with landowners and selling land to peasants, it had to also renegotiate its own debt with international creditors in London and in New York. García Cadena asked the government to authorize the Bank to put additional \$50,000 USD in bonds on the international market to acquire the financial solvency to address the international bond holders’ requests.¹²³ What the manager presented as a conscious political effort to make the Colombian agrarian reform experiment more realistic and economically viable than the Mexican one, was instead a kind of financial insurance for the Bank to keep its accounts in order. García Cadena suggested that the Colombian agrarian reform was economically rational, as it was based on the idea that those paying for credit would actually work to make their lands productive¹²⁴, but it was also the case that charging peasants for the land helped the Bank to get its money back and the government to maintain its international debt records in order.

¹²² Londoño, *Juan de la Cruz Varela*, 313; Marulanda, *Colonización y conflicto*, 103-119; Marco Palacios, *¿De quién es la tierra? Propiedad, politización y protesta campesina en la década de 1930*. (Bogotá: Universidad de los Andes, Fondo de Cultura Económica, 2011), 113-117. Palacios defines the process of subdivision as “a laboratory of social attitudes and patterns implicit in the limited, controlled, and selective distribution of land, which contributed to contain the protest movement,” 114.

¹²³ Alfredo García Cadena to Alfonso López. Bogotá, 17 August, 1935. *Presidencia*, SG, caja 236, carpeta 5: Bancos, 42-45.

¹²⁴ Banco Agrícola Hipotecario, *La parcelación de tierras*.

In 1939, after a couple of years of actively implementing the Agrarian Reform Law authorizing the Bank to subdivide properties, the government acknowledged the limits of the subdivision policy. The Minister of the National Economy under President Eduardo Santos, Jorge Gartner, acknowledged that new property owners (and debtors) were facing economic difficulties, since subdivisions were not predicated on a careful study of the actual economic possibilities in terms of market access and resources that independently tilling the plot a peasant had once cultivated for the hacienda might offer to a peasant family. The BAH, Gartner explained, intervened to reduce tensions at a crucial moment, but its actions were inspired by an understanding of subdivision as an end, not as a means to achieve economic and social improvement. What remained unaddressed was the need to orient subdivisions in ways that would improve the living conditions of peasants and help increase the production of agricultural goods that could be commercialized.¹²⁵

In a context of permanent conflict in which the main tool the Liberal Party had relied upon to consolidate its political program—official credit agencies—faced repeated criticism, and given the fact that new owners still suffered from economic deprivations, the Liberal government opted for addressing rural social questions with a new agency detached from the issue of land redistribution (although aimed at helping small rural owners). This agency, the Instituto de Crédito Territorial, was a housing institution that offered credit to peasants for improving their homes. The brain behind the creation of the ICT was the Minister of Finance, Carlos Lleras Restrepo. The Minister set up the ICT in January 1939, as part of an effort to expand public credit in the country. The Ministry also established the Instituto de Fomento Municipal (IFM, Institute of Municipal Promotion, a national entity that would channel resources to help small towns improve infrastructure) and enlarged the capital the government invested in public credit

¹²⁵ Jorge Gartner, *Informe del Ministerio de la Economía Nacional, 1939*. (Bogotá: Imprenta Nacional, 1939), 63.

institutions. The ICT was envisioned as the housing component of a “whole [credit] system technically coordinated.” As Lleras Restrepo explained years later, it initially acted in conjunction with the Caja Agraria (and independently from the BAH, one might argue) to work closely with peasant communities to expand the housing campaign to the greatest number of places as possible. The Caja Agraria, the ICT, and the IFM were components of an overarching campaign to “improve rural life.”¹²⁶

This national campaign to transform rural Colombia based on credit was also partly the result of the enormous difficulties of dealing with the social question through solving the issue of land ownership. Although it was a political obligation for the Liberal Party when Liberals’ discourse about social justice legitimized peasants’ demands for getting access to formal land ownership, once the peasant movement was gotten under control, it became necessary to deal with rural social problems without prompting the strong political opposition that the agrarian reform law and subdivision had raised. Why Carlos Lleras Restrepo and the administration of Eduardo Santos considered that undertaking a campaign for rural housing was central to achieving the transformation of rural life and the consolidation of a sound system of official national credit will be explored in the following chapter. The rural campaign, I will show, intersected with discourses of renovation and planning and with the intensification of urban social tensions, to transform the ICT into the first national, rural and urban, housing agency in Colombia in 1942.

¹²⁶ Un reportaje de Carlos Lleras Restrepo, Ministro de Hacienda, para *El mes financiero y económico*, tomado de *El Tiempo*, 2 de febrero de 1941. CLLR, Fondo Escritos, caja 1, carpeta 3.

CHAPTER 3

THE RISE AND FALL OF THE MODERN RURAL NATION

-“Don’t you think, Mr. Manager,” says the Minister, “that in case of crisis municipalities are going to stop paying back their debts on time to you, and so will peasants with their installments if a critical situation unfolds when the War is over? This is why I have always believed that a big credit institution offering all services to peasants would be the only way to save the rural housing campaign, because loans for the wealthy will guarantee loans for the poor.”

Alfonso Araújo, Minister of Finance, to José Vicente Garcés Navas, Manager of the ICT, May 7, 1943.¹

Introduction

In 1953 the Organization of American States (OAS) inaugurated its housing institution, the Inter-American Housing Center (Centro Interamericano de Vivienda, CINVA). CINVA set up its offices in Bogotá, from where it was to focus on analyzing and tackling the growing and acute housing deficiency in Latin America. A select group of housing experts—from architects, to sociologists, social workers, anthropologists, and economists—promptly started researching and publishing their findings. By 1955, CINVA experts had already assessed the serious proportions of the housing shortage and deficiency in Colombia, writing very critical reports on the reach and effectiveness of the Instituto de Crédito Territorial (ICT), a banking agency the Liberal government had created in 1939 to offer inexpensive credit for housing to poor rural families. Ernesto Vautier, an Argentine architect and a leading CINVA figure, in an article published in *Economía Colombiana* (the journal of the National Comptroller’s Office, the Contraloría General de la Nación), questioned how an institution such as a bank could solve what was already a worrisome social issue, that is, the increasing shortfall of urban dwellings and

¹ Acta 144, May 7, 1943. Instituto de Crédito Territorial, *Actas Junta Directiva 1939-1947*. Archivo INSCREDIAL, Bodega “La Fragua,” Bogotá (hereafter ICT, *Actas I*), 358.

appalling housing conditions in the countryside. By mid-1955, Vautier had already travelled through various Colombian regions only to find that peasants' houses were the nuclei of infectious diseases, promiscuity, and social dislocations. These houses lacked water and sewage systems, sanitary units, chimneys to expel smoke and gases, were dirt-floored, inadequately built with adobe and *bahareque* (a sort of wattle-and-daub technique consisting of simple wood frames filled and plastered with a mixture of mud, clay, sand and other elements), and affected by all sorts of unhygienic practices such as inappropriate waste and trash management. These persistent dreadful conditions demonstrated that the ICT's and the Federation of Coffee Growers' rural housing initiatives were clearly limited and inefficient.²

According to Vautier's estimates, to solve housing shortages and inadequacies the Colombian government had to invest at least \$400 million pesos per year (approximately \$97 million USD at the time), of which \$218 million pesos (\$53 million USD) had to be exclusively invested in the rural sector. These numbers were extremely high in relation to the national income and an institution like the ICT, argued Vautier, could not provide effective relief by lending at 2% the money it obtained at a commercial rate of 7%. Credit was therefore a completely unviable way to address the housing problem. But this was not Vautier's only criticism of the ICT. Under the ICT's scheme, in which the institution had assumed the construction of houses as a required complement to the credit program, peasants were paying very high costs for their houses. ICT houses were being built by contractors, who were specialized urban laborers, making construction costs prohibitive by rural standards. An average Colombian peasant, "whose monetary income is about \$150 pesos or less per month" (\$36.5 USD) and "who is poorly nourished and doesn't count with more than what is necessary to survive," could not pay the ICT the \$20 peso (\$4.8 USD) installment to finance his house. Urban

² Ernesto Vautier, "El problema de la vivienda rural en Colombia," *Economía Colombiana*, 6 (15), July 1955, 59-63.

costs required urban-level incomes. A final criticism of the ICT's focus on credit was the fact that peasants in general were very skeptical of mortgage credit, since it put at risk the legitimate possession over their farms in the event of bad harvests. Thus, Vautier invited the Colombian state to acknowledge that the problem of rural housing was not an issue of financing—the most the state could do in this regard was to subsidize construction materials—but rather one of education about housing, since peasants in Colombia could only count on their own labor to make any housing improvement a reality. Housing education had to be part of an overarching program of rural improvement, including such diverse issues as basic education, commercialization of peasant production, nutrition, hygiene, and savings among others.³

In his report, Vautier laid out the principles of self-help housing, which became the cornerstone of housing development in the late 1950s and central for the programs undertaken by the ICT. Self-help housing construction was a comprehensive policy, in which state institutions would collaboratively intervene in the solution of acute social problems in rural and urban communities, by providing them the tools to solve them. In Vautier's words, such a housing program would require the state “to move beyond the issue of building more and better houses, to produce better men and better communities, who are able to build those houses and structure a better community.” He called on the ICT to change its previous practices for a more inclusive and broader policy, which might require more patience and investment, but whose results would be long lasting and limitless. The ICT should therefore “modify its character of credit entity, whose financial cycle of operation must close by the end of each loan, to become primarily an organ of social service and technical assistance that could count with funds that do not generate returns. This Institute should modify its policy of building the houses for peasants for one that

³ Vautier, “El problema de la vivienda rural,” 61.

makes peasants culturally and economically able to improve their own houses, helping themselves and helping each other.”⁴

One might be inclined to think that Vautier’s critique should have shocked Colombian reformers who had been strong believers in credit’s benefits since the early 1930s, pushing for the creation of a complex credit system to support Colombians’ economic ventures while tackling social issues. But it did not. CINVA’s criticisms and suggestions indeed influenced the route the ICT was to take from that moment on as it shifted its focus to urban housing, leaving the financing of rural housing to the Caja Agraria. Indeed, Vautier’s critique proved so influential that historical accounts of the ICT produced since the mid-1950s barely mention that the Institute had built houses in the countryside for fifteen years.⁵ However, it was precisely the obstacles and financial problems the rural housing program faced which led housing experts to reconsider the capacity of credit to effectively transform living conditions in the countryside. Fairly early on, administrators of the program confronted the contradictions implicit in conceptualizations of credit that considered it a social tool, as it benefitted borrowers and lenders equally. These contradictions emerged when the costs of the program appeared to put at risk the financial stability of the state’s credit system.

This chapter focuses on the nature of these contradictions, which impaired the effectiveness of the program, and the political debates these contradictions spurred. It argues that

⁴ Vautier, “El problema de la vivienda rural,” 62.

⁵ See Instituto de Crédito Territorial, *Una política de vivienda para Colombia. Primer Seminario Nacional de Vivienda, 1955*. (Bogotá: Imprenta Nacional, 1956); Instituto de Crédito Territorial, *Apuntes sobre desarrollo urbano. Memoria al IV Congreso Nacional de Ingenieros, 1966*. (Bogotá: ICT, 1966); Alberto Saldarriaga Roa, Corporación Colegio de Villa de Leyva, CEHAP (Medellín), and CITCE (Cali), *Estado, ciudad y vivienda. Urbanismo y arquitectura de la vivienda estatal en Colombia, 1918-1990*. (Bogotá: INURBE, 1996); INURBE, *Instituto de Crédito Territorial, ICT. Medio siglo de vivienda social en Colombia, 1939-1989*. (Bogotá: Ministerio de Desarrollo Económico, INURBE, 1995). Perhaps the only historical account of the ICT that considers its rural campaign important is Carlos Lleras Restrepo’s, *Reseña histórica del Instituto de Crédito Territorial*. (Bogotá: Ministerio de Desarrollo Económico, Instituto de Crédito Territorial, 1980). Biblioteca Luis Ángel Arango, *Archivo Carlos Lleras Restrepo* (hereafter *CLLR*), Fondo Impresos, caja 2A.

in spite of the obstacles, limitations, and financial restrictions the rural housing program advanced by the ICT encountered, it proved to be a significant policy with long term repercussions. Colombian reformers, such as future President Carlos Lleras Restrepo, in particular, conceived of credit for housing as a multi-pronged strategy to deal with social conflict, political tensions, and generalized poverty in the countryside, a story chronicled in the first three sections of the chapter. The first section, “Navigating through Obstacles,” shows that existent social programs related to the Agrarian Reform Law approved in 1936 stumbled at the local level due to the intricacies of local networks of political and economic power, or what politicians called “the problem of the municipality.” Economic officials and reformers understood credit as a powerful tool that could influence local politics by providing a channel for national programs to work on the ground. A second section, “The Rural Improvement Campaign,” connects Colombian efforts to transform municipal reality through credit with parallel initiatives of rural planning advanced in Europe, in which housing was at the center. “Building Houses in the Midst of Conflict,” focuses on the first projects developed by the ICT, demonstrating that tackling the agrarian conflict was indeed one of the most important objectives of the Institute’s housing policy and what led the Institute to concentrate its action in the province of Cundinamarca. Paradoxically, one of the most important consequences of the ICT’s rural housing campaign was that it laid the basis for the development of the national *urban* housing projects the ICT undertook starting in 1942. Urban municipalities and housing administrators simply adapted new construction technologies as well as the administrative and financial structures already in use in rural housing efforts to the new requirements of the urban campaign. Moreover, as the section titled “From Urban to Rural” shows, it was during its experience in promoting rural housing that the ICT established key connections with the

construction sector; this sector received a great push forward during the early 1940s as did prominent modernizers, who would be the agents of the material transformations cities experienced during the 1940s and 1950s. Finally, the chapter ends with an explanation of how the “urbanization” of the rural housing program coincided with the crisis of credit as a social tool.

Navigating through Obstacles: the Problem of the Municipality

The rural housing campaign started off as a credit policy for very good reasons. During the late 1930s and early 1940s, government officials still believed in credit’s capacity to act neutrally, which meant that being an economic tool that responded to an economic logic, users and providers of credit would equally benefit. Its supposed neutrality gave credit a political ability that other policies lacked: it could be supported by a broad sector of the political spectrum, from local authorities to high-ranking financial officials, as well as by Liberals and interest groups identified with members of the opposition in Congress. Yet despite economic officials’ and reformers’ high hopes, implementing credit strategies at the municipal level faced considerable obstacles. The most worrisome was perhaps the problem of subdividing large (rural) estates. As Chapter 2 made clear, officials were aware that it was necessary to address the agrarian conflict with social policies that would allow credit agencies to operate independently from the issue of title granting and regularization. Here I introduce a new component to the elements that led credit king-pins Carlos Lleras Restrepo, his uncle Julio Lleras Acosta, and the Antioqueño banking expert, Luis Ángel Arango, to conceive of a Credit Union focused on rural housing issues: the problem of the municipality. The obstacles that subdivision encountered at the local level and the ways in which these obstacles brought into question the effectiveness of official banking entities like the Caja Agraria and particularly the Agrarian Mortgage Bank

(BAH), not only threw into relief the limits of title granting, they also shed light on the slippery relationships the central government in Bogotá maintained with Colombia's municipalities and provinces. Officials in Bogotá constantly received peasant complaints, reports from state agents in charge of implementing government programs, and extensive analyses about local conflicts made by judges and other inspectors that lay bare the considerable difficulties national programs encountered at the local level. The persistence of conflicts over land, labor and resources in Sumapaz, in the province of Cundinamarca, painfully demonstrated that (urban) Bogotá had to do much more to transform rural social relations if it hoped to consolidate a middle class of small owners.

The Pitfalls of Subdivision

Government agents involved in the process of subdivision and the enforcement of the Agrarian Reform Law, Law 200, like inspectors at Oficina del Trabajo (Department of Labor of the Ministry of Industries) or land judges⁶, constantly reported back to the government in Bogotá on the situation in the countryside. A few years after Law 200 went into effect, these individuals' reports not only made clear that social conflicts persisted in the region of Sumapaz (located south-west of Bogotá in the provinces of Cundinamarca and Tolima), but also foregrounded in their interpretation of ongoing rural conflict and tensions, the precarious economic and social conditions in which rural workers lived. These reports informed the government that peasant leagues established in the early 1930s, which mobilized for better working conditions and the regularization of land titles, had undergone a fundamental transformation in ways that questioned the legitimacy of the Liberal government and its policies. The leagues that had previously

⁶ The Department of Labor of the Ministry of Industries disappeared in 1938 due to the Ministry's reorganization into the Ministry of Labor, Hygiene, and Social Assistance. Land judges were created by the Agrarian Reform Law to deal with all cases related to public lands, title disagreements and conflicts between settlers and owners; they were abolished in 1943.

reached out directly to President López Pumarejo asking the national government to protect them from landlords' and local authorities' attacks were now skeptical of Liberal land policies. These organizations had initially appropriated the Liberal Party's proclaimed principle that the peasantry was the main contributor to national progress and that it was the national state's main responsibility to guarantee their well being, but were now testing the Liberals' true commitment to their beliefs. By the late 1930s, members of peasant leagues had joined "colonias agrícolas." In contrast to the independent settlers and squatters, who had considered themselves beneficiaries of colonization schemes, agrarian colonies refused to acknowledge that their lands were owned by a powerful landowner and therefore refused to accept subdivision programs spearheaded by the Governor's Office and the Banco Agrícola Hipotecario (BAH, Agrarian Mortgage Bank). Settlers and unionized peasants, including those affiliated with the Federación del Trabajo de Cundinamarca (the official Liberal union in the province) distrusted Liberal local leaders, who they accused in some cases of acting in complicity with landlords. Indeed, settlers and peasants' political involvement questioned the effectiveness of the Liberal agrarian policy based on subdivision, credit, and title regularization. The historiography on peasant mobilization during this period argues that the Agrarian Reform Law had the political effect of detaching peasant mobilization from oppositional parties such as Jorge Eliécer Gaitán's Unión Nacional Izquierdista Revolucionaria (UNIR, National Leftist Revolutionary Union) and Erasmo Valencia's Partido Agrario Nacional (PAN, National Agrarian Party), which had provided settlers and tenants with a political platform to build their grievances upon.⁷ It was true that Law

⁷ In the midst of Law 200's implementation, Gaitán himself shifted gears away from a rural focus to concentrate his political efforts in urban centers. Indeed, in mid-1936 the Governor of Cundinamarca, Parmenio Cárdenas, appointed Gaitán as Bogotá's Mayor. No doubt, this proved to be a mutually beneficial decision as it helped the Governor detach Gaitán away from the peasant movement in Sumapaz while offering the latter a wonderful opportunity to consolidate his political base in Colombia's capital city (a topic whose consequences are explored in greater detail in Chapter 4).

200 had, in a few cases, cleared up hacendados' dubious ambitions over settlers' land and improvements, subdividing and commercializing land that was held by only a few. The commercialization of land, this literature asserts, was a critical element in dissolving the UNIR and the PAN, ultimately weakening peasant mobilization.⁸ However, in spite of the decline of the influence of Gaitanismo and other dissident political movements over the peasant movement in the region, it became clear that Law 200 was not enough to solve the agrarian problem and that the Liberal government had to do much more to materialize its program of consolidating a prosperous middle class of rural owners, and that this included taking effective measures to improve peasants' living conditions.

The regions of Fusgasugá and northern Sumapaz, where the haciendas "Sumapaz" and "El Chocho" were located, not surprisingly proved to be where estate subdivision was most problematic and contentious. In 1928, the Conservative government had allowed for the colonization of a vast territory along the border between Tolima and Cundinamarca, the "Colonia Agrícola del Sumapaz" (Sumapaz's Agricultural Colony), in the municipalities of Cunday, Icononzo and Pandi. Although peasant leagues and unions won some victories, over time, colonization of public lands and subdivision of private estates became a single, entangled process. Peasant leagues and unions obtained some triumphs. In the early 1930s, for example, the Ministry of Industries and the Governor's office declared that large portions of the haciendas "Doa" and "Sumapaz" were public and proceeded to subdivide them in response to peasant

⁸ See Catherine LeGrand, *Frontier Expansion and Peasant Protest in Colombia 1850-1936*. (Albuquerque: University of New Mexico Press, 1986), 155-162; Elsy Marulanda, *Colonización y conflicto: las lecciones del Sumapaz*. (Bogotá: Universidad Nacional, Tercer Mundo Editores, 1991), 243-245; Rocío Londoño Botero, *Juan de la Cruz Varela: sociedad y política en la región de Sumapaz (1902-1984)*. (Bogotá: Universidad Nacional de Colombia, 2011), 361-368. Londoño Botero argues that the effects of the Liberal policies during the Eduardo Santos government (1938-1942) were so effective in disrupting political organization among Sumapaz peasants that there was almost no mobilization at this moment. This chapter will show that whereas leagues and agrarian parties might have disbanded, the Santos government in fact saw the reconfiguration of peasant politics as a highly problematic and contentious issue.

mobilization. But in many other instances the regularization of titles was less favorable to settlers. As land courts became filled with cases related to unclear land limits and tensions about access to water resources and transportation routes, settlers in southern Sumapaz began to move north, where other haciendas were also being subdivided and offered the possibility of settling on uncultivated portions of these properties.

These tensions marred the progress of colonization schemes like the Sumapaz Colony. According to government officials, residents of the Colony, about 6,000 in 1938, complained about their housing conditions, the lack of roads, and the inefficient process of land titling even though they had experienced improvements in health, sanitation, savings, and infrastructure, and had benefitted from agricultural and livestock promotion programs. The even more deficient conditions of communities located close to the colony but not benefitted by its programs increased frictions and tensions between settlers.⁹ This situation spurred a new colonization current in which some peasants squatted on lands that bordered with, or were within the jurisdiction of, properties held by the Caballero family and their business partner, Francisco Flórez—owners of the coffee haciendas “El Chocho” and “El Soche”—forest for lumber exploitation and sawmills in Fusagasugá, and the landholdings of other hacendados in neighboring areas. These haciendas were the core of the subdivision program led by the BAH. In addition to the possibility of benefitting from subdivision, peasants moved across the region drawn by an additional economic incentive. On the highlands of the subdivided haciendas forest for timber exploitation was available, a highly profitable enterprise given that the urbanization of Bogotá required increasing amounts of construction materials like lumber and charcoal. The fact that peasants were now engaged in this type of production, in addition to cultivating coffee and

⁹ José Jaramillo, Jefe de la Sección de Colonización, a Ministro de la Economía Nacional, Bogotá, October 8, 1938. Archivo General de la Nación, *Fondo Presidencia de la República* (hereafter *Presidencia*), Secretaría General (hereafter SG), caja 250, carpeta 37: ministerio de la agricultura, 140-166.

food crops, was a new and unexpected source of strife.¹⁰ The process of strained negotiations between landlords and tenants over prices, land limits, and the value of land improvements turned into volatile social conflicts by the late 1930s.

For the national government it was a very sensitive issue to deal with entrenched local and regional networks of economic interests and political influences. Since very early in the process, high-ranking government officials were aware that critical programs aimed at addressing the agrarian conflict such as land subdivision and credit democratization were trapped in this network of influences. Peasants' complaints about local authorities' management of the subdivision of "El Chocho" and "El Soche" reached Bogotá as early as 1936. Officials in Bogotá perceived that a solution to the problem could be to strengthen the role of national institutions that could support the government's programs and whose operation they could supervise directly from Bogotá. The state of confusion was such that while peasants accused regional and municipal authorities of allying with hacienda owners, provincial officials claimed that neither peasants nor owners complied with agreements, and municipal authorities accused peasants of subversion, invasion of private lands, rustling, smuggling and other irregular economic activities. Organized peasants in the Sindicato Central Campesino de Sumapaz (Central Peasant Union of Sumapaz) considered that Cundinamarca's government was following a "commercial objective, rather than a social one" in conducting the division and selling of haciendas, in particular of "El Chocho." They contended that the Lieutenant Governor of Cundinamarca, Jorge Zamudio, had let the process fall into administrative chaos and was implementing a whole range of irregular, non-negotiated measures, such as charging peasants higher-than-agreed upon interest rates and administrative fees. Peasants also accused Zamudio of mismanaging title granting by favoring

¹⁰ See *Marulanda, Colonización y conflicto*, 45-55, 82-90, 216-225; various documents in *Presidencia*, Despacho Señor Presidente (hereafter DSP), caja 69, carpeta 34: sindicatos; SG, caja 235, carpeta 43: sindicatos; Biblioteca Luis Ángel Arango, *Archivo Eduardo Santos* (hereafter *ES*), Fondo Gobernaciones, caja 2, carpeta 2.

“certain political figures to the detriment of peasants’ interests,” and applying a divide-and-conquer strategy of selling plots to the wrong peasant family, practices that spurred tensions between beneficiaries. According to the Sumapaz Union, local authorities and landowners also were interested in delaying agreements, since some of these unionized peasants were settlers producing timber for urbanization, a business over which landowners strived to maintain control, claiming that peasants were already reaping high benefits from engaging illegally in it. Zamudio conducted what the union deemed as unnecessary technical inspections, for which he hired engineers whose honoraria were paid by purchasers. Meanwhile, businessmen and local authorities accused settlers of invading private forests, provoking their detention by the local police. With peasants locked up in jail it was easier to avoid the formalization of their titles or at least delay the process. In addition, the Union complained that the Governor, Luis Tamayo, had failed to fulfill his promise of building schools for over 1,000 children in need of formal education and roads to connect isolated plots, making it impossible for farmers to commercialize their products. They felt “tricked,” the Union stated, because it was this promise that had made them accept the province’s subdivision program in the first place.¹¹

From 1937 through 1939, these tensions over colonization and subdivision continued and even turned violent. Regional authorities also expressed frustrations, blaming both sides of the conflict for not respecting the terms of the agreements reached with the mediation of Governors. Governors knew that local authorities were repressing and threatening peasant leaders, especially those who opposed the subdivision program.¹² According to the Governor of Tolima, Juan E. Gacharná, in most of southern Sumapaz, owners were proceeding with forced evictions in spite of his permanent requests to avoid any action against settlers until the legal status of their lands

¹¹ Sindicato Central Campesino de Sumapaz, Oficio No. 51, Manifestación al Exmo. Sr. Presidente de la República, Silvania, Fugasugá, January 6, 1936. *Presidencia*, SG, caja 241, carpeta 5: bancos, 3-11.

¹² Londoño Botero, *Juan de la Cruz Varela*, 320-321.

was clarified by land courts. In early 1937, some peasants were harassed by the local police in Cunday and forced to abandon their lands; in another incident in this same town, policemen and “private parties,” who were apparently obeying orders from local authorities and “the Sáenz Londoño Coffee Company,” and “in a noticeable state of drunkenness” attacked a group of settlers, wounding several and killing one of them. Juan de la Cruz Varela, the president of the Sociedad Agrícola de la Colonia de Sumapaz (Agrarian Society of the Colony of Sumapaz) asked president López Pumarejo to send representatives of the national government to mediate in the situation.¹³

The formal complaints of multiple peasant unions were filed by their national trade union representative, which motivated an inspection of the regions of “El Chocho,” “El Soche,” and “El Hato,” located in Fusagasugá and Pasca, by the Juez Tercero de Instrucción Criminal in Bogotá, Enrique Bueno Cabrera.¹⁴ The Judge visited the area in early 1939, writing an extensive, detailed report on the investigation he conducted about the escalating conflict between peasants and owners, the role of local authorities, and the obstacles that credit, subdivision, and colonization encountered. In the coffee producing region of “La Palma,” the isolated mountainous portion of the hacienda “El Hato,” where it had been very difficult for the state to “actually make its presence felt,” the Judge found “an insolent and monopolizing *caciquismo* that completely and systematically [dominated] all activities in this region.” The situation the Judge described in “La Palma” was that a few businessmen, who were not only landowners, but also in

¹³ Sociedad Agrícola de la Colonia del Sumapaz a Alfonso López, Icononzo y Cunday, February 26, 1937. *Presidencia*, SG, caja 247, carpeta 34: sociedades, 2-3; Informe del Juez Primero de Instrucción al Municipio de Cunday, Bogotá, March 29, 1937. *Presidencia*, SG, caja 246, carpeta 24: ministerio de gobierno, 13-14; Garcharná, Gobernador del Tolima, a Ministro de Gobierno, Ibagué, April 5, 1937. *Presidencia*, SG, caja 246, carpeta 17: gobernaciones. Varela became a prominent agrarian leader who would be active in national politics until the 1970s.

¹⁴ The Judge states that peasants were affiliated to the Confederación Nacional del Trabajo (CNT, National Confederation of Labor), but in fact the trade union that was recently created (1938) with the support of the Liberal Party was the Confederación de Trabajadores de Colombia (CTC, Colombian Workers Federation). There is no trace of a rural union standing for CNT.

control of local commerce, transportation, and coffee threshing and commercialization, held the reins of local political power and persecuted unionized peasants. Máximo Cáceres, former owner of “El Hato,”¹⁵ who also owned local commercial businesses, warehouses, and some other urban property, an entire fleet of trucks, and the area’s only coffee thresher, had established a network of influences through family and business relationships with local merchants and politicians, “hampering [La Palma’s] progress.” The Mayor and a considerable number of councilmen were somehow related to Cáceres and, what was very preoccupying to the Liberal government in Bogotá, Cáceres’ associates were in charge of the local Liberal Directorate and the Caja Agraria office. They were also determined to cut off settlers and unionized peasants from economic activities, by hiring seasonal workers for coffee harvesting, signing new tenancy contracts to replace settlers’ work, and using charges of illegal alcohol production to send them to jail. Arguing that these peasants were earning a large income through illegal alcohol smuggling, an issue that greatly affected the regional treasury,¹⁶ the police often raided peasants’ properties, detaining leaders under the charges of “alcohol smuggling and Communism.” Bueno Cabrera was also critical of the direction that peasant politics was taking by allowing “Communist agitators” to take positions of power, polarizing and dividing peasant unions and leading them to

¹⁵ The information about “El Hato” in this document is at odds with that provided by the secondary literature, which argues that the hacienda was the property of Helena Rubiano de Obregón and subdivided into 114 plots in 1937 by the BAH after a period of conflict over labor conditions, with the intervention of the UNIR. The subdivision marked the end of social tensions between owners and workers, but created frictions between wealthy peasants who settled on the lowlands of the hacienda and the poorest peasantry that was “confined” to the low-quality highlands. “La Palma” appears in the literature as an hacienda affected by Law 200 in the 1940s, and Cáceres is never mentioned. See Darío Fajardo, *Haciendas, campesinos y políticas agrarias en Colombia, 1920-1980*. (Bogotá, Fundación Friedrich Naumann, Editorial Oveja Negra, 1983), 58-60; Londoño, *Juan de la Cruz Varela*, 256-260; Marulanda, *Conflicto y colonización*, 216. It is very likely that Cáceres had been linked to the Obregón family and that “El Hato” had been divided into different haciendas (including “La Palma” and “Altamira”) before the BAH distributed plots for tenants.

¹⁶ The production of official “aguardiente” was still one of the most important sources of income for regional governments of several provinces including Cundinamarca. Due to the heavy weight of alcohol revenues on provincial treasuries, some critics claimed that the Colombian state was “a drunken state.” Bueno Cabrera concluded from his investigations that while most likely peasants were engaged in “unregulated production of fermented beverages and alcohol,” as was “a common practice in all warm lowlands in Cundinamarca,” they never did so to the extent of widespread smuggling. He suspected that the Cáceres clan made up all evidence to persecute settlers.

take violent reprisals against owners' harassment.¹⁷ The situation at "La Palma" reached a critical point in 1941, when the owner, presumably Cáceres, justified the eviction of "squatters" from his land who were most likely peasants who had settled on uncultivated land motivated by both the Agrarian Law and the burgeoning lumber business, by claiming that these peasants had exhausted water sources through intense deforestation.¹⁸

The situation in Pasca and Fusagasugá was even more conflictive. In Fusagasugá, a group of "administrators and ambitious merchants and businessmen" connected to the Caballero family and their business partners, Francisco Flórez and Pedro Vicente Matallana, were using all sorts of irregular—or illegal, to be precise—strategies to expel settlers who, they argued, were squatting on their portions of the haciendas. The Judge explained that before Law 200 settlers from the Colonia Agrícola del Sumapaz had settled on the Caballeros' land, but faced with subdivision, these peasants claimed that their lands—mostly exploited for subsistence crops and timber—were public since they had been uncultivated until the settlers' arrival. Settlers asked the regional government to maintain the "status quo," this is to allow them to exploit their plots until a land judge clarified the legal situation of that portion of the hacienda. But local authorities did not respect the status quo. Matallana's and Flórez's administrators destroyed peasants' houses and crops with the tacit complicity of the local government. The Mayor also had set up very convoluted and expensive procedures to grant licenses for exploiting timber and commercializing charcoal to limit peasants' access to the business, which was in the hands of

¹⁷ Juez Tercero de Instrucción Criminal a Ministro de Gobierno, u.d. [circa 1939]. *Presidencia*, SG, caja 253, carpeta 6: Ministerio de Gobierno, 49-60. Among the "Communist agitators" that the Judge mentions in his report are Julio Ocampo Vásquez and Manuel Marulanda Vélez. The latter was a high-ranking union leader in Bogotá, the sub-secretary of the Federación del Trabajo de Cundinamarca (Workers' Federation of Cundinamarca). Ocampo Vásquez was in fact a member of the Communist Party and organizer of Communist peasant leagues in Viotá. He was expelled from the Communist Party on the accusation of having betrayed the peasant movement due to his "pragmatism." Marco Palacios, *¿De quién es la tierra? Propiedad, politización y protesta campesina en la década de 1930*. (Bogotá, Universidad de los Andes, Fondo de Cultura Económica, 2011), 160.

¹⁸ Marulanda, *Colonización y conflicto*, 216.

Flórez and Matallana.¹⁹ Settlers' unsecure situation was such that they had not fenced their plots or invested in their cultivation due to their fear of being fined by the Mayor or persecuted by the police or the Matallana's and Flórez's overseers.²⁰ Subdivision and colonization were therefore not leading to a rational economic use of land and rural labor.

In the meantime, at "El Chocho," even those peasants who had been sympathetic to the provincial government's program (and even accused by the Gaitanistas of being agents of the Caballero family) were complaining about the dismissive attitude of the local branch of the Caja Agraria and the manipulative role played by the provincial government. Germán Velásquez, who had opposed the UNIR before subdivision and was now the president of the cooperative of production and consumption at "El Chocho," claimed that the Governor used the cooperative—which Carlos Lleras Restrepo and President López Pumarejo had personally supported—to force peasants to accept the terms of "its terribly chaotic process of subdivision" by making membership contingent on land ownership. The Superintendente de Cooperativas explained to the president that the cooperative's problems stemmed from tensions within peasant organizations and between the cooperative and the local Caja Agraria. The cooperative was on the verge of bankruptcy because the Caja Agraria had refused to open a credit line for it, arguing that, as an institution, it could not offer enough financial guarantees. This dismissive attitude towards the cooperative was a response to fissures between peasant groups, who engaged in "feuds," blocked the cooperative as a possible channel of subsidized credit for small producers.²¹

Apparently, this case was not the only one in which local branches of credit agencies had refused

¹⁹ Flórez was involved in supplying materials for urbanization since the 1920s; he owned a large sawmill, which besides ignoring any labor legislation, also contaminated the water resources settlers used for consumption and cultivation.

²⁰ Juez Tercero de Instrucción Criminal a Ministro de Gobierno, 60-67.

²¹ Germán Velásquez a Alfonso López, Sylvania, October 7, 1937, 158-159; Miguel Velandia, Superintendente de Cooperativas, a Secretario General de la Presidencia, Bogotá, October 20, 1937, 160-162. *Presidencia*, SG, caja 244, carpeta 33: superintendencia bancaria.

to accept cooperatives as intermediaries between official credit and small producers. Often, the Caja Agraria claimed that, as a bank, it could not rely on cooperatives' limited financial capacity, in spite of the institution's avowed mission of granting credit to small agricultural endeavors in great need of capital, like cooperatives. From Bogotá, the Minister of Industries and Labor, the Antioqueño, Conservative politician Gonzalo Restrepo Jaramillo, had tried to redirect the bank's policies, but this happened only slowly and sporadically.²² These officials considered that the persistence of peasant poverty, in spite of the implementation of governmental programs of agricultural improvement led by the Ministry of the National Economy or decentralized institutions like the Caja Agraria, was undermining political stability, dangerously driving the region's farmers and workers towards radicalization.

In fact, the situation in Fusagasugá and Pasca was volatile precisely because peasant organizations in these towns, which were influential in local politics, seemed not to be following the precepts of the Liberal authorities. Peasant leaders held important positions on municipal Councils (Pasca's Council was formed by an "agrarian majority") and *Personerías* (legally constituted entities empowered to execute contracts) and were supported by influential sympathizers at local courts. The confrontation between the executive and the legislative and judicial systems was thus constant. And in both towns, Bueno expressed with great concern, businessmen's repression was opening the door for savvy agitators or "outstanding Communist bosses," to "use subversive methods to redeem peasants and achieve social justice."²³ These renowned Communist leaders were peasant organizers in Viotá (located close to Silvania, to the northwest, a municipality founded after the subdivision of "El Chocho"), who moved around the area to fill the political void left by the Gaitanistas. In Viotá the agrarian union also controlled

²² Miguel Velandia, Superintendente de Cooperativas, a Ministro de Industrias y Trabajo, Bogotá, February 2, 1938. *Presidencia*, SG, caja 251, carpeta 44: ministerio de industrias y trabajo, 11-13.

²³ Juez Tercero de Instrucción Criminal a Ministro de Gobierno, 67-73.

important positions like the local *Personería*, creating permanent conflicts within the town's administration. But political conflicts in Viotá were aggravated by the fact that the Colombian Communist Party (PCC) capitalized on peasant movements over the course of the 1930s. A perfect illustration of these tensions was that while Viotá's Mayor, Pablo Jiménez, tagged the *Personero* (the individual charged with the tasks of the *Personería*) as a "Bolshevik," Jiménez was in turned accused by peasant unions of favoring hacendados' interests. Jiménez denounced Gilberto Vieira, Secretary of the PCC, and Pedro Abella, an important Communist union leader, for visiting the town. In public rallies Vieira and Abella would attack the government "in an inciting manner and with insulting expressions, communicating to those listening that they'd better not let the hacendados' program of subdivision trick them, that the land is theirs and once they handed over their money to the government, it wouldn't give them any support... that the President and the Governor talked too much about subdivision because they were plotting alongside the Agrarian Mortgage Bank to swindle them." In the meantime, the peasantry remained "in a dire state of poverty," given that, according to the Mayor, they just drank alcohol, attended "conferences run by agitators," and cultivated their plots in a very deficient fashion.²⁴ In the meantime, other state agents considered that owners and authorities were also to blame for this situation. According to sanitation inspectors in Viotá, the sanitation campaign in the zone was stymied by landowners' refusal to cooperate with local institutions managed by peasant organizations or to contribute with money and "lumber for housing improvement."²⁵ These

²⁴ Pablo Jiménez, Alcalde Municipal de Viotá, Informe sobre los sucesos de Viotá, Viotá, August 4, 1939. *Presidencia*, SG, caja 253, carpeta1: alcaldías, 20-24.

²⁵ Arturo Robledo, Secretario General del Ministerio de Trabajo, Higiene y Previsión Social, a Secretario General de la Presidencia, Bogotá, October 4, 1938. *Presidencia*, SG, caja 251, carpeta 44: ministerio de industrias y trabajo, 100-102.

landlords instead made use of the well-known strategy of accusing “Communist” peasants of pillaging haciendas, stealing cattle, and harassing opponents to the peasant cause.²⁶

Pasca was another example of how local politics impeded the normal functioning of land courts and seriously harmed the role of the BAH. The Bank seemed enmeshed in these net of influences and long-held economic privileges. Bueno, in a very critical remark of how the BAH was conducting subdivisions, stated that:

“This entity has garnered the unanimous animosity of the peasantry because of its methods, the harsh treatment of peasants by its agents, and the eminently commercial and selfish interest with which it divides and distributes the land, to the extent that it ignores the actual possession of settlers. Because the Bank only cares about its commercial success, to extract the biggest share out of each transaction, it makes all sorts of maneuvers in justification of increasing land prices. In fact, it has privileged the wealthy and non-residents of the region as beneficiaries of the subdivision program, completely ignoring peasants’ rights over the land whose value they increased with their own work. Peasants are not only marginalized from subdivision due to high prices, but also when they lose their plots, they are forced to hand them in with all improvements and accessories. This commercial character of the Agrarian Bank greatly differs from the social goal that the Legislator has sought with the subdivision of uncultivated large estates and is certainly one of the factors keeping peasants away from a negotiated solution of the conflict.”²⁷

In addition to changing Mayors, restructuring regional unions in such a way as to assign better prepared leaders to guide peasant politics in a more fruitful direction, and reorganizing the BAH, Bueno Cabrera also suggested advancing subdivision programs under “flexible and liberal” conditions, taking into consideration peasant’s precarious economic situation and the actual possibilities offered by their lands.²⁸

²⁶ Pablo Jiménez, Informe sobre los sucesos de Viotá.

²⁷ Juez Tercero de Instrucción Criminal a Ministro de Gobierno, 71.

²⁸ Grievances about subdivision were heard from across the region of Sumapaz. For example, from Nariño, located on the Western part of Sumapaz, on the banks of the Magdalena river, the peasant union (Sindicato de Agricultores de Nariño) incriminated the regional government of failing its promises of efficiently conduct the subdivision of large, uncultivated portions of haciendas, in spite of peasants’ permanent requests. Instead, they were persecuted by overseers and forced by landowners to sign one-year contracts, which also forbade them to claim any right over improvements or to engage in the cultivation of commercial crops. Emphasizing on the lack of any legislation protecting “independent” farmers and their critical situation of “insecurity, calamity, social, and economic

In his 1939 memoir to Congress, the Minister of the National Economy, Jorge Gartner, restated in economic terms the evident political limitations that land subdivision was encountering. The Minister tried to justify the Agrarian Reform Law by showing that in spite of many obstacles, peasants had been granted titles. In addition, in many cases land possession had been clarified thanks to the intervention of land judges. However, the central institution in this process, the BAH, was not taking into consideration economic factors when proceeding with subdivision. The Bank, argued the Minister, had contributed “to solving many social problems by clarifying the environment, so to speak, but it seems unquestionable that the criterion it has followed to divide the land must be rectified in such a way that subdivision of each plot is only implemented when a serious economic study has been undertaken.”²⁹ Gartner considered that the Bank’s operations had focused on soothing tensions between tenants, settlers and landowners and on finally solving the problem of its large past-due mortgage portfolio, largely ignoring the urgent economic need to make small farmers productive.

In other words, the political issues in which the Bank was involved and its need to get rid of debt-ridden owners’ already confiscated property had hindered the subdivision program. Ultimately, peasants squatting on uncultivated lands, landlord persecution with the complicity of municipal authorities, persistent poverty and “race degeneration” made manifest in alcoholism and crime, as well as the BAH’s and Caja Agraria’s murky functioning, were all symptoms of the economic obstacles posed by colonization and subdivision. Subdivision henceforth had to be understood as a means to achieve the social objective of “improving the new owner’s living conditions” and the economic objective of “increasing the production of those goods that can be

uneasiness,” they asked for the full involvement of the national government in the process of subdivision. Sindicato de Trabajadores de Nariño, Cundinamarca, Proposición No. 9 de 1939. *Presidencia*, DSP, caja 71, carpeta 1: sindicatos, 55-56

²⁹ Jorge Gartner, *Informe del Ministerio de la Economía Nacional, 1939*. (Bogotá: Imprenta Nacional, 1939), 62.

easily commercialized.” Granting a land title was not as simple as getting all parties involved to sign papers. Changing the status of an agricultural worker from tenant or sharecropper, who was dependent on the hacienda for his subsistence, to that of independent owner, whose survival was contingent on the commercialization of his production in consumer centers, was a critical economic phenomenon. For this transition to be favorable for the farmer and the economy as a whole, the national state had to intervene by providing adequate conditions. Subdivision was therefore insufficient in and of itself; it should be implemented alongside a comprehensive program of rural improvement in which the government would invest, based on a rational economic criterion, in setting up credit systems, transportation facilities, infrastructure, and, perhaps most importantly, the farmers as human capital through social policies.³⁰

The Minister knew that some important steps in this direction were taken specifically in Sumapaz. An engineer working as an inspector in the Ministry, who had been involved in evaluating the formal situation of land possession, informed Gartner that these steps were indeed relevant, but the situation was far from satisfactory. The Caja Agraria was advancing programs on wheat and potato, although with serious difficulties precisely because most peasants did not have access to loans, as they could not prove the land they worked was theirs. The Ministry of Public Works had pushed for the construction of roads connecting the region with Bogotá, but for small producers, given the high cost of transportation, it was still very difficult to sell their production in the capital unless prices were exorbitantly high. As for sanitation campaigns led by the Office of Sanitation of the Ministry of Labor, these encountered serious resistance among owners, who refused to cooperate as in the case of Viotá. Even workers, who lived in a state of permanent insecurity, considered it pointless to make any investment in their living environment. The engineer told the Minister that waves of colonization were not leading to an increase in

³⁰ Gartner, *Informe del Ministerio de la Economía Nacional*, 62-65.

productivity, since settlers (he deliberately used the word settlers to make the case that they were not squatting on privately owned land, but instead settling on public land that had been irregularly appropriated by private interests) mainly had “tumbado montaña,” or deforested the mountainous area of the Sumapaz valley to extract timber, fearing they might lose all their work due to landowners’ reprisals. In fact, prices for basic food items like plantains, yucca, and potatoes were increasing with negative effects on peasants’ nutrition. And to finish his gloomy description, the engineer explained that farmers were, as a result of tensions and insecurity, drinking more alcohol, which led to “vandalism” and a rather generalized use of violence.³¹

Government officials in Bogotá knew the pattern by heart: reform programs aimed at dealing with tensions over land and labor proved ineffective as they clashed against ingrained local interests, a situation that increased political tensions as landowners persecuted rural unions with the compliance of local authorities, condemning rural workers to unrelenting poverty. Interestingly enough, in their interpretations of the situation in Sumapaz, engineers, judges, and even regional and local politicians seemed to have appropriated economic officials’ and reformers’ discourse about social stability and economic development in which both were mutually dependent. In their reports on Sumapaz’s social conflict, for instance, “race degeneration” and political agitation were presented as the consequences of rural poverty, which in turn was the product of owners’ irrationality, leading to unproductivity and waste. It was therefore urgent to make social policies work at the local level. The Liberal government had accumulated numerous experiences while implementing cultural, sanitation, or educational policies in which the ability of government agents to perform their tasks was frustrated by how

³¹ Miguel Prada a Ministro de la Economía Nacional, Bogotá, March 29, 1939. *Presidencia*, SG, caja 253, carpeta 5: ministerio de la economía nacional, 35-39.

things actually worked on the ground (as opposed to how things *should* work based on the assumption that the state could guarantee adherence to its dictates and priorities).³²

Liberal reformers seemed to believe that the instrument of credit could somehow smooth the interactions between national and municipal spheres. The advantage of credit was twofold: on the one hand, it was a policy all sectors wanted; even reactionary landowners hoped to benefit from it. On the other hand, economic officials believed that in spite of local interest groups' pressure, if credit institutions were managed by following economic rationality, as Gartner expressed in his report, the government could reach its objective of benefitting those who aimed at becoming more productive. In the wake of the BAH's fall from grace, credit advocates would thus achieve a reform of the system by creating new institutions and setting up strategies to deal with the "problem of the municipality," that is the unexpected shortcomings that programs designed in Bogotá often ran up against in rural villages. In fact, from 1939 through the early 1940s, the evolution of the agrarian economy and the persistence of the agrarian conflict would severely question the wisdom of the government's credit strategy. But before dwelling on these issues, and how they relate to the rural housing program, we must consider how Liberal politicians and reformers hoped the use of credit would enable them to redress their inability to maneuver around local politics from their offices in Bogotá.

³² A good example of such a situation was the program of "Cultura Aldeana" (Culture in the Villages). Originally an idea of the Liberal Antioqueño intellectual and Minister of Education, Luis López de Mesa, the program was aimed at bringing education to rural communities by establishing schools and libraries in remote villages. Although the program had a profound effect on communities, which for the first time had access to "cartillas de enseñanza" (instructional manuals and primers), it dwindled after 1937 due to budget restrictions, López de Mesa's resignation from the Ministry, frictions within the Liberal Party over the content of the program, and, apparently, the passionate attacks from the Conservative opposition, at the local, regional, and national levels. See Renán Silva, *República Liberal, intelectuales y cultura popular*. (Medellín: La Carreta Editores, 2005), chapter 3: "Libros, lecturas y lectores durante la República Liberal."

Doling Out Credit

During his presidency, Alfonso López Pumarejo was certainly an innovator in strategizing how the national government, and the national Directorate of the Liberal Party should interact with municipal authorities and regional interests. López Pumarejo was a pragmatic politician who had defined his government as an effort to bring about “a peaceful revolution” of antiquated political and economic structures that did not correspond to the needs and sentiments of the majority of the people. “El pueblo” had spearheaded a political transformation of the country through their votes by putting the Liberal Party in power in 1930. In return for the pueblo’s critical support, it was the government’s responsibility to satisfy the pueblo’s needs and sentiments by implementing policies that addressed social concerns and to guaranteed that the practice of political power did not imply the exercise of “an unconditional privilege by the ruling classes.” A few crucial political principles lay at the heart of López Pumarejo’s idea of a peaceful revolution led by the state. First, the people had entrusted the direction of the state to the Liberal Party because it was fundamentally the party of the people, which had correctly interpreted people’s interests. López Pumarejo’s government was therefore a “party government,” which meant that the Party had the right to appoint Liberals to effectively materialize its programs, whatever qualms and complaints the opposition might raise. Second, the political success of the Liberal Party—and therefore its capacity to maintain its control over the state—was contingent on how effective its policies proved to be on the social front. Reform policies had to achieve social objectives, which in turn were dependent on achieving economic development. Finally, and related to the latter, political and social reforms were in their essence pragmatic rather than ideological objectives. López Pumarejo constantly argued that without the political inclusion of all social strata in the practice of state power, economic and social

improvement was impossible to achieve. The contrary proved true as well: it was necessary to improve material conditions for all citizens in order to turn democratic political participation, an as yet unrealized ideal, into a practical fact.³³ When defending the government's program of "Cultura Aldeana," for instance, López Pumarejo used this relationship of mutual causality as an argument: the peasantry in Colombia could "only partially fulfill the economic and civic tasks of every citizen," because they were illiterate and lacked any knowledge of their political rights. Bringing education to the countryside was a way to fix this political problem. But according to López, "Colombian workers' deplorable condition of intellectual abandonment [worsened] their economic misery." And the cost of maintaining this mass of uneducated and poor workers was very high for the "national economy," for this situation only perpetuated the masses' incapacity to consume, limiting industrial and commercial expansion.³⁴

The first obstacle to realizing López Pumarejo's political ideals was posed by the opposition, both within and outside the Liberal Party. Conservative leaders, Liberal dissidents like Gaitán, and Socialists could obstruct the advance of Liberal policies, as occurred when Laureano Gómez, the controversial, right wing leader of the Conservative Party, adamantly criticized and moved to block López Pumarejo's reforms in Congress from 1934 to 1936.³⁵ But as the Liberal intellectual Alejandro López, who was one of López Pumarejo's closest allies, stated in his 1936 *Idearium Liberal*, which would constitute the basis for the Liberal Party's program, managing the opposition was essential to the exercise of democracy. Arguing for and

³³ On López Pumarejo's political ideology and pragmatism see Álvaro Tirado Mejía, *Aspectos políticos del primer gobierno de Alfonso López Pumarejo, 1934-1938*. (Bogotá: Instituto Colombiano de Cultura, 1981). The quote is on page 13.

³⁴ "Texto del mensaje del Señor Presidente de la República al honorable Congreso sobre Educación Nacional No. 19," Bogotá, December 17, 1934. *Presidencia*, DSP, caja 62, carpeta 5, 22-27.

³⁵ Gómez's opposition to the Liberal government was so fierce, incendiary, that no one would have guessed that only a few years earlier these two individuals had friends and political collaborators against the Conservative government then in power.

refining policies to meet the demands of the opposition could only strengthen the Party's own role in cementing democracy.

However, there was a more difficult obstacle to surpass. When López Pumarejo talked about the political inclusion of all sectors, he was certainly referring to social classes, although not exclusively. Inclusion was also related to the need to make all levels of government active parties in the materialization of state programs. In other words, the government in Bogotá should strive to take its policies to the local level, making local authorities executors of the government's programs. López Pumarejo considered that all reforms—including educational, tax, political, and agrarian reforms—should “develop abandoned territories, educate illiterate social classes, and take at least a modest example of material civilization to villages and remote rural areas, unattended until yesterday.” Thus, one of his government's most important tasks was to integrate rural isolated rural areas into populated centers.³⁶ One important step in this direction was what an enthusiastic follower called the “happy idea” of “getting in touch with the public through the presidential palace's microphone,”³⁷ i.e. broadcasting radio messages by the President himself to explain the content and reach of his reform policies, to make all citizens feel that they were in direct contact with and an active part of the government in Bogotá. This strategy was in some measure effective; municipal councils would report back to Bogotá on how the President's messages were received by the population, usually acknowledging local support of the government and of the 1936 program of reform.³⁸

³⁶ “Alocución del señor Presidente de la República,” *Revista del Banco de la República* 99, January 1936, 7-10.

³⁷ Eugenio Gómez to Alfonso López, Bogotá, November 11, 1934. *Presidencia*, SG, caja 233, carpeta 32: ministerio de hacienda, 122-134.

³⁸ Even the town council in distant Cajamarca in the province of Tolima informed Bogotá that they had recently acquired a radio transmitter which had been placed in a convenient so as to enable all people to listen to the President's broadcasts and “help the government's campaign of dissemination.” Fabio Gordillo Lopera, Secretario Concejo Municipal, Cajamarca, January 11, 1934 (sic), 4. *Presidencia*, SG, caja 236, carpeta 10: concejo municipal, 4. See also other documents in *Presidencia*, DSP, caja 68, carpeta 10: concejos municipales. López Pumarejo's broadcasted speeches were usually published in the Bank of the Republic's journal.

Although these signs of local support were significant, drawing in municipal councils' endorsement to the reform program was not the main objective of the campaign aimed at disseminating the national government's policies. Municipal councils were popularly elected and therefore, when most of the members were Liberal, it was easier for the government to influence their decisions through the Party's directorate. The problem of exercising national influence resided rather in the executive branch of government. Governors were appointed directly by the President and consequently expected to act as representatives of the central government, although thus was a task some of them were barely able to accomplish. In some cases, Governors, who in turn appointed Mayors, were also connected to regional grids of political influences; their loyalties at times compromised by their ties to local interests, even when they bore a responsibility before the government in Bogotá to account for the situation in their regions. Mayors were at the heart of these local influence grids, but in contrast to Governors, Mayors did not have to answer directly to the central government, a circumstance that gave municipalities a great deal of political independence. López Pumarejo was acutely aware that the national government's complicated relationship with Governors and Mayors was a critical political obstacle to implementing reform policies at the local level. The President himself expressed this concern to leaders of the Conservative Party who visited him in his office in March 1936, a few weeks before the package of legislative reforms was to be voted on in Congress. This group of Conservatives, which included former Minister of Finance Esteban Jaramillo, hoped to persuade López Pumarejo to slow down the discussion of the reforms in Congress, fearing that these policies, in particular the agrarian and tax reforms, if approved at that moment, would lead the country to a period of "restlessness and agitation" due to their "revolutionary transcendence." Even more, Conservative leader Luis Ignacio Andrade

considered that the reform program would “turn upside down the norms that had ruled the country and [were] a source of instability in the progress of the Republic and of agitation, which we [the Conservative Party] would like to avoid.” When López Pumarejo courteously refused to stop or delay the approval of the reforms, arguing that though transcendental they were not revolutionary, the conversation turned to the problem of the municipality. Conservatives complained that in spite of the government’s willingness to discuss most policies with the opposition, “subaltern authorities did not materialize the government’s good will.” This was the same frustration both Conservatives and Liberals faced when trying to rule the country from Bogotá. López Pumarejo reassured Conservatives that this did not reflect the government’s attitude towards the opposition, but was rather a structural obstacle common to Colombian governments of all political stripes. “You know how difficult it is,” López Pumarejo dryly noted, “for a government to make its aspirations reach Liberal and Conservative Mayors.” To which Esteban Jaramillo replied in resigned agreement: “Mayors are an almost insurmountable hurdle for governments to realize their objectives.”³⁹

Mayoral intransigence could contradict and undermine national government objective, a serious political problem of which President López Pumarejo was very conscious. He was aware that the legitimacy of the government was mostly based on improving the life of citizens in “every single corner and region in the country,” and achieving their “definite incorporation into national life.” Moreover, the President claimed that “inclusion and equality” were the principles

³⁹ Emilio Ferrero, Esteban Jaramillo, Luis Ignacio Andrade, Bogotá, 18 Marc, 1926. Archivo General de la Nación, *Fondo Presidentes*, Sección Alfonso López Pumarejo (hereafter: *Presidentes*, ALP), caja 4, carpeta 8: correspondencia, 152-154. That same year, the President’s close friend Emilio Toro, whom López Pumarejo had sent to Caldas—a critical province since it was the center of coffee production—to manage the President’s own political affairs, complained about how difficult it was to deal with “municipal issues.” Toro believed that Party politics were going well at the national level but not at the level of the municipality, where “particular groups’ interests [were aimed] at benefitting from public administration.” Alejandro López, whom López Pumarejo had appointed as General Manager of the Federation of Coffee Growers, showed the same kind of frustration about dealing with politics in municipalities. See the correspondence from Emilio Toro and Alejandro López to Alfonso López Pumarejo, 1936. *Presidentes* ALP, caja 4, carpeta 8.

of the party in power and that the government was doing everything possible to abide by them.⁴⁰ This was the principle of programs like “Cultura Aldeana” and reform policies more generally: to effectively reach areas where the national state had never made its presence felt and to stir among citizens the sentiment that they were benefitting from the long-awaited presence of the state. But it was precisely political arrangements in place at the local level that posed the main obstacle to implementing and enforcing central governments’ objectives, a conundrum perfectly exemplified by the effort from above to subdivide haciendas in the interests of addressing social conflict. Radio, cultural programs, and direct contact with citizens were all meaningful ways that the López administration used to deal with this contradiction. But perhaps the most important policy López Pumarejo himself promoted zealously was credit democratization through the establishment of “seccionales de crédito” (local branches of public banks, in particular of the Caja Agraria) and “bancos de crédito territorial” (land credit unions that would operate in the provinces).

Credit democratization became the centerpiece of the López Pumarejo administration’s reform policies. The Central Mortgage Bank’s manager, Julio Lleras Acosta, in explaining the aims of the policy to the public, emphasized that the country lacked a convenient banking structure that could offer credit to small producers. Rural inhabitants could not travel to capital cities where banks had offices, becoming captive to loan sharks and usurers due to mere necessity (he was to use the same argument when justifying the role of the bank in building houses for urban public servants). The government had therefore asked Governors to invest part of their budgets in the creation of local banks that could fund productive initiatives by small farmers.⁴¹ The expansion of credit to remote rural villages offered a great additional advantage. It

⁴⁰ “Alocución del Señor Presidente de la República,” *Revista del Banco de la República* 111, January 1937, 7-9.

⁴¹ “La democratización del crédito,” *Revista del Banco de la República* 94, August 1935, 275-276.

enjoyed the support of influential sectors within the Conservative Party connected to banking and finance. For example, the manager of the Bank of the Republic, Julio Caro, a Conservative, endorsed the program, considering it a “highly beneficial policy”—perhaps the most important economic effort of the government—that “would guarantee an environment of confidence in the country.”⁴² Financial authorities like Caro, the Minister of Industries in 1938, the Antioqueño Conservative businessman Gonzalo Restrepo Jaramillo, the Manager of the Caja Agraria, Jorge Zalamea (a Liberal), and the Superintendent of Banking, the Antioqueño Luis Ángel Arango (a Conservative) in their private reports to the President and in public statements, argued that the positive dynamism of banking and finance and the consistent growth in credit operations since early 1935 through the end of the López administration in 1938 were all consequences of the policy of democratization of credit access for small agricultural producers.⁴³

The centrality of this program for the government’s economic policy is clearly revealed in a meeting of the National Economic Council (a committee in charge of designing and implementing economic policies, which was made up of representatives of private economic associations, economic officials, and the President himself), in September 1935. At this meeting, López Pumarejo asked his economic officials to accelerate the process, but warned them to carefully negotiate with Governors. First, he wanted the Caja Agraria to undertake a detailed study about the “economic possibilities” of the region under consideration prior to the opening of a new credit office, so as “not to give in to local influences or pressures.” The President was very emphatic that banking institutions should not, by any means, follow “anti-economic criteria” in

⁴² “La extensión y facilidad del crédito bancario,” *Revista del Banco de la República* 98, December 1935, 416-417, quotes are on page 417; “Rasgos de la producción colombiana en 1935,” *Revista del Banco de la República* 101, March 1936, 86-88.

⁴³ Gerente de la Caja de Crédito Agrario e Industrial to Alfonso López, Bogotá, 5 de marzo de 1936. *Presidencia*, DSP, caja 66, carpeta 6: confederaciones, 1-2; “Los factores de la situación económica,” *Revista del Banco de la República* 108, October 1936, 348; Gonzalo Restrepo Jaramillo, *Memoria del Ministro de Industrias y Trabajo al Congreso Nacional en sus sesiones de julio de 1938. Tomo I.* (Bogotá: Editorial “El Gráfico,” 1938), 210-212.

trying to benefit small producers who had not had access to credit before, thus putting other considerations first rather than the most important one of guaranteeing the economic stability of state economic agencies. It is not surprising that López insisted in economic profitability—even to the detriment of the needs of small producers who supposedly were the main beneficiaries of the program—as the most important objective to be met when considering credit decisions. When all was said and done, he was thinking as a very pragmatic politician, but also as the banker he also was. Second, the President also demanded that the training of suitable banking staff to professionally manage local offices would become a condition for the actual development of the program. This way if a Governor failed to fulfill this requirement, he would be unable to count on the Caja Agraria's resources. Lastly, López Pumarejo demanded more efficient results in disseminating the objectives and principles of the program in areas where the Caja Agraria had as yet no major influence, such as the Atlantic Coast.⁴⁴

The creation of local offices of the Caja Agraria in villages where there was not even a school or any other institutional body indicating that each of those remote towns was part of the national state had enormous political transcendence. Provincial Assemblies, Municipal Councils and Chambers of Commerce keenly responded to the government's initiative, which was under discussion in Congress in late 1934, petitioning resources for the Caja Agraria to multiply its regional operations and the immediate creation of a set of local offices in their own regions.⁴⁵ Despite the fact that behind closed doors the President preferred the strictly efficient economic,

⁴⁴ “Minuta de los conceptos emitidos por el excelentísimo Señor Presidente en la sesión del Consejo de la Economía Nacional,” Bogotá, September 17, 1935. *Presidencia*, SG, caja 238, folder 24: ministerio de agricultura, 25-29.

⁴⁵ See petitions in *Presidencia*, SG, caja 236, carpeta 6: cámara de comercio. From Tumaco, a poor port-town on the Pacific Coast in the southern province of Nariño, the Chamber of Commerce asked López Pumarejo to give priority to this area of the country, since they were “abandoned in their own misery.” They considered that the local credit program would foster their agricultural and mining industries and thus, they told the President, hoped that “a government, eminently *national* as yours, would incorporate us to the wellbeing and progress enjoyed by our brothers in central Colombia.” (Emphasis is mine). Cámara de Comercio de Tumaco a Alfonso López, Tumaco, December 11, 1934, 1.

profit-motivated route, he publicly stressed the political significance of the credit program. On January 1st 1938, he stated that this policy was at the core of the policies that were making Colombia a “nation of peace” and Colombians “a free people that is reaching toward the culmination of a respectable Republican tradition.” The government’s reforms were promoting social justice and collective prosperity, argued the President, as workers enjoyed higher salaries and capitalists could not complain about their substantial returns. By encouraging “all citizens’ daily enterprises,” Colombia was becoming a “prosperous nation in the midst of international conflicts, uncertainty, display of warlike despotism, and in brief, the crisis of democracy.” According to López Pumarejo, this was acknowledged by “foreign observers” who saw Colombia as “a refuge of Liberal principles.”⁴⁶

We now know that international recognition did not necessarily match the actual progress of the program at the local level. Notwithstanding the President’s requests about privileging economic criteria in taking the credit policy to the regions, municipal independence ended up superseding any other principle, as occurred in the case of Sumapaz. The government thus created the “Juntas de Fomento Municipal” (Boards of Municipal Improvement), or committees formed by representatives of all levels of municipal life (or at least so it was claimed), including peasant unions, the local priest, the Mayor, and Council members. This policy became effective during the Eduardo Santos administration (1938-1942), when the Minister of Finance, Carlos Lleras Restrepo, tried to fix the way credit democratization was functioning in order to make municipal credit address each town’s most urgent needs. The Santos administration has historically been considered as having initiated “*la pausa*” (literally, the pause) in the drive to implement Liberal reform policies, particularly labor policies, by delaying, moderating, conservatizing, and in some cases even reversing course to appease the violent opposition of the

⁴⁶ “Alocución del Señor Presidente de la República,” *Revista del Banco de la República* 123, January 1938, 8-9.

head of the Conservative Party, Laureano Gómez, and assuage the uneasiness capitalists felt once the tax, agrarian, and labor reforms were approved.⁴⁷ Yet, with regard to credit and municipal policies, in the hands of Carlos Lleras Restrepo, the Santos administration tended to refine and expand the steps taken by López Pumarejo. The Boards of Municipal Improvement, for instance, became active when Lleras Restrepo created the Instituto de Fomento Municipal (IFM, Institute of Municipal Promotion), a decentralized agency that channeled public credit for the improvement of local infrastructure. Lleras Restrepo also established the Instituto de Crédito Territorial (ICT), a land credit agency or “banco territorial” for the construction of rural housing. These two credit institutions were aimed at inserting a clear social component in the rural credit system while directly targeting municipal authorities, who, it was expected, would be forced to abide by the national government’s initiatives if they aspired to obtain a portion of these national resources. The central government, in turn, could influence municipal politics without impinging on local political independence. But why did Lleras Restrepo think that a credit policy should focus on rural housing? The following section attempts to answer this question.

The Rural Improvement Campaign

In 1980, Carlos Lleras Restrepo wrote a short piece on the history of the Instituto de Crédito Territorial (more than forty years after its inception), in which he recounted how the institution was created, what the motivations behind it were, and what his own participation in the process had been (in important matters, he harbored a very high sense of self-importance always emphasizing his path-breaking interventions in whatever project or event he deemed worth remembering). According to his narrative, the ICT was a complementary measure to a set

⁴⁷ Mauricio Archila, *Cultura e identidad obrera. Colombia, 1910-1945*. (Bogotá: CINEP, 1991), 331-340. Santos was the representative of a moderate, anti-López branch within the Liberal Party. James Henderson, *Modernization in Colombia: The Laureano Gómez Years, 1889-1965*. (Gainesville, University Press of Florida, 2001), 272.

of policies adopted to improve working and living conditions in the countryside. In January 1939, partly as a preventive measure against any damaging consequences that an eventual international conflict might wage on the economy, Congress vested Santos with “extraordinary faculties” to legislate in the economic realm. This meant that the government enjoyed the power to create institutions, allot public resources and start new programs without going through the political hardship of submitting projects to Congress. These faculties allowed the government to invest one million pesos (about \$571,500 USD) in the creation of a “banco territorial” that would focus on improving rural housing conditions. In his essay, Carlos Lleras Restrepo argues that for him “la mejora de la vida rural” (the improvement of rural living conditions) was “already a very old obsession,” that dated back to the projects of agrarian reform he presented for discussion in Congress as a Representative in 1933.⁴⁸ As National Comptroller (1935-1938), Lleras Restrepo had been in charge of the first “Censo Nacional de Edificios” conducted in 1938, which quantified the information officials were gathering about dire living conditions and poverty in rural areas. The Censo showed that if there was something “national” or commonly shared by rural villages in the country it was a lack of public services, access to basic education, and social assistance institutions. The problem of the municipality and the political incapacity to make national policies reach the local level was daily made evident in concrete, alarming ways. Moreover, the census revealed that despite the fact that the majority of the population was concentrated in rural villages and that this was where the most wealth was produced, the countryside was where services were most lacking; there were no water and sewage systems, not to mention electricity or access to transportation, hospitals or schools. As Minister of Finance, Lleras Restrepo spearheaded “a campaign for the transformation of Colombian municipalities,” based on changing how municipalities received public monies from the central state. The shift

⁴⁸ Lleras Restrepo, *Reseña histórica del ICT*, 4-8. Quotes are on page 8.

entailed moving from a system of “auxilios” (that is subsidies granted as a concession) to a system of credits or funds that municipal authorities were responsible for investing according to their needs, the latter being determined by local development boards.⁴⁹ The IFM and the ICT were the agencies granting these credits, whose work, “visible for the country,” would demonstrate that, according to Lleras Restrepo, “the country had turned its attention to rural life, to the small, abandoned ‘municipio’ that notwithstanding is the living cell of the nation.”⁵⁰

Within this framework of reform imperatives, this section explores why housing appeared to Lleras Restrepo as an urgent need the government had to address in the rural improvement campaign. Besides the obvious fact that the improvement of rural housing implied the expansion of public services and the improvement of hygienic conditions, housing was also an important tool for reconfiguring rural communities. Families who enjoyed a “comfortable and hygienic home” (those were the terms defendants of the program constantly used) were most likely to settle on their lands, invest in their improvement, and create a sense of belonging. Housing was also important for forging ties within communities. Lastly, Colombian architects had recently turned their attention towards the topic of housing, drawing attention to it, making it a visible, concrete representation of modern life. Housing thus became a key tool in rural modernization efforts. Lleras Restrepo claimed to have realized that “it was necessary and urgent to bring about a transformation of rural housing, which had to become part of the Liberal Party’s programs and the state’s prospects” through studying “a series of booklets about the beautification of rural life in different countries” published by the League of Nations around 1938. These booklets dealt with issues like “communication facilities, credit, public services, education, and, of course,

⁴⁹ “Un reportaje de Carlos Lleras Restrepo, Ministro de Hacienda, para *El Mes Financiero y Económico*, tomado de *El Tiempo*, 2 de febrero de 1941,” *CLLR*, Fondo Escritos, caja 1, carpeta 3, 763-764.

⁵⁰ “Texto de la conferencia dictada anoche por el Doctor Carlos Lleras Restrepo, Ministro de Hacienda,” March 5, 1941. *CLLR*, Fondo Escritos, caja 1, carpeta 3, 785.

housing.”⁵¹ In fact, the League of Nations had recently published a set of documents on the social and economic conditions in the European countryside that brought together discussion materials for and conclusions from the League’s European Conference on Rural Life. This Conference, which abruptly came to a halt when the Second World War broke out, encompassed a series of meetings and committees focused on studying rural areas’ main problems, the most effective policies to address those problems, and suggestions to obtain further progress, country by country. Housing and credit, always considered in tandem, were central to the Conference’s discussions. These discussions, I argue, profoundly influenced the implementation of the rural housing campaign in Colombia.

Rural Abandonment

In many ways, the 1938 Census was asking the same questions that reformers, intellectuals and state officials were formulating as they were figuring out what kind of policies would direct the country to what they had defined as “modernization.” It is not a coincidence that all data on illiteracy, occupation, economic activities, access to public services, and property ownership were differentiated and compared between urban and rural areas. Reformers had come to conclude that the path to modernization was to foment agriculture, in opposition to eminently urban enterprises like industrialization. They thus needed to know exactly what it was they meant when they described Colombia as fundamentally a peasant nation and the countryside as the heart of economic production. Indeed, census analysts confirmed that agriculture continued to be the most important economic activity in Colombia, with 73.6% of the economically active population devoted to agricultural (which included livestock and fishing) industries. The rural population, both those economically active and non-active, numbered about 6 million people

⁵¹ Lleras Restrepo, *Reseña histórica del ICT*, 8-9.

(which made up 69% of a total of 8,700,000 people in the country), mostly lived in villages of less than 1,500 people, suggesting that in the Colombian countryside the population was scattered in small towns, rather than concentrated in dense population centers.⁵² Rural municipalities thus formed the nucleus of demographic distribution in Colombia, not urban centers, and definitely not the capital city, Bogotá. Although Bogotá's population had increased considerably during the previous 20 years (since the 1918 census), by 130.1%, in national terms, the capital city's national demographic importance was very low (3.8% of Colombia's population lived in Bogotá, whereas in Argentina, for instance, 18.1% of the country's population lived in Buenos Aires, while nearby Lima housed 4.3% of Perú's population). As importantly, in Colombia, medium-sized cities, many of them provincial capitals, concentrated the nation's inhabitants to a larger degree than was typical elsewhere in Latin America. Whereas the ratio of population density in Argentina to square kilometer was 4.6 people, 9.7 in Mexico, and 11.2 in Uruguay, in Colombia the ratio was 18 people per square kilometer. This high population density led the census analyst, the Mexican Emilio Guthardt, to conclude that in Colombia municipalities were the backbone of the nation's social structure. He further reasoned that "[the] social and political tranquility characterizing our nation is partly due to the absence of enormous masses agglomerated in just one place."⁵³

State officials like Lleras Restrepo most likely took Guthardt's analysis with a grain of salt. Indicators might have reassured the government to push a transformation in the way the national state interacted, economically and politically, with rural municipalities, making the central authorities believe that any step taken in that direction would reap substantial fruits. But

⁵² Contraloría General de la República, *Censo general de población, 5 de julio de 1938*. Tomo XVI: Resumen general. (Bogotá: Imprenta Nacional, 1942), 151-170, 176.

⁵³ Emilio Guthardt, *Distribución demográfica de los municipios colombianos*. (Bogotá: Contraloría General de la República, 1938), 2, 7.

they knew that the social and political peace Guthardt talked about was an illusion precisely because, as they saw it, the backbone of the country, the “municipio,” had not been receiving the benefits of economic development and state policies. This disparity was expressed numerically as well. 66.1% of the rural population was illiterate, whereas 33.7% of city inhabitants did not know how to read or write. Indicators also showed an alarming lack of schools and hospitals. In rural areas, there were just a little over 5,700 schools to serve almost 1,300,000 children between the ages of 7 and 14, and only 120 hospitals.⁵⁴ The rural population’s access to public services was dismaying. In all of Colombia, 83% of buildings lacked water, sewage, and electricity. This percentage was much higher in rural areas: 97.5%, whereas in urbanized centers it was 46.5%.⁵⁵ It is important to mention that the provision of water and sewage only became public by the late 1910s and early 1920s, when municipal administrations reclaimed the management of such companies from private ownership. Electricity, however, remained private in many places, including Bogotá.⁵⁶ In the late nineteenth century, cities that had assets they could offer as collateral such as income derived from slaughterhouse revenue or budgets surpluses coming from tax collection, funded the construction of water, sewage, and transportation systems with external credit. Smaller towns, of course, did not have that financial possibility and provinces did not have all the resources to undertake the construction of public services themselves. Thus, if the national state did not step in, these numbers would not change. In 1938, Lleras Restrepo acknowledged that even though “during recent times rural schools have multiplied, medical assistance services have been taken to the countryside, and agrarian credit operations have been

⁵⁴ Contraloría General de la República, *Primer censo nacional de edificios. Efectuado el 20 de abril de 1938*. (Bogotá: Imprenta Nacional, 1939), 9.

⁵⁵ *Primer censo nacional de edificios*, 3. Regionally, the proportion of urban/ rural unequal access to public services was more or less similar. For instance, in Antioquia, 93% of rural dwellings lacked all public services, and a lower 33% of urban dwellings did. In Cundinamarca, the heart of rural conflict, these same indicators were 98% in rural areas, and 34% in cities, 13, 189.

⁵⁶ Before assuming office, President López Pumarejo “made a living” as manager of Bogotá’s electric company for a short period.

disseminated,” most of the promotion work being done in the country “did not cover the peasant population.” Building public infrastructure required hefty capital investments, which only cities had been able to undertake. Public monies had therefore been spent on urban centers, through municipal investments, not in rural areas, where, paradoxically, the majority of the population actually resided.⁵⁷ This was the principle behind the creation of the IFM, to address the problem of unsatisfactory municipal infrastructure with an institution that could distribute funds to those places that otherwise would not get any capital investment from private interests or regional administrations.

The creation of the ICT responded to the same motivation. Although the census did not provide any specific information about living conditions other than the generalized absence of public services, sanitary inspectors, “cultura aldeana” agents, and Carlos Lleras himself had witnessed first hand the conditions in which peasants lived. Sanitary agents working on rural areas since the early 1920s had described peasant houses as ramshackle constructions that offered no protection during rainy seasons, characterized by dirt floors, and often inhabited by a large number of people who shared a single room, which served as bedroom, kitchen, and poultry coop, and had no sanitary facilities, sometimes not even dirt holes for use as rudimentary latrines. The situation, unfortunately, had not changed much during the 1930s. In 1936, a “cultura aldeana” teacher in Tolima, for instance, informed the director of the program at the moment, Jorge Zalamea, that beneficiaries of the subdivision of the hacienda “Tolima” lived “in huts built by hacienda owners.” These precarious houses had just “two rooms, where several people [slept] and [lived].” These peasants were not able to “build a house due to either poverty

⁵⁷ Lleras Restrepo, *Reseña histórica del ICT*, 9.

or because they [feared] that the hacienda would take hold of it, as frequently [happened].” The agent recommended a credit program for housing led by the BAH.⁵⁸

Indeed, the manager of the BAH, Alfredo García Cadena, announced a month later that the Bank was accepting credit applications from peasants for housing improvement. The Bank’s agents were supposed to help peasants with construction and the latter, in turn, would get information on how to build a solid and hygienic house using easy-to-follow instructions from an eventual “cartilla de vivienda rural” (a primer on rural housing) developed by the Departamento Nacional de Higiene (Office of Hygiene) of the Ministry of Industries. García Cadena drew from Leo XIII’s encyclical to argue that improving rural housing was a pressing necessity in the country as there was nothing more “educative, just, and convenient to the body and spirit than a pretty, healthy and hygienic home.” There would not be in the country a sector of healthy, thriving rural workers, García Cadena warned, if they kept living in squalid conditions. He also called the cooperation of “the priest, the press, the school teacher and the political orator” to start an educational campaign to “spark in the peasant’s mind—especially he who had been abandoned—the ambition to own a healthy, clean, and beautiful house.”⁵⁹ In addition to endorsing Liberal intellectuals’ and politicians’ conception that education should play a central role in any rural improvement program, García Cadena’s last statement also neglected, perhaps on purpose, that deficient living conditions were not necessarily the consequence of peasants’ insufficient interest in improving them, but rather of concrete limitations imposed by local power relations, in which the BAH was involved. There is no information of the reach of the BAH’s

⁵⁸ Jorge Zalamea, “Memorándum sobre la Comisión de Cultura Aldeana,” July, 1936. *Presidencia*, SG, caja 241, carpeta 5: bancos, 72.

⁵⁹ Banco Agrícola Hipotecario, *La parcelación de tierras en Colombia*. (Bogotá: Tipografía Lozano y Cía., 1937), 37-42.

housing program, but it would not be surprising to find that it had not gone too far, particularly because peasants distrusted the Bank, its land distribution policy, and its agents.

There were, however, some important bits of information to be gleaned from García Cadena's publicity campaign for an eventual program of rural housing. First of all, it suggested that discussions about the need to improve peasants', farmers' and rural workers' housing conditions were being held among broad sectors of Colombia's public administration. Even though the BAH might have built very few houses, the Bank hired one of the country's most prominent architects, Alberto Manrique Martín, to make a design for the project. Manrique Martín had graduated as engineer in Colombia, like many a practitioner of architecture at the time. His urban development company built many popular Art-Deco constructions, both private and public buildings, in different cities starting in the mid-1920s. Manrique Martín's professional trajectory was typical of that of most architects at the time: they held degrees in engineering, with the exception of a few who held foreign degrees, mostly from European universities, but also from architecture schools in Chile and the United States; and they owned their own construction firms that contracted with or worked directly for the Ministry of Public Works, the state entity in charge of building infrastructure, edifices for public institutions and schools.⁶⁰ The development of architecture as a discipline went hand in hand with the expansion of state activities. The increasing need for architects to design and build public libraries, ministries' offices, and the Universidad Nacional campus, for instance, pushed for the consolidation of the profession: the Colombian Society of Architects was founded in 1935, while Colombia's first

⁶⁰ Carlos Niño Murcia, *Arquitectura y Estado. Contexto y significado de las construcciones del Ministerio de Obras Públicas. Colombia, 1905-1960*. (Bogotá: Universidad Nacional de Colombia, 1991), 103-106.

school of architecture was established at the (public) Universidad Nacional in 1936 (a few years before a line in architecture was in the Engineering School at the same university).⁶¹

Architects not only contributed to the development of state projects, they also created new needs. By the early 1930s, for instance, some of these public employees were already participating in international congresses on architecture, where topics like housing and planning were discussed. The leading perspective about these issues was promoted by the German architect Walter Gropius, one of the founders of Modern architecture, and the Bauhaus School, whose approach to housing synthesized into an architectural rationality concerns raised by hygienists regarding crowded, dark, unventilated urban working-class neighborhoods. The Bauhaus understood housing as the most concrete way in which citizens experienced the benefits of modernization. Architects surely contributed to shaping this conception of housing among Colombian reformers. The influence on state policies of Modern architecture in Colombia will be considered in greater detail in chapter 4. For the moment it is important to emphasize, however, that in keeping with the modernist logic emerging in Europe, all housing was to follow minimum, quantifiable criteria: houses should be illuminated, ventilated, arranged into functional spaces, and equipped with technical services, elements that would allow dwellers to experience on an everyday basis the simplicity and practicality of modern life.⁶²

The modernizing capacity of housing improvement was also applicable to the rural context. In the discussions held at the European Conference on Rural Life, planning rural communities was portrayed as desirable and feasible, and housing formed the axis of any rural planning campaign. As the following section explains, this relationship between social and

⁶¹ Silvia Arango, *Historia de la arquitectura en Colombia*. (Bogotá: Universidad Nacional de Colombia, 1989), 180. There had been a few previous, short-lived experiments in creating professional organizations before the Colombian Society of Architects.

⁶² Saldarriaga Roa, *Estado, ciudad y vivienda*, 18-19.

spatial planning in the countryside, on the one hand, and housing, on the other, was a conceptualization initially elaborated by the Garden City Movement in the late nineteenth century, an intellectual development that promulgated the consolidation of suburban autonomous communities as a way to tackle urban high population density and rough living conditions. Although by the late 1930s, the Bauhaus's eminently urban definition of good housing was gaining preeminence within architectural circles in Europe—cities could be functional, comfortable spaces with the appropriate constructions, therefore there was no need for suburbanization or outmigration—the Garden City's approach proved helpful in addressing social problems in the countryside. In Colombia, the Garden City Movement counted with some adherents among architects and reformers. For someone like Lleras Restrepo, the principles of this model appeared to perfectly suit Colombian conditions. Moreover, these principles, which were in motion in many European countries, showed Lleras Restrepo the feasibility of regulating rural communal life through housing policies, while reaffirming the centrality of credit policies. Needless to say, he did not come up with this idea by himself, as the need to improve rural housing conditions was already under discussion within state circles. In 1934, a primer on rural constructions published by the program on “cultura aldeana” and distributed across many regions as part of its rural libraries' collection taught peasants the “principles” of a hygienic, inexpensive, functional rural house. The primer included a detailed explanation of construction techniques, appropriate materials, and simple designs suitable for different regions and needs. It also shows that the Garden City Movement exerted some influence on notions of rural architecture in Colombia.

Planning Rural Life

The “cultura aldeana” primer on rural housing and construction was published in 1935 with the title “Arquitectura aldeana y rural” (Rural and Village Architecture). The publication was directed by architect Gonzalo Restrepo Álvarez, who worked for the Ministries of Public Works and Education designing many important state buildings such as a hospital in the busy Magdalena River port town, Puerto Berrío in Antioquia, as well as schools and houses for peasants and villagers.⁶³ The purpose of the primer was to explain, with drawings and graphics, basic construction techniques for non-experts: how to select the best location and soil; prepare the terrain for construction to avoid floods and unevenness; assemble solid foundations; identify appropriate, inexpensive materials that could provide resistance and protection; insulate ceilings, etc. In his discussion of what materials were suitable for particular climates, Restrepo Álvarez encouraged readers to take advantage of locally available and affordable materials (for instance, he acknowledged that peasants in some regions were masters in setting up straw roofs or preparing “bahareque”). Another crucial component of the primer was sanitation. The author introduced peasants to what constituted adequate water sources for human consumption, how to lay out rudimentary pipes, pumps and water tanks, and the need to build drainage and other systems for the evacuation of residues. The primer emphasized the importance of devoting a room, which should be clean and ventilated, exclusively for toilet use. It included all the basic methods to build hygienic dirt holes, latrines and modern toilets as an additional contribution to

⁶³ Niño, *Arquitectura y Estado*, 197, 207, 216. In his designs for the Ministry of Education, Restrepo Álvarez differentiated between “habitaciones campesinas” (dwellings for peasants) and “habitaciones aldeanas” (dwellings in villages), the former being one-story houses built with what seemed like “bahareque” and straw roofs, whereas the latter were relatively more complex, two-story structures, built with bricks and clay tile roofs. In the primer, however, all designs were mostly for “casas de campo” (countryside houses), with the exception of a few “casas de aldea” (village houses), which were not noticeably different from country houses.

the Office of Hygiene's dissemination campaign on the construction and use of latrines and waste management.⁶⁴

The primer ended with perspective drawings of houses and plans for 11 types of “casas de campo” and “casas aldeanas,” and a few rural schools and churches. These designs were made by Restrepo Álvarez and architects José Ramón Montejo, Roberto Ancízar Sordo, Nel Rodríguez, José María Montoya Valenzuela and José María González Concha, whose conceptualizations of rural housing have been picked apart for uncritically imposing on rural communities the living patterns of urban residents. For instance, although in some cases designs included a corral or pen, an orchard, a tool room, and a pantry—all functional spaces for a family that lived off agricultural activities—it was otherwise useless for a rural family, who used the house primarily to take temporary shelter during a day that mostly happened outside, the rarely inhabiting spaces like the living room, dining room, vestibules, and the front yard. Architects, according to this critique, had not put any effort into researching and understanding rural housing patterns, but rather had chosen to translate urban housing typologies into the rural context.⁶⁵ There is a lot of merit to this criticism. Other than alarming reports detailing unhygienic conditions in the countryside, a study of peasant housing habits was not undertaken by any state institution. However, it was too early for a sociological understanding of rural housing that went beyond sanitation issues to emerge. This development would eventually happen by the late 1940s and early 1950s, influencing analyses about rural housing policies, such as Ernesto Vautier's. Nonetheless, it is important to emphasize that “rural architecture” occupied an important position in the construction projects envisioned by the state. Like Manrique Martín, all these architects had served as private designers and developers and simultaneously as state employees. They had

⁶⁴ Gonzalo Restrepo Álvarez, *Arquitectura aldeana y rural*. (Bogotá: Biblioteca Aldeana de Colombia, 1935).

⁶⁵ Niño, *Arquitectura y Estado*, 216.

also participated in the construction of courthouses, hospitals, technical schools, university campuses, hospitals, laboratories for the Office of Hygiene, and urbanization projects for small rural villages, like “Ciudad Mutis” in Bahía Solano, a small fishing town in the poor western province of Chocó.⁶⁶ Interestingly enough, “Arquitectura aldeana y rural” contains examples of these projects, including “Ciudad Mutis,” “Sativa Norte” (in Boyacá) and “Colonia Agrícola de Sumapaz.” The latter project, designed by Restrepo Álvarez and Ancízar Sordo, was described as an “aldea – jardín” (a garden – village), a planning scheme that comprised a central square, a hospital, a church, schools, school restaurants, a library, an office for the Colony’s administration, a government house, residential areas, a communal room for meetings and the water system and electric plant which were located in the outskirts of the town.⁶⁷

⁶⁶ Niño, *Arquitectura y Estado*, chapter XIII.

⁶⁷ Restrepo Álvarez, *Arquitectura aldeana y rural*, n.p.

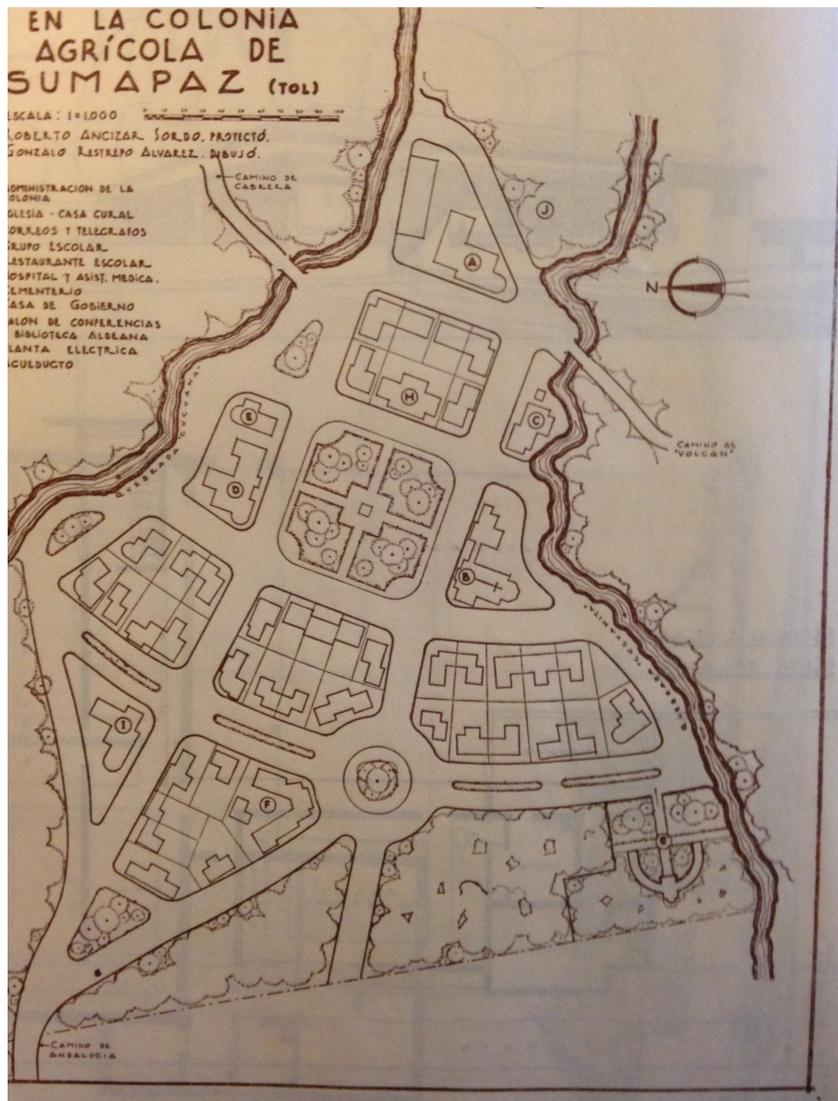


Illustration 1. "A Garden - Village in the Agricultural Colony of Sumapaz (TOL)," *Arquitectura aldeana y rural*, n.p.

The "garden village" might have not developed as the plan anticipated, but just the fact that the Sumapaz Agricultural Colony, which lay at the heart of the agrarian conflict, was thought of as a model for self-sufficient, semi-rural communities reveals quite a bit about the influence on Colombian reformers of planning models focused on consolidating small population centers. In fact, the Garden City Model seems to fit really well into reformers' conceptions about Colombian municipalities. The Garden City was the first comprehensive conceptualization about urban planning that emerged as a response to the problem of the slum in late-nineteenth century

industrialized cities. The main proponent of the Garden City was the British intellectual Ebenezer Howard, who drew from different sources ranging from Catholic distributism, an urbanization program called the “Back to the Land” Movement, and offshoots of Anarchism in England that considered the relocation of urban inhabitants in the countryside a political movement against the inhumanity of industrialization. Howard’s concept of the garden city was based on the idea that a solution to overcrowded slums, rough living conditions in industrial cities, and high urban land prices was the consolidation of small (a maximum of 32,000 people), semi-urban independent communities, in which every inhabitant would contribute with their own small-scale enterprise. Through this mechanism of cooperative participation, the garden city’s inhabitants would meet all their needs, including of course food provision, for which a belt of agricultural land would surround the urbanized center of the city.⁶⁸

In addition to putting small population centers and agricultural activities at the center of urbanization patterns, the concept of the garden city was appealing to Colombian reformers because it also suited the country’s production structure. The 1938 census demonstrated, analysts argued, that the Colombian economy was based on the traditional small landholder and the traditional artisan workshop. In the countryside, almost 60% of those devoted to agriculture were either owners or contributors to family units, or what statisticians called “domestic services.” In the cities, urban artisans, particularly seamstresses, tailors, hat and shoe makers, were a distant second after agriculture in economic importance, making up 20% of the economically active population. In these artisanal industries there was one worker for every fourth workshop owner. To protect the independent economic initiative of this multitude of artisans and farmers,

⁶⁸ Peter Hall, *Cities of Tomorrow: An Intellectual History of Urban Planning and Design in the Twentieth Century*. (Malden: Blackwell Publishing, 2002), chapter 4.

statisticians called for the introduction of modern technology in production practices.⁶⁹ But the possibility of consolidating population centers in which small industrialists and small farmers would benefit from each other could also be a way to avoid the ‘factory-ization’ of labor Colombian reformers so feared.

More broadly, the Garden City Movement had served as inspiration to the idea that rural communities could be subject to socio-spatial planning. By the 1920s, the Garden City Movement had located the housing problem—housing stock shortages and the proliferation of overcrowded unsanitary slums—at the center of “town planning”; in the Garden City model, the availability of comfortable, hygienic places to live, where people could settle and put down roots, was a requirement for the development of stable neighborhoods and communities. In the 1930s, international congresses on planning and architecture took into consideration that this relationship between good housing and stable communities could also be applied to the rural context, introducing the problem of rural housing into their discussions.⁷⁰

At around the time the Garden City Movement took off as a planning strategy, concerns about rural housing were also brought up at the European Conference on Rural Life. In conference materials, statisticians, economists, and planners discussed factors leading to rural poverty, analyzed housing conditions in rural areas, studied successful strategies used in several countries to tackle housing deficiencies and suggested convenient policies. A central argument

⁶⁹ *Censo general de población 1938*, 180.

⁷⁰ About international congresses on planning and architecture and the influence of the Garden City Movement, see Stanley Buder, *Visionaries and Planners: The Garden City Movement and the Modern Community*. (New York: Oxford University Press, 1990), chapter 10. These questions resonated in the Latin American context. At the Congress taking place in Mexico City in 1938, Mexican anthropologist and member of the indigenista movement Alfonso Fabila made a presentation on rural housing conditions in Mexico. In this presentation, which was more a description of indigenous communities’ housing patterns and material culture, Fabila commented on peasant abandonment, showing the same kind of concerns Colombian reformers harbored about rural housing conditions: houses were dirty, had dirt floors, and lacked latrines and windows; sleeping, cooking and social activities happened in the same room; people lived in “promiscuity” with animals, and houses were isolated and dispersed within the village, hampering communal relationships. He strongly argued that in a country where 75% of the population lived in the countryside, it was precisely there where the housing problem should be first addressed. Alfonso Fabila, *La habitación rural en México*. (México, D.F., XVI Congreso Internacional de la Planificación y la Habitación, 1938).

was that rural planning was fundamental for improving social conditions in the countryside and overcoming poverty; housing, in turn, was understood as the main element of any planning effort. In contrast to the Colombian context, where rural poverty had more to do with sparsely populated areas and isolated communities, in Europe, statisticians considered that rural poverty was the consequence of overcrowding in regions affected by difficult climatic and topographic characteristics, such as the case of Scotland in the United Kingdom and Galicia in Spain. Overpopulation in conjunction with low-quality soils, the preeminence of minifundia, a tendency to monoculture, the inexistence of a system of economic protection during periods of poor harvests, and inadequate commercialization of agricultural products in industrial centers (and of industrial products in rural areas) were hampering rural progress. The rural poor in Europe were subject to malnutrition, bad housing conditions, illnesses, unemployment, and, in the case of young workers, outmigration to the cities.⁷¹ The report prepared by the Housing Commission for the Conference recommended promoting regional planning programs, which, through regional planning boards, could develop colonization schemes, for instance, to help alleviate the consequences of overpopulation, and other economic measures to improve general living conditions. Rural planning, according to the report, “provides a basis for the social improvement of the working classes in the countryside, by raising the standard of living, which is everywhere acknowledged to be far beneath that of dwellers in towns and industrial centres.”⁷²

For the Housing Commission, whose members seemed to be influenced by the Garden City Movement, housing of course was at the crux of rural planning efforts. Regional planning implied “planning the house of the farmer in terms of health and comfort and planning communal life in the village.” This task went beyond health concerns to comprise “offering such

⁷¹ League of Nations, *European Conference on Rural Life 1939: Rural Housing and Planning, Report Prepared under the Auspices of the Health Committee*. (Geneva: Series of League of Nations Publications, 1939).

⁷² League of Nations, *Rural Housing and Planning*, 6-7.

amenities and comfort as would keep the farming population on the land by opening up prospects of a healthy, rational existence, comparable from the social standpoint with life in urban or industrial centres.” Housing conditions in Europe, argued financial and planning specialists, had experienced great progress since the end of World War I, but there was still much to do to eradicate the problem of what they called “rural slums,” or improvised, makeshift constructions with no public services.⁷³ Partly, this progress had been achieved thanks to the combination of public policies of agricultural and rural improvement advanced by local, regional, and national governments and the introduction of less expensive and more efficient construction techniques. Improvement policies mainly focused on resettlement programs (including the subdivision of large estates like those undertaken in Sweden and Norway), the construction of infrastructure, and the enforcement of sanitation regulation. The relationship between housing improvement and the reorganization of population patterns was so important, that the report argued that “[in] many countries, housing policy in the proper sense of the term is bound up with the problem of internal settlement.”⁷⁴ These campaigns of colonization and redistribution of land were accompanied by extensive credit programs and local cooperative efforts. Many countries had established a system of non-recoverable grants or very long-term loans, with low interest rates and often no rates at all; other countries had set up a public system of mortgage credit that made inexpensive loans available and subsidized rural constructions; in yet other cases, like Denmark, a strong net of credit cooperatives, benefitted by state subsidies, was very effective in dealing with insufficient resources to finance housing improvement. In fact,

⁷³ League of Nations, *Urban and Rural Housing*. (Geneva: Series of League of Nations Publications, 1939). In Belgium, for instance, there were still 30,000 urban and rural slums, and a great proportion of workers’ houses had no bathroom. In England, about 47,000 rural houses were unfit for human habitation, and it was calculated that a total of 430,000 slums should be cleared. In Finland, a fourth of rural houses were single-room units and a very small percentage of rural dwellings had access to potable water, 3-49.

⁷⁴ League of Nations, *Urban and Rural Housing*, xxxv-xxxvi.

in Europe, credit cooperatives, which had emerged as grassroots, thriving “village banks,” had been fundamental for bettering living conditions by financing the lay out of water, electricity, and telephone systems.⁷⁵

The Conference’s Housing Commission, therefore, considered regional planning as a set of policies to relocate population in places where they could enjoy the benefits of modern services and state protection. In explaining how planning authorities should conceive of this settlement, the Commission seemed to have restated the principles of the Garden City Movement. They argued that planning, primarily, should facilitate the formation of strong community ties in such a way that all individual needs would be fully met through cooperative work and the government’s promotion of local economic activities. Local planning boards, regional, and national institutions should seriously ponder regional plans, drawing up careful schemes of construction works and development programs. The linchpin of this planning effort was official credit. Besides intervening with incentives to employ less expensive materials, the only way to make housing—a service offered by a highly speculative sector, the construction industry—available to the poorest sectors of the population, which often resided in the countryside, was by providing them with the financial means to buy a proper house. Financial aid for rural housing and promotion programs was “mandatory.” But credit should be carefully administered. Past experiences showed that credits should not be given directly to the farmer nor should construction companies be hired by the state to build for rural communities. The strategies that had proven the most successful in advancing planning programs in the European countryside were technical institutions that could advance credit operations and constructions. In short, rural planning meant “provid[ing] rural communities with some services they could not

⁷⁵ League of Nations, *European Conference on Rural Life 1939: Co-operative Action in Rural Life*. (Geneva: Series of League of Nation Publications, 1939).

provide for themselves,” eschewing the profit-motivated intervention of the private construction company.⁷⁶

The European experience as it was discussed at the European Conference on Rural Life taught Lleras Restrepo many lessons. The most apparent of these lessons was the reassurance that credit was indeed effective. In Europe, local credit, public mortgage banks advancing special credit programs for low-income sectors, and subsidized cooperatives had offered relief to pressing living conditions. Moreover, credit had also helped to stimulate settlement and land redistribution, alleviating demographic pressures and poverty. Some of the policies implemented in Europe had already been tried in Colombia with modest success, like rural cooperatives. The examples of Denmark and Germany were widely discussed by Colombian economic officials during the late 1920s and early 1930s when they were discussing the consolidation of an official credit system.⁷⁷ Indeed, in 1931 legislation stimulating the creation of cooperatives and institutionalizing the “Superintendencia de Cooperativas” (an office within the Ministry of Labor for supporting the cooperative movement) was adopted, but grassroots cooperatives had progressed at a relatively slow pace. By 1934, there were just 16 cooperatives in operation, although by 1938, this number had increased to 120. During the López Pumarejo administration, subsidizing cooperatives of different types—from urban consumption to rural production or housing—was still perceived as a valuable policy to support “social action” and help to solve “severe social and economic problems of the middle and popular classes.”⁷⁸ Cooperatives,

⁷⁶ League of Nations, *Rural Housing and Planning*, 9-27.

⁷⁷ See Esteban Jaramillo, *La carestía de la vida. Conferencia dictada en el Teatro Municipal de Bogotá por el doctor Esteban Jaramillo, por iniciativa de la Sociedad de Agricultores de Colombia*. (Bogotá: Imprenta Nacional, 1927); Luis Felipe Latorre, *Crédito hipotecario*. (Bogotá: Águila Negra Editorial, 1928) and Antonio José Uribe, “El Consejo de la Economía Nacional,” *Revista del Banco de la República* 41, March 1931, 86-89.

⁷⁸ Luis Martínez Delgado, Superintendente de Cooperativas, to Ministro de Industrias y Trabajo, Bogotá, August 5, 1934. *Presidencia*, SG, caja 234, carpeta 32: ministerio de industrias, 10-12; José Joaquín Caicedo Castilla, *Memoria del Ministro de Trabajo, Higiene y Previsión Social al Congreso de 1939*. (Bogotá: Imprenta Nacional, 1939), 73-74.

however, proved to be more productive entities in urban centers, particularly in Medellín, as the following chapter will discuss, than in the countryside. Rural cooperatives were often affected by conflict as was the case of the cooperative at former hacienda “El Chocho” and the “Cooperativa Bananera del Magdalena,” the biggest cooperative in the country, created to strengthen banana producers’ bargaining power with the United Fruit Company, which had fallen prey to regional political conflicts as well.⁷⁹

In any case, an independent technical institute with the capacity to act in the regions with credit and construction programs did not exist in Colombia before 1939. This institute became, of course, the ICT: a bank that would help peasants settle into their lands with credit opportunities administered locally through Caja Agraria offices or local “bancos territoriales.”⁸⁰ In addition to the obvious benefits of addressing sanitation, health, and deficient infrastructure, the housing plan offered the possibility of supporting the agrarian reform program. Such a program had helped resettlement and subdivision processes in Europe, as the League of Nations suggested in its reports. In fact, although one of the ICT’s initial forays focused on tackling a sanitation crisis in the southern province of Nariño, during its first years the ICT concentrated its efforts in Cundinamarca, where the agrarian conflict had reached critical proportions that imperiled agrarian reform and improvement policies. The relationship between the ICT and the agrarian conflict, in particular how the institution operated in a context of permanent local political tension is the focus of the following section.

⁷⁹ See various documents in *Presidencia*, SG, caja 234, carpeta 32: ministerio de industrias. The manager and creator of the banana zone cooperative was the politician from the southern province of Cauca, José Vicente Garcés Navas, who became the first manager of the ICT in 1939 and a crucial figure in the development of the rural housing campaign.

⁸⁰ “La campaña por la habitación campesina,” *Revista del Banco de la República* 136, February 1939, 47-49.

Building Houses in the Midst of Conflict

Technically, the task of the ICT was defined as “promoting the construction of hygienic dwellings for rural workers.” Indeed, besides banking procedures related to issues like the interest rate at which ICT’s bonds would be negotiated on the market, how the Institute was to be capitalized, and the coordination between state banks (the Caja Agraria, the Central Mortgage Bank (BCH), and the BAH) to ensure that local branches would operate in such a way as to support ICT’s transactions across the country, the Institute’s administration was concerned from its creation in 1939 forward with addressing health and sanitation problems. Banking issues were managed by Carlos Lleras Restrepo as Minister of Finance, his uncle, Julio Lleras, who represented the BCH, and Luis Ángel Arango acting as Superintendent of Banking. Health concerns were in the hands of Arturo Robledo, the director of the Office of Sanitation of the Ministry of Labor who linked the Institute with the studies and campaigns already put in motion by the Ministry.⁸¹

Moreover, in April the ICT launched its first focalized project: the construction of 1,000 houses in the southwestern province of Nariño, where a series of “Bartollenosis” epidemics had left about 1,800 casualties since its eruption, the first time in Colombia in 1936 with recurring outbreaks through early 1939. Characterized by fever, the disease was highly contagious and deadly, and produced by lethal bacteria endemic to the Andean valleys of Peru, Ecuador and Colombia. In 1939, Bartollenosis’s infectious agent was still unknown. Given the very particular characteristics of the disease, which had been discovered a few decades earlier by Peruvian scientists, and Nariño’s isolation in the southeasternmost corner of Colombia on the border with Ecuador, it took almost three years for Colombian sanitation experts, entomologists, and

⁸¹ Acta 1, March 8, 1939; Acta 3, March 22, 1939. ICT, *Actas I*. Robledo mentioned that the Pan-American Union had granted three scholarships to the Ministry of Labor for training a doctor and two engineers that would work for the ICT.

microbiologists to determine the cause of the epidemics. These experts, after visiting and researching the sites of contagion—12 municipalities located in the valley of the Guáitara River, on the eastern side of the province—, unanimously argued that the reason why the epidemics had been so deadly was poverty. In their reports to the government, which already considered this pandemic a national health emergency, these scientists explained that rural workers' poverty had led to malnutrition and very precarious health conditions. The inhabitants of this region suffered from anemia, intestinal parasites, and other illnesses, which impeded their organisms from successfully fighting the outbreak of any type of infection. Medical experts also insisted on local inhabitants' extremely deficient housing situation. According to doctor Luis Patiño Camargo, “the human element in the countryside is excellent, but the conditions in which they live are miserable.” These conditions were characterized by terrible hygienic practices and the fact that they lived in “dark, humid huts, unfurnished, with no human comfort and in promiscuity with guinea pigs and other domestic animals.”⁸² The large degree of contagion was also a consequence of housing problems as, in addition to animals, “the ill and the healthy lived mixed in the same room, generally of small proportions,” where food was prepared as well to be sold in the town.⁸³

The only way to contain the rapid spread of the disease and to adequately tend the ill was “to elevate the living conditions of peasants through sanitary and social campaigns.” Doctor Patiño considered that sanitation agents should clean up houses, separate domestic animals from humans, lay out floors, plaster walls, and set up basic improvised latrines. He suggested the ICT rebuild 100 houses in the municipality of Sandoná “as the first demonstration of the most beautiful work of the current Government.” Moreover, Patiño recommended supporting the

⁸² Luis Patiño Camargo, Director del Instituto Federico Lleras Acosta, a Arturo Robledo, Bogotá, February 3, 1939. *Presidencia*, SG, caja 255, carpeta 11: ministerio de trabajo, 10-11.

⁸³ Report by Marco Cadena, Caicedo Castilla, *Memoria del Ministro de Trabajo*, 126-128.

native industry of Panama hat manufacture and the abolition of “concertaje,” the colonial labor system, which, according to the doctor, still functioned in areas inhabited by indigenous communities.⁸⁴ Indeed, the government proceeded to set up a broad program of sanitation that included establishing emergency hospitals, 18 sanitation experts, the provision of potable water and the adequate management of trash and waste.⁸⁵ For the construction of the 1,000 houses the ICT started in May 1939, the government endowed the institution with extra funds. To attend the pandemics, there were no credits; however, over time, the contacts the ICT made with the Governor of Nariño opened the door for relatively active credit operations in that province.⁸⁶

Despite its activities in Nariño, the ICT’s program was concentrated in Cundinamarca. Even before the construction of houses in Nariño began, a poor peasant family in the town of Cajicá (located 39 km north of Bogotá) obtained the first credit issued by the new ICT program. The family submitted the credit application through the Governor’s office, and the ICT’s board accepted the operation.⁸⁷ Later in the year, in May, the Institute’s manager, the Caucaño politician José Vicente Garcés Navas, responding to a request by the Minister of the National Economy, Jorge Gartner, travelled to Sumapaz to study the possibility of building 100 houses in the “Colonia Agrícola” that would be subsidized by the national government. Garcés Navas proposed a program to Lleras Restrepo in which the government would finance 50% of the houses’ value, and the peasants would pay the remaining 50% with long-term loans from the ICT. After the trip, Garcés Navas concluded that the project in Sumapaz was highly

⁸⁴ Patiño Camargo a Arturo Robledo, 10-15.

⁸⁵ Caicedo Castilla, *Memoria del Ministro de Trabajo*, 128-133.

⁸⁶ Acta 6, April 19, 1939; Acta 8, May 6, 1939. ICT, *Actas I*, 20.

⁸⁷ “Panorama del comercio mundial,” *Columna del Bachiller Cleofás Pérez*, January 31, 1964. *CLLR*, Fondo Escritos, caja 3, carpeta 3, 69. Lleras Restrepo created Cleofás Pérez to publish interviews and opinion columns in *El Tiempo* at a moment of great national political instability. In this document, Lleras Restrepo interviews himself on issues of current relevance such as international commerce and the problems of agriculture. In the last portion of the interview, taking place at the golden age of construction and of the ICT, he praises himself for having created the Institute.

“convenient” to support the subdivision of haciendas in the lowlands and the new colonization process that was taking place in the highlands. He argued that although peasants’ incomes were low, most of them were engaged in agricultural production, so if credits were given at favorable rates, these peasants could pay them back.⁸⁸

Despite Gartner’s and Lleras Restrepo’s interest in subsidizing the project in Sumapaz, it moved very slowly. Granting credits to workers in the area required thinking through some details that the ICT Board had yet to figure out. For instance, how would credits work given that peasants operated under such different circumstances with regards to land possession, resources and production? While settlers in the Colony enjoyed official support for seeds, tools, and the commercialization of their products, the new highland settlers lacked this kind of protection and their land ownership was still irregular. The Board initially acknowledged that these settlers, who were poorer than new owners in the lowlands, would receive a more flexible treatment until the legal situation of their titles was cleared. But the problem of irregular, unclear titles constantly came up when the Board reviewed the few credit applications it received during 1939, having to reject those in which land titles could not be used as collateral. Moreover, the Board also found that often even when titles were in order owners had already mortgaged their lands. Some small owners, thus, were shrewd about financial issues, but other farmers did not even complete the paper work for submitting their applications (or did not know how to do it). Under these circumstances, only a few credits were approved over the course of 1939, and just one, for Juan de la Cruz Romero, in the conflictive village of Une, in Sumapaz.⁸⁹

In early 1940, the government substantially modified the financial structure of the ICT in an effort to expand the program, get hold of more resources, and solve some of the problems it

⁸⁸ Acta 8, May 6, 1939, 20; Acta 9, May 24, 1939, 21. ICT, *Actas I*.

⁸⁹ Acta 9, 21-22; Acta 10, June 7, 1939, 28; Acta 11, June 21, 1939, 30-31; Acta 12, July 12, 1939, 32; Acta 14, August 2, 1939, 35-36. ICT, *Actas I*.

had encountered during the first year of operation. The main transformation was the involvement of provinces and municipalities. These entities became shareholders of the bank, which allowed them to undertake credit operations or housing constructions. By signing contracts with the ICT, each municipality or province would use the ICT's technical and financial services, fundamentally decentralizing the allocation of credit. The government also created the "Liga Nacional por la Vivienda Rural" (National League for Rural Housing), a committee formed by the President, the Ministers of the National Economy and Labor, and representatives of the Catholic Church, the Liberal national trade union (the Confederation of Colombian Workers, CTC) and the regional union in Cundinamarca (the Federation of Cundinamarca's Workers, FTC), official banks, and big agricultural business. The League was in charge of promoting a more accurate understanding of rural housing conditions and encouraging the creation of local leagues that would promote housing improvement in their towns. These local leagues should "agitate the rural housing campaign, look for the improvement of rural people's hygienic and moral conditions, cooperate with the ICT's task, coordinate official entities' policies in favor of the rural population and, in general advance a moral and educational endeavor among agricultural workers." Concretely, local leagues should instruct peasants about credit requirements and the type of houses available, help applicants fulfill the necessary paperwork and inspect constructions, bridging in this way the bureaucratic gap that restrained peasants from submitting applications to the ICT. Leagues were also used by the ICT as a way to gather information about local housing patterns and construction material availability.⁹⁰

⁹⁰ *Revista Nacional de Agricultura* 430/ 431, January 1940, Bogotá. Quote is on page 41. This issue was a special number focused on the "vivienda campesina" campaign. This publication was the organ of the Sociedad Colombiana de Agricultores (SAC, Colombian Agriculturalists Society), whose manager at the moment was Alfredo García Cadena.

Despite these efforts to ease access to the Institute's credit resources, other measures modifying the ICT's financial mechanisms actually complicated bureaucratic procedures. In the end, the ICT was a bank, peasants were its clients, and the housing campaign was advertised, not surprisingly, as a technical, economically efficient campaign. So, for instance, to address the marked inequality among applicants, the credit program was diversified. A more flexible 30-year, 3% interest rate loan was offered to "campesinos pobres" (poor peasants, or those whose property was worth less than \$3,000 pesos), to finance the construction of a particular type of house—one among the 6 "standardized models" that the technical section of the ICT designed—whose values ranged from \$100 to \$600 pesos (houses could be bigger and more expensive, to a maximum of \$1,000, if the applicant was the head of a large family). In the case of poor peasants, the government subsidized 5% of each transaction, given that the commercial mortgage interest rate was at 8%. For "campesinos pudientes" or "wealthy peasants," loans were offered at higher interest rates (from 5 to 8% depending on the peasant's assets) and shorter terms (15 years). To ensure that the ICT would grant the right credit conditions and build the most appropriate house for each family, a housing inspector, most often an engineer working for the Caja Agraria, would visit the applicant family to confirm the veracity of the information they provided on the application, and inform the ICT of their capacity to pay. The ICT also requested among its application materials a letter of recommendation from the town's priest, who was the director of the local housing league, testifying to the peasant's honorability and his actual economic situation, in short, providing proof as to whether the peasant was poor or wealthy. To approve a loan, therefore, the ICT's Board—which besides Ministers and banking authorities now included a high member of the Catholic Church who represented the peasants and a spokesperson for the President—took into consideration whether "the applicant was a peasant

with family, of demonstrated honorability, and a responsible taxpayer,” verified the correspondence between the information included in the application and the one provided by the inspection, and assessed if the peasant’s expected production would cover credit installments.⁹¹



Illustration 2. House Type No. 1. *Revista Nacional de Agricultura* 430/431, 61.

The technical aspects of the construction process were carefully specified to ensure that housing costs would be economical and by no means exceed the technical office’s budget. For each type of house, an engineer established the list of required materials, and the amount of labor needed (number of workers and days). For this same purpose, the ICT could import construction materials free of tariffs and the cement factories “Samper” and “El Titán” sold the ICT cement at reduced prices; these and other construction materials were stored by the new grid of ICT warehouses, where builders could buy them at cost. The ICT also signed a contract with the insurance company “Compañía Colombiana de Seguros” (Colombian Insurance Company) to cover all credits granted by the ICT, a benefit for which peasants were not charged.⁹²

⁹¹ *Revista Nacional de Agricultura* 430/431, 47-60.

⁹² *Revista Nacional de Agricultura* 430/431, 51-76. All this expansion and rationalization of the housing campaign was partly funded with a new loan that the government obtained with the Export-Import Bank. Colombian Ambassador to the United States, Miguel López Pumarejo, the ex-President’s younger brother, successfully renegotiated Colombia’s debt, which opened new credit lines for the government with United States banks. See: A

Next, in order to successfully advance the housing program in areas of colonization like Cundinamarca, the government had to grapple with the problem of land titles. For that purpose, the ICT accepted as valid proof of land ownership any private document that could attest to the fact that the land was occupied and cultivated (such as a proof of purchase), not the formal public deed. In other words, the ICT was agreeing to mortgage properties whose legal situation was unclear. With this measure, the government expected to weigh in in favor of settlers and possibly expedite the process of subdivision and land regularization. Indeed, the reforms of the ICT and, in particular the decision regarding land titles, considerably increased the number of applications and expedited the approval and distribution of credits. After a year and a half of operations, by June 1940, a total of 96 loans, worth \$77,200 pesos had been made, of which 53 were given in Cundinamarca alone (\$43,300 pesos). During the second half of 1940, however, the program expanded more quickly: credits were granted to individual farmers, contracts were signed with provinces like Antioquia and Meta, new warehouses were set up, and new engineers were recruited for the campaign, increasing the number of credits to a total of 217 (\$167,760.91 pesos). While construction was undertaken in regions like Nariño, Tolima, Antioquia, and Valle, Cundinamarca remained the focus of the campaign: 133 credits were granted both in conflictive (like Fusagasugá and Pasca) and non-conflictive areas (like Chía and Cajicá).⁹³

Ironically, the expansion of the program threw the ICT into the thick of political conflict. Right after the decision to accept private documents as valid proof of land ownership became effective, Laureano Gómez's newspaper, *El Siglo*, lashed out at the ICT in an article that, according to the ICT's Board, was seemingly written by the lawyer of the reactionary union of

Carlos Lleras Restrepo, confidencial, January 16, 1939, 1-5; A Ministro de Hacienda y Crédito Público, February 24, 1939, 30-31. *Presidencia*, SG, caja 254, carpeta 8: ministerio de hacienda.

⁹³ Acta 36, June 24, 1940, 79-80; Acta 38, July 12, 1940; Acta 42, August 27, 1940, 89; Acta 43, September 20, 1940; Acta 46, October 10, 1940, 96; Acta 49, October 31, 1940, 103; Acta 50, November 7, 1940, 105; Acta 53, December 12, 1940, 112. ICT, *Actas I*.

landowners, the “Sindicato Central de Propietarios y Empleados Agrícolas” (Central Union of Agricultural Owners and Workers), which had furiously opposed the agrarian reform legislation during the Congressional vote of 1936. *El Siglo* denounced the ICT as “Bolshevik” due to its willingness to mortgage properties whose titles were not legally recorded deeds.⁹⁴ The fear that the ICT was intervening in Cundinamarca to “sabotage” the right of landowners and favor the interests of settlers (or squatters, in the eyes of landowners) spurred a campaign against the housing program in the region. In September, the priest of Chipaque, in northern Sumapaz (just 36 km south of Bogotá), Agustín Carvajal, initiated an anti-rural housing crusade. In this town, a project of over 10 houses was under construction thanks to a contract signed by the ICT, the Governor, Antonio María Pradilla, and the Beneficencia de Cundinamarca. The priest was delivering anti-ICT speeches at the pulpit and in the central square, warning people in the villages not to approach the ICT for any reason, and giving similar orders during confessions. Monsignor Emilio de Brigard, the Auxiliary Archbishop of Bogotá, who was a member of ICT’s Board, called Carvajal to order, but the priest refused to end his anti-ICT movement because, as he argued, he was simply following orders from a higher authority in the Church, Monsignor González, the Vicar-general. Moreover, people in Chipaque claimed that Carvajal had loudly declared at the town’s central square “in the face of ICT’s and Beneficencia’s employees” that “even if he received orders from the Pope, he would not allow the infiltration in his province of the Communist whim of peasant housing, whose objectives were corrupt.”⁹⁵

The actions of Chipaque’s priest were not isolated. In the region, some sectors feared that the ICT was a strategy to undermine landowners and the influence that some Conservative circles exerted over peasant groups. The Mayor of Chipaque informed Pradilla that some

⁹⁴ Acta 35, June 20, 1935. ICT, *Actas I*, 78.

⁹⁵ Antonio María Pradilla a Eduardo Santos, Bogotá, September 28, 1940. Biblioteca Luis Ángel Arango, *Archivo Eduardo Santos* (hereafter *ES*), Fondo Gobernaciones, caja 2, carpeta 2, 408-409.

members of the local police and the Conservative unions were orchestrating a plan to discredit the ICT and the Beneficencia. Abelardo Rey, the President of Catholic Action unions, acknowledged that he had been instructed by leaders of the Conservative Party to advance a campaign for destabilizing the Beneficencia by creating resentment among its female employees; in private meetings these Conservatives and the priest told Beneficencia workers that they were being underpaid, fostering animosity against the institution. They had also published a leaflet against the ICT, which led the Mayor “to think that it is a fact that those undertaking this campaign are not individual citizens but people with more leverage and prestige, who held dangerous objectives, in [his] belief.”⁹⁶ In fact, the situation in Chipaque was a local manifestation of political tensions over subdivision and the agrarian reform that were taking place in Congress as well. Critiques of the ICT claimed that the only way this institute could effectively work was through the subdivision of large estates to transform workers into owners, as owners were the beneficiaries of the housing program. For reactionary sectors, this was proof that the ICT held a hidden agenda against landowning groups. Carlos Lleras Restrepo continuously refuted this claim, explaining that for the government the housing campaign and the subdivision of land were two completely different policies, and that one did not affect the other.⁹⁷

Although a connection between the two policies—rural housing improvement and land subdivision—was not made in official documents defining the nature of the ICT, in practice, Lleras Restrepo, Cundinamarca’s Governor, Garcés Navas, and economic officials like Jorge Gartner, hoped that the combined strategy of credit and housing would help ease some of the social tensions in highly volatile areas. We know that this connection drew on intellectual

⁹⁶ “El Alcalde de Chipaque, señor Pablo E. Arciniegas, informa,” u.d. *ES*, Fondo Gobernaciones, caja 2, carpeta 2, 411.

⁹⁷ Carlos Lleras Restrepo, *Memoria de Hacienda*, tomo I (1939-1940), 88-89.

currents that promoted the idea that rural communities could be reorganized through housing improvement. Colombian reformers used the ICT in their attempts to materialize this idea into policies. In Antioquia, for instance, the Governor's office and the national government made contingent an obligation to build new houses, which meant mortgage credit with the ICT, to titles granted over subdivided land within two of the very few haciendas that were being redistributed in the province as a way to make the subdivision process more attractive to potential owners. Moreover, as the negotiations with Cundinamarca's Governor to build houses in the Sumapaz Colony and Chipaque were progressing, the Governor asked the ICT to expand its program to Pasca, Viotá and El Colegio, in Sumapaz, to "solve social problems."⁹⁸ But, once again, local political conflicts hindered the effectiveness of the policy. When Garcés Navas visited Pasca to launch the program in this town, he was informed of a new campaign against the Institute advanced by "influential elements in the region [who] were obsessed with the idea that they should be considered as poor peasants, which is not possible due to the legal normativity." Due to this campaign, some of the peasants withdrew their applications and others refused to complete their paperwork to receive credit.⁹⁹ *El Siglo*, in the meantime, used any opportunity—if peasants complained about their new houses, if there was any quibble between a beneficiary and ICT's technical inspector, or any other excuse—to maintain its anti-ICT campaign alive.¹⁰⁰

The situation in Cundinamarca pushed high authorities in the Catholic Church and the national government to intervene. Thanks to De Brigard's mediation, the Archbishop circulated a memo between all dioceses asking bishops to unconditionally support the ICT. The Institute's Board used the Church's good will to distribute information about the importance of local housing leagues and to request that parish priests cooperate with peasants when they were

⁹⁸ Acta 44, September 26, 1940. ICT, *Actas I*, 91-92.

⁹⁹ Acta 45, October 3, 1940. ICT, *Actas I*, 94.

¹⁰⁰ Acta 69, May 29, 1941, 163-165; Acta 70, June 5, 1941, 167. ICT, *Actas I*.

completing their credit paperwork.¹⁰¹ Lleras Restrepo also stepped in to attend different fronts. First, by adopting some financial “restrictions,” he forced Pradilla, Cundinamarca’s Governor, to comply with his obligations related to the housing campaign. Although Pradilla insisted on advancing projects in conflictive towns like Viotá and Fusagasugá, he made no effort to organize technical inspectors or coordinate credit operations with local offices of the Caja Agraria. The province was also deeply in debt with the national government, and Pradilla kept asking Lleras Restrepo to put Cundinamarca bonds on the market, giving Minister Lleras Restrepo the perfect opportunity to use his power to condition the financial support of the national government upon the Governor’s more efficient administration of the housing campaign. Lleras Restrepo also asked the BAH in Cundinamarca to cooperate with the ICT after acknowledging that the slow process of land allocation had delayed housing constructions.¹⁰²

Finally, to counteract the negative campaign against the ICT and other social policies implemented by the government, Lleras Restrepo, Caicedo Castilla and Garcés Navas delivered conferences, published in the Liberal press, explaining and defending the objectives of these policies. Lleras Restrepo used the economic argument to demonstrate that the government, with its policies of economic and social promotion, was privileging national “common welfare” rather than “local and personal interests.” His conference, which he considered an effort to “gain and maintain [the] sentiment of public trust,” focused on showing how by protecting coffee producers, for instance, or pushing for the construction of roads and railways, the entire economy was benefiting. In the context of World War II, Lleras Restrepo insisted, the protection of the agricultural economy, the financial strengthening of the municipality through the IFM, and broad programs of infrastructure improvement (public buildings, schools, hospitals, roads, etc.) were

¹⁰¹ Acta 48, October 24, 1940. ICT, *Actas I*, 101.

¹⁰² See documents in *ES*, Fondo Gobernaciones, caja 2, carpeta 2; Acta 58, January 10, 1941. ICT, *Actas I*, 120-122.

acting together to provide massive employment, raise consumption levels and stimulate domestic industrial production. Besides reassuring industrialists that they were also protected by the state from any eventual downturn brought about by the war—in particular Antioqueño industrialists who were amassing great political power—he was also trying to demonstrate the beneficial economic results of social promotion policies.¹⁰³ Caicedo Castilla used the same arguments to show why labor, sanitation, and health policies, including housing and infrastructure improvement through the IFM, were advantageous for the national collective. The improvement of municipal conditions, which was being achieved thanks to credit, was the “first serious attempt at decentralization in Colombia.”¹⁰⁴ Garcés Navas did his part as well. He wrote an extensive article on the short history of the ICT, explaining how it operated on the ground—financially and technically—and the ways in which this operation had been transformed to surmount obstacles the Institute had encountered along the road. These obstacles were related to the fact that it was easy to “give out loans” but it was very difficult to make those loans achieve their objective, which was “to build a house, worth between \$600 and \$1,000 pesos, for a peasant family of 12 people,” following hygiene and quality standards. Garcés Navas emphasized that the ICT was pursuing a visible material and, more importantly, moral transformation of the countryside “by substituting the non-hygienic hut with a clean and joyful little house.”¹⁰⁵

¹⁰³ “La economía y las finanzas bajo la administración Santos. Conferencia leída el 5 de marzo por el Dr. Carlos Lleras Restrepo, Ministro de Hacienda,” *El mes financiero y económico* 46, March 1941, 27-36.

¹⁰⁴ “Conferencia dictada el 12 de marzo por el Ministro de Trabajo Doctor José Joaquín Caicedo Castilla,” *El mes financiero y económico* 46, 39-53.

¹⁰⁵ Acta 65, March 28, 1941. ICT, *Actas I*, 146; José Vicente Garcés Navas, “Campaña por el mejoramiento de la vivienda rural. Instituto de Crédito Territorial,” *El mes financiero y económico* 47, April 1941, 19-29.



Illustration 3. Pictures of the before and after of a construction in Suesca, Cundinamarca. Two of the inspectors, the architecture students Jaime Nieto Cano and Jorge Gaitán Cortés, pose in the front of the new house. *El mes financiero y económico* 47, 20.

Not surprisingly, all three interventions justified the social program of the Liberal government by showing how it favored economic development. Ultimately, this is how (using an appeal to economic reason) the language of social reform in Colombia had been constructed since the late 1920s. But there was something new in these discourses. In contrast to previous justifications in which promoting better living conditions in rural areas was conflated with national progress, now industrialization and the expansion of the internal market, particularly in urban areas, were also presented as elements of national wellbeing. As the shortage of imported goods due to World War II benefitted domestic manufacturers, industrialists started clamoring for recognition as a force of progress and development. With a new credit from the Export-Import Bank, the government created the “Instituto de Fomento Industrial” (IFI, Institute of Industrial Promotion) in early 1941 to offer credit options for industrial endeavors.¹⁰⁶ The political influence that the industrial sector and other urban interest groups started to wage is

¹⁰⁶ “La economía y las finanzas bajo la administración Santos,” 36; Henderson, *Modernization in Colombia*, 248-250.

evident in the fact that the three officials referred to how the ICT and the IFM were contributing to the construction and industrial sectors and the urban economy. Lleras Restrepo felt the need to appeal to Antioqueño industrialists to support his economic policy, by demonstrating that agricultural promotion and the construction of public works were also strengthening the internal market. Caicedo Castilla reassured that labor legislation was not damaging industrialists and that infrastructure improvement was progressing successfully in major industrial centers like Barranquilla and Medellín. Lastly, although Garcés Navas did not explicitly claim that the construction of rural houses stimulated the construction industry, or that ICT credit injected great dynamism into the banking sector, his detailed explanation of how the ICT worked on the ground and how it had surmounted considerable obstacles, placed a new urban actor at the center of the story: the architect. To effectively make the loan fulfill its goal of funding the construction of a house, the architect became crucial. As the reach of the ICT expanded by signing contracts with provinces to build from 200 to 400 houses in late 1940 and early 1941, the ICT needed the supervision of an “expert” in construction techniques. Garcés Navas asked for the provinces’ help in appointing this expert to direct and supervise constructions, who could be an engineer, an architect or an experienced master builder. This was indispensable, argued the manager, since peasants who had received the money to build houses themselves had incurred more expenses and did not know how to proceed with constructions.¹⁰⁷ During 1941, elements associated with the ‘urban’ became everyday more prominent in the rural housing program: architects, suppliers of construction materials, and insurance companies ensured that the ICT functioned on the ground. Moreover, the model of operation the ICT adopted by mid-1941 was the model used to undertake its new enterprise: the construction of working- and middle-class neighborhoods in the cities.

¹⁰⁷ “Campaña por el mejoramiento de la vivienda rural,” 24.

From Rural to Urban

The construction sector began its fruitful connection with the ICT with the Institute's very first projects. Although many materials were imported, cement, bricks, tiles and lumber were produced domestically. Some suppliers of these materials, either artisanal or large-scale industrial producers, profited from the business they conducted with the ICT. In the context of World War II, imported construction materials, and the technology required for the production of these materials, became scarce and very expensive, and the projects of the ICT required a constant effort to reduce these costs by all means. Under these conditions, the Institute sought to support the production of these materials in areas where costs were lower and transportation to job sites was easier. In some cases, an initial experiment, most likely unsuccessful, opened the door for a dynamic industrial endeavor in the future. A good example is the case of Hernando Gómez Tanco, a prominent industrialist and founder of *Eternit* Colombia in 1942, the subsidiary of the Swiss multinational corporation that fabricated asbestos and "fibre cement" plates for roofing and cladding. In early 1939, Gómez Tanco obtained a special permit from Lleras Restrepo to import from Chile two prefabricated houses, which were inexpensive and could be quickly assembled. Although the experiment did not work well—the houses, set up in Nariño, were of rather poor quality—the experience initiated rewarding conversations between Gómez Tanco and Lleras Restrepo. The latter early on showed an interest in establishing a factory for the production of inexpensive construction materials, like asbestos and fibre cement, which ultimately allowed Gómez Tanco to create *Eternit*.¹⁰⁸ Brick and tile making enterprises were also incentivized by the rural housing campaign. For instance, in early 1941, in the tobacco-producing region of Ambalema, in Tolima, landowners who were subdividing their haciendas invested in

¹⁰⁸ Acta 1, 3; Acta 3, 10; Acta 7, April 26, 1939, 16; "Eternit, revolución en construcción," *Revista Sábado*, December 18, 1943, 19.

setting up brick and tile works to supply the construction and improvement of the new owners' houses (housing, once more, complemented land subdivision and distribution). The technical inspector of the ICT recommended that the Institute support the local production of bricks, for which these new industrialists received mortgage credit from the ICT. Unfortunately, things did not work well for the industrialists, who were subject to enforced collection of the loan, nor for the ICT, whose constructors complained about the quality of the bricks.¹⁰⁹ Later that year, in July, for instance, building projects underway in Cundinamarca began running low on these materials; tiles and bricks had been provided by a small factory in Bogotá that could not keep up with the demand. The "Instituto de Acción Social" (IAS, Institute of Social Action), a social assistance agency created by the Liberal yet profoundly Catholic, Councilman Guillermo Nannetti in Bogotá (the next chapter will more carefully explain the role of this institution), then offered to produce these materials for the ICT contingent on obtaining ICT credit to buy a special oven to fire the clay. The IAS focused on housing campaigns for middle-class workers and the promotion of artisanal and small manufacturing production, for which it had opened a small factory in the outskirts of Bogotá where it owned land. The ICT approved the credit and started buying bricks and tiles from the IAS, at favorable prices, in early 1942.¹¹⁰ The ICT also helped set up a "little chircal" (brick making operation) in Villavicencio, Meta, for provisioning the constructions in that area.¹¹¹ Finally, another manufacturer that grew considerably during these years was the stoneware pipe factory "Moore," which also supplied construction materials for the ICT and the IFM. This factory, founded in 1906, was transformed into a corporation in 1945

¹⁰⁹ Acta 58, 121-122; Acta 62, February 27, 132; Acta 103, April 9, 1942. ICT, *Actas I*, 258.

¹¹⁰ Acta 73, July 3, 1941, 174; Acta 86, October 23, 1941, ICT, *Actas I*, 174.

¹¹¹ Acta 85, October 16, 1941, 206. The ICT received other credit requests to establish brickworks in other regions, but were rejected. See Acta 102, March 26, 1942, 253. ICT, *Actas I*.

when it also opened the biggest factory of grès pipe production in Latin America, “La Colina,” to supply the pipes for the expansion of water and sewage systems all over Colombia.¹¹²

The connections between the construction sector and the ICT multiplied as the rural housing program grew. In general, 1941 was a year of intense activity for the Institute. By October, it had granted 615 loans (of which 243 were for peasants in Cundinamarca and 128 in Nariño). The first big project, the construction of 200 houses for public road workers in Antioquia—the first contract the ICT signed with a province—became effective in February that year. Simultaneously, the Governor of the Eastern province of Santander, Benjamín García Cadena (BAH Manager Alfredo García Cadena’s younger brother), contacted Garcés Navas with the purpose of signing another contract, using the contract with Antioquia as a model, for the construction of 200 houses for “poor peasants.” The national railway Company, “Ferrocarriles Nacionales,” also signed a contract to build 100 houses for railway workers on land owned by the company and on which workers could have the possibility of planting a small orchard (following the principles of garden villages).¹¹³ These new constructions, all in geographically diverse areas, posed a challenge to the ICT administration as to how to handle projects distantly and sparsely located from each other and from Bogotá. Different measures were taken to address this problem. The ICT expanded its technical section and hired an expert engineer from the Ministry of Public works to manage it. This engineer insisted that the Institute needed at least 4 young engineers or architects, one in each region where the ICT was developing jobs, or “zones,” to supervise construction projects and coordinate with regional boards. These boards, the last measure adopted, were established to receive and review credit applications and

¹¹² Acta 86, October 23, 1941. ICT, *Actas I*, 207-208; “Tubos Moore, reseña histórica,” http://www.moore.com.co/index_archivos/RESENA.htm [accessed: October 5, 2014].

¹¹³ Acta 55, January 5, 1941, 115-116; Acta 56, February 6, 1941, 124-125; Acta 60, February 13, 1941; Acta 62, 133-135; Acta 85, 204. ICT, *Actas I*.

coordinate installment collection regionally, decentralizing financial operations as well. The technical department of the ICT then hired 4 students of the recently founded School of Architecture at the Universidad Nacional, where studies of rural housing were being undertaken.¹¹⁴ At least three of these students would become prominent Modern architects and modernizers by the late 1940s and early 1950s: Jorge Gaitán Cortés (who after graduating from the Universidad Nacional, first pursued a Masters degree in Architecture and Planning at Yale University, then returned to Colombia to teach at the Universidad Nacional and later became a member of the Bogotá City Council, and finally, the city's Mayor in 1961), Jaime Nieto Cano (who also got a post-graduate degree from Yale, became director of Bogotá's Office of Public Works, and founded his own construction company in the late 1940s), and Hernando Vargas Rubiano (he became Professor at the Universidad Nacional and a planner of the IX Pan-American Conference in 1948). The Institute also had a new Assistant Manager, prominent engineer and architect Alberto Wills Ferro, who held a Masters degree in Architecture from Columbia University and, as director of the Office of National Buildings of the Ministry of Public Works, had already designed many buildings housing significant official institutions like the National Library (1933-1938) among others.¹¹⁵

The professional career of Vargas Rubiano, in particular, was substantially advanced by the work he performed at the ICT. A few months after being hired by the Institute, during which he travelled across the countryside of Cundinamarca and Boyacá to inspect construction projects, he received economic support of the ICT to attend a winter program at the University of

¹¹⁴ Acta 46, 97; Acta 59, 125; Acta 63, March 13, 1941, 137-141; Acta 65, 146-147; Acta 92, January 12, 1942, 225-230; Acta 102, 252. ICT, *Actas I*.

¹¹⁵ *Quién es quién en Colombia*, 3rd edition. (Bogotá, Oliverio Perry & Cía. Editores, 1961), 125, 128, 130; Juan Carlos Pérgolis, "Alberto Wills Ferro. Arquitecto," *Colección Escala/ IIE 1* (June, 1986), 1-13. Although Wills Ferro was already a well-established architect when he assumed his position at the ICT, in early 1942 he received funding from the Institute to study "minimum housing construction" in New York City, to complement a scholarship package Mayor Fiorello LaGuardia had granted him personally. Acta 99, February 26, 1942. ICT, *Actas I*, 247.

Pennsylvania to study “how inexpensive housing was being built in the United States.” Vargas Rubiano received a modest fellowship from a program of “cultural exchange” between the Universidad Nacional and the University of Pennsylvania funded by the Pan-American Union. The Board of the ICT thus sent Vargas Rubiano to the United States on the condition that he would not remain locked in a class room taking notes, but rather venture out to explore on the ground how rural houses were built in some places in the United States South, where new construction technologies employed “rammed earth, adobe, and combinations between oil and asphalt residue, materials that could be appropriated for the construction of rural housing in Colombia.” Once in the United States, Vargas Rubiano contacted the German architect Alfred Kestner, who had used a special material, soil-cement—an inexpensive, resistant, and durable compound that mixed the traditional rammed earth combination with other components—in a rural project in Virginia. The young architect returned to Colombia in March of 1942 full of ideas about how to efficiently use and prepare soil-cement for ICT’s projects. The board authorized the architect to experiment with the material in different rural areas for a few months during 1942 and 1943 with mixed results. Experimenting with new techniques was important for the development of the program, argued board member Luis Cano—a prominent Liberal journalist who represented Santos at the ICT—but unfortunately was “unacceptable on money lent to a poor peasant, as he cannot be subject to the contingencies of a house that may not be solid and may have serious defects,” leading to the temporary suspension of Vargas Rubiano’s venture.¹¹⁶

¹¹⁶ Acta 82, September 11, 1941, 197; Acta 83, September 18, 1941; Acta 85, 205-206; Acta 102, 252; Acta 135, February 12, 1943, 339-340; Acta 139, March 12, 1943, 345; Acta 159, September 7, 1943, 381. ICT, *Actas I*. Quote is on page 381. Hernando Vargas Rubiano and Hernando Vargas Caicedo, “El terraconcreto en Colombia: apuntes para su historia,” *Dearquitectura* 1 (October 2007), 120-124.

Yet, the use of soil-cement was pushed by a new endeavor the ICT became involved with beginning in August 1942: the construction of urban neighborhoods. Lleras Restrepo transformed the character of the ICT from a predominantly rural-focused entity to one that would provide credit for housing improvement in both rural and urban areas, just as the Santos administration was leaving office. Lleras Restrepo explained to ICT administrators that the government wanted to offer “employment opportunities to workers” while rapidly investing new international credit in the capitalization of the ICT through a section focusing on urban housing improvement.¹¹⁷ In this way, the government initiated a national program for the improvement of urban housing, finally closing the cycle and engaging with all forms of urbanism: the expansion of public buildings, public infrastructure, transportation, and now housing. This new step, the construction of houses for working- and middle-class workers, also made the national government a participant in the intense, sustained urbanization Colombian cities experienced throughout the 1940s and 1950s, while urban projects substantially expanded the Institute’s reach and capital as well. The irony is that this urbanization program grew out of a structure that was established to benefit rural communities.

The case of soil-cement provides an example of the ways in which the rural housing campaign shaped and influenced the great dynamism of inexpensive urban housing in Colombia from the decade of the 1940s forward. This construction technique that would supposedly favor the rural campaign by reducing costs while offering durability and resistance failed to function properly in rural areas due mainly to the inexperience of local masons and regional inspectors who did not use the appropriate components or combinations. The soil-cement technique, however, proved to be very successful in the construction projects undertaken in the eastern cities of Bucaramanga and Cúcuta in 1943. Such positive urban experiences helped perfect the

¹¹⁷ Acta 107, June 5, 1942, 271; Acta 116, August 13, 1942, 298-300. ICT, *Actas I*.

soil-cement technique, which eventually became widely used in urban and rural environments (even CINVA, in the 1950s and 1960s, promoted the use of soil-cement in its international publications, considering it appropriate for self-help constructions, and actually implementing the technology in its own projects). Vargas Rubiano, in turn, became a renowned “expert” in this matter, demonstrating in publications and presentations given at international architectural congresses how it had helped the development of inexpensive housing construction, or “minimum housing,” in Colombia.¹¹⁸

The urban housing campaign that started in mid-1942 gained from the investments, experiments and discussions that administrators, technical employees, architects, regional agents, and rural beneficiaries had advanced since the rural program started in early 1939. The Institute had learned from its failures, not only with regards to the implementation of construction technology, but also in relation to the administration of credits. Financially, the Institute had developed a decentralized model of contracting and granting credits through regional boards, managed by the ICT. The urban housing section simply adapted those tools to meet the increasing demand for loans requested by municipalities when the new service was announced in August 1942. By September, the board had already signed contracts with municipalities worth \$1,460,000 pesos, including capital cities like Cali, Barranquilla, Popayán, and Cartagena. In addition, the ICT disbursed \$2,500,000 pesos for the construction of “barrios populares modelo” (model popular neighborhoods) in Bogotá, Bucaramanga, Medellín, Tunja and Cúcuta, among others.¹¹⁹ Moreover, the ICT brought its technical experience to urban centers to support the efforts of local groups who were already addressing the problem of urban housing shortages. As chapter 4 will show, the ICT quickly established ties with urban grassroots cooperatives involved

¹¹⁸ Acta 159, 381; Acta 170, December 20, 1943, 400-401. ICT, *Actas I*; Vargas Rubiano and Vargas Caicedo, “El terraconcreto en Colombia,” 124-126.

¹¹⁹ Acta 122, September 17, 1942. ICT, *Actas I*, 316-317.

in dealing with housing issues such as the “Cooperativa de Habitaciones” (Cooperative of Dwellings) in Medellín which became an important and representative case.

But the “urbanization” of the rural housing program did not lead rural housing advocates to abandon their struggle. In fact, Garcés Navas and other members of the ICT Board who were not directly connected to banking, like Luis Cano and Monsignor de Brigard, became firm believers in the radical transformation that the construction of a comfortable house could bring to a rural family. Garcés Navas, and to a lesser extent Wills Ferro, travelled across ICT zones, visiting job sites, negotiating with local Caja Agraria managers, solving technical problems, and inaugurating construction projects. These individuals’ direct contact with rural problems certainly influenced the way they understood the achievements of this campaign. Even architects and engineers were impacted by the work they developed. In late 1943, for instance, the Board of the ICT awarded one of its zone architects, the engineer Alejandro Gómez, who had developed a house model whose construction cost \$500 pesos (the least expensive house the Institute built was worth \$600 and at the moment the board was looking to radically reduce costs) with great results in Valle. Luis Cano, recognizing that building houses in remote rural areas was full of hardships and unexpected expenses and praising architects’ work, ask them to commit to reduce costs however possible and to contribute to “the social improvement of our country, by taking Colombian peasants out from the miserable hut where they live their existences, to a comfortable, secure, more hygienic, and bright dwelling.” In response, Gómez asserted that he knew that the ICT had given him an award not because of his great knowledge or credentials, but “exclusively due to the love and dedication with which he [had] been working on the rural

housing campaign. He [came] from rural parents and therefore he [felt] closely bound to the task he [had] been developing for the Institute.”¹²⁰

Zone engineers would nostalgically remember in 1963 all the effort they put into the construction of houses for peasants, the meager budget they had to work with and the difficult conditions in which they worked. By the 1960s, the ICT was “a company that [held] one of the largest capitals in Colombia and [enjoyed] international recognition, as its projects [were] admired in other countries and its technicians [were] called in to direct their housing plans...” At this moment of glory for the ICT, these engineers claimed that what they did in the 1940s not only profoundly impacted the lives of peasant families, but also made them understand the origin of national problems: rural abandonment. In the countryside, their work went beyond the construction of a house, since, as one of them stated, “one had to play the role of a doctor, lawyer, veterinarian, and almost priest. And always one was godfather. Not a single ‘inspector de vivienda campesina’ (rural housing inspector), who deserved the title, had less than ten baptismal godchildren and served as witness in at least three marriages.” Another engineer noted that his work as rural housing inspector led him to understand why “200 peasant families [would] one night invade a private plot” or why others “invade the sidewalks of cities asking for alms and take over bridges to live underneath them.” These families were just escaping from insecurity and hunger, and were also reaching out to the state, which was present to some degree in the cities, but not in the remote areas where these people lived. For him, the rural housing program was what could stop this exodus of peasant families from the countryside—“which was driving

¹²⁰ Acta 169, December 13, 1943. ICT, *Actas I*, 397-398.

Colombian authorities crazy”—since “giving [peasants] a house is the only way they could put down roots in their plot,” and this program should be generously subsidized by the state.¹²¹

These engineers might have felt the need to justify their work during the golden age of the ICT, because by then the rural housing program had already ended and very few remembered that the Institute had actually started out as a rural housing agency. In fact, during the early 1940s something was fundamentally changing in the country. On the one hand, the logic of capital required investments to be made wherever they could render good returns; under this logic, small agricultural endeavors stumbled while industrialists, urban developers, and construction companies concentrated the benefits of capital in urban areas. On the other hand, the constant migration of rural inhabitants to the cities, which the social policies of the Liberal governments could not deter, created a political problem in urban areas that the state had to tackle, a topic explored in the chapter that follows. Under these circumstances, the national government slowly realized that the cost of modernizing the countryside was already too high. The rural housing program then tested the neutrality of credit or, as reformers saw it, the capacity it had to equally benefit lenders and borrowers, in a transaction that promoted economic and social prosperity for all. Ultimately, the rural housing campaign encountered too many obstacles, the government concluded, putting into question the mutual benefit that borrowers and lenders were supposed to gain from credit for housing.

Was Making Money Really a Social Service?

The problems the rural housing campaign faced on the ground were numerous and multiple. A combination of circumstances often made projects more expensive than the value of the loan granted to the peasant and considerably delayed construction schedules. Particularly

¹²¹ Primera Asamblea de veteranos de vivienda campesina, *Mi casita campesina. Homenaje al Doctor José Vicente Garcés Navas*. (Bogotá: mimeo, 1963).

before the technical section hired its own engineers, local inspectors were often the butt of many peasant complaints. Sometimes, due to unexpected conditions or carelessness, engineers would misdirect construction projects, putting the Board in Bogotá in the uncomfortable position of deciding if the extra cost should be charged to the peasant, the engineer, or should be absorbed by the Institute. On other occasions, engineers took advantage of peasants, overcharging them for the materials the Institute's warehouses sold at cost, and increasing the overall cost of building projects. Engineers and warehouse managers also embezzled the Institute for large sums of money. In one incident, a negligent engineer in Yolombó, Antioquia, gave the money directly to two beneficiaries who were supposed to build their own houses but spent the money on something else, handing in false receipts to the Caja Agraria office from which they had obtained their credit. This event produced tensions between ICT's board and the Governor's office, as the province claimed that, since the ICT did not know the region, it was hiring inefficient, untrustworthy personnel, impairing the pace of constructions in the province.¹²² Governors and the ICT's board, in fact, constantly had to renegotiate the terms of contracts in the wake of increasing or unforeseen expenses, and many times the ICT was forced to absorb those extra costs. Finally, other actors whose actions increased the expenses incurred by the ICT were local Caja Agraria agents. They would approve loans that exceeded the limits set by the Institute or would accept as collateral a property whose value did not cover the amount of the loan. Also, since these employees did not work exclusively for the ICT, in some areas they would just

¹²² Acta 104, April 23, 1942, 260-262. The incidents with engineers are too many to list them all here. See for instance: Acta 46, 97; Acta 50, 105; Acta 54, December 19, 1940, 114; Acta 58, 120-122; Acta 83, 199; Acta 97, February 12, 1942. ICT, *Actas I*.

abandon the ICT's business, disregarding the collection of payments and mismanaging accounts.¹²³

But perhaps the most difficult problem to handle was that peasants did not pay back their loans. Sometimes beneficiaries complained about the quality of the houses and refused to honor their loan obligation unless improvements were made, but more frequently the Institute just accumulated high levels of delinquent debt. Although the Board rarely discussed the causes of peasants defaulting on their obligations with the ICT, with the exception of a few cases where it was clear that debtors were being negligent about their responsibilities, for the Board it was almost a moral problem to proceed with the enforced collection of those loans. When the first list of delinquent debtors was discussed, in February 1942, board members engaged in a discussion about whether it was just to make these poor families face a judicial process, ultimately approving the collection of the loans. It was Luis Cano who wanted "the meeting minutes to register that even though for the Board of Directors it is painful to be forced to proceed in this way, it cannot allow defaults to become a habit, in which case the Institute would go bankrupt. This would severely affect peasants." In the end, peasants had to understand they should pay their obligations, "since it was not a gift what the state was doing for them."¹²⁴ This dilemma was exposing the internal contradictions of addressing social inequalities with a policy that was based on credit. Those who did not own a thing did not have access to credit; and when poor families obtained credit, with the promise of state support and favorable conditions, they could not meet this new economic obligation. Or perhaps peasants' relationship with credit and credit institutions was motivated by a political agenda, making credit default a sort of "weapons of the weak" strategy. In any case, from the perspective of the reformers, the ICT's large past-due

¹²³ See for instance: Acta 58, 121; Acta 83, 199; Acta 86, 207-208; Acta 92, 225; Acta 145, May 10, 1943. ICT, *Actas I*.

¹²⁴ Acta 96, February 5, 1942. ICT, *Actas I*, 235. See also Acta 98, February 19, 1942, 240.

portfolio was posing a political and administrative quandary. Even Lleras Restrepo, consulted by the board as an external expert, admitted that after “examining and analyzing these issues” he had found a “failure” in the campaign, which was that “constructions and personnel are expensive” and it was very difficult “to enforce judicial collections on peasants and proceed with evictions.”¹²⁵

These operational “obstacles” were raised in an alarming report issued by the Superintendent of Banking in August 1941. The Banking Official called out the ICT board about the fact that houses were becoming very expensive. The Superintendent considered that the general expenses of the technical section were leading the Institute to lose capital and recommended that the government capitalize the ICT by one million pesos. The Board, to justify this capitalization and the increasing costs the ICT was incurring, put forth the argument that the Institute was not just a profit-making bank. “In this regard, Counselor Luis Cano expressed that the Institute cannot be considered simply as a Bank, since, he thought, it was fulfilling a social service that situated it under very different circumstances than those of commercial banks. It was very difficult for investments the ICT had made to obtain a profit, and neither securities nor loans could cover its general expenditures and losses derived from poor peasants’ overdue payments with whom the Institute works.”¹²⁶ Whether the real nature of the ICT was to develop the functions of a bank or to perform social assistance tasks was intensely debated over a year later, in October 1942, when the Minister of Finance of the new government during the second administration of Alfonso López Pumarejo (1942-1945), Alfonso Araújo, put forth a legislative project to merge the ICT, the BAH and the Caja Agraria. Araújo considered the merger a way to solve the financial problems the ICT was facing—i.e., high expenses and a large past-due

¹²⁵ Acta 146, May 24, 1943, 367. See as well on the issue of delinquent debt: Acta 107, 269; Acta 118, August 25, 1942, 304. ICT, *Actas I*.

¹²⁶ Acta 80, August 21, 1941, 190-191. ICT, *Actas I*.

portfolio—by creating a solid banking institution that would invest a portion of the profit it obtained from commercial transactions in housing improvement. Almost unanimously, the ICT Board opposed the project by arguing that such an institution—a bank driven by economic efficiency—would never consider granting credit for housing which did not produce a profit. A housing institution provided a public service, not an economic one, argued Garcés Navas. The construction of “a hygienic house” could just generate the “social benefit” of protecting a poor peasant family.¹²⁷

This discussion went on for several months, until Araújo quit his position as Minister. Araújo was not convinced by the arguments of the board and he seemed to want to liquidate the ICT, whose losses were posing a financial problem to the government. All Board members defended the autonomy of the ICT and explained to the minister that the ICT could not be measured with the criterion of economic efficiency, nor could the ICT’s beneficiaries be treated as clients of regular banks. The ICT’s lawyer explained that the institute was “not a credit entity properly, but a social service institution,” which could only “seek to reduce its financial losses to the minimum possible, since it can never avoid having them, let alone making profits or having positive accounting balances.” De Brigard defined the action of the ICT as a humane campaign, and Luis Cano emphasized that, given the social nature of rural housing, the merger would “mean the reduction of popular housing activities to the minimum possible.”¹²⁸ Several members of the board raised the argument that the ICT’s portfolio was large because peasants’ poverty impeded them from paying their installments, to which Araújo responded that the problem was

¹²⁷ Acta 126, November 6, 1942. ICT, *Actas I*, 323-325.

¹²⁸ Acta 144, 356-359; Acta 146, May 24, 1943, 367-368. ICT, *Actas I*.

therefore that the ICT was “serving a class [whose needs were] not yet possible to meet, because the country’s history [showed] that social improvement [had] been done in stages...”¹²⁹

Araújo’s last statement shows that by 1943 there was a serious gulf separating a sector of government officials and defenders of rural social policies. The former were imbued with the logic of capital and with this logic managed state businesses. The latter still believed that social policies must benefit first precisely those sectors that had been left out of the benefits of economic progress. The need to connect isolated areas to the economic and political center of the country, the urgency of grappling with the agrarian question, or the importance of building houses as part of planning rural communities were becoming irrelevant arguments when dealing with the financial stability of the state. The practicalities of the rural housing campaign had proved that credit was not neutral, and paying high costs for improving the living conditions of a few rural families would not generate tangible economic benefits nor contain rural migration to the cities. New political and economic developments were reshaping discourses about modernization and progress and shifting political attention to the cities, while leaving the agrarian question unresolved. From this moment on, although the ICT was not liquidated, its rural program faced constant crisis until it was finally transferred to the Caja Agraria in 1956. Undoubtedly, CINVA’s 1955 criticism of the ICT, alluded to at the beginning of this chapter, no doubt influenced the decision to shut down the rural section of the Institute. The urban section, nonetheless, had thrived since its creation in 1942. Building working- and middle-class neighborhoods now became central strategies for the modernization of the nation. The story of how this happened is the focus of the next chapter.

¹²⁹ Acta 151, June 21, 1943, 372-374. ICT, *Actas I*.

CHAPTER 4

URBAN DEVELOPMENT ENCOUNTERS URBAN (AND RURAL)

DISCONTENT

“Each great period in history has had Architects who have left a trace of the time they lived on the earth... Our architecture should be inspired by our habits, materials, economy, ‘modus vivendi’ and executed according to universal canons that regulate it in its functionalism... But we are in a period of world evolution... In the meantime, we should wait and see if as a reward for our activities during this age in which we are living, coming generations deem something we have left worthy of analyzing or critiquing in a healthy and productive way. If a wall, a window, a house or a factory deserves such an approach, that will be, for the satisfaction of our future colleagues, the footprint of our time on earth.”

Carlos Martínez, Arquitecto, 1944.¹

Introduction

On April 21st, 1945, the periodical *Sábado*, a weekly political newspaper edited by the Liberal politician Plinio Mendoza Neira, published a one-page advertisement that read: “The nation and the provinces must STIMULATE the national industry. It is of interest for every Colombian. The United States reached the great industrialization and progress it enjoys today by FOMENTING AND PROTECTING ITS INDUSTRIES. Colombia must do the same to create a prosperous economy.” The ad continued explaining how, due to subsidies and low import tariffs in Colombia, a pack of cigarettes imported from the United States could be cheaper in the tobacco producing region of Northern Santander than the domestically produced one. The advertisement therefore concluded by calling for “the protection of our economy and the promotion of prosperous and flourishing industries,” by adopting low consumption taxes and

¹ Carlos Martínez, “La Arquitectura Moderna y sus reflejos en Bogotá,” *El mes financiero y económico* 80, July and August 1944, 64-65.

high import tariffs.² This publicity was most likely sponsored by the recently created “Asociación Nacional de Industriales” (ANDI, National Association of Industrialists, 1944), a professional association group established in Medellín (the most thriving industries were located in Medellín and were founded with Antioqueño capital) to guarantee the best political conditions for the expansion of the industrial sector, which included the adoption of import tariff barriers. Indeed, a few months later, in July, ANDI paid for another full-page advertisement in *Sábado*, explaining the objectives of the Association and stating that the industrialization of Colombia was a political action in defense of the country’s own efforts. ANDI, asserted the advertisement, promoted the development of industries and “worked with the state in the fulfillment of Colombian industrial needs.” Among the policies ANDI propounded were industrial credit, the promotion of the domestic production of raw materials, and “the implementation and development of a social policy based on national realities and needs, in this way looking to the improvement of all Colombians’ standard of living.”³

In the aftermath of World War II, the natural protection that domestic industrial production had attained due to the restrictions the war imposed on the international market was about to disappear, leaving Colombian industries exposed to international competition. ANDI strived for the adoption of favorable economic policies with campaigns that included publicity for industrial production in the most widely read newspapers and magazines—like the ones published by *Sábado*—, and on popular radio broadcasts. The fact that ANDI was asking for tariff protection and favorable tax rates on profits was not a new phenomenon in Colombia’s political system. Incipient industries, importers, and exporters had vied for the most favorable tariff system since the nineteenth century. However, the portrayal of industrial production as the

² *Sábado* 93, April 21, 1945. The emphasis is in the original.

³ *Sábado* 104, July 7, 1945, 16.

engine of Colombia's economy and the main source of employment opportunities *was* new and bespeaks a significant political shift. Since the late 1920s, politicians, state officials and reformers had defined Colombia as an agrarian nation whose economic potential and capacity to modernize depended on agriculture, not urban-based businesses like industries. Moreover, ANDI's request to adopt social policies it deemed significant in addressing Colombia's social issues and needs was also indicative of major political transformations. During the mid-1930s, a set of labor reforms that aimed to consolidate labor unionization under the umbrella of the Liberal Party, while granting workers a set of economic and social benefits, met with opposition among the industrialists who were forced to raise salaries or recognize the unionization of their workers and listen to their grievances. In other words, ANDI was looking to mediate between costly labor reforms and the recalcitrance of reactionary industrialists, by promoting a moderate approach to the labor question as one of the desirable social policies the state should adopt.⁴

But the issue of which policies were considered as ideal social policies went beyond labor politics. ANDI's headquarters were in Medellín, and most of the Association's affiliates were located in the main 4 industrial cities in the country, Medellín, Bogotá, Barranquilla and Cali. These cities were the centers of industrial expansion, and thus industrialists' concerns had to do with guaranteeing the best local conditions in which their endeavors could keep growing. Previous chapters have shown that Colombian reformers' and state officials' conceptualizations of Colombia as a modern agrarian nation formed the axis of a political project based on the development of a middle-class of rural owners. Reformers and officials had thus tried to redirect

⁴ On the influence of ANDI on national politics, including the adoption of anti-labor policies, and the campaigns developed by Antioqueño industrialists in the press and on radio, see: Eduardo Sáenz Rovner, *La ofensiva empresarial: industriales, políticos y violencia en los años 40 en Colombia*. (Bogotá: Tercer Mundo Editores, 1992). On the labor reforms adopted in Colombia and the approach of the Liberal Party based on controlling labor mobilization while granting it material privileges, see Charles Bergquist, *Labor in Latin America: Comparative Essays on Chile, Argentina, Venezuela and Colombia*. (Stanford: Stanford University Press, 1986), chapter 5.

state investments and policies to rural areas, where, according to their analyses, most of the population lived and the most wealth was produced. Therefore, ANDI's call required a redefinition of the modernization priorities of Colombian reformers and politicians. By the mid-1940s, that reassessment was in fact happening. Although some reformers did not abandon their concerns about the situation in the countryside, they began to encourage industrialization and supported industrial production with favorable economic policies.⁵ State-led social policies also concentrated on urban areas. Concretely, the credit and housing campaign spearheaded by the "Instituto de Crédito Territorial" (Institute of Territorial Credit, ICT), the state agency that provided credit for housing to municipalities and provinces, supplied constructions with free-of-tariff materials, and supervised construction jobs through a net of engineers and architects working at its technical section, changed its focus and objectives. The ICT was initially conceived of as the social component of a complex credit policy aimed at dealing with the agrarian question, reconfiguring local political dynamics in rural areas, and improving economic and social conditions in the countryside. The previous chapter showed that state officials quickly realized that the housing campaign was economically inefficient and thus too costly for the state to maintain, leading to a crisis of the rural program, and the use of credit as a social tool in 1942-1943. Nonetheless, the urban housing section, established by Minister of Finance Carlos Lleras Restrepo (the same individual who envisioned the transformation of the countryside by granting

⁵ By 1947, the Colombian government was completely invested in promoting the industrialization of the economy. That year, for instance, Colombian diplomatic representatives joined other Latin American leaders in campaigning for regional policies in support of the sub-continent's industrialization. Making evident the great influence that the recently created United Nations Economic Commission for Latin America (most often known by its Spanish acronym, CEPAL) had over the production of Latin America's economic ideas, Colombia considered the industrialization of the regional economies as crucial for their development at a Pan-American Conference that year. The Colombian representative argued that the importance of industrialization stemmed from the fact that "nations could not be self-sufficient" and "raw materials' prices always increase at lower rates than manufactured goods." *Fonoteca Radio Nacional de Colombia* (hereafter *Fonoteca*), "Quinta plenaria, Séptima plenaria," March 31, 1947, CD8508.

subsidized rural credit and building rural housing) in 1942, expanded steadily, making the ICT a critical urbanizing force in the country.

This chapter focuses on the conditions that allowed for the shift in Colombian reformers' social discourse. This shift meant that reformers now began to see urbanization as a positive economic activity, the solution to urban social issues as fundamental for the political stability of the government, and urban housing as a central policy for reaching national economic development and social progress. These re-conceptualizations were no doubt the product of the incessant rural out-migration to urban centers, which by the mid-1940s was turning urban social and political problems into pressing matters that the national state needed to grapple with. However, I argue that these political pressures mirrored the consolidation of powerful urban local interests who based their economic success on the urbanization of Bogotá and Medellín. Construction companies, real estate owners, urban development corporations, and financial enterprises were visible agents in the transformation of the national state's housing policy. Urbanization was an incredibly profitable business, which suited the state's interest in making its social policies economically efficient. ICT's urban endeavors thus benefitted from and contributed to the economic expansion of the construction sector, which enabled the state to adjust and respond to urbanization's social unbalances. The first two sections of the chapter identify the main urbanizing agents in Medellín and Bogotá, emphasizing the local transformations that these individuals and companies had forged in their respective local contexts. I also explain how the main demographic and socio-spatial changes experienced throughout the 1930s and 1940s translated into contentious political issues. In the early 1940s, as a response to both, good businesses opportunities and contentious politics, the ICT entered into local politics adapting to the conditions prevalent in each city. The section titled "A City is a

Conglomeration of Individuals Associated to Live a Better Life” focuses on the articulation of prominent urban interests, the significant role that white-collar workers’ and middle-class associations played in the definition of urban politics, and modern architects’ expectations about urban planning in shaping the projects of the ICT in the late 1940s. The chapter ends with a short interpretation of why the characteristics of urban development at the material, physical, social, and political levels adopted in Bogotá were profoundly interconnected with “*El Bogotazo*,” as the widespread destruction of the downtown area by a popular riot on April 9, 1948 in response to the assassination of populist Liberal leader, Jorge Eliécer Gaitán came to be known. Gaitán was shot dead in broad daylight, in front of many witnesses who regularly walked the downtown streets.

The Making of a Modern City and its Vicissitudes

Turning Medellín into a prosperous and orderly city that would experience a steady, but regulated growth, became a regional political concern very early in the twentieth century. As early as 1924, the Antioqueño urban planning activist and real estate owner Ricardo Olano proclaimed that Medellín was in desperate need of a rationalized plan foreseeing the infrastructural requirements posed by a rapidly growing population. This plan of urban regulation included the drafting of new legislation and the development of a comprehensive program of urbanization, expansion of public service infrastructure, construction of public works, and improvement of the city’s facilities and equipment. Olano claimed that this plan was only possible through the active participation of all citizens, particularly those with means, individually or through the Sociedad de Mejoras Públicas de Medellín (SMPM, Medellín’s Society of Public Improvements, a bipartisan group founded by elite members of society in 1899 to tackle problems related to Medellín’s social question with educational, poverty-relief, and

beautification campaigns). The materialization of such a plan, Olano argued, would transform Medellín into a “modern city.”⁶ This was not, of course, the first time Olano or other influential Medellinenses spoke of the need to improve living conditions and public infrastructure in the city through a close political interaction between the private and public sectors. Olano himself was critical in the adoption of the “Plano del Medellín Futuro” (a long-term, comprehensive urban planning effort, the first adopted in Colombia) in 1913, when as a councilman he pushed for its approval. From the late 1910s through 1920s, Olano attended along with engineers working for the Ministry of Public Works, the first Pan-American Congresses on Architecture and Planning.⁷

But it was around the mid-1920s when it became broadly acknowledged that addressing Medellín’s most urgent social and infrastructural problems was a political priority in Antioquia. At this time, the consolidation of a “modern” Medellín became central to the project of governance and development that regional elites had been reworking since the late nineteenth century. As industrialization accelerated in the early decades of the twentieth century, elites became increasingly interested in making the city, their industrial powerhouse, the symbol of the progress and prosperity that industrialization generated in the region. This project, which privileged material progress over the partisan dynamic that characterized Colombia’s political

⁶ Ricardo Olano, *Memorias*. Tomo I (1918-1939). (Medellín: Fondo Editorial Universidad EAFIT, 2004), 171-173.

⁷ Olano, *Memorias*. Tomo I (1918-1939). (Medellín: Fondo Editorial Universidad EAFIT, 2004), 17, 71-75; José Miguel Alba Castro, “El plano Bogotá Futuro. Primer intento de modernización urbana,” *Anuario Colombiano de Historia Social y de la Cultura*, 40 (2), July-December 2013: 180-208. Olano claims he was first drawn into the principles of urban planning in 1909 when he visited the Library of Congress in Washington, D.C., and saw the model of the plan of the city elaborated in the early republican period by Pierre Charles L’Enfant. Indeed, a 1950 account of L’Enfant’s role as a planner and the influence of his work on several cities, mainly in the United States, includes Medellín as one of these. The author, Paul Caemmerer, visited Medellín and was well impressed by the lively interventions of the SMPM and Olano’s campaigns, leading to the development of concrete public projects. He praised the willingness of landowners to donate their properties for reasons of public interest and concluded that the “[contribution] of private land for public uses seems to be much less painful in Latin America than in the United States.” Caemmerer considered that Medellín “[promised] to be one of South America’s most lively and beautiful cities.” H. Paul Caemmerer, *The Life of Pierre Charles L’Enfant, Planner of the City Beautiful: The City of Washington*. (Washington, D.C., National Republic Publishing Company, 1950), 345-351. The quotes are on page 346. As I will show in this section, the apparent generosity of urban landowners in Medellín was spurred by an economic, individualist motivation.

system, lobbied for a pragmatic administration of public matters in order to rationalize public policies in pushing for the development of the region.⁸ Antioqueño elites' materialism and pragmatism bore important consequences for Medellín's administration and development. First, individually profiting from the expansion of urbanization and the provision of urban services and the notion that this expansion should benefit the whole urban collective were not understood as mutually exclusive or contradictory objectives by the region's elite. Since economic development—the persistent growth of economic enterprises—was the leading principle of a rational public administration, the emergence of prosperous businesses was a desirable consequence of municipal policies. This logic was so pervasive that the municipality itself assumed an economically efficient attitude towards its own businesses, including the provision of public services through its public utility companies, urbanization and housing, beginning early in the 1930s.⁹ Second, as a consequence of the latter, the intrusion of private interests in public matters was the norm. As collective progress and individual benefit were mutually dependent, private interests had the responsibility to contribute to public administration, while

⁸ See Mary Roldán, *Blood and Fire: La Violencia in Antioquia, Colombia, 1946-1953*. (Durham: Duke University Press, 2002), 30-31; Ann Farnsworth-Alvear, *Dulcinea in the Factory: Myths, Morals, Men and Women in Colombia's Industrial Experiment, 1905-1960*. (Durham: Duke University Press, 2000), 62-66. Farnsworth-Alvear argues that Medellín became the “show place” of a modernizing regional elite, but it's unclear when elites embraced the modernization of Medellín through hefty public investment as a political priority.

⁹ Since 1918, the municipality began to acquire public utility companies to guarantee that the provision of such services suited the needs of the expanding industrial sector and increasing urbanization. In 1919, Medellín's council bought the electricity company and in 1920-1921, the municipality procured all markets and the telephone and tram companies. At this moment, the municipality reorganized its public service enterprises into a single administrative entity, the *Empresas Públicas Municipales* (Public Municipal Companies), which pushed right away for the expansion of the water and electricity networks. This process of “municipalización” (turning private companies into municipal, public companies) had no precedent in Colombia or even Latin America. Constanza Toro, “Medellín: desarrollo urbano, 1880-1950,” Jorge Orlando Melo, comp., *Historia de Antioquia*. (Bogotá: Suramericana de Seguros, 1988), 303-305.

fundamentally controlling it. Private interests and the SMPM had the capacity to substantially influence municipal policies.¹⁰

Another central characteristic of the regional elites' political project that influenced the character of urban local policies had to do with social issues. Antioqueño elites established profoundly paternalistic relationships with workers and the dispossessed through a Catholic-inspired system of social assistance. With social programs, elites offered workers economic protection and relative stability, but those privileges were restricted only for those who promised political loyalty.¹¹ The historiography has shown how the politicization of female workers in textile factories (the engine of Medellín's industrialization) since the mid-1930s spurred elites' political anxieties and pushed them to implement broad social programs (which included the construction of entire working-class neighborhoods) and systems of labor management that increased companies' capacity to control workers' time.¹²

This section examines how political pragmatism, and the close interconnection between the private sector and the social question, shaped discourses of urban planning and practices of urbanization in Medellín until the late 1940s. I argue that in the case of Medellín, the "rural" played a large role in this process. On the one hand, the general structure of land-tenure in Antioquia, which was mostly based on medium and small properties, affected the commercialization of urban land, a market in which the municipality was an important agent. Moreover, more often than not, urban planning conceptualizations, which progressively became concrete policies, mirrored this type of land commercialization. On the other hand, the constant

¹⁰ Fernando Botero Herrera, *Medellín 1890-1950. Historia urbana y juego de intereses*. (Medellín: Universidad de Antioquia, 1996), 62-89. Botero even argues that the control of private interests over the administration of the city was so tight, that the line separating the "public" and "private" is blurred in the case of Medellín.

¹¹ Roldán, *Blood and Fire*, 31.

¹² Farnsworth-Alvear, *Dulcinea in the Factory*, 151-165; Luz Gabriela Arango, *Mujer, religión e industria: Fabricato, 1923-1982*. (Medellín: Editorial Universidad de Antioquia, 1989).

in-migration of rural Antioqueños to Medellín was *ruralizing* local social relationships. The municipality and the private sector then tried to urbanize those relationships, or regulate them through social programs, and in doing so established channels through which urban residents could address their grievances. Local authorities set up policies to solve problems related to poor urban infrastructure, deficient public services, and housing shortages in the newly urbanized neighborhoods. Although insufficient overall, these policies set the backdrop of urbanization projects developed during the 1940s with the intervention of the national housing agency, the ICT.

Speculation and the “Rural-ization” of Medellín

By the early 1930s, land speculation in Medellín was already an incredibly profitable activity and thus determinant of the way urbanization unfolded in the city. Historically, the amassment of great fortunes in Antioquia stemmed from the international commercialization of gold, beginning in the 1850s, and coffee, as a result of the late-nineteenth-century boom. That the accumulation allowing for the industrialization of Medellín in the early twentieth century came from these commercial operations is well documented in the historiography. This meant that Antioqueño capitalists did not invest in land or based their wealth on land cultivation, and thus, land accumulation in the region was relatively low, with the exception of the northeastern part of the province, where some of these merchants were investing in land for cattle ranching (to feed both the city and the mines).¹³ This pattern of rural landholding substantially influenced the way in which urban land was commercialized. Since the late nineteenth century, and into the first

¹³ See Roger Brew, *El desarrollo económico de Antioquia desde la Independencia hasta 1920*. (Bogotá: Banco de la República, 1977); Luis Alberto Zuleta, “El comercio en el siglo XX,” Jorge Orlando Melo, comp., *Historia de Antioquia*. (Bogotá: Suramericana de Seguros, 1988), 249-254; Fernando Botero, *La industrialización en Antioquia: génesis y consolidación, 1900-1930*. (Medellín: Universidad de Antioquia, 1984), chapter 1. Alejandro López complained about the tendency of some Antioqueño capitalists of investing in land accumulation for cattle ranching in the northeast. See Alejandro López, “Problemas colombianos,” in *Escritos escogidos*. (Bogotá: Instituto Colombiano de Cultura, 1976), 45-46.

decades of the twentieth century, wealthy merchants like Manuel J. Álvarez, his son Alberto Álvarez, and Ricardo Olano, invested individually or formed partnerships with other capitalists in “compañías urbanizadoras” (urban development companies) to the purchase “fincas,” small and medium estates located in relative proximity to the urbanized center of Medellín. In the wake of Medellín’s expansion, buying land whose location and connectivity to Medellín made it possible to urbanize it, offered the promising prospect of commercializing it at higher-than-purchase values. But the real business for real estate owners was in buying, selling, and trading small plots of land wherever they expected that urbanization could be advanced through partnering with owners of neighboring plots or acquiring these plots by trading. This structure gave rise to a highly speculative system of land transactions. Trading small plots of land among urban developers was so widespread that they often relied on these commercial operations to pay previously acquired debts or securely invest some capital, making the real estate business one important component of their diverse investment portfolio. Moreover, through land transactions between developers and the municipality, a critical actor in the business, land was acquired to open, widen or extend streets, building schools, hospitals, and setting up public squares and parks, further valorizing urban areas and encouraging urbanization.¹⁴

Now, to understand how urbanization worked it is important to emphasize that Medellín’s growth during the first decades of the twentieth century was spurred by rural in-migration. Although Medellín’s growth accelerated from the late 1940s through the 1960s, according to census data the city’s population more than doubled (112%) between 1918 and 1938, increasing

¹⁴ Olano, *Memorias*. Tomo I (1918-1939). Olano, devotes several entries in his memoir to recounting the history of Medellín’s most important streets, making evident how the trading of plots between owners and the municipality made possible the expansion of these streets. Another interesting practice was the exchange of land between the municipality and developers, so the first could build schools or parks in new neighborhoods and the latter could advance their urbanizing projects by opening new streets, see for instance pages 250-256; Botero, *Medellín*, 224-229.

at a rate of about 4,500 people per year. The expansion of the city's population exceeded all estimations and accelerated throughout the 1940s, as the population doubled again between 1938 and 1950 (113%), at a higher rate of 14,609 people per year.¹⁵ The agents of this expansion were mostly rural migrants coming into Medellín from towns and villages across Antioquia's territory, due the expansion of cattle ranching and the consequent disintegration of peasant communities and intense colonization currents. Historically, Medellín had been immersed in a multiplicity of relations—commercial, cultural, educational, political, and administrative—with Antioquia's rural areas and, therefore, the presence of country people wandering in the city's streets was not at all disconcerting. However, according to accounts of Medellín's demographic transformations during the first decades of the twentieth century, recently arrived rural migrants were distinguishable, due to their clothing and lack of shoes, in the city's train stations, markets, streets, parks, squares and hospitals. In addition, although a considerable number of Medellínenses from all occupations, aspiring professionals and merchants, artisans, students, skilled workers, etc., were also rural immigrants, the great majority of this migration was made up of workers hoping to find employment in the city's thriving factories, feeding industrialists' demand for labor. One good indicator of the importance of rural migrants in the consolidation of the industrial working class is that between 1914 and 1959 about 72% of workers at "Coltejer," the most important textile factory in the city, had been born outside of Medellín proper and its industrial zone, which included the municipalities of Envigado and Itagüí. Moreover, for the

¹⁵ Contraloría General de la República, *Censo general de población, 5 de julio de 1938*. Tomo XVI: Resumen general. (Bogotá: Imprenta Nacional, 1942), 17; Departamento Administrativo Nacional de Estadística, DANE, *Censo de población de Colombia, 1951*, vol. 6: Resumen. (Bogotá: DANE, 1954), 16. For reference, the total population of Medellín was 79,146 in 1918, 168,266 in 1938, and 358,189 in 1951.

entire industrial sector, between 1930 and 1942, the number of industrial workers born outside Medellín increased steadily, reaching a maximum of 62% of the total workforce in 1941.¹⁶

In fact, urbanization, rural in-migration and industrialization were tightly connected. In some cases, industrialists participated in the physical expansion of Medellín by building neighborhoods for their own workers. For example, during the late 1910s and early 1920s, textile factories like “Fábrica de Tejidos Bello” built houses for rent or even offered plots to rural families so they could build their houses and live close to the factory. However, the requirements for qualifying as a renter or buyer were high. Besides paying monthly rents or installments, newly arrived families had to be willing to send their young daughters, or other female members, to work at the factory. An acceptable renter of one of Tejidos Bello’s houses, for instance, was a family that had at least 4 female factory workers among its members. Female textile workers were also accommodated in collective housing units, in which they could rent a room and also participate in the cultural activities of Catholic social organizations concerned about workers’ moral values and disobedient political inclinations.¹⁷

These restrictive and often limited interventions of industrial companies in accommodating workers in the city were by no means enough to satisfy the demand for working-class housing. It is therefore unsurprising that beginning in the 1910s the backbone of the urbanization business became the development of working-class neighborhoods. Although urban

¹⁶ From roughly 1934 through the end of World War II, Medellín’s industrial production grew at unprecedented rates of 7% and 8% per year. Gabriel Poveda Ramos, “La industria en Medellín, 1890-1945,” Jorge Orlando Melo, ed., *Historia de Medellín*. Tomo I. (Bogotá: Compañía Suramericana de Seguros, 1996), 323; Sandra Patricia Ramírez Patiño, “Cuando Antioquia se volvió Medellín, 1905-1950. Los perfiles de inmigración pueblerina hacia Medellín,” *Anuario Colombiano de Historia Social y de la Cultura* 38 (2), julio-diciembre 2011, 217-253; Catalina Reyes Cárdenas, *La vida cotidiana en Medellín, 1890-1930*. (Bogotá: Tercer Mundo Editores, 1996), 49-50; Françoise Coupé, “Migración y urbanización, 1930-1980,” Melo, *Historia de Medellín*, tomo II, 563-565; Olano, *Memorias*, tomo I, 342-343; Botero, *La industrialización en Antioquia*, 135-136. The percentage of Coltejer’s workers is my own calculation based on data provided in Ramírez Patiño, “Cuando Antioquia se volvió Medellín,” 246-249. Unfortunately for this period no available data exists on the size of industrial workers in relation to the occupational structure of Medellín’s inhabitants.

¹⁷ Botero, *La industrialización en Antioquia*, 142-146.

developer Ricardo Olano obtained incredibly good profits from the urbanization of the elite neighborhood “El Prado” during the second half of the 1920s (he claimed in a conference on urban planning at Medellín’s most prestigious social club, the “Club Unión,” that the value of the land on which he had urbanized “El Prado” had increased 30,000% (!) in 20 years), the growth of working-class neighborhoods proved very profitable as well.¹⁸ Indeed, this was such a good business that developers like Olano and Álvarez created joint-stock urban development companies, of which the wealthiest families of Antioquia owned shares—i.e., very traditional surnames like Ospina, Vásquez and Escobar, all of whom were politically influential families with interests in commerce and industry, repeatedly emerge as shareholders of companies formed with the objective of urbanizing a single neighborhood. And since clients, in the best of circumstances, were wage workers, they could offer their work on pushing the urbanization of a given neighborhood by opening and cleaning streets, building tanks and drainage, or flattening terrains for setting up plazas or parks, as partial payment of their plots.¹⁹ The developer, however, was the individual in charge of the enterprise. For urbanizing a working-class neighborhood, he had to first get hold of the land—through purchasing or trading—to then lay out roads and, frequently although not always, provide public service infrastructure including transportation, and finally, “lotear” and sell “solares” (that parcel out the land in sellable plots where new owners could build their own houses).²⁰ Under this model, Medellín expanded towards the hilly, northeastern side (where today one finds the “comunas”—Medellín’s internal administrative units—of Manrique, Popular and Vista Hermosa), where developers engaged in an intense commercialization of land. In a very few cases, occupation of unused land by rural

¹⁸ Olano, *Memorias*, tomo I, 200

¹⁹ Botero, *Medellín*, 285-297. See several examples of these development companies in Olano, *Memorias*, tomo I, 209-257.

²⁰ Claudia Avendaño Vásquez, “Desarrollo urbano en Medellín, 1900-1940,” Jorge Orlando Melo, ed., *Historia de Medellín*, Tomo I. (Bogotá: Compañía Suramericana de Seguros, 1996), 344-349.

migrants, who saw in the available land the opportunity of obtaining economic profit from its agricultural exploitation or commercialization, gave rise to urban settlements.²¹ But in most cases, the urban developer controlled the business by buying and trading land, laying out streets and subdividing plots. Álvarez, Olano, and their joint-stock companies initiated the urbanization of representative working-class neighborhoods in this area like Manrique, Colón, Pérez Triana, and Quijano, most of which would continue expanding through the 1940s.²²

As much as real estate owners and developers proclaimed the great collective benefits that could emanate from profit-making activities, the wealth that this intense urbanization procured among urban investors did not translate, of course, into generalized collective wealth. In some instances, developers provided their clients with inexpensive, long-term credit, couching their description of the development of a particular neighborhood in terms of a ‘social’ work. In particular, Manuel J. Álvarez would go down in history as a philanthropist who fostered savings among Medellín’s working class through the implementation of a land credit scheme, to the extent that in 1934, according to his fellow urban developer Ricardo Olano, 70% of workers in the city were property owners.²³ Even if Medellín’s workers were owners in a large proportion (Olano’s number might be an overstatement), becoming a property owner did not necessarily

²¹ This is the case of the “Barrio Popular,” which originated with the occupation of rural properties by peasants. In 1930, a rural worker, Enrique Salazar, occupied a portion of unused land for agriculture. He travelled to Bogotá to earn extra money, which he later invested in the land and in building a house he rented out to a friend who had settled on the land. Salazar continued to “improve” plots in the area, making them suitable for human settlement, and selling or renting them to migrant workers, which gave rise to one of the first “informal” or “illegal” neighborhoods in the city. As Medellín expanded toward this area, owners who held titles over these plots demanded legitimate possession to continue the process of urbanization, leading to a long legal battle between the “legal” owners and the “informal” urban developers. Alba Lucía Serna, Patricia Londoño, John Jairo Betancur, *Composición social y movilización política en barrios populares de Medellín*. (Medellín: Universidad de Antioquia, Comité de Investigaciones de la Facultad de Ciencias Sociales, 1981), 9-17.

²² Botero, *Medellín*, 308-327.

²³ Ricardo Olano, *Memorias*. Tomo I (1918-1939). (Medellín: Fondo Editorial Universidad EAFIT, 2004), 335; Alfonso Mejía Robledo, *Vidas y empresas de Antioquia. (Diccionario biográfico, bibliográfico y económico)*. (Medellín: Imprenta Departamental de Antioquia, 1951), 28-29. One might be suspicious of the accuracy of Olano’s data, however, his belief that workers were saving to buy urban land and build their houses speaks of the degree to which real estate owners’ economic success depended on the working-class’ efforts to own a house, establish a home and settle.

guarantee adequate living conditions in the neighborhoods mushrooming on the hilly terrains of the city, let alone an equal social configuration in Medellín's urban fabric. In fact, already in the mid-1930s, the municipality's social assistance institutions faced constant pressures from the flood of dispossessed rural migrants. These institutions, which were mostly private endeavors administered by the municipality but operated by Catholic religious groups, were jointly funded by donations from big industrial companies and public contributions from the municipal and the provincial governments. The social relief that these institutions provided focused on providing food and health to children, assistance to single mothers or unemployed women, and health programs led by the Red Cross and municipal hospitals.

The population explosion, and the social and political consequences it entailed, was straining these municipal social institutions by the early 1930s. In 1933, for instance, the Council created the Junta de Asuntos Sociales y Obreros (Junta of Working-Class and Social Issues) as a response of the municipality to what they described as the "problems raised in the city with regards to intense conflicts between capital and labor." The Junta had, unsurprisingly, the full support of Medellín's capitalists. In fact, the way in which the Council couched the Junta's functions suggested that the industrial sector was crucial in its inception and administration. An example of the influence of private interests over the city's social policies is the Junta's self-congratulating attitude for being the first of such institutions in the country and for "effectively" solving social issues while mediating between workers and capitalists. One of the Junta's reports stated that: "While all capitalist organizations in the country and the entire world were straining themselves to evade the social problem, which is questioning our current social structure in an alarming way, the Council in 1933 courageously suggested solving the problem through the

Junta de Asuntos Sociales y Obreros to find conciliation formula.”²⁴ Although the intentions behind the creation of a social entity within the municipality were conspicuously political—they seemed more the product of the threat posed by workers’ unionization than a response to a real concern about the social situation in the city—the Junta had to grapple with increasing social inequality.

However, during the following years, the efforts of the Junta de Asuntos Sociales in reducing tensions between capitalists and workers did not render many solutions in the social realm, as the in-flow of rural migrants and the permanent growth of working-class settlements instead placed an even greater burden on the city’s infrastructure and social institutions. In reports presented to the Council in 1934, 1935 and 1936 on the situation of the city’s social assistance institutions, the agents of the Junta informed that these institutions could not keep up with the requirements of the constant arrival of women, children and ill persons to the city’s shelters and hospitals. According to these reports, the situation of children and women in the city was particularly preoccupying. The Red Cross and ad-hoc medical doctors, who attended poor children at hospitals and shelters, highlighted the high rates of infant mortality due to malnutrition and deficient hygiene and asked for more resources to provide more food and milk to the increasing infant population arriving at the city’s assistance centers. Increasing numbers of single mothers were also asking for a place at the “Casa de Jesús, María y José,” a shelter founded by a Catholic Priest in 1929, which took in unemployed women and mothers, “who had sinned because of ignorance, need or other motives,” to “rehabilitate” and accommodate them as workers at the city’s factories.²⁵ On a daily basis, people from across Antioquia arrived at the

²⁴ “Informe de la Junta de Asuntos Sociales y Obreros,” Medellín, December 31, 1935. Archivo Histórico de Medellín, *Fondo Concejo* (hereafter AHM, *Concejo*), Presidencia, tomo 1052, 221.

²⁵ Miembros de Comisión a Miembros de la Junta de Asuntos Sociales y Obreros, Medellín, March 14, 1934. AHM, *Concejo*, Informes, tomo 1047, 48-62. In the 1920s the Council had already created a commission in charge of

city's hospitals and the "Casa de Mendigos" (a shelter that received the homeless and beggars), in such great proportions that officials reported in 1935 that about a third of patients treated at the public hospital and 70% of the homeless at the shelter had come from towns outside Medellín. To advance the urgent health program that the city required, the administrator of social assistance institutions noted, it was necessary for the Governor's office to make a financial contribution, as the city was carrying the burden of a social problem that overflowed the city's boundaries and resources.²⁶

In the meantime, both the Red Cross and municipal sanitation agents were undertaking health and sanitation campaigns in working-class neighborhoods like Campo Valdés and Berlín (both developed by Álvarez) to tackle the problems related to the sharp increase in the population on the northeastern side of the city. Red Cross nurses conducted door-to-door residential visits to "make efforts to improve the hygienic conditions of workers' houses, teach mothers to feed their children, prepare food and administer medicines." Although the results of these visits are not explained in detail in the report to the Council, the Junta de Asuntos Sociales' urgent call to promote a comprehensive campaign to improve the "moral and material conditions of blue-collar and white-collar workers" indicates that living conditions in these neighborhoods were far from satisfactory.²⁷ Municipal agents' residential visits for sanitation purposes also included the enforced cleaning of houses and bathrooms, the collection of residues and dead animals from public streets, and the confiscation of pigs. The latter purportedly constituted a widespread hygiene problem within Medellín's working-class neighborhoods that speaks of the

dealing with social issues, the Comisión de Asuntos Sociales (Commission for Social Issues), which was later transformed into a municipal housing entity. Botero, *Medellín*, 256.

²⁶ Alfredo Hernández a Concejo Municipal de Medellín, Medellín, October 19, 1935, 275-280; "Informe del Secretario de Hacienda y Obras Públicas," Medellín, 1936, 101-102; Jaime Gallego, Personero Municipal, a Alcalde de Medellín, Medellín, 1936, 145-147. AHM, *Concejo*, Presidencia, tomo 1052.

²⁷ Miembros de Comisión, 49.

“rural-ization” of social practices in the newly developed areas of the city. In Campo Valdés and Berlín, for instance, people bred pigs for economic purposes, allowing the formation of swamps and the consequent proliferation of contagious diseases and many other sanitation problems.²⁸ Hygiene issues paralleled the need for the expansion of water, sewage, electricity and transportation that did not cover the most recent settlements in the suburban areas of these neighborhoods. In these settlements there was no electricity or sewage, streets were in a poor condition, the water system was incomplete at best, and the access to the central areas of Medellín was treacherous.

Take for instance the case of the “Barrio Berlín.” Manuel Álvarez began its urbanization in the late 1910s, when he purchased a farm, laid out streets, and set up some infrastructure for public services. After his death in 1925, his son Alberto took over the business spearheading an incessant effort to urbanize the area, which had already grown to include at least 6 neighborhoods (Berlín, Palermo, Aranjuez, Bermejál, Patiobonito, La Legua and part of Acevedo). According to official statistics, in 1938, about 9,000 people lived in this area, but the increase was so sharp in subsequent years that population estimates for 1942 reached 14,000. In spite of the steep increase in these neighborhoods’ population, which made them some of the most densely populated areas in Medellín, they had not yet been annexed legally to Medellín, which meant that the basic public services provided by municipal companies did not reach these 14,000 people. According to the municipality’s neighborhood inspector, who strongly recommended the annexation of the area to the municipality, “[urban] developers cite reasons that apparently exonerate them at all levels” from solving the problems faced by these communities, bringing about a situation in which all these people lacked “streets, water,

²⁸ Jaime Gallego a Personero Municipal, 152; “Informe del Inspector de Sanidad sobre las labors ejecutadas en el mes de Julio de 1936,” Medellín. AHM, *Concejo*, Presidencia, 1052, 346-350.

electricity, sewage, and, all in all, every element in life without which the subsistence of a conglomerate becomes impossible.” The developers still controlled much of the land, with which they still speculated, and the provision of the few public services available. The urban development company provided the neighborhoods with poor public lighting and water services. In the meantime, Álvarez refused to cede land for the construction of streets and parks, arguing that the last land deal he had made with the municipality had affected his finances (apparently, the municipality had left the land he had ceded unused and when he intended to include it in his own urbanization enterprises he had been forced to buy it again at exorbitant prices). In addition, the main street connecting the area with Medellín was unpaved, sewage facilities were nonexistent, and given that the local police did not make their presence felt there, the inhabitants constantly complained about thieves, swindlers, vagrants, alcoholics, gangs, and individuals engaged in scandals at “cantinas” and other public spaces. The inspector argued that the general situation in this area did not match “Medellín’s pride” of supposedly being one of the most modern cities “on the American continent” for having installed the third hydroelectric plant in the region and that these people’s abandonment was “incompatible with all principles of human compassion.”²⁹

However, the intrusion of private interests in Medellín’s public administration and the discourse about a pragmatic, rather than political approach to handling the city’s problems, in fact opened the door for low-income neighbors to channel their grievances directly to the city’s government, without the intervention of political parties or union representatives. The Sociedad de Mejoras Públicas de Medellín (SMPM) promoted the creation of “Centros Cívicos” (Civic Centers), or formally constituted representative bodies in the neighborhoods that tackled the

²⁹ Julio César Castillo, Inspector del barrio Berlín, a Lázaro Restrepo, Secretario del Concejo Municipal, Medellín, January 14, 1942. AHM, *Concejo*, Presidencia, tomo 1063, 161-171.

communities' more urgent needs and pressed the city's administration to solve those problems. In 1938, Medellín's (Liberal) mayor institutionalized the organization of civic centers in legally incorporated neighborhoods and appointed one of his close advisors to support the development of these entities. As new urban settlements proliferated, more civic centers were created—i.e., 20 were founded between 1938 and 1939—in the expectation of obtaining the municipality's help with improving infrastructure, beautifying public spaces, expanding public service networks, and reducing the misbehavior of thieves, vagrants, and “public women,” through the intervention of the local police. The organization of civic centers in neighborhoods that had not yet been incorporated gave residents hope of attaining a similar recognition and thus the right to municipal services and subsidies. The Centros Cívicos relied on volunteers and exerted enormous political influence though they were not always successful in redirecting municipal policies to their advantage. Partly, their ability to get the attention of high-ranking local administrators stemmed from the fact that the Conservative radio journalist, Carlos E. Cañola, alias “Martinete,” who hosted a hugely popular program known as “La Media Hora del Pueblo” (The Half Hour of the People), used this program to air all kinds of complaints and grievances by citizens across party lines. Martinete, who was himself a recent migrant to Medellín and resided in a new urbanization, zealously promoted the cause of Civic Centers, so much so that he had been called in by the mayor to cooperate with the promotion of the new inclusive policy toward neighborhood associations. When a new Civic Center emerged, members would announce its creation on radio and in the press and immediately reached out to Martinete asking for his support. In 1939, moreover, Martinete was active in the consolidation of the “Federación Cívica de Medellín,” a federation pulling together the campaigns of all officially recognized Civic

Centers in the city. He informed Medellín's mayor that he had been elected President of the Federation, which would work for the "cultural and material advancement of Medellín."³⁰

Using the motto of the advancement of the collective was a powerful tool of which Civic Centers in Medellín made use. In contrast to the case of Bogotá, where Civic Centers had also been institutionalized by the City Council but rarely gained or exercised political influence, Medellín's Civic Centers could tap into a powerful discourse that appealed to elite sectors and the public administration: "civismo" or public engagement. "Civismo" can be best described as a set of values related to the deep commitment to the general progress of one's place of residence—whether it was a village, a city, or even the nation—that "el amor al terruño" (the love for one's land) and the sense of belonging would instill in each and every inhabitant of that place. In the case of a fast-growing city like Medellín whose needs for resources and infrastructure were acute, the city's inhabitants' civic behavior implied that each of them, according to their means, would cooperate with the municipal administration in addressing those needs. Precarious living conditions for a great portion of the city inhabitants was, therefore, a collective problem waiting for urgent solutions. This was the base of Civic Centers' public discourse, which strongly made the case that solving the problems of low-income neighborhoods, where the municipality had made no investment whatsoever, was central for the

³⁰ Botero, Medellín, 42-44; *Progreso*, 3, September 1939, 71-73; Mary Roldán, "Radio and the Politics of Public Access in Colombia," *New York City Workshop on Latin American History Seminar*. New York, November 6, 2009, 32-34. On a new Centro Cívico calling in Martinete's attention and support, see "Acta de Constitución, Centro Cívico de Loreto," Medellín, January 19, 1939. AHM, *Concejo*, Presidencia, tomo 1056, 226. Although the "Civic Centers" responded to the interest of shunning the turbulence of the complicated local party politics from entering neighborhood associations, in a great majority, Civic Centers emerging since the mid-1930s to roughly the 1940s were linked to the Liberal Party. During the Liberal Republic, particularly during the first presidency of Alfonso López Pumarejo (1934-1938), the discourse about labor rights and the implementation of substantive labor reforms led to a great Liberal activism in Medellín, a city often identified with a preeminence of the Conservative Party, particularly among non-factory workers, this is municipal workers and artisans. The politicization of Civic Centers, however, did not mean that they were dependent on the Liberal Party, or that Conservative Centers were marginal, or that Liberals would not reach out to "Martinete" (a Conservative) for support. Grassroots activism through Civic Centers did in fact cross party lines. On the political affiliation of Civic Centers see Gloria Naranjo Giraldo, *Medellín en zonas: monografías*. (Medellín: Corporación Región, 1992), 38, 149, 214. On the influence of Liberal unionism in Medellín in the mid-1930s, see: Archila, *Cultura e identidad obrera*, 306-309.

“social interest” of improving Medellín as whole. By investing in building sewage, extending the water system, bringing electricity, opening, widening or paving streets, planting trees, and advancing cleaning and sanitation campaigns, the municipality was improving not only the life of the neighborhood’s residents, but also the situation of all Medellinenses. The principles of civic engagement formed the foundation of the SMPM, and its members, in particular Ricardo Olano, emerged as vocal and influential crusaders in disseminating these principles across the city, so that each and every citizen, regardless of social class or and political affiliation, would identify with and feel compelled to participate in the improvement of Medellín. Moreover, Olano regarded Civic Centers as the “conscience of the city,” the cells where the “love for the city could grow,” spurring private initiative and spreading the principles of public engagement to those too apathetic and timid to act. For Olano, Civic Centers were also urban planning actors correcting the problems related to “poorly conducted urbanization,” through their involvement in public matters. Olano highlighted the efficiency of these Centers, which in only one year had garnered resources to build streets and sewages and create new schools.³¹ The members of neighborhood associations and Civic Centers knew that the use of civic engagement principles would help them address their problems. They even sought the Society’s endorsement of their demands to the municipality. This did not mean that the influence of the SMPM expanded over low-income neighborhoods to the point that this elite organization controlled neighborhood politics. Civic Centers and associations were rather knowledgeable about Medellín’s politics and were aware that asking the SMPM to support the opening of one street, the cleaning of vacant plots, or the expansion of sewage was an effective way of getting the Council on one’s side.³²

³¹ *Progreso* 3, September 1939, 71-73.

³² See for instance a request from the growing working-class neighborhood Colón to the SMPS that reached the Council as part of the investment plans presented by the SMPM, Vecinos del Barrio Colón a Sociedad de Mejoras Públicas, Medellín, June 1937. AHM, *Concejo*, Presidencia, tomo 1050, 149-151.

Indeed, one of the characteristics of Medellín's politics was that the SMPM and the public administration were tightly intertwined. Civic engagement defenders were conscious of the fact that municipal improvements, although beneficial for the urban collective, generated economic advantages for particular sectors. Public funds invested in the construction of a street, the improvement of a particular neighborhood's infrastructure, or its beautification by planting trees and reworking parks and plazas, invariably increased the value of the properties located closer to the street, park, or directly benefited by the new infrastructure, making owners wealthier. Partly, advancing civic engagement in Medellín was meant to convince urban proprietors that the profit they obtained thanks to public urban investments entailed greater political responsibilities towards the city. Olano often complained about the lack of commitment and attachment among Medellín's upper classes. However, some of them had been inculcated with civic values and did contribute to the city's project with donations, direct work, or planning efforts. Moreover, it is not surprising that most of the SMPM's prominent members, who were among the wealthiest capitalists in the city, were also Council members, or participated directly in the executive branch of the local government. The SMPM, moreover, directly weighed in on the Council's and Mayor's decisions regarding what construction projects, renovation programs, or urban planning schemes to adopt. In short, they were a very influential voice in considerations about how to invest public moneys. The civic engagement discourse justified to a large extent the involvement of private interests in the administration of the city, blurring the line dividing collective wellbeing and private interests. Alongside the pattern of urbanization that had been transforming Medellín for decades, the civic engagement discourse's blending of public and private interests in the administration of the city fundamentally defined conceptualizations about urban development and planning. Urban planning and reform ideas also played a powerful

political role: they were aimed at dealing with the social question. As civic and urban reform programs also sought the solution of serious social problems emerging from the unequal patterns of urban development, it attempted to soothe tensions between workers and employers. After all, so the thinking went, with good regulation policies, individual commitment in the solution of collective problems, and efficient administration, all citizens could benefit. The following section focuses on explaining how these elements—the social question, urbanization patterns, and the interrelated nature of the public and private sectors—played out in shaping urban planning ideas and projects in Medellín.

“Civic Motto: Good Intelligence between the Employer and the Worker is the Basis of Social Wellbeing”³³

Ricardo Olano conceived of himself as an urban planner, in spite of the fact that he was never trained as such (he was a self-made man, who barely received formal basic education as a child). During the 1920s, when urban planning was beginning its consolidation as a professional discipline in Latin America, Olano was campaigning for the adoption of serious urban regulatory measures to turn Medellín into a “modern city.” During the 1930s, he assumed the promotion of civic engagement and urban planning as his most important cause. Olano attended international housing and urban planning conferences, where he established ties with Latin American planners like the Mexican Carlos Contreras, a young architect who spearheaded systematic urban planning in Mexico, and who published Olano’s pieces in his journal “*Planificación*” (*Planning*), the organ of the Mexican National Planning Association. In turn, Olano published Contreras’s articles in “*Progreso*,” (*Progress*), the organ of the SMPM.³⁴ But more importantly, Olano, who

³³ *Progreso* 5, November 1939, 149.

³⁴ Olano, *Memorias*, tomo I, 214; On Carlos Contreras see Patrice Elizabeth Olsen, *Artifacts of Revolution: Architecture, Society, and Politics in Mexico City, 1920-1940*. (Lanham: Rowman & Littlefield Publishers, 2008),

was a Liberal, served as the honorary “urban planner” of the “Cultura Aldeana” (Culture in the Villages) program of the Liberal government, an educational rural campaign that focused on establishing libraries and schools in remote villages. At a time when reformers were invested in transforming rural life, Olano’s ideas were deemed relevant for instilling among villagers and municipal authorities a sense of political responsibility in the transformation of their towns. Inculcating this political attitude among citizens was one educational component of the overarching policy of municipal improvement. It would facilitate that a town’s scarce resources—and those granted through credit—would be meaningfully invested in expanding the reach of public services, education, and, in general, bettering the community’s living conditions. In conferences Olano delivered at small towns and capital cities across diverse and distant provinces, like the southernmost Nariño or the Caribbean Atlántico, he would reinforce the government’s good will in making every community in Colombia a participant of the material and cultural progress of the nation. But Olano’s central task was to disseminate the principles of civic engagement and basic town planning. He encouraged citizens to embellish their houses with simple decoration and flowers, follow healthy cleaning habits at the home, plant trees along streets and in plazas, and collect funds to work on minor public renovations. These were inexpensive steps, almost anyone living under a roof and residing in the town could contribute and participate, but yet politically relevant, since people’s attitudes toward the town and themselves as citizens could be fundamentally transformed by a nice house’s façade, a pretty central square, or a healthy public park where kids could freely play. Olano strove as well to convince municipal authorities that improving the provision of public and community services was not dependent on having huge amounts of capital. For laying out electricity, water and

60-62. *Planificación* was in fact an important publication for the development of urban planning in Latin America, see Arturo Almandoz, “From Urban to Regional Planning in Latin America.” *Planning Perspectives* 25 (1), February 2010: 87-95.

sewage systems, works that required hefty investments, what was necessary was an investment plan and a pragmatic, non-partisan, use of public resources. These works could be advanced step by step, with the participation of the community and the commitment of the municipality. The real problem, Olano argued, was the “hombres estorbo” (“obstructive men”), those who opposed policies that benefitted the entire community mainly due to “their own selfish political interests,” and therefore “[impeded] and [delayed] urban progress.” In this vein, in his meetings with the wealthiest citizens in each town or city, who in most cases were landowners, Olano tried to convince them to cede plots for the construction of a necessary road or to help with the construction of an urgently required bridge or drainage system. His argument to lure owners and capitalists was simple, and yet appealing: the construction of roads, public buildings, and infrastructural facilities was, all in all, a “good business.”³⁵

The principles of urban planning and civic engagement that Olano presented in his “Cultura Aldeana” conferences were the keystones of the campaign he led in shaping urban planning policies in Medellín. Through the SMPM and individually by delivering conferences and negotiating with politicians and investors, Olano was committed to push for the rational administration of municipal matters, the adoption of regulatory plans of public investment foreseeing the city’s future needs, the development of crucial infrastructural works to revamp and expand urban facilities and equipment, and the spreading of civic values encouraging the participation of local groups in solving their own problems. In *Progreso*, and in the “Civic Hour,” a radio program sponsored by the SMPM, Olano and other members of the SMPM, disseminated notions of urban planning, suggested urban renewal policies for implementation, denounced the damaging role of “hombres estorbo,” while praising the contribution of civic citizens from Medellín and elsewhere, and discussed problems in Medellín that still awaited a

³⁵ Olano, *Memorias*, tomo I, 354-437.

solution. The SMPM, in turn, was a critical actor in the implementation of urban projects and plans, from the early twentieth century through the 1950s. Actually, the municipality entrusted the SMPM with public funds and the responsibility to execute construction and renovation projects. The SMPM, for instance, led urban renewal projects that aimed at fostering Medellín's cultural and educational life, such as setting up a park on the "Nutibara Hill" in western Medellín (1935), building the "Hotel Nutibara" (an architectural landmark of downtown Medellín, finished in 1945) and overseeing the construction, maintenance, and renovation of the "Palacio de Bellas Artes" (Palace of Fine Arts, built in the late 1910s and renovated from 1932 to 1936). The SMPM also pushed for the strengthening of Medellín's utility companies, particularly the electricity company, turning them into critical actors in the administration of the city. Moreover, projects that directly involved urbanization were also conducted with the close participation of the Society. For instance, the SMPM contributed to clearing, channeling and later covering the "Santa Elena" creek, a source of many hygienic problems, but nonetheless a marker of the city's expansion from the downtown area to the east. By becoming a vital road axis and rendering land plots for the construction of public spaces, this work accelerated the urbanization of Medellín to the southeast. More importantly, from 1940 forward, the SMPM was central in advancing the channelization of the Medellín River, the city's most important natural feature, crossing the city from south to north and separating the eastern, hilly region from with the western more level area. This work gave decisive impulse to the urbanization of western Medellín, a process that had already started, but at a slower pace.³⁶

³⁶ See "Informe de labores de la Sociedad de Mejoras Públicas, 1935." Colección Patrimonial Universidad EAFIT, *Archivo de Jorge Restrepo Uribe* (JRU), JRU-C-48; "Informe de las labores Sociedad de Mejoras Públicas, 1940." JRU-C-49. The different advancements made on these works, some of the discussions surrounding them, and even the complete reports of the President of the SMPM were constantly reported in *Progreso*. See in particular *Progreso* 1, July 1939; 12, June 1940; 22/ 23, April/ May 1941; 25, July 1941; 33, March 1942; 44, February 1943; 56, February 1944.

In fact, through the promotion of urban planning efforts like the channeling of creeks and the Medellín River or the opening, widening, and extension of avenues and streets, the Society literally paved the way for Medellín's accelerated urbanization. In pushing for these projects, Olano and other SMPM presidents such as the urban planner and reformer Jorge Restrepo Uribe, an engineer with interests in the construction sector, mediated between the municipality and private investors to put together financial packages for carrying out projects while negotiating the purchase, trade, or donation of plots required to advance with street works with property owners. For instance, Restrepo Uribe, as president of the SMPM, offered his good offices so the municipality could get hold of a plot, owned by another wealthy real estate investor, Clímaco Vásquez, that was impeding the extension of "Calibío" street in the downtown area in 1935. The municipality traded a less valuable plot with Vásquez, and, thanks to Restrepo Uribe's offices, the remaining part of the transaction was covered by the Compañía Colombiana de Tabaco (Colombian Tobacco Company), who in all likelihood benefitted from the extension of the street. Months later, Restrepo Uribe was part of a committee that negotiated the purchase (in cash and municipal and company bonds) of various properties located along six blocks, through which an extension of "Bolivia" street would cut.³⁷ The channeling of the Medellín River was also a joint venture. In 1940, once the municipality announced it lacked funds to proceed with such an expensive enterprise, the SMPM decided to collect the money to finance a first stage of the channeling and the construction of two important avenues on each side of the River. This project, at the time considered the most important urban renovation program the city required, was thus initially pushed forward by private interests. The Society put all its shares on the market and received important contributions from the major industrial companies and banks in the city. According to Restrepo Uribe, "donations for the Medellín River work are clearly showing the

³⁷ "Informe de labores 1935," 11-21.

industrial and commercial companies' interest in advancing the projects that aim at the effective improvement of the city.”³⁸

Two interrelated questions emerge when examining the nature of the conceptualizations and practices of urban planning in Medellín. First, the close intervention of the SMPM and individuals like Olano and Restrepo Uribe might suggest that civic engagement was a deep-seated principle and that private interests generously contributed to the progress of Medellín because they believed in the importance of directly participating in public matters on behalf of the collective wellbeing. The problem is, of course, that in the case of new avenues that opened possibilities of urbanization or a public work that increased the value of private properties, it is very difficult to determine whether it was individual economic interests or the collective improvement of the city what had been privileged in making the decision of how and where public moneys would be invested. Olano was very conscious of the fact that public investments generated private wealth, to the extent that when negotiating with owners and capitalists for materializing a renovation initiative, he used the argument that “one of the principles of modern urban planning” rested on the notion that “public investments [benefited] owners of private real estate.” Therefore, these owners should contribute to the municipality’s efforts in improving infrastructure through donations or higher taxes. He was thus a staunch defender of the adoption of the special property assessment and prominent, as a Councilman, in the discussions leading to its institutionalization in 1938.³⁹ However, the importance that private capital waged in the advancement of urban renewal projects endowed capitalists with the capacity to determine which

³⁸ “Informe de labores 1940,” 8-16. Among the donors for initiating the works on the Medellín River were companies related to the construction sector, like “Cementos Argos,” the major textile factories like “Coltejer” and “Fabricato,” prominent factories like the “Cervecería Unión” and the “Compañía Nacional de Chocolates,” and banks such as the “Banco de Bogotá” (one of the most important commercial banks in the country) and Banco Central Hipotecario.

³⁹ Olano, *Memorias*, tomo I, 317; Secretaría del Concejo de Medellín, “Proposición,” Medellín, May 29, 1937. AHM, *Concejo*, Presidencia, tomo 1050, 2.

projects were beneficial for the collective. This was apparently the case of the channelization of the Medellín River. In 1940, when City Council began discussing the project, the emphasis was almost unanimously put on the need to build the adjacent avenues to facilitate transportation between downtown Medellín and the industrialized suburban areas and push for the valorization of the affected land. The interests of developers and industrialists thus prevailed over other considerations about an adequate use of that land, for instance, or other planning stipulations established by the municipality's attempts at drafting the city's future plan. Moreover, in 1944, the second administration of Alfonso López Pumarejo (1942-1945) offered national funding for setting up a park on the banks of the River as the channeling works progressed. Apparently, powerful interests in Medellín convinced the President, whose government faced mounting political tensions due to the opposition of the Conservative Party, that the best "park" that the city could have was two long avenues on each side of the River with two greenbelts running alongside each avenue and abundant trees.⁴⁰

Second, given the preeminence of private interests in urban renovation undertakings, one might argue that the discourse of civic engagement and its related ideas about urban planning could materialize into policies as long as they accommodated those interests. In 1939, an SMPM member asked in wonder: "How is it possible that in a commercial and individualistic society like Antioquia this institution [the SMPM], which does not accumulate or distribute dividends among its members, has thrived and gained respect and trust of all citizens? This is a sociological phenomenon that I am incapable of analyzing."⁴¹ Taking into account the economic and political importance for industrialists, real estate owners and developers of waging direct influence on the administration of the city and securing a decisive intervention in the investment of public

⁴⁰ Botero, *Medellín*, 152-159.

⁴¹ *Progreso* 2, August 1939, 33.

resources, the question posed in 1939 looks less like a sociological puzzle than a case of overlapping and reciprocal interests.

An illustrative example of how urban planning ideas accommodated slowly to the practices of public investment relates to the development of neighborhoods in Medellín. In the mid-1930s, the pattern of urbanization in which developers progressively annexed plots of undeveloped land to the urbanized area of the city, only marginally allowed for the emergence of comprehensively planned neighborhoods that could function as semi-independent urban units. This urban planning model had been widely discussed and implemented since the emergence of the Garden City movement in the late 19th century. In the mid-1930s, the most important proponent of that model of urbanization in Colombia was the Austrian architect Karl Brunner. Brunner arrived in Colombia in 1933 to assume the post of Director of Bogotá's "Departamento de Urbanismo" (Urban Planning Office, created in 1928). Brunner's work was fundamental to Bogotá's expansion in the late 1930s and early 1940s, as I will show later in the chapter. In Medellín, although Brunner was warmly welcomed—Olano personally made the arrangements to hire Brunner's services as consultant and brought him to the city to deliver a conference for the SMPM—Brunner's model of the semi-independent neighborhood could only materialize in Medellín at that time with the intervention of the municipality and a grassroots cooperative. Due to the extremely broken topographical nature of the region, the emergence of this type of neighborhood on the hilly eastern part of the city, where urbanization efforts were concentrated during the first decades of the century, would have required hefty investments and different practices of land commercialization. The urbanization of the area located west of the Medellín River, where the topography facilitated the planning of neighborhoods, in contrast, was slowly progressing as the channeling of the River and the extension of the tramline allowed for the

commercialization of this land by real estate owners. It was only in the late 1940s when private real estate owners, in association with cooperatives and the municipality, would intervene in and intensify the urbanization of western Medellín by advancing the development of planned working-class neighborhoods.

In fact, Brunner collaborated with the Medellín modern architect Pedro Nel Gómez in the development of the “Ciudad del Empleado” (White-Collar Workers’ City), a neighborhood entirely financed by the “Cooperativa de Habitaciones” (Cooperative of Dwellings) in the central-western part of Medellín. The “Cooperativa de Habitaciones” had emerged out of the “Cooperativa de Empleados de Antioquia” (Cooperative of White-Collar Workers of Antioquia), an association backed with municipal subsidies. Granting support to municipal white-collar workers was one of the administration’s strategies for dealing with labor issues and tensions in City Hall. Francisco Luis Jiménez, an activist in Medellín’s cooperative movement, understood that the most effective way to attract the attention of municipal authorities and private investors to the cause of white-collar employees, in particular the need to improve this labor sector’s housing conditions, was to concentrate in a single cooperative the efforts that individual cooperatives had promoted in providing housing for their associates. With the contributions of the Cooperative of White-Collar Workers, Jiménez consolidated the Cooperative of Dwellings and bought a plot of land in the area known as “La América” in 1940. Gómez’s design became the neighborhood “Laureles,” a comfortable middle-class district in western Medellín, whose construction started in 1947. “Laureles” was part of a wide-ranging planning initiative that Brunner envisioned that included the small worker’s city, wide avenues, the Catholic Bolivariana University’s campus, and a recreational park.⁴²

⁴² Junta de Asistencia Social Municipal, December 2, 1939. Archivo Histórico de Medellín, *Fondo Alcaldía*, Actas de Asuntos Sociales (hereafter AHM, *Alcaldía*, AS), tomo 805; Francisco Luis Jiménez, “¿Cómo van las

The SMPM, Restrepo Uribe (a Conservative) and Olano were highly supportive of cooperatives' endeavors at urbanization. Cooperatives were perceived, unsurprisingly, as a civic contribution by workers to the improvement of Medellín. Restrepo Uribe, in particular, was an enthusiast of the cooperative movement and had contributed as an engineer and member of the SMPM to their projects.⁴³ Olano was also an admirer of Brunner's ideas, including his model of urbanization based on semi-independent cities, a project he praised in *Progreso*, but, unfortunately, like Vásquez, Álvarez, and many other developers, never invested in materializing that model. In fact, in his 1940 study of Medellín, Brunner praised the great development of the road system, the channelization of the Medellín River and the Santa Elena Creek, but questioned the lack of comprehensive urbanizations. In a plan he drafted for the future development of Medellín he recommended a complete transformation of the urbanizations in the northeast, the creation of a working-class model neighborhood, and the development of "garden cities" in the south and the west, by consciously planning the integration of the small settlements emerging in the periphery of the city into the urban body. About this last point, almost foretelling the obstacles that such a project would eventually encounter, Brunner emphasized the need to promptly advance negotiations to obtain the land.⁴⁴

But more than anything else, Brunner's notion of urban development was appealing to Olano because of its social content. Brunner had been closely connected to the development of working-class housing cooperatives in Vienna in the aftermath of World War I to solve the acute

cooperativas en Antioquia?," *Temas* 2, May 1941, 132-138; Francisco Luis Jiménez, "La Cooperativa de Habitaciones," *Temas* 5, September 1941, 318-320, 334-337; Naranjo, *Medellín en zonas*, 184-186; Mejía Robledo, *Vidas y empresas de Antioquia*, 258-259.

⁴³ *Progreso* 24, June 1941, 758-759; *Progreso* 64, October 1944, 2032.

⁴⁴ *Progreso* 4, October 1939, 122-123; *Progreso* 12, June 1940, 125-141. Olano published excerpts of Brunner's urban planning manual, a two volume detailed analysis of the tasks, tools, and methods of urban planning as a discipline and as a political practice. See for instance: *Progreso* 4, October 1939, 120; 7, January 1940, 210. Later in the decade, *Progreso* criticized urbanization as the simple subdivision of plots and construction of buildings, without taking into account how the resulting neighborhoods were configured and the wellbeing of their inhabitants. This was a critique of urbanization as it had been done in the city. *Progreso* 66, December 1944, 2156.

social situation characterized by food scarcity and the physical destruction of the city. He had thus experienced first-hand the beneficial effects of the direct involvement of these cooperatives in the reconstruction of the city, making him a firm believer in housing and urban planning as political and social tools. Brunner considered that “the more working-class families live in their own houses, the more the political and social life of a country stabilizes and consolidates.” Even more, owning a house stimulated families’ interest in “improving, protecting and promoting the conditions in their communities.” Home ownership therefore spurred civic engagement and facilitated social stability. But ownership should be regulated by urban planning policies to make the urban environment as harmonious as possible. Allowing the emergence of slums, for instance, entire areas in the city where dwellers experienced hard living conditions or were marginalized from the benefits of urban life, was for him “one of the main causes of class struggle, social upheavals, and even great revolutions.”⁴⁵ In short, Brunner made the case that urban planning and housing had the political potential of avoiding class tensions between workers and employers. By striving for the consolidation of the best living conditions for the urban collective, urban planning and healthy housing initiatives would create committed, happy citizens.

This argument no doubt was cherished by a ruling sector in a city where working-class mobilization had the potential to completely paralyze the economic engine of the region, that is, the industrial apparatus. Urban planning and civic engagement notions became central for ensuring the continuation of business as usual. In fact, the SMPM hoped that by inculcating civic engagement principles, workers’ participation in public matters would be devoid of partisan and political overtones. In *Progreso*, the SMPM emphasized that Civic Centers, cooperatives, and Societies of Public Improvements were legitimate grassroots organizations that would improve

⁴⁵ Karl Brunner, *Manual de urbanismo*, vol. 1. (Bogotá: Ediciones del Concejo de Bogotá, 1939), 83-84, 246.

the living conditions of all citizens. Strikes or reliance on political action only increased social tensions and was not conducive to concrete material improvements. Articles in *Progreso* insisted that workers' attitude to factories and industrialists should be constructive and cooperative to forge industrial development, an end goal, which, needless to say, was presented as favoring everyone, regardless of class. The journal also listed numerous initiatives that had contributed to good relations between workers and employers like assistance programs intended to provide food, shelter, education, or sanitation in working-class neighborhoods, to lure Medellín's capitalists into similar enterprises. In addition, urban renewal programs should take into account as well that work days were now shorter and therefore workers needed places where they could engage in healthy, constructive recreational activities, to avoid idleness and keep at bay the influence of dangerous (political) activities. And one civic motto that frequently came up in the journal was: "Good intelligence between the employer and the worker is the basis of social wellbeing."⁴⁶

The predominance of private interests in the administration of Medellín and in dealing with the city's social problems did not make, however, the municipality a marginal actor. The municipality acted in accordance with private interests in pushing for the intense transformation that Medellín experienced throughout the 1930s, but particularly between 1938 and 1941, when major infrastructural projects were completed, several social programs and labor policies were put into effect, and the provision of public services was considerably expanded with the setting up of a new power plant, a new water purification plant, and direct long distance dialing telephone system. Medellín had been "modernized" to levels that made the city an example of

⁴⁶ *Progreso* 2, August 1939, 44; 55-56; 149; 8, February 1940, 226-227; 13, July 1940, 416; 20, February 1941, 234; 42, December 1942, 1352; 62, August 1944, 1968-1969; 68, February 1945, 2159-2162. With this motto, *Progreso* was conveying the idea that the best way to attain *collective* social progress was to avoid the emergence of labor conflicts between workers and industrialists. This speaks of the importance of the industrial labor question in Medellín's social question.

urban development for other urban centers in the country. As one commentator argued in 1939, the efficiency and reach of Medellín's public services were unknown to residents in Bogotá. After all, industrialists' good businesses did have an impact on the city's physical transformations and the war years were a wonderful time for industrialists. The expansion of the industrial sector was so prominent that it was perceived as the engine of Antioquia's "dynamism" and the region's "cultural and economic progress."⁴⁷ This economic boom thus favored the administration of public matters with extra resources for improving the provision of public services through strengthening the city's public utility companies. These companies were deemed as the symbol of Medellín's modernity and thus administered with the rationality and efficiency that the city's elites had aimed for. In particular, the electricity company, managed by an autonomous Junta, acquired so much economic importance for the administration, that the President of the City Council in 1941 argued that he expected the company to become "not only the 'city's little girl,' but also the basis of prosperity for the municipality and the industrial organization and a source of wealth for the municipal economy."⁴⁸

The economic soundness of public utility companies was indeed fortunate, as we know that the expansion of Medellín during this time of economic progress was not devoid of social tensions. The municipality thus not only had the means to invest in the infrastructural development of the city, but also the capacity to respond in a relatively effective way to the

⁴⁷ *El mes financiero y económico* 27, July 1939, 17-21; 54, November 1941, 63-73.

⁴⁸ "Informe trimestral que rinde el Alcalde Municipal al Honorable Concejo, November 8, 1938, tomo 1055, 262; "Informe del señor Alcalde al Concejo en su segundo periodo de sesiones en el año de 1939," Medellín, May 1, 1939, tomo 1056, 115-119; Luis Mesa Villa, Alcalde de Medellín, Medellín, November 1, 1939, tomo 1055, 356-369; "Informe del Alcalde de Medellín sobre las labores adelantadas por su despacho," Medellín, August 4, 1941, 1060, 344-54; Juan de J. Peláez, Presidente del Concejo saliente, a Presidente del Concejo, Medellín, November 1, 1941, tomo 1060, 8-10. AHM, *Concejo*, Presidencia. This efforts in strengthening the municipal companies are the origins of the "Empresas Públicas de Medellín" (EPM, Medellín's Public Companies), the *public* company that provides all public services, which now includes high-technology ones, to Medellín and other cities in Colombia. EPM is a wealthy, well-administered, company, which continues to be the "spoiled little girl" of Medellín's administration and the main reason why the city has resources to invest in its social and infrastructural development.

social question. In fact, the municipality was a large employer and, during the late 1930s, political and labor activism forced it to adopt social and labor policies. Moreover, the municipality consolidated a program of housing, which mainly benefitted public workers. The program, called “Casas adecuadas para la clase trabajadora” (“Adequate Housing for the Working Class”), picked up on earlier endeavors of public housing focused on building a few dwellings that would be rented out to workers. However, beginning in the mid-1930s, through the construction of “adequate working-class housing,” the municipality became a prominent urban developer. This business was undoubtedly supported by the city’s elites and managed with the same economic pragmatism of any other municipal business. Moreover, by 1942, the program picked up its pace thanks to additional financial support offered by a national housing agency that was just starting its urban endeavors: the Instituto de Crédito Territorial (ICT). During the 1940s, the ICT entered into the process of Medellín’s urbanization by granting credit to initiatives already in motion, in particular the municipality’s housing program and housing cooperatives’ efforts. How the municipality’s program functioned and how the ICT adapted to local initiatives is the focus of the next section.

Adequate Housing for the Proletarian Class

The mid-1930s were years of intense political mobilization in Medellín. In June 1934, a strike led by railroad workers at the provincial company, the “Ferrocarril de Antioquia” (Antioquia’s Railroad Company), turned into a citywide protest when all unions—in particular tram and other public workers—joined in solidarity against the intransigence of the Railroad Company’s directorate. The mobilization of the railway workers completely paralyzed all economic activities in the city. The Governor of Antioquia took over the Railway Company and the President, Enrique Olaya Herrera (1930-1934), declared a state of siege to regain control over

the political situation. When López Pumarejo, who succeeded Olaya Herrera, assumed office, railway workers looked for the protection of the Liberal Party and the new government, given López's reformist stance and pro-labor political rhetoric, to avoid any retaliation against protestors and guarantee the fulfillment of the agreements reached after the crisis.⁴⁹ The 1934 protest threw into relief the great political power of municipal workers, including tram drivers, public service operators (any action led by electrical workers was especially sensitive), construction workers, and public sector employees, who could completely disrupt the normal functioning of the city by launching any strike or protest. This political participation continued throughout the decade. Municipal workers were mainly putting their employers under constant pressure by submitting lists of demands and threatening with work stoppages, with the support of their Liberal Party affiliated Trade Union representative, the "Confederación de Trabajadores de Colombia" (CTC, Colombia's Workers Confederation, founded in 1936). These demands mostly revolved around better salaries and working conditions: severance pay for receptionists at the telephone company, a fixed scale to fairly determine wages, abolition of fines and sanctions that were still in effect in labor contracts, and a comprehensive system of social benefits. For instance, unionized tram workers asked the tram company in 1938 to stop discounting from their salaries a 3% fee for a social protection fund the company had instituted. The workers considered that this fund had not rendered any visible result and thus they kept being "[the prey] of usury and [victims] of misery." Tram operators asked the municipality to establish "a scientific system of social assistance." The municipality responded with additional support for the cooperative program, expanding the municipal system of inexpensive credit it had instituted since the late

⁴⁹ Olano, *Memorias*, tomo I, 346; Sindicato Industrial del Ferrocarril de Antioquia a Presidente de la República, Medellín, February 21, 1935. Archivo General de la Nación, *Fondo Presidencia de la República* (hereafter AGN, *Presidencia*), Despacho Señor Presidente (hereafter DSP), caja 65, carpeta 25: sindicatos, 4-8.

1920s.⁵⁰ Public workers also established alliances with private industrial workers to put pressure on public and private employers, as occurred in 1935 with a strike at one of the textile factories, “Rosellón,” or in May 1939 when the workers at the cement factory Argos threatened to strike too if the municipal workers’ demands remained unmet. In 1939, in fact, the agitation of municipal workers almost attained citywide proportions once again, when private factory workers and a recently founded student union threatened to join the strike. This event unsettled local politics to the extent that the Governor reached out to President Eduardo Santos (1938-1942) to mediate between the workers and the municipality in order to reach an agreement.⁵¹

The serious economic implications of labor and civic mobilization in Medellín were explained by the Mayor, Luis Mesa Villa, who a few months after the 1939 strike told Council members that to get the international credit needed to advance urban renovation and infrastructural projects, it was necessary to maintain a transparent and efficient management of public financial accounts and, more importantly, to guarantee “the absolute absence of any tumultuous agitation.”⁵² Therefore, the municipality had implemented broad labor and social benefits for their workers. By 1939, these benefits included retirement programs, compensations in case of illness or domestic calamity, free health and access to medicine with family coverage, remunerated vacations, overtime pay, indemnity in case of work accidents, life insurance and

⁵⁰ The main municipal credit institution was the “Montepío Municipal” (a credit union financed by the municipality that depended on workers’ direct contributions), which by 1938 was already facing an acute financial crisis. The Montepío was absorbed by the Caja de Ahorros in 1943. In 1937, the Social Assistance Office created the Cooperativa de Crédito Municipal (Municipal Cooperative of Credit). Acuerdo de arreglo, Medellín, May 29, 1938. AHM, *Concejo*, Presidencia, tomo 1054, 26-32. In this volume there are several documents about public workers’ requests to the municipality. See also Acta 1 de la Junta de la Caja de Previsión Social, Medellín, October 25, 1937. AHM, *Alcaldía*, AS, tomo 804, 2.

⁵¹ *El mes financiero y económico* 26, June 1939, 61-72; Archila, *Cultura e identidad obrera*, 298; Emilio Montoya a Presidente de la República, Medellín, March 1939, 13-19; “Informe del señor Alcalde al Concejo en 1939,” May 1, 1939, 113-114; Emilio Montoya a Señor Presidente, Medellín, May 24, 1939, 4; Delegados CTC, Sindicato Ferroviario, Sindicato Electromecánicos, Federación de Trabajadores a Presidente de la República, Medellín, May 30, 1939, 21-22. Biblioteca Luis Ángel Arango, *Archivo Eduardo Santos* (hereafter *ES*), Fondo Gobernaciones (hereafter Gobernaciones), caja 1, carpeta 1: Gobernación de Antioquia.

⁵² Luis Mesa Villa, November 1, 1939, 359.

maternity protection for female workers, among others. A push for the cooperative movement was also an important policy to address workers' grievances. In 1940, the Personero called the attention of the Council to strengthen municipal cooperatives, after hearing worrisome complaints raised before the Social Assistance Office about loan sharks taking advantage of workers at municipal offices. The workers' precarious economic situation led them to accumulate debts that surpassed the value of their paychecks, as many workers reported to the Social Assistance Director. The Personero argued that it was not "enough to give workers good wages or housing. It is also necessary to give them inexpensive credit" through a cooperative that would encompass "consumption, credit, housing, petty trade, production, etc."⁵³

In fact, in spite of the benefits municipal workers had acquired throughout the 1930s, their incomes could not provide for all the expenses required to sustain a family—workers' families were often large, the average number of family members was 5—and let alone accumulate some savings with which to buy a house. The census of municipal workers drawn up in late 1945 confirms the precariousness these workers still endured. The municipality had been a crucial source of employment for Antioqueño immigrants arriving in the city during the first decades of the century, as only 29.7% of all municipal workers were born in Medellín. Although they showed high rates of literacy (88.2% among blue-collar workers) and in a great majority had attended technical schools, for these recent migrants it had been rather difficult to save and become property owners (completely contradicting what Olano had estimated a decade before). Among white-collar workers, less than 20% owned a house and a few of them were building their houses on plots they had bought. Only 28.2% of blue-collar workers were property owners.

⁵³ "Informe que el presidente del Concejo saliente, Pablo Rodríguez, rinde al señor Presidente del Concejo Municipal, que inicia sus labores el 1 de noviembre de 1939," Medellín, 345-360; Aquileo Calle, Personero Municipal, a Concejo Municipal, Medellín, July 25, 1940, 41-47. AHM, *Concejo*, Presidencia, tomo 1058. The labor privileges negotiated in 1939 remained in effect during the early 1940s, see, for example, the report on the municipal labor policy in 1941: Juan de J. Peláez, November 1, 1941, 5-7.

These low indicators were understandable given the relatively low level of wages. The great majority of white-collar workers (44.2%) earned \$100 pesos a month and blue-collar workers (50.6%) roughly earned \$75 pesos a month. Moreover, most municipal workers (69% of the total) were construction workers, police officers, and members of the fire department (these last two were considered to be the poorest sections within the municipality) who scarcely earned \$65.10 pesos a month. These salaries were by no means enough to maintain a family, and over 80% of workers in the municipality were responsible for their families' sustenance. According to the municipality's calculations, maintaining a working-class family of 5 could cost around \$72 pesos a month, which surpassed construction workers' incomes and could barely be afforded by the other two groups.⁵⁴

These socio-economic indicators speak of the high levels of social inequality in Medellín. It is in this context that workers unionized, pushed for cooperative organizations, and joined or formed part of Civic Centers to exercise their civic and political rights, but also to secure some economic stability at a time when some sectors in Medellín were enjoying great economic prosperity. And although one might argue that the response to the municipality was limited in providing better living conditions for workers, the latter's grievances were somehow listened and attended to with almost no direct intervention by the political parties.⁵⁵ Moreover, the municipality and grassroots associations, in particular housing cooperatives, as I mentioned

⁵⁴ "Censo de empleados y obreros del municipio," Oficina de Estadística Municipal, Medellín, January 31, 1946. AHM, *Concejo*, Presidencia, tomo 1066, 42-52.

⁵⁵ It is important to emphasize that even though workers established a direct communication with the municipality through grassroots organizing, significant political tensions were simmering, especially beginning in 1946 when the Conservative Party took power. Municipal workers were overwhelmingly affiliated with the Liberal Party, and once the government was turned over to the Conservatives, the Governor of Antioquia and the Mayor were therefore Conservatives, generating confrontations with workers' unions. Some documents suggest that the municipality established some measures to change the configuration of the municipal workers along political affiliation, that is to say, to privilege Conservative over Liberal workers, see "Acuerdo de arreglo con los sindicatos municipales," Medellín, u.d., tomo 1060, 74-75.; "Acuerdo sobre convención colectiva de trabajo," Medellín, April 9, 1948, tomo 1069, 264-269. AHM, *Concejo*, Presidencia. This tension considerably mounted after 1948, but since the Council was shut down due to the political crisis, there is no documentation available.

above, that became critical urban developers while tackling one of the main problems emerging from rapid population growth and deficient incomes: insufficient housing provision. The municipality intervened early in the century to face this problem by renting houses it built to workers, but it was in the 1930s when it adopted a program that eventually would lead to a vast urbanization campaign. In 1931, the municipality created the “Junta de Casas para la Clase Proletaria” (Board of Housing for the Proletarian Class), an entity in charge of buying land, advancing constructions, and granting houses on credit to workers. The program started slowly in Quijano, Manrique and Aranjuez, neighborhoods located in the rapidly urbanizing north- and central-eastern area. During the first years, the Junta built houses on plots real estate owners had donated or it was purchasing.⁵⁶ The program ratcheted up in 1937, when the Council endowed the Junta with \$150,000 pesos, in fulfillment of national housing legislation that demanded the investment of 5% of the municipality’s budget on housing through a collective fund. With these resources, the Junta accelerated its construction in “Otrabanda,” (“the other stripe”), or the western side of Medellín. That year, Pedro Pinillos, the administrator of the housing program informed the Council that the housing shortage for blue-collar and white-collar workers in Medellín was “very serious.” The administrator then claimed that the cost of building an average working-class house had dramatically increased due to the appreciation of urban land and construction costs, making it very difficult for the Junta to offer workers houses they could afford (according to the Junta’s calculations, the most a blue-collar worker could pay for a monthly mortgage installment was \$5 pesos and a white-collar worker could pay between \$11 and \$15 pesos). To make houses affordable and the program viable, Pinillos considered that the municipality should invest in a considerably larger project benefitting at least 70 families, not

⁵⁶ Botero, *Medellín*, 262-264; Junta de Casas para las Clases Trabajadoras a Concejo de Medellín, Medellín, December 15, 1936. AHM, *Concejo*, Presidencia, tomo 1050, 243-244.

only to allow for favorable negotiations with landowners, but also to make the program financially stable with the effective collection of installments. At the moment, the municipality had granted 73 houses dispersed across the city (they were mostly concentrated in Aranjuez and Quijano, but there were a few already built in the western neighborhoods of Belén and Nutibara), and for the program it became important to contribute to the collective life of the city with the construction of working-class neighborhoods, as urban planning experts in the city, including Olano and Restrepo Uribe, were proclaiming.⁵⁷

For the municipality, building houses for workers was an extremely favorable strategy. The program aimed at providing a solution to the city's housing shortages, targeting sectors who were not covered by the industrialists' housing alternatives, while tackling its own labor unrest and improving the city's economy by offering employment to construction workers. The need to address labor and social issues within the municipality was evident in the fact that two thirds of the houses were granted to public workers. Beneficiaries of the program from 1937 to 1942 were therefore public workers in a great majority—from electricians, construction workers, tram drivers and police agents, to public employees, doormen, and receptionists at City Hall. Interestingly enough, workers in the private sector that received municipal houses were mostly self-employed small industrialists or business owners: tailors, barbers, shoemakers, carpenters, house cleaners, typographers, photographers and small storekeepers—whose income, according to the documentation they provided to the Junta, could be even lower than a working-class standard salary—and only a very few were factory workers. In their applications, workers had to demonstrate “honesty and honorability,” compliance with tax and municipal obligations, and that

⁵⁷ Acta de la Junta de Viviendas para los Trabajadores, February 17, 1937; Acta de la Junta de Casas para los Trabajadores, March 2, 1937; Junta de Viviendas Adecuadas para Trabajadores, April 6, 1937. AHM, *Alcaldía*, AS, tomo 804; Administrador de Viviendas para Trabajadores a Alcalde Mayor de Medellín, Medellín, June 2, 1937. AHM, *Concejo*, Presidencia, tomo 1052, 259-262.

they were “poor” and must look after large families, imbuing the program with moral overtones.⁵⁸ But perhaps the housing program was particularly favorable for the municipality because administrators were aware that investing in land for urbanization was a good business. In negotiating plots in the west for the development of “Nutibara” beginning in 1937 and “La América” in 1939, the Junta sped up the acquisition of this land from private investors, “to take advantage of the appreciation of land values” thanks to constructions led by the municipality and the “Cooperativa de Habitaciones” in the area. In fact, real estate owner Clímaco Vásquez was already speculating with land in “La América,” and to avoid the expansion of his business, in 1940 the municipality allied with Francisco Restrepo, an engineer involved in the construction sector and also an urban landowner, to develop the urbanization plan in the area as soon as possible. In fact, the municipality had already made land deals with Restrepo who accepted a deferred payment for two large plots in “Nutibara” in 1937.⁵⁹

The housing program was not a secure source of wealth, however, and the Junta had to constantly rework procedures to reduce costs and guarantee its stability. Construction engineers often mismanaged resources, making constructions more expensive, to which the Junta responded by drafting new contracts with these engineers. The Junta also used evictions more often to make owners comply with their payments and responsibility to keep up with their houses’ maintenance. Moreover, the Junta had to deal with concrete individual cases, such as complaints from residents about scandalous neighborhoods, irregularity in deeds and titles over houses, or requests to set up businesses, sublet rooms in houses, or sell portions of plots (the Junta definitely allowed subletting rooms, selling plots and using dwellings for commercial

⁵⁸ Housing applications from benefitted workers between 1937 and 1941 are in AHM, *Concejo*, Presidencia, tomos 1050, 1051, 1054, 1056, 1058, 1060, 1061.

⁵⁹ Junta de Viviendas Adecuadas para Trabajadores, August 12, 1937; Junta de Viviendas Adecuadas para Trabajadores, August 25, 1937; Junta de Asistencia Social Municipal, March 4, 1940. AHM, *Alcaldía*, AS, tomo 804.

purposes, under the argument that these activities complemented the families' income and were thus better for the economic stability of the program). Another problem was related to the size of families. The administrators' preference for privileging heads of large households collided with the need to reduce costs by making houses relatively small. The Junta then pragmatically opted for accepting applications for a particular type of house according to the number of people those houses could fit. Finally, the Junta made arrangements with the municipality for the adequate expansion of water and electricity services in western Medellín, when the rapid urbanization in the area outpaced the extension of the public service system.⁶⁰

In 1942 the municipality's housing (urbanization) enterprise found a new source of income. That year, Medellín became one of the first cities in the country to sign contracts with the ICT. Partly, the negotiations with Vásquez to buy plots in "La América" led to fruition thanks to a contract signed with the ICT for \$600,000 pesos that year.⁶¹ The ICT did not arrive in Medellín to change local practices of urbanization and working-class housing development. On the contrary, the ICT adapted to the financial and administrative needs of the existing local program, providing the funds for the accelerated urbanization of the western side of the Medellín River. However, the intervention of the ICT pushed for the development of planned working-class neighborhoods, a model of urbanization that had not been implemented before in the city. Under this model, the ICT financed the development of its first "barrio popular" (working-class neighborhood) in the western part of Medellín in 1944. This neighborhood, which became an

⁶⁰ "Informe del señor Alcalde en 1939," 119; Junta de Viviendas Adecuadas para los Trabajadores, July 22, 1937; Junta de Asistencia Social Municipal, March 26, 1940; Junta de Asistencia Social Municipal, April 6, 1940; Junta de Asistencia Social Municipal, May 25, 1940, tomo 804; Junta de Asistencia Social Municipal, November 14, 1939, tomo 805; Junta de Asistencia Social Municipal, June 6, 1941, tomo 806. AHM, *Alcaldía*, AS; Informe de Jorge Delgado, Director Municipal de Higiene, Medellín, June 19, 1938, tomo 1056, 202-204; Administrador de Casas para Trabajadores, "Informe de gastos de la sección de barrios obreros," Medellín, January 22, 1943, tomo 1063, 150-153. AHM, Concejo, *Presidencia*.

⁶¹ Acta 129, December 11, 1942. Instituto de Crédito Territorial, *Actas Junta Directiva 1939-1947*. Archivo INSCREDIAL, Bodega "La Fragua," Bogotá (hereafter ICT, *Actas I*), 330.

882-unit project known as “La Floresta,” started out with the construction of 110 houses that year, thanks to a new contract signed between Medellín’s Mayor and the ICT. Moreover, that same year, Minister of Finance Carlos Lleras Restrepo announced a new service the ICT would offer that proved to be particularly relevant for the urbanization of Medellín: the funding of housing cooperatives’ endeavors. The Ministry raised ICT’s capital, by putting government bonds on the market, a transaction aimed at funding the purchasing of land and the construction of housing for public servants, white-collar workers, small merchants, and professionals, in short, those sectors benefitted by the municipality’s and the Cooperative of Dwellings’ initiatives. The ICT was thus directly contacted by Francisco Luis Jiménez, the manager of the Cooperative of Dwellings, who offered the land the cooperative was already purchasing as collateral. The contract signed between the two institutions no doubt was the final push needed for initiating the construction of the “Laureles” neighborhood in 1947.⁶²

For the development of cooperative housing, Carlos Lleras Restrepo advanced a financial operation with the Banco Central Hipotecario (Central Mortgage Bank, BCH), which would buy ICT bonds to make loans to cooperatives possible. The BCH, under the management of Lleras Restrepo’s uncle, Julio Lleras, had attempted to undertake a national middle-class housing campaign that fell short of the expectations of the government in Bogotá. With this new operation, therefore, the ICT and the BCH were joining forces, making middle-class employees’ social concerns central in shaping national social policies and urbanization an important investment rubric for the central state. The relevance of the cooperative movement in the process of urbanization becomes evident in the number of cooperative housing initiatives that the ICT funded throughout the second half of the 1940s, and the diversity of the regions where those

⁶² Acta 176, February 28, 1944, 409-410; Acta 191, August 14, 1944, 432; Acta 197, November 6, 1944; Acta 255, December 9, 1946, 527. ICT, *Actas I*; Mejía Robledo, *Vidas y empresas de Antioquia*, 259-260.

projects took place. At least 21 cooperative neighborhoods—which varied in size but nonetheless required a hefty financial investment—were built through 1949, not only in big industrial centers like Bogotá, Medellín or Cali, but also in medium-sized cities like Cúcuta and Ibagué. Throughout the 1950s and 1960s the number and reach of cooperative housing would persistently expand, even contributing to the urbanization of distant small cities that had only marginally benefitted from state investments like Riohacha in the northernmost province of La Guajira.⁶³

Hence, in the mid-1940s the cooperative movement, and in particular the development of cooperative housing, was substantially capitalized with state funds. By then two phenomena would converge: the increasing political leverage of the industrial and banking sectors and the dissemination of the ideas of the modern movement in architecture and urban planning. On the one hand, industrialists and bankers, by achieving greater political influence over state policies, managed to turn their own concerns into political priorities, which revolved around the need to address the social situation of blue-collar and white-collar urban workers. On the other hand, the consolidation of an intellectual group focusing on checking the imbalances of urban life through planned urbanization and extensive urban constructions was both a symptom and a consequence of the fact that cities were becoming demographically and economically more important than they had been in the late 1930s. Both processes, the political centrality of urban-based economic interests and the consolidation of urban planning as a discipline, were not alien to Medellín, of course, which explains how easily the ICT adapted to the city's existing conditions. Urban planning ideas were also deeply interconnected to the interests of powerful groups linked to the

⁶³ See the annex on the complete list of projects developed by the ICT in INURBE, *Instituto de Crédito Territorial, ICT. Medio siglo de vivienda social en Colombia, 1939-1989*. (Bogotá: Ministerio de Desarrollo Económico, INURBE, 1995), 193-239.

urbanization in Bogotá. Architects and urban developers embarked on a radical transformation of Bogotá's landscape. That is the focus of the following section.

The Perfect Niche for Modern Architecture

In 1938, Bogotá commemorated its quadricentennial. The city, with the cooperation of the central government, spent \$6,200,000 pesos in preparing for the celebration by advancing construction projects that included the urbanization of 12 working-class neighborhoods, the construction of several avenues, a new stadium, the renovation of a national park on the eastern side of the city, and the clearance of a slum area known as "Paseo Bolívar" (a passage way), located in the immediate northeastern vicinity of the downtown area. Bogotá had not experienced such an important program of renovation since the late 19th century. Two seemingly incompatible individuals were central in directing these urban renewal projects: Bogotá's Mayor, Jorge Eliécer Gaitán, and the Austrian urban planner and advisor of the national government, Karl Brunner. Gaitán, whose political appeal to Bogotá's working-class had only grown throughout the decade, was appointed the city's mayor by Cundinamarca's Governor, in June 1936. President Alfonso López Pumarejo wholeheartedly supported the appointment as a way to deflect the possibility that Gaitán might embark upon new oppositional political projects as he had done with the Unión Nacional Izquierdista Revolucionaria (UNIR) early on. Brunner had arrived in Bogotá in 1933, called in by the city's Mayor to advance what would be the first plan for the urbanization of the city, a project he presented to the local administration in 1936. Gaitán, the politician, would mesmerize the masses in the city with speeches in which he incited the "pueblo" (the people) to action, to take to the streets, and to reclaim from the "oligarchy" in power their rights as workers and citizens in the interests of building a better, more dignified life. Brunner meanwhile worked behind the scenes to promote a plan that would overhaul city

planning as a fundamental political action to avoid class conflict. On the surface, these two appeared to hold conflicting positions about the modernization of Bogotá and the politicization of its citizens, one calling for political action, and the other calling for order. However, those two perspectives converged in the mid-1930s in pushing for the expansion that Bogotá experienced from that moment on. For one thing, although Gaitán appealed to the “pueblo” as the legitimate force of political transformation, he was a strong believer in the need to regulate urban growth and implement social order. As the embodiment of the “pueblo,” Gaitán therefore could marshal the popular forces that could provide that order. As Mayor, Gaitán advanced social reform policies, including sanitation, education, and urban renewal. Brunner also had an unconditional faith in the transformative capacity of social reform, and urban planning was for him the discipline that rationalized and materialized urban reforms into a comprehensive political plan.

Moreover, Gaitán’s and Brunner’s prominent roles in the renovation of the city symbolized the major transformations that characterized the process of Bogotá’s urbanization. On the one hand, the popularity of Gaitán among Bogotá’s destitute was the political consequence of two socio-demographic features of the city. The growth in population experienced since the mid-1930s was pushed by a migration almost as diverse as Colombia’s regional configurations. Although one could argue (it is very difficult to trace back the origins of migrants to Bogotá in this period) that groups coming from the rural areas surrounding the city, particularly from the provinces of Cundinamarca, Tolima and Boyacá, represented a majority of the incoming flow of migrants, Bogotá was becoming a place where people from across the country were settling down. Such a diverse population could only be drawn together into massive political mobilization by using a broad category as Gaitán’s notion of “pueblo,” that is, a political construct that encompassed workers from all social strata or racial and regional origins,

who aimed at materializing civil and economic rights long defended by Colombia's Liberal tradition.⁶⁴ However, Gaitán's discourse was particularly attractive for a group that was politically crucial in a city that was the center of Colombia's bureaucracy: public servants and white-collar employees. The appeal that Gaitán wielded over public employee unions unsettled Liberals, who perceived Gaitán's advances as a dangerous manifestation of "populism." On the other hand, Brunner's model of urbanization based on satellite cities was especially attractive for private interest groups invested in the commercialization of urban land and the construction of neighborhoods. As noted in earlier chapters, Bogotá was a city surrounded by large estates. Landowners, whose properties were located close enough to the city, saw in the subdivision and urbanization of their lands a good economic (and possibly also political) alternative to the crisis of the hacienda system. In conjunction with construction companies and financial institutions, landowners created development companies to urbanize entire areas that would be annexed to Bogotá's already urbanized core, resembling semi-independent garden cities. Brunner's planning model thus, although it challenged many tendencies in Bogotá's urbanization trajectory, served as an intellectual justification of the process that was already taking place. The following section is an exploration of powerful urbanization interests and their relationship with urban planning conceptualizations and practices in Bogotá.

Land Speculation and the "Urban-ization" of Haciendas

The structure of land ownership in the "Sabana de Bogotá"—the large high altitude plateau on the Colombian central Andes where Bogotá is located—radically influenced the process of urbanization undertaken in the city during the first decades of the twentieth century. The region was characterized by the predominance of large estates ("estancias," "quintas" or

⁶⁴ John Green, *Gaitanismo, Left Liberalism, and Popular Mobilization in Colombia*. (Gainesville: University Press of Florida, 2003), 10-12.

“haciendas”), which merchants had accumulated as one of their investment assets since the second half of the nineteenth century. As the pressures of colonization and urbanization increasingly appreciated the value of properties close to Bogotá, rural estates were gradually incorporated into the city by annexation. This process spurred the development of sub-urban areas in the north (like “Chapinero” and “Chicó”), south (“San Cristóbal”) and west (“Salitre” and “La Soledad”) of the city. The productive quality of the land surrounding Bogotá varied considerably, affecting the pace at which lands were annexed and urbanized. So for instance, “Chapinero,” situated on rather unfertile soil (it was used occasionally for cattle grazing) was quickly urbanized, whereas the haciendas located to the south were still cultivated for the production of wheat, barley and potatoes until well into the twentieth century. Some of the haciendas became country parks, recreational centers, social clubs or hospitals, where Bogotanos spent their spare time on the weekends.⁶⁵ However, the persistent increase in the population of the city alarmingly densified the downtown area, where families lived in cramped in “inquilinos” (tenements). The population pressure in the downtown area gradually pushed people out of the center of Bogotá, making the urbanization of the sub-urban haciendas a profitable business. In this way, luxurious houses occupied by elite families that wanted to escape from the degradation of downtown neighborhoods, *chircales* (brick works) set up by landowners who foresaw the wonderful economic opportunities of urbanization, and poor settlements of rural migrants who were attracted by the landowners’ offers of employment at the brickworks emerged on the hacienda “Chapinero.” By the 1920s, “Chapinero,” which was connected to Bogotá by one tramline, was already inhabited by rural migrant communities from Cundinamarca and Boyacá, who had been promised eventual titles over the subdivided land they

⁶⁵ Juan Carlos del Castillo, *Bogotá. El tránsito a la ciudad moderna, 1920-1950*. (Bogotá: Universidad Nacional de Colombia, 2003), 61-67.

had settled on as compensation for working at the urbanization business held by local landowners such as the Calderón and Pardo Rubio families. These settlements were situated at the base of the eastern foothills. Lacking public services or roads, daily life in the communities, where residents bred pigs, poultry and cows and planted some crops, resembled that of the small rural towns from whence families came.⁶⁶

Land speculation thus was the business of families who owned large tracts of land and subdivided them for the settlement of incoming migrants. However, in the late 1920s and early 1930s, these haciendas were also used for the purpose of comprehensive plans of urbanization. As I explained in chapter 2, the Junta de Habitaciones Obreras (Junta of Working-Class Dwellings), the municipal institution in charge of promoting the construction of housing for workers, was developing the construction of neighborhoods for workers on haciendas negotiated between the municipality and landowners. In addition, the BCH built three neighborhoods for white-collar employees on land that was also part of large estates in western Bogotá. In fact, one of those neighborhoods, “Muequetá,” was designed by the urban planner in charge of the commemoration of Bogotá’s quadricentennial, Karl Brunner. The Austrian architect and urban planner had been invited to Bogotá, partly in response to concerns raised by certain sectors within the municipal administration and public opinion about the unregulated way in which the capital city was growing. Councilmen and journalists complained that the rapid expansion of Bogotá had not responded to a set of “comprehensive and provident norms,” and that the urbanizations mushrooming in peripheral areas was the result of a disorderly subdivision of

⁶⁶ Pedro Alfonso Molano Rincón, “San Martín de Porres, barrio popular de Chapinero o la estirpe condenada a los cien años de zozobra,” Mauricio Archila, et.al., *Bogotá, historia común. Ganadores del concurso de historias barriales y veredales*. (Bogotá: Alcaldía Mayor de Santafé de Bogotá, 1997), 141-145. On the development of neighborhoods on southern haciendas see: Fray Martín Contreras Forero, Néstor Camilo Garzón Fonseca, Fernando Daniel Sotelo Cárdenas, “Del campo a la gloria: historia del barrio La Gloria suroriental,” *Acción Comunal Distrital, Bogotá, historia común. Menciones de honor, II Concurso de historias barriales y veredales*. (Bogotá: Acción Comunal Distrital, 1998), 193-197.

estates and grid layout, with a total disregard of the consequences of those actions over the functioning of the city and the living conditions of the new urban residents.⁶⁷ Therefore, Brunner came to Bogotá to regulate the process of land speculation and strengthen the development of planned working-class neighborhoods in areas where landowners were willing to urbanize.

Brunner's credentials made him ideal for the position of Director of the Urban Planning Office. The product of a school of urban planning that was profoundly influenced by the dire social consequences of the First World War, Brunner conceived of urban planning as a science that integrated comprehensive studies about urban communities with farsighted political plans to address these communities' most pressing issues. For Brunner the urban planner, who required great discipline and self-sacrifice, was mostly a reformer, one that strived to achieve "the greatest wellbeing for the great majority, alongside the improvement of economic activities and the greatest beauty." The tasks of the urban planner ranged from understanding the structure of social inequality in the city he was transforming and how that inequality translated spatially, to spurring the drafting of legislation to control land speculation and regulate new constructions so these followed minimal technical requirements. But the axis of urban plans was housing, for housing was the most direct way in which urban social inequalities would be tackled.⁶⁸ His solution to the problem of social inequality looked for the development of tight working-class neighborhoods organized in small satellite cities, which provided all the necessary services to the community. These microorganisms within the city were structured around green zones, parks,

⁶⁷ Del Castillo, *Bogotá*, 93.

⁶⁸ Brunner, *Manual de urbanismo*, 45-57. Quotes are on page 54. Before coming to Colombia, from 1929 and until 1933, Brunner occupied the position of urban planning advisor of Santiago de Chile and Professor of Urban Planning at the Universidad Católica de Chile. In Santiago, he elaborated several plans to solve the problem of "conventillos" (tenements) that had proliferated during the early twentieth century, through the construction of working-class neighborhoods that physically expanded the city. He also elaborated a master plan for Santiago in which this type of expansion was critical. See Andreas Hofer, *Karl Brunner y el urbanismo europeo en América Latina*. (Bogotá: El Áncora Editores, Corporación La Candelaria, 2003), 86-88.

and a central diagonal or avenue (which would serve as a walking boulevard); they counted with schools and commercial areas, and were located close to industrial or financial areas, where surely most of the residents worked. He preferred houses to be arranged around small orchards where families could engage in community projects, allowing for a permanent contact with nature without sacrificing their cherished individual independence.⁶⁹ Brunner's ideal plans therefore were structured around the idea of annexing to the central area of the city, or to the industrial and financial areas, new neighborhoods connected through a system of avenues and thoroughfares. The industrial, financial, commercial, and residential areas should be clearly specified by zoning legislation, as part of master regulatory plans. Another major policy, and complementary to the construction of new neighborhoods, was slum clearance. He advocated municipal-led social programs of slum removal. Under these programs, slums would be demolished, the slum area renovated with the construction of urban facilities, and slum residents relocated in the newly urbanized working-class districts.⁷⁰

Slum clearance and the construction of pretty working-class neighborhoods outfitted with all the necessary public services and spaces were ideal social reforms that Bogotá's municipal government effectively adopted as part of the quadricentennial commemorations. Brunner included the renovation of the "Paseo Bolívar" and the construction of several satellite cities as central political provisions in the 1936 Master Plan he drafted for Bogotá. The projects were to be funded by a new lottery, "Centenario," the institutionalization of the special property assessment and other municipal taxes, and a contribution by the central government. The "Paseo Bolívar" was torn down in 1937 (670 dwellings were demolished, displacing 4,350 people) and replaced by a boulevard, a scenic overlook, a park, and the hugely popular "Media Torta," an

⁶⁹ Brunner, *Manual de urbanismo*, 83-87.

⁷⁰ Brunner, *Manual de urbanismo*, 242-244.

outdoor amphitheater shaped as one half of a round cake. The neighborhood where the “Paseo Bolívar” inhabitants were to be relocated was “Centenario,” for whose construction the municipality negotiated the purchase of haciendas located in the south of Bogotá, where most factories were being gradually relocated. Brunner also envisioned the development of a large boulevard connecting the downtown area to the southern industrial sector. The “Centenario” project included blocks of 8 houses that shared a communal laundry area and an orchard.⁷¹ Simultaneously, the BCH funded middle class neighborhoods, while a local housing institution, the Instituto de Acción Social (Institute of Social Action, IAS), also undertook projects that contributed to the process of urbanizing large tracts of land.

Brunner’s projects contributed, rather than undermined, the interests of real estate and urbanization business. He explicitly stated in his Urban Planning Manual that the process of urbanization should not privilege the interests of the urban developer or the real estate owner, but that urbanization should take into consideration, first and foremost, the wellbeing of the new community. Scholars of urban planning have also seen his interventions as meaningful restrictions to a profitable activity that was previously uncontrolled.⁷² However, besides promoting the enactment of construction codes prohibiting the development of new neighborhoods without the provision of all public services and the adequate lay out of streets, application of zoning specifications (which rarely affected landowners interests), and other legal regulations regarding the technical characteristics of new constructions included in the Master Plan, Brunner’s stipulations fomented rather than deterred urbanization and construction. His emphasis on annexing land for the development of working-class communities suited perfectly

⁷¹ Brunner, *Manual de urbanismo* 264-265; *Manual de urbanismo II*, 132-133. Hofer, *Karl Brunner*, 146-147; del Castillo, *Bogotá*, 97-100; John Williams Montoya, “Planificación, urbanismo y la construcción de la Bogotá moderna. De Brunner a Le Corbusier.” In: Isabel Duque Franco, ed., *Historiografía y planificación urbana en América Latina*. (Bogotá: Universidad Nacional de Colombia, 2013), 100.

⁷² Brunner, *Manual de urbanismo II*, 63-68; del Castillo, *Bogotá*, 101-102.

the interests of urban landowners hoping for the rapid commercialization of their lands, the construction of connecting arteries, and the consequent valorization of all properties. Moreover, the model was well received by investors, who allied with landowners and financiers in creating model working- and middle-class neighborhoods in the south and the west of Bogotá. Brunner's design of middle-class neighborhoods such as "Palermo," "La Magdalena," "Bosque Izquierdo," "Santa Teresita" and "La Soledad," (most of them located on the central-western side of the city), contributed to the inclusion into the urban grid of several haciendas, but also stimulated the success of an actor whose agency in the transformation of the city was just becoming evident: the urban development company. Although architects and engineers had set up their own private construction enterprises, it was not until the mid-1930s that urban development companies fully participated in the physical expansion of Bogotá.

A significant example is the firm "Cuéllar, Serrano, Gómez & Cía," an engineering company founded in 1933 by the architect Camilo Cuéllar, and the Universidad Nacional engineers Gabriel Serrano Camargo and José Gómez Pinzón. In the early 1940s, the firm had already emerged as the most significant construction company in the city—its capital was the largest among urbanization companies in Bogotá from the late 1930s and well into the 1950s—and the leader of projects based on functionalism and simplicity, basic principles of modern architecture. In particular, Gabriel Serrano, in spite of having been trained as an engineer, became a symbol of the early stages of modern architecture in the country. "Cuéllar, Serrano, Gómez" participated in the construction of several dwellings in Brunner's satellite cities, including "Santa Teresita," "La Soledad" and "La Magdalena." In addition, the firm was already actively transforming downtown Bogotá with the construction of houses and commercial

buildings and expanding the city's equipment and facilities with the construction of hospitals, theaters and factories.⁷³

An alliance between landholders, developers and the financial sector blossomed in the second half of the 1930s, and would only expand throughout the 1940s and 1950s. In 1937, for instance, there were 27 “urbanizaciones” (joint ventures for the urbanization of particular areas in the city), some of them specialized in the commercialization of land, while others were actual construction companies.⁷⁴ The best example of this alliance is the real estate, construction, and financial company “Ospinas & Cía.” The company was founded in 1933 by the Ospina family, the powerful Antioqueño clan who owned the most diverse investment portfolio in the country, one that included coffee commercialization companies, financial trusts, and haciendas in Bogotá. The Ospinas successfully juggled their enormous political power and economic endeavors. Former President Pedro Nel Ospina (1922-1926), a pragmatic engineer, was one of the most active investors in the family's businesses, redirecting his capital from cattle to mining, or from commercial companies to financial assets, in association with the wealthiest investors in Medellín. Pedro Nel's nephew, Mariano Ospina Pérez, also an engineer and future President (1946-1950), Manager of the Federation of Coffee Growers, and President of the Conservative Party, was an enterprising capitalist as well, being an importer and a coffee merchant. Ospina Pérez co-founded “Ospinas” when it became clear that the family needed a company in Bogotá to manage the urbanization of their lands. The family therefore combined their real estate, financial resources, and engineering knowledge to create one of the most profitable emporiums in the urbanization business in Bogotá (in 1940, the company's capital was the second largest

⁷³ See several projects developed by “Cuéllar, Serrano, Gómez” in the second half of the 1930s in Germán Téllez, *Cuéllar Serrano Gómez. Arquitectura 1933-1983*. (Bogotá: Fondo Editorial ESCALA, 1988); Rafael Serrano Camargo, *Semblanza de Gabriel Serrano Camargo, arquitecto*. (Bogotá: Ediciones PROA, 1983), 18-20; Montoya, “Planificación, urbanismo,” 96; *El mes financiero y económico* 80, 123-125.

⁷⁴ *El mes financiero y económico* 4, August 1937, 129-141.

within the urbanization business). During the second half of the 1930s, but particularly during the 1940s and 1950s, “Ospinas” made important land deals with the municipality for the implementation of planning initiatives. In 1938, Mariano Ospina, the company manager, made an alliance with an architectural firm, “Montoya & Valenzuela,” to advance the construction of residencies and commercial buildings. This alliance made “Ospinas” a crucial agent in all aspects of urbanization: land commercialization, the design and construction of houses and buildings, and the renting and selling of real estate. “Ospinas” participated in the transformation of downtown Bogotá as well as in the development of Brunner’s satellite cities, including “Centenario,” “Palermo,” “Santa Fé” and “El Recuerdo.” In 1944, it was believed that “Ospinas” was “the firm that [had] urbanized more zones in the capital city and mobilized more real estate, turning into owners people from all conditions and social classes.”⁷⁵

The list of companies that combined financial operations, urbanization, and real estate deals by the mid-1940s is too long to reproduce here. However, it is worth mentioning a few additional examples due to the political influence that the companies’ managers and investors wielded over the administration of the city, and even national politics. The companies “Luis Soto & Cía.,” “Bermúdez & Valenzuela & Cía.,” “Nicolás Sanz de Santamaría, Camacho Roldán & Cía.,” “Compañía de Inversiones Bogotá,” and “Wiesner & Cía. Ltda.” were commercial houses that used the knowledge and connections of their founders and managers in the banking and commercial sectors to thrive as brokers and agents in the real estate business. These companies hired the services of architecture firms to urbanize lands they were commercializing, and rented and sold properties. Real estate business was appreciating at such a fast pace, that in 1945 these companies founded an association that aimed at regulating the real estate market, stabilizing

⁷⁵ Ernesto Ramírez, *Poder económico y dominación política: el caso de la familia Ospina*. (Bogotá: Tesis en Sociología, Universidad Nacional de Colombia, 1983), 226-228; *El mes financiero y económico* 50, July 1941, 89-90; 80, 90-96. Quote is on page 91.

commission-based sales, and protecting its members' interests, the "Lonja de Propiedad Raíz S.A." Several managers from the "Lonja," to which "Ospinas" was also affiliated, occupied important political positions or had family or business ties with Mayors, Councilmen, and Ministers during the second half of the 1940s.⁷⁶

The appeal of Brunner's plans was not solely based on the development of promising business opportunities. In addressing the social question, Brunner's model did not alter the already established social order within the city. Brunner contributed to the physical transformation of the city without challenging how social distinctions were expressed spatially. In other words, the consolidation of working- and middle-class communities, integrated but separated from the downtown area, guaranteed that everyone would stay in their place or, as urban historians of Bogotá have pointed out, these plans only contributed to the socio-spatial segregation and "hierarchization" within the city.⁷⁷ However, the city was indeed facing a chronic housing shortage manifested in the emergence of the "Paseo Bolívar" but also in the predominance of downtown "inquilinos." Brunner therefore offered a concrete solution to these problems, by enticing downtown inhabitants to move out of "inquilinos," into new working-

⁷⁶ For instance, Jorge Soto del Corral, Luis Soto's brother, a committed "Lopista," or unconditional supporter of Alfonso López Pumarejo, had been Minister of Foreign Relations, Finance and Agriculture during President López Pumarejo's first term. Jorge Soto del Corral was Councilman in 1939-1941 and 1941-1943 and appointed as Bogotá's Mayor, under López's second administration, in 1944. As Mayor, Jorge Soto, with the advice of the director of the Public Works Office, presented a regulatory plan known as "Plan Soto-Bateman," which was influenced by Brunner's planning conceptualizations. The project was strongly critiqued by the "Sociedad Colombiana de Arquitectos" (Colombian Society of Architects) and thus never implemented. Another example is Carlos Sanz de Santamaría. An engineer and shareholder of a prominent engineering company, "Loboguerrero, Sanz de Santamaría & Cía.," Sanz de Santamaría, also a Liberal, was Mayor of Bogotá between 1942 and 1944 and Minister of Finance in 1945. He was related to two founders of the "Lonja," Nicolás Sanz de Santamaría and Rafael Núñez Sanz de Santamaría. It is important to remember that Mariano Ospina Pérez was Councilman in Bogotá (1937-1939, 1945-1947) and Medellín. In addition, the Board of Directors of "Compañía de Inversiones Bogotá" in 1947 had as members, none other than Carlos Lleras Restrepo and the ex-Manager of the Agrarian Mortgage Bank, Alfredo García Cadena. See Lonja de Propiedad Raíz, *30 aniversario, 1945-1975*. (Bogotá: Lonja de Propiedad Raíz, 1975), 15-26; Adriana María Suárez Mayorga, *La ciudad de los elegidos: crecimiento urbano, jerarquización social y poder político. Bogotá (1910-1950)*. (Bogotá: Universidad Nacional, 2006), 129-133; del Castillo, *Bogotá*, 105-106; Acta Junta de la Compañía de Inversiones Bogotá, March 10, 1947. CLLR, Fondo Personal, caja 3, carpeta 3.

⁷⁷ Suárez Mayorga, *La ciudad de los elegidos*; Fabio Zambrano, *Historia de Bogotá, siglo XX*. (Bogotá: Alcaldía Mayor de Bogotá, Villegas Editores, 2007), 39-41, 167-169.

class districts. The enticement implied that the municipality would have to provide financial facilities to help working-class families acquire one of those comfortable houses in the carefully planned neighborhoods. That was the principle inspiring the program of the BCH and of the municipal housing institutions that functioned during the decade of the 1930s. Although Bogotá's local housing campaign was not as sustained or as large in scope as Medellín's Junta for Working-Class Dwellings, the program did advance a few urbanization projects, intervening in the expansion of Bogotá. In 1932, Bogotá's housing Junta was replaced by the "Instituto de Acción Social" (IAS, Institute of Social Action), an initiative spearheaded by Liberal Councilman Guillermo Nannetti, who was also champion of Catholic Social Action principles and institutions. In materializing these principles, as a Representative in Congress in 1938, Nannetti staunchly campaigned for the adoption of legislative reforms aimed at the consolidation of a middle class of rural owners through the strengthening of rural credit institutions, such as cooperatives and state-run banks. He also strived for the adoption of the minimum wage, the creation of public centers for the technical training of agricultural and industrial workers, and the adoption of favorable legislation to protect workingwomen.⁷⁸

The IAS integrated the housing initiatives of Bogotá's Housing Junta with the social campaigns that Catholic priests were already advancing in working-class neighborhoods in the city. By 1937, and under the leadership of Jorge Soto del Corral and Abelardo Forero Benavides, directors of the Institute in 1935 and 1936-1937 respectively, the IAS purchased land, set up a brick and tile works and, in partnership with prominent construction companies, built 5 neighborhoods for white-collar and blue-collar workers in various districts. But the IAS was also

⁷⁸ Guillermo Nannetti a Eduardo Santos, Bogotá, December 8, 1937. *ES*, Fondo Correspondencia Personajes (hereafter Correspondencia), caja 11, carpeta 3: correspondencia con Guillermo Nannetti, 269-271; Guillermo Nannetti, *Proyecto de ley sobre acción agraria*. (Bogotá: Imprenta Nacional, 1938); Guillermo Nannetti, *Enseñanza industrial/ Protección a la mujer que trabaja*. (Bogotá: Imprenta Nacional, 1938); Guillermo Nannetti, Enrique Tamara López, Rafael Garzón and A. Mondragón Guerrero, *Salario Mínimo*. (Bogotá: Imprenta Nacional, 1938).

engaged in advancing other social campaigns that included the improvement of working-class education and sanitation. For those endeavors, the Institute supported parish priests' community work. Furthermore, the IAS was also deeply involved in the cooperative movement, pushing for the creation of cooperative stores in which small industrialists and artisans—seamstresses, tailors, carpenters, shoemakers, bakers, tinsmiths, etc.—could sell their production and thereby invest their profits in a cooperative banking institution. In October 1936, the IAS organized an exhibition of the production of 200 of these small manufacturers, sponsored by the Catholic Church, the local Directorate of the Liberal Party, and a few private companies.⁷⁹

Jorge Eliécer Gaitán, as Bogotá's Mayor, openly supported the activities of the IAS. He attended the 1936 exhibition and happily posed for photographs of the event published in the Liberal dailies. What the dailies did not tell their readers was that the IAS's social programs developed in working-class neighborhoods were strategies of the moderate branch of the Liberal Party—led by President Eduardo Santos and represented in Bogotá by Nannetti—to appease the growing magnetism that Gaitán was exerting among residents of working-class neighborhoods, employees at state offices, and even small manufacturers. Nannetti explained to Santos in 1937 that the local social policies implemented by the Liberal Party (that is, the IAS's campaigns), even though they had not prevented Gaitán from being reelected for Council in the 1937 elections, had successfully enabled the recuperation of 5 City Council seats previously occupied by leftist leaders (the union leader Ignacio Torres Giraldo and the President of the Communist Party, Guillermo Vieira, Councilmen between 1935 and 1937, were surely among them). According to Nannetti, the Liberal party should unify its political program around social policies like the ones being implemented by the IAS, which sought “social justice but within order and

⁷⁹ Guillermo Nannetti a Eduardo Santos, Bogotá, December 18, 1933. *ES*, Correspondencia, caja 11, carpeta 3, 261-262; *El Espectador*, January 13, 1936, 1; July 7, 1936, 7; October 15, 1936, 6; November 4, 1936, 1, 6; November 12, 1936, 6; February 4, 1937, 1, 7; March 9, 1937, 2.

freedom... We are not called out to provoke and stimulate class struggle, but on the contrary, to procure solidarity and cooperation among Colombians to face our problems, which are many and so overwhelming.”⁸⁰

It is not difficult to deduct that Gaitán was not following the moderate Liberals’ call for order and understanding between social classes. Gaitán was, in fact, fomenting division among the local Liberal ranks. But, in any case, a top-down cooperative movement and social policy could only do so much in deflecting Gaitán’s influence. When Nannetti left Colombia in 1940 to take up an appointment as Colombia’s Minister at the Vatican, the IAS was already the target of harsh criticism by the other oppositional branch within the Party, “Lopismo,” which, through the publications of López’s most loyal follower, the journalist Alberto Lleras Camargo, attacked the IAS as part of a strategy to undermine the Santos government.⁸¹ The IAS was thus replaced in 1942 by the “Caja de Vivienda Popular,” (a housing credit union) an institution still active today. The “Caja de Vivienda Popular” continued the urbanization enterprises of the IAS, including the purchase of land and the operation of brickworks, but adopted an apparently apolitical stance—a position impossible to maintain in a city dominated by partisan politics. It welcomed on its board a representative from the local unions and cooperatives alongside other members who were representatives from the Mayor’s Office, City Council, the national government, and the Bank of the Republic. The extent to which the interests of private urban developers, financiers, and real estate owners prevailed in working-class housing development and urbanization in Bogotá is

⁸⁰ Guillermo Nannetti to Eduardo Santos, December 8 1937, 269-271. Moreover, the journalist Germán Arciniegas, Santos’s closest advisor, considered that supporting artisans with a national credit institution could be one of the most attractive and relevant social policies he could implement as President. He advised Santos to reach out to Carlos Lleras Restrepo, who could “come up with new funds to grant credit to artisans,” given that he had been pushing hard for the creation of a state land credit institution. We now know that Lleras Restrepo would concentrate state’s funding efforts on rural credit and, although he did not oppose, creating sources to finance urban credit was not prioritized as yet. Germán Arciniegas to Eduardo Santos, Menlo Park, June 25, 1939, 359-362; “Bases para elaborar un proyecto de ley sobre industrias menores, artesanado y gremios de artesanos,” u.d., 363-364. *ES*, Correspondencia, caja 1, carpeta 4: correspondencia con Germán Arciniegas.

⁸¹ Guillermo Nannetti a Eduardo Santos, April 1, 1940. *ES*, Correspondencia, caja 11, carpeta 3, 272-273.

clearly revealed when we analyze the composition of the Caja's administration in 1944-1945: Carlos Sanz de Santamaría and Jorge Soto del Corral in their capacity as Mayors; José Vicente Garcés Navas, acting as the representative of the Bank of the Republic, and "Cuéllar, Serrano, Gómez" as the architects in charge of consulting and inspecting the projects developed by the Caja. By then, the Caja had built one middle-class neighborhood (financed by the ICT), had embarked on renovation projects in working-class neighborhoods for expanding the provision of public services, and lent subsidized credit to municipal employees.⁸² Although a relevant municipal agency, ICT projects outnumbered and exceeded in reach those of the Caja, making the ICT a more important urbanization agent than the municipal institution. But before examining the role the ICT played in Bogotá's urbanization, the following section will explore the politicization of the social question in the city and how Gaitán put into question the influence of the traditional branches of the Liberal Party over the city's workers and grassroots organizations.

"A la Carga!"⁸³

In 1944, inhabitants of Bogotá noticed how much the city had changed over the course of the last decade. The traditional city had grown "by leagues," modern buildings now occupied what used to be "green fields for recreation," thousands of passers-by swarmed downtown streets to the extent that "a South American diplomat believed it was a popular protest," and the "old Santaferena society" was reduced to a few traces it had left "in the neighborhoods that once were dens of our aristocracy." The modern fever was spreading fast to the city's north with great

⁸² Alberto Figueredo Salcedo, *Caja de la Vivienda Popular. Informe que rinde a los sindicatos y cooperativas de Bogotá, su representante en la Junta Directiva de la Caja de Vivienda Popular, Alberto Figueredo Salcedo, sobre las labores de la institución in el año de 1944.* (Bogotá: Caja de la Vivienda Popular, 1945).

⁸³ This was the expression Gaitán used in his public speeches to entice his followers to action. It translates literally as "Charge!"

constructions and into Bogotá's downtown, where the old colonial buildings were substituted by "attempts at skyscrapers, which might have all the good qualities, except beauty." Bogotá was also becoming the "most Colombian city of the entire Republic," where the old "provincial colonies," in which immigrants used to settle while maintaining their regional ties, were dispersed and integrated into the city of the masses.⁸⁴ Bogotá's masses were regionally diverse and included different types of social strata. There were many types of "Bogotanos" (residents of Bogotá) walking around the city. For instance, a typical type could be a locally born industrial worker. It was also common to find a commercial agent who had left his rural village in the Eastern province of Santander to be employed by one of the big commercial houses in the city; or a housemaid, one of the thousands of rural women coming from different parts of the country to work at middle- and upper-class homes, who nonetheless never broke ties with her rural origins. A visible type was the shoe shiner, a symbol of the expanding public bureaucracy that had to show up at offices wearing clean and shining shoes. Petty merchants from the neighboring province of Tolima travelled often to the capital city, taking advantage of the large network of "Tolimenses" based in Bogotá, to buy merchandise. "Costeño students" (students from any of the provinces on the Caribbean Coast, the most famous of which may have been Gabriel García Márquez), wandered in groups around and about downtown bars, cafes, streets, and parks. It was unsurprising to encounter "the entrepreneurial and resourceful Paisa" (an individual born in Antioquia) making deals in the capital city. In fact, many "Paisas" occupied high-ranking positions in politics, commerce and banking and, moreover, "were owners of half of Bogotá."

⁸⁴ *Sábado* 54, 22 July 1944, 11.

Finally, peasants from Boyacá, whose attitude showed their suspicion of urban manners, occupied the city's streets in large numbers.⁸⁵

In any case, “Bogotanos” could come from almost any part of the country. There were people from nearby rural villages, middle-sized provincial cities, or even from distant places to the east, west, south and north of the country. The incoming population during the 1930s and 1940s brought about a considerable demographic expansion. According to the 1938 census, the population in Bogotá numbered 330,312 (including its rural peripheral areas), growing by 130% in just 20 years (the previous census was done in 1918). In 1951, the census revealed that the population of the city, exceeding all expectations (in the late 1940s public opinion debated whether Bogotá had reached half million inhabitants), was 715,250 people, increasing by about 117% in 13 years.⁸⁶ This population explosion posed enormous challenges to municipal administrators, with housing being the greatest preoccupation. Statistics showed that even though the construction tide was steady and strong, it lagged behind the influx of migrants, who came to the capital city attracted by industrialization, the expansion of commerce, or what municipal officials called the unstoppable “bureaucratic train.” By 1938, this imbalance was expressed in high population density (it was calculated that the average number of people living in a single house was 11) and in the continuous increase of rents, in particular for low-income sectors (rents had increased 13.6% since 1936). In fact, house rents kept increasing throughout the decade for all social groups, but the increment was especially high for low-income sectors. From 1936 to 1941 low-income rents (rents that were lower than \$30 pesos/ month) increased by 27.5%,

⁸⁵ These types are from a weekly column published in *Sábado* called “Andanzas” (Wanderings) by “Mario Ibero,” who by “wandering” around Bogotá each week met one of these “Bogotanos” in the city's streets, cafés, parks, or stores. See *Sábado* 4, August 7, 1943, 13; 7, August 28, 1943, 13; 14, October 16, 1943, 13; 17, November 6, 1943, 13; 18, November 13, 1943, 13; 19, November 20, 1943, 13; 20, November 27, 1943, 13; 21, December 4, 1943, 13; 22, December 11, 1943, 13; 26, January 8, 1944, 13. The quote is on number 20, page 13.

⁸⁶ Contraloría, *Censo de población de 1938*, 17; DANE, *Censo de población de Colombia, 1951*, 16.

making rent one of the most onerous expenses of a normal working- or middle-class family. For instance, in 1941, the cost of living for a typical working-class family in Bogotá was calculated at \$42.7 pesos, from which the family had to deduct at least \$8 pesos to pay for the rent of a poorly kept dwelling (if not for a room in a tenement house). The deficiency of housing not only continued but became exacerbated, growing alongside the insufficient provision of public services and the ensuing unhygienic conditions typical of low-income neighborhoods. In early 1945, for example, a prolonged drought dried up Bogotá's water sources leaving the city, which was completely unprepared, with almost no water. The discussion about what to do with Bogotá's "water problem" continued during the year in newspapers and magazines.⁸⁷

As I mentioned in chapter 2, a sector that endured particularly bad conditions in the city was the so-called "middle class." Public servants, bank tellers, professionals, artisans, store employees, etc., were appallingly underpaid. It was the norm for any public servant to resort to loan sharks and usurers to afford the basic family expenses, a situation that the Gaitanista journalist José Antonio Osorio Lizarazo had vividly described in his 1938 novel "*Hombres sin presente*" (*Men with no Present*). Or in the words of a public servant, who asked for López Pumarejo's support for the cause of the "middle working class" through the creation of a bank for public servants, usury was the most serious problem for this class. Public employees had to ask for help at "houses of infamy," according to this worker, due to hunger, a domestic calamity, or fear of being evicted from their houses for not paying the rent.⁸⁸ The so-called "economic middle class" (a term that included almost anyone who did not perform factory work, but due to its low income, could not be considered as part of the rentier class) had thus taken important

⁸⁷ *El mes financiero y económico* 4, August 1937, 123-128; 50, July 1941, 12-15; *Sábado* 88, March 17, 1945, 3; 93, April 21, 1945, 7; 120, October 27, 1945, 6.

⁸⁸ José Antonio Osorio Lizarazo, "Hombres sin presente (Novela de empleados públicos)," *Novelas y crónicas*. (Bogotá: Instituto Colombiano de Cultura, 1978), 133-292; Borelly a Señor Presidente de la República, Cali, August 2, 1934. AGN, *Presidencia*, DSP, caja 62, carpeta 1: abogados consultores, 33-37.

actions to organize and unionize. In October 1937, the multiple unions created to address public servants' and other white-collar workers' grievances joined forces to create a national trade to represent them, the "Confederación Nacional de Empleados" (National Confederation of White-Collar Workers). The Confederation's main political objective was the organization of a career path for workers within public administration, to curtail the practice of appointing and removing workers because of political reasons, and the implementation of social security benefits.⁸⁹ The "Federación de Empleados de Bogotá," (Bogotá's Federation of White-Collar Workers, founded in 1932) was particularly important due to the large number of unions it grouped together under one umbrella and the fact that it represented the central government's employees. White-collar workers in Bogotá put pressure on the government, with the support of their national and local trade union representatives, by constantly issuing lists of demands.⁹⁰ Although the Federation was avowedly Liberal, by the mid-1940s it became clear that if the mainstream branches of the Liberal Party did not take steps to support the struggles of public servants and other self-identified middle-class groups, these sectors would turn to Gaitán.

Santos and his allies were not wrong in fearing such an outcome. Gaitán concentrated his political efforts on two fronts, the first one being a discursive move that made public servants crucial agents in the political restoration of the nation. Gaitán's discourse was based on a fundamental opposition. On the one side, there was the "pueblo trabajador" (working people), those groups who, with their everyday work, were constructing the nation, or what Gaitán called

⁸⁹ Confederación Nacional de Empleados a Alfonso López, Bogotá, November 24, 1937. AGN, *Presidencia*, DSP, caja 68, carpeta 10: concejos municipales, 175.

⁹⁰ See for instance, Federación Nacional de Comunicaciones, "Explicación de alcance y finalidad de las solicitudes formuladas al Gobierno Nacional, en pliego adjunto," Bogotá, December 28, 1942. Caja 260, carpeta 13: Federación de empleados de Bogotá, 2-10; Sindicato de Empleados del Ministerio de Gobierno, Bogotá, January 25, 1945, 12; Federación Colombiana de Trabajadores del Estado a Alberto Lleras Camargo, Bogotá, October 19, 1945, 25; Federación de Empleados de Bogotá a Alberto Lleras Camargo, October 19, 1945, 26. Caja 265, carpeta 30: sindicatos. AGN, *Presidencia*, Secretaría General (hereafter SG); Sindicato de Empleados y Obreros del Ministerio de la Economía Nacional, u.d. Caja 79, carpeta 15: Sindicatos, 6. AGN, *Presidencia*, DSP.

the “país nacional.” On the other side, there was the oligarchy, those few individuals who did not work and managed to manipulate the threads of power from their perch in social clubs and state offices or, in Gaitán’s words, the “país político.” The restoration of the nation thus implied that the state had to be recuperated from the oligarchy to protect and embrace the cause of the “pueblo.” The state should provide conditions for the “pueblo” to lead a respectable life through the implementation of policies promoting health, education, just salaries and compensation, while controlling consumption prices and rents. Not only did this discourse perfectly suit the interests of public servants and the “working middle class,” it also called on public servants to re-direct state policies by infusing the state with their inherent sense of responsibility, hard-working spirit and respectability. In fact, as Mayor, Gaitán put that principle in practice, taking advantage of his short stay in office to consolidate his force among Bogotá’s municipal workers. A key element in Gaitán’s construction of the middle class, one that allowed him to attract groups that emphasized the fundamental social and occupational differences with the unionized industrial workers, was precisely remarking on the culture, skills and capacities needed to effectively perform an office job. By playing on this differentiation, the “Gaitanista” discourse drew in middle-class employees to its ranks, leading them to claim that they were also “members of the pueblo.”⁹¹

The second front on which Gaitán concentrated his political will was Bogotá’s low-income neighborhoods. When Gaitán was appointed as Mayor, neighborhood associations raised their grievances to the highest authority in the city. For the first time, they were listened. Most

⁹¹ *El Espectador*, Setember 1, 1936, 4; September 2, 1936, 1,6. On how Gaitán used in his public speeches the distinction between “país político” and “país nacional,” see: Herbert Braun, *The Assassination of Gaitán: Public Life and Urban Violence in Colombia*. (Madison: Wisconsin University Press, 1985), 99-103. On the critical role that “Gaitanismo” played in the construction of political identities within middle-class groups, see: Ricardo López, “‘Nosotros también somos parte del pueblo’: gaitanismo, empleados y la formación histórica de la clase media en Bogotá, 1936-1948,” *Revista de Estudios Sociales* 7, December 2011, 84-105.

neighborhoods complained about their lack of public services, unpaved streets and deficient transportation. Neighborhood associations reached out to the Mayor to ask for urban renovation, public education, hygiene and social assistance programs. For instance, the “Barrios unidos del sur,” the association representing the neighborhoods located in the south of the city, submitted to Gaitán a list of the most urgent needs in their communities for the municipality to tackle. They asked for the demolition of “unhygienic” houses, the construction of sidewalks, plazas and parks, the pavement and extension of streets, the provision of public lighting, sewage and water systems, school construction, the creation of institutes for nocturnal education, sports fields, and the advancement of technical studies of neighborhoods that had been urbanized with complete disregard for urbanization codes.⁹² The extent to which Gaitán effectively solved the southern neighborhoods’ problems is unclear. But the Mayor did advance numerous campaigns throughout working-class neighborhoods. He toured neighborhoods, carried small gifts to low-income families, explained his policies on radio, organized school restaurants, implemented reforms in the public school system, instituted a street book fair, arranged free artistic performances at the “Media Torta,” and launched a hygiene campaign to promote the use of shoes among low-income residents and municipal workers. Moreover, by a new decree, tram drivers and street cleaners were required to show up at work wearing a uniform, shoes and a jacket or a coat instead of the traditional “ruana.”⁹³ Despite the fact that this last decree cost Gaitán his position—workers reacted by striking against the measure—his time as Mayor was particularly important for him to build a constituency in the city.

Later, as Senator and Presidential candidate in the 1946 elections, Gaitán’s ability to mobilize the city’s “pueblo” distressed Liberal and Conservative politicians alike. 1945, for

⁹² *El Espectador*, January 9, 1935, 11; January 21, 1935, 11; January 22, 1935, 12; April 21, 1936; January 10, 1936, 10; June 29, 1936, 3.

⁹³ Braun, *The Assassination of Gaitán*, 70-73.

instance, was a year in which Gaitán's "pueblo" took to the city's streets. Both neighbors and municipal workers marched, organized parades on Gaitán's honor, demonstrated their support for the "caudillo" and congregated in multitudes to listen to his speeches. A year later, in spite of having lost the presidential elections of 1946 (Mariano Ospina Pérez was elected President confronting a divided Liberal Party), Gaitán's ability to attract the masses continued to spur the anxiety of moderate Liberals. They compared the massive "Gaitanista" demonstrations with the mobilizations Perón convened in Argentina and considered the "pueblo's caudillo" a worrisome symptom of the dissemination of populism across Latin America. The "Santista" journalist Germán Arciniegas, for instance, feared that if Gaitán took power, despite his political skills, he "would have to respond to the hopes of his 'descamisados' and will do 'peronadas'."⁹⁴

Gaitán's most impressive mass gathering was held in February 1948, a few months before the IX Pan-American Conference was to be celebrated in Bogotá (an event during which the leader of the masses would be shot to death on a crowded downtown street). Gaitán convened a silent protest against the violence that Conservative forces were exerting in rural areas to uproot Liberalism from the regions. Urban masses, largely made up of rural migrants, were called up to demand that President Ospina Pérez assume the government's responsibility in the suffering of rural Colombians. At least one hundred thousand Bogotanos listened in absolute silence to their leader's demands for Conservative accountability. The crowd occupied the central Plaza de Bolívar and after a short five-minute speech, marched back home, through downtown streets.⁹⁵

Five years before this march, those streets, and the buildings lining them, had been entirely different. The process of urban renovation the city experienced through the

⁹⁴ Braun, *The Assassination of Gaitán*, 90-93; Germán Arciniegas a Eduardo Santos, September 22, 1947, 555-556. Even after Gaitán's death, Arciniegas would discuss with Santos how Gaitán had already established ties with Perón in Argentina. See Germán Arciniegas a Eduardo Santos, Durham, July 28, 1948, 569-570. *ES*, Correspondencia, caja 1, carpeta 4: Correspondencia con Germán Arciniegas.

⁹⁵ Braun, *The Assassination of Gaitán*, 127-129.

implementation of Brunner's development model had left marks, but had not put into question the organization of the city. However, during the early 1940s, the paradigms ruling what to build and where to build were changing quickly. Brunner's model was object of strong criticisms by architects influenced by the dictates of modern architecture school represented in the Congrès Internationaux d'Architecture Moderne (CIAM). This group of European architects believed in the enormous transformative power that homogenizing and regularizing urban spaces, through planning initiatives, could exert over urban social interactions and people's lives. Colombian architects who identified with ideal of CIAM considered that a better use of the expensive urban soil was densification, instead of Brunner's solution of expansion. Accordingly, the expansion pattern had been a chaotic process that left intact many problems, including narrow streets that inhibited the adequate circulation of thousands of vehicles and onerous hours spent on congested tramlines by those who did not own cars. The city needed wide streets, public transportation, and multiple-story buildings, transformations that were certainly happening under the leadership of construction and architecture firms like "Cuéllar, Serrano, Gómez." In addition, the construction race only increased with the projects of urban renewal to prepare the city for the Ninth Pan-American Conference. These projects substantially changed the appearance of downtown streets, where houses and colonial constructions were torn down to open thoroughfares or erect the first tall buildings. While rural Colombians, once avowedly referred to as the 'heart of the nation', were living through the conflict that the unresolved agrarian question was exacerbating, the urban masses were experiencing the despotic effects of the urbanization juggernaut. The following section explains how the convergence of urbanization, urban power, urban mobilization, and modern architecture fundamentally transformed the discourses and practices of a critical modernizing effort such as housing construction and credit led by the ICT.

“A City Is a Conglomeration of Individuals Who Associate to Live a Better Life.”⁹⁶

In 1941, engineer Joaquín Martínez Alvarado, the Director of the Urban Planning Office of Bogotá (the position Brunner once held), gave an extensive report on the construction activity in the city, reaffirming the “common-place statement that Bogotá is going through a period of dizzying growth.” The increasing population encountered “daily surprises” in the new working-class urbanizations on “land that used to be idle” or the new downtown “sumptuous buildings for rent,” giving the impression that new constructions were emerging “as if by magic.” Martínez Alvarado explained that his office had granted over 1,200 construction licenses per year during the last few years, clearly demonstrating how World War II had not affected the construction industry in the city. The official then posed the question: was the construction business expected to continue to grow during the upcoming years? He then provided an emphatic response in an overtly optimistic tone: “we should conclude that constructions will continue growing in Bogotá with a beautiful perspective. Urban developers, owners of tile and brick works, lumber mills, cement factories, lime, sand, and stone producers, merchants selling bathroom units, paint, wall paper, glass and ironworks, as well as architects, construction workers and masons will enjoy for many years a brilliant economic future.” Two interrelated reasons explained this persistent growth. The engineer observed that the case of Colombia was corroborating what urban planners called “the universal gravitational law” applied to population centers. According to this law, as transportation facilities improved, people inevitably moved to and settled in zones of intense economic activity, leading to the concentration of population in cities and the disappearance of small towns. This was happening with Bogotá. People were migrating en masse and thus the city was in need of more constructions—houses, apartment buildings, hotels, theaters, schools,

⁹⁶ This statement is architect Carlos Martínez’s definition of a city. *PROA* 1, August 1946, 21.

factories, churches, etc.—to satisfy the needs and habits of the incoming population. Even more, Bogotá required monumental public buildings to reaffirm its character as a capital city. The demand for new construction, moreover, made real estate investments profitable, secure, and easy, attracting sufficient capital to fund the construction sector.⁹⁷

The belief that urbanization was unstoppable and the positive attitude towards the construction were seemingly contagious. A year later, Martínez Alvarado was appointed as director of the urban housing section of the ICT. One of his first projects, which he directed in cooperation with the architect Manuel Samper and the Assistant Manager of the Institute, architect Alberto Wills Ferro, was the Caja de Vivienda Popular's first "barrio modelo." The neighborhood, which today is still called "Barrio Popular Modelo Norte," started with the construction of 251 houses that were finished in 1944. Bogotá's Mayor, Carlos Sanz de Santamaría, negotiated the subdivision of an extensive hacienda that a prominent landowner had donated to the Beneficencia de Cundinamarca, the provincial agency in charge of social assistance institutions. Once the plot was ready for urbanization, architecture and construction companies participated in the edification of the neighborhood (among these companies were former ICT architects Jorge Gaitán Cortés's "Herrera, Gaitán & Nieto Cano," and Hernando Vargas Rubiano's "Vargas Rubiano & Cía."). The houses were distributed among municipal workers (25%), public servants at national institutions (25%), workers at companies that bought ICT bonds on the market (25%, which ended up being all unionized workers), and a broad category of "others," who were mostly artisans, housewives, storeowners, and journalists. It was inhabited by employees who mostly came from Cundinamarca (45% of the beneficiaries, of which 45% had been born in Bogotá), but also, confirming the varied regional composition of Bogotá's workers who hailed from provinces, diverse and distant from each other, such as

⁹⁷ *El mes económico y financiero* 40, July 1941, 83-90.

Antioquia, Nariño, Tolima, Meta, Atlántico and Santander, among others. The ICT kept funding the construction of the “Barrio Modelo Norte” until 1959, when it was already a micro-city of 531 houses, with a park, a community library, schools, a church, social assistance institutions, a daycare, sport fields, a market, a cultural center, and a police station.⁹⁸

ICT-funded urban projects—like the “Barrio Popular Modelo Norte” in Bogotá or the “Barrio Popular Modelo” in Medellín—mixed ICT’s administrative, technical, and financial practices with the main forces that were shaping local urbanization processes. ICT’s practices and administrative structures had been reworked since its foundation as a rural housing credit agency in response to the need to advance constructions with limited financial resources. These methods proved to be enormously valuable for the development of middle- and working-class neighborhoods in Colombian cities. In this way, the ICT responded to demands for housing by sectors that were politically central and could meet the requirement of economic accountability that the ICT, as any bank would, made to its clients. Among these sectors were municipal employees, middle-class cooperatives, particularly in Medellín, and middle-class unions (of public servants or private workers) in Bogotá. The other force that was at the crux of urbanization was, of course, capital. The ICT, a national state agency with headquarters in Bogotá, had a great advantage that other national agencies might have lacked, that is, it promised to enable the emergence of profitable businesses alliances with the fastest growing corporations, urban development and construction companies. The ICT financed the purchase of land, made generous contracts with factories producing construction materials, and hired architecture firms

⁹⁸ Acta 117, August 20, 1942, 320; Acta 173, February 7, 1944, 405-407; Acta 192, August 29, 1944, 433. ICT, *Actas I*; Patricia Pecha Quimbay, *Programas de vivienda popular en Bogotá (1942-1959): el caso de la Caja de Vivienda Popular*. (Bogotá: MA Thesis, Universidad Nacional de Colombia, 2011), 103-136.

and construction companies to materialize construction.⁹⁹ But by responding to particular low-income sectors' demands for urban housing, the ICT also offered investors the possibility of "social peace." Urban planning ideas, including Olano's "Civismo" or Brunner's model of the satellite city, were based on the important assumption that homeownership and becoming part of an urban community was fundamental for consolidating happy, politically engaged (and non-combative) citizens.

Urban planning ideas, however, did more than just justify successful urban-based businesses. They were central in re-forming the state's investment priorities. Urban planning programs were organized, regulated forms of public urban investment, which became broadly implemented in Colombian cities, beginning in the mid-1940s. Although Brunner and Olano had been campaigning for the advancement of master plans and the adoption of regulatory measures in cities, it was in the early 1940s when those ideas began to imbue discourses about modernization. If in 1941 Martínez Alvarado claimed that urban development was a wonderful force, by 1944 reforming voices were asking for the urgent solution of the most pressing problems of cities, particularly Bogotá. They called for policies that could balance out "spiritual and material forms" in the development of cities, meaning that those policies should regulate urbanization to allow for adequate living conditions.¹⁰⁰ In 1944, individuals who years earlier proclaimed the need to concentrate state investments in the countryside, like ex-Minister of the National Economy Jorge Gartner or the ex-Minister of Labor José Joaquín Caicedo Castilla, now praised Mayor Carlos Sanz de Santamaría's broad program of investments and urban renovation and joined individuals who had a stake in the construction sector to ask for more urban

⁹⁹ About contracts and other businesses with construction industries and landowners see: Acta 263, April 14, 1947, 550-551; Acta 269, June 19, 1947, 569-570; Acta 275, July 31, 1947, 585-587. ICT, *Actas* I.

¹⁰⁰ *El mes financiero y económico* 80, 37-38.

renovation and investment programs. Moreover, in 1947, Congress enacted a piece of legislation that forced all major cities in the country to draw up master regulatory plans.¹⁰¹

The rise of a ‘guild’ of modern architects in part made this convergence possible. By the mid-1940s, the School of Architecture of the Universidad Nacional became a hub of modern architecture, as recently graduated architects were returning to the country after specializing in design or urban planning in the United States and Europe. These architects were deeply influenced by the principles of CIAM. One of them, Carlos Martínez, besides becoming Professor in the School of Architecture and President of the Colombian Society of Architects, edited the most important journal for the dissemination of modern architecture principles, the magazine *PROA*. *PROA* became a forum for discussing the stylistic trends of architectural designs, the dynamics of construction in Colombia’s main cities, the contribution of the most prominent architectural firms, and the desirable characteristics of urban planning programs. According to CIAM architects, and their most iconic figure, the Swiss modernist Le Corbusier, cities were one comprehensive organism. As Brunner had stated since the 1920s, the organization of cities—the availability of transportation systems and other public services, the living conditions in residential neighborhoods, and the existence of recreational, educational and other urban facilities—profoundly influenced people’s attitudes towards life and the city itself. But in contrast to Brunner, CIAM architects considered that the center of urban life was not the residential neighborhood, but the community center or the downtown area where all urban sectors came together on an everyday basis to perform the most important activities in the life of the city, and the nation. In Colombia, the PROA group was a staunch critic of the neighborhoods Brunner had developed, arguing that Bogotá had not been planned, but rather just “came out,” as the unfortunate result of a business based on the buying and selling of “empty plots.” This type

¹⁰¹ *Sábado* 25, January 1, 1944, 11-15.

of urbanization had led to congested, narrow streets, deficient transportation facilities, insufficient public spaces, timeless, old-fashioned constructions, and a spatially city spread out city, guided by no other principle than the subdivision of land plots. The main suggestion of the PROA group was therefore the implementation of a comprehensive investment plan, including the expansion of the road system with a broad street construction scheme, the enhancement of the water system, and an ambitious, to say the least, program of urban renovation, financed in its entirety by a special tax assessment. The PROA group envisioned the complete destruction and reconstruction of the downtown area, in which most of the old Colonial neighborhood, “La Candelaria” would be razed making use of expropriation legislation, to build instead tall apartment buildings for the middle-class and a civic center with theaters, parks, and large and wide avenues. They also proposed the transformation of the public market into a commercial area with more apartment buildings where people could live “collectively, with joy, hygiene, and optimism.” The proposal for the new commercial center contrasted pictures of poor peasant women who bought and sold food at the market and their children (images accompanied with the captions: “promiscuity,” “misery,” and “abandonment”) to their designs of an urban, organized commercial mall.¹⁰²

In spite of *PROA*'s emphasis on densification and collective housing, they became important allies of the ICT. The magazine published Garcés Navas's analysis about the “housing crisis” in Colombia, where he emphasized the magnitude of the problem both in rural and urban areas (the ICT manager was loyal to the cause of rural housing until he left the institution later that year), and contributed to advertise the middle-class neighborhood the ICT planned and built in 1947, “Los Alcáceres.” *PROA* (or Carlos Martínez, who wrote most of the articles) considered

¹⁰² *PROA* 1, 21-22; 2, September 1946, 20-21; 3, October 1946, 9-12, 15-25; 5, December 1946, 17-21. The projects featured in the journal were drafted by Carlos Martínez, the School of Architecture's class of 1945, and the architects Luz Amorocho, Enrique García, and José Angulo.

ICT's rural and urban housing campaigns as commendable efforts but questioned its effective results. In fact, PROA questioned all previous and existing housing institutions: the IAS for having fomented land speculation; housing cooperatives for being the privilege of a few "who are smart and able to retire from work after attaining a pompous house for themselves"; the Caja de Vivienda Popular, for not having seriously analyzed the housing problem in Bogotá, and the ICT, for not counting with the financial support it deserved from the government. Martínez deemed rural constructions "unappealing" and urban constructions "costly little houses, unappealing, ugly, and poorly located." This last bad quality, the supposedly poor location of ICT-funded neighborhoods, was for Martínez the direct consequence of the bad policy of building garden cities, which were "the greatest urban and social trick. [A garden city] is not a city and could not be, and it is not a garden. In addition, in urban planning terms, garden cities are the biggest stupidity... that has ever been invented."¹⁰³

Martínez's rough criticisms of Brunner and Brunner's model of urban development appeared frequently in *PROA*. Martínez would jeeringly refer to Brunner's Manual as "the manual of the perfect urban planner" and blame it for having "wrought havoc" in Bogotá. PROA architects' notions of urban planning were therefore presented in contrast to the type of urban development that had been implemented in Bogotá, one that had satisfied private interests and speculative business deals, without taking into consideration the negative and serious collective effects of those businesses. As CIAM architects were promulgating, urban planning should privilege the collective, not the individual, and thus any intervention in the urban environment

¹⁰³ *PROA* 6, January 1947, 25, 29-30. It is interesting to note that Brunner was still working as an urban planning advisor and hired by Bogotá's planning office to draft important renovation projects, like the construction of the "Caracas" Avenue, finished just in time for the IX Pan-American Conference. Brunner left Colombia after the incidents of April 9, 1948, but it seems "El Bogotazo" or PROA's harsh criticisms had nothing to do with his decision. He returned to Vienna as Director of the Urban Planning Office and was charged with major post-War reconstruction projects in his native city.

should be geared towards obtaining the greatest collective benefit. This is why, in the first place, any planning effort should privilege the collective use of urban land through the development of collective housing and wide public spaces, avenues and parks, rather than promoting the more private, individual model of the single family unit located in a separate residential area. However, PROA architects were deeply aware that the line dividing the private and the public was often blurred in the expansion of cities. Interestingly enough, modernist architects developed a justification for the implementation of their planning models that closely resembled Olano's ideas about urban planning being a highly convenient policy that could solve collective problems while facilitating profitable businesses. Just as Olano argued during the 1930s, Martínez stated in 1946 that public investment in critical urban areas would “valorizar,” or increase the value of the affected properties, and therefore, municipal authorities and investors should not oppose to those planning efforts. According to Martínez, “[urbanize] means the solution to an intricate set of problems. But in plain business language, it just means VALORIZAR.” The municipal administration only needed the will to advance the projects, and urbanization, almost as by magic, could transform municipal's political will into money.¹⁰⁴ If “Civismo” had provided the language and concepts with which particular public investments and private interventions in public administration were justified in Medellín, PROA architects were thus making that effort—probably by learning from it—in the context of the capital city. In attempting to mold Bogotá's municipal policy, PROA then established fruitful conversations with policy makers at the municipal and national levels, and important investors in the city, some of who had been promoters of “Civismo” themselves.

PROA architects were important in the development of “Los Alcáceres.” The magazine promoted a contest to award the best design of a house for the new neighborhood for white-collar

¹⁰⁴ PROA 3, October 1946, 15-16. The emphasis is in the original.

workers. Many prominent architectural firms, including the design team of “Cuéllar, Serrano Gómez,” participated in the contest. More importantly, Jorge Gaitán Cortés, who had worked for the ICT before as a recent graduate, became advisor of the Institute that year. PROA enthusiastically publicized Gaitán Cortés’s projects for building a “ciudad del empleado” (a city for white-collar workers) and supported the architect’s evolving ideas of how to solve the housing problem in Bogotá.¹⁰⁵ In fact, Gaitán Cortés would be responsible for adopting and re-adapting in Colombia the model of the “unidad vecinal,” a concept proposed by the Catalanian planner and Harvard University Professor, José Luis Sert, at the 1937 CIAM meeting, as the basic unit of urban planning. The planner should consciously regulate public investments in developing any “unidad vecinal,” to guarantee that the most rational and efficient use of public resources would provide the community with the greatest comfort and social progress. The “unidad vecinal” implied the political recognition of the intertwined relationship between public investments, social benefits, and individual interests. It was a program of localized public investments that would generate concrete material individual benefits and collective, social ones. “Los Alcáceres” constituted a first attempt to materialize the idea of the “unidad vecinal,” which the Institute would continue advancing in various cities during the 1950s and 1960s. For the development of “Los Alcáceres,” and following Gaitán Cortés’s advice, the ICT set up an experimental laboratory of design and planning, in which architects and engineers developed and tested new materials and construction techniques.¹⁰⁶

¹⁰⁵ PROA 7, May 1947, 7-11, 12-18.

¹⁰⁶ Julio Dávila, *Planificación y política en Bogotá: la vida de Jorge Gaitán Cortés*. (Bogotá: Alcaldía Mayor de Bogotá, 2000), 113-119. On the connections between Sert and Jorge Gaitán Cortés and the outstanding role played by Sert in the promotion of planning theories and practices in Colombia, see Patricia Schmitter Castellanos, *José Luis Sert y Colombia: de la Carta de Atenas a una carta del hábitat*. (Medellín: Universidad Pontificia Bolivariana, 2007).

“Los Alcáceres” in fact meant a turning point for the history of the ICT. Carlos Martínez’s complaints about the insufficient financial support for the development of urban housing given the magnitude of the problem might have been accurate. However, beginning in 1945 the financial, industrial, and construction sectors came forward to ask for the support of the ICT to favor their own workers, which no doubt provided a substantial push to the Institute’s urban section. First, in late 1945, the managers of commercial banks and the President of the Asociación Nacional de Empleados Bancarios (National Union of Banking Workers) met with Garcés Navas and President Alberto Lleras Camargo (1945-1946) to discuss the possibility of putting together a program in which banks bought ICT bonds in exchange for the construction of houses for their workers. Although this particular program did not work as planned, it was the first step in a series of negotiations to draw in private interests to invest in public housing. In the meantime, the ICT called in two Representatives to put forward a legislative project that demanded that the state capitalize the ICT with 5 million pesos and put together a financial package in which all banking institutions or companies interested in advancing private housing could buy ICT bonds.¹⁰⁷ While the ICT was negotiating the purchase of the plot for the construction of “Los Alcáceres,” Garcés Navas met again with bank managers and introduced the new middle-class housing project for consideration. Bankers were particularly interested in the project. One could argue that given the broad support Gaitán had drawn from middle-class workers, this interest is not surprising. But there was more to these negotiations. Discussions with bankers were followed by Carlos Lleras Restrepo’s timely intervention. Lleras Restrepo convinced industrialists in Bogotá and Medellín to “help” the ICT. Industrialists attended Lleras Restrepo’s call and drafted a legislative initiative according to which all companies would invest 5% of their taxable extraordinary profits in ICT bonds, which became Law 85 of 1946. This

¹⁰⁷ Acta 223, November 12, 1945, 480-481. ICT, *Actas I*.

legislation transformed the structure of the ICT, making representatives from the most important interest groups members of the Board of Directors. In this way, a representative from the “Sociedad de Agricultores de Colombia” (SAC, Colombian Society of Agriculturalists), ANDI, the Chambers of Commerce (which happened to be Guillermo Wiesner Rozo one of the founders of the “Lonja de Propiedad Raíz”), the “Confederación Nacional de Empleados” and the national trade union confederation, the CTC. Monsignor Emilio de Brigard, who had earlier represented peasants (the interests of the few rural beneficiaries were now defended by SAC), was now spokesman of the President.¹⁰⁸

Modern architects, industrialists, real estate owners, bankers, white-collar and unionized workers, and state officials embarked on the same project, the urbanization of Colombian cities to their mutual benefit. Modern architects discussed the effects of laying out a street in a particular way, building the community’s school or park on a certain plot, or making the community center the axis of the new urbanization effort. Industrialists and bankers asked for the construction of particular projects while wisely managing financial operations. Real estate owners advised on how to proceed with land purchases. And workers also requested particular projects for cooperatives, unions, or associations. The state strengthened its credit system with more financial stability stemming from the new legislation. None of them substantially opposed the others’ aspirations, allowing the ICT to expand its reach from this moment on. Although the rural housing campaign continued, its capital was small, mainly coming from provinces that had invested in the Institute’s bonds. The logic that now dominated the ICT, which already fully functioned as a bank, dictated that those who could invest more would get more benefits. The problem with this logic was that those areas in Colombia in need of the most public investments owned very few funds with which to invest in an agency such as the ICT. In addition, there was

¹⁰⁸ Acta 255, 528; Acta 260, March 17, 1947, 541; Acta 267, June 2, 1947. ICT, *Actas I*.

no discussion about reinvesting urban profits in the rural sector, or at least redirecting urban funds into rural housing efforts. The urbanizing forces that shaped the centers of economic and political power were now defining the nature, character and extent of the state's social policies.¹⁰⁹

“El Bogotazo”

The construction fever in Bogotá continued as the ICT advanced its work in “Los Alcáceres” and the municipality prepared the city for the IX Pan-American Conference, with a new renovation program supported by the national government. The Liberal Mayor, Fernando Mazuera, had embarked on an intrepid plan of urban renovation, which included the extension, widening, pavement, and construction of thoroughfares. Mazuera began his program with widening the avenues 7th and 13th, road axes of Bogotá's downtown, for which the municipality bought all properties situated in the area and built a connecting plaza. It was the first time, argued Mazuera, that old constructions were torn down with bulldozers and power shovels, which made the renovation of the area a quick enterprise, but also a public spectacle that citizens watched with surprise. Following presidential orders, Mazuera also built an avenue connecting the airport with the center of the city, considered a very important construction since it was “the façade to be shown to foreigners, or their first glance at the city.” The Mayor also built Brunner's design of “Caracas” Avenue, a boulevard lined with elegant residential units that crossed the downtown area from south to north. Mazuera also began the commercialization of land for the construction of another critical avenue cutting through the downtown area, the “carrera de la modernidad,” 10th avenue (the avenue of modernity as it has been called by historians of urban planning and architecture). For wide and modern avenues to be built, “old houses” had to be torn

¹⁰⁹ See Acta 257, February 10, 1947, 536-537; Acta 259, February 24, 1947, 539-540; Acta 271, July 3, 1947, 574-576; Acta 275, July 31, 1947, 584-586. ICT, *Actas I*.

down. Slum renovation also encouraged the destruction of old houses. Mazuera intervened once again in the “Paseo Bolívar”, given that the organizers of the Conference had planned to tour the diplomats attending the Pan-American Conference the historic district surrounding the slum area. By late 1947, the works undertaken by Mazuera’s office were publicized by the Liberal daily, *El Tiempo*, as “the decisive work of the municipal administration to wreck all that is obstructing and seems incongruous to give way to the expansion and progress of Bogotá.”¹¹⁰ The group *PROA* was finally satisfied with the ambitious reach of the projects and the considerable attention that downtown Bogotá had received.¹¹¹

Mazuera, who at the time harbored political aspirations, tried to imbue the renovation program with a social content, emphasizing, for instance, that the extended 10th Avenue would eventually pass through a new working-class neighborhood funded by the ICT, “Quiroga,” whose construction started in 1949. Mazuera also toured southern neighborhoods to assure residents that the municipal administration cared about their needs. However, this statement was very difficult to sustain, given the disproportionate concentration of investment in construction, or in materializing what modernist architects had defined as “modern.” In addition to the municipal renovation campaign, private construction companies also participated in the transformation of Bogotá’s old downtown. Companies like “Ospinas,” “Cuéllar, Serrano, Gómez,” “Vargas Rubiano & Cía.” and “Herrena, Gaitán, Nieto Cano & Cía.” built buildings for prestigious companies and individuals, renovated hotels, and set up elegant restaurants, in places where old modest residential constructions were located. These issues, the unequal way in which public moneys were invested and the uneven development of Bogotá, had generated criticisms

¹¹⁰ Fernando Mazuera, *Cuento mi vida*. (Bogotá: Canal Ramírez – Antares, 1978), 221-224, 231-232; Carlos Niño Murcia and Sandra Reina Mendoza, *La carrera de la modernidad: construcción de la carrera décima. Bogotá (1945-1960)*. (Bogotá: Alcaldía Mayor de Bogotá, 2011), 73-77. The quote from *El Tiempo* is on page 76.

¹¹¹ *PROA* 11, April, 1948, 5-7.

voiced to the mayor in early 1948. Mazuera dismissed low-income citizens' complaints because he considered that "politicians were provoking the least favored classes, who felt unsatisfied because working-class neighborhoods did not benefit from those moneys...".¹¹²



Illustration 4. Bewildered Bogotanos watch the opening of "Caracas" avenue in downtown Bogotá. Sady González, "Apertura de la Avenida Caracas en el Parque de los Mártires," Bogotá, July 29, 1947. *Bogotá, años 40*. (Bogotá, Alcaldía Mayor de Bogotá, Revista Número, 1999), 95. Note that many of these passers-by wore hat and the traditional ruana, denoting that they more likely have come from rural areas in Cundinamarca and Boyacá.

But these construction projects were in fact making things harder for ordinary downtown residents. The appreciation of the value of properties in the area had been substantial during the decade, making rents particularly expensive. With the destruction of old houses, tenement houses disappeared. The transactions with downtown real estate, led by companies like "Ospinas" and "Wiesner & Cía.," were numerous and had reached prices unseen before, indicating that the speculation with urban properties not only continued, but intensified during the late 1940s. People were forced to move out of the "centro," the city's downtown, to other districts and to

¹¹² Mazuera, *Cuento mi vida*, 232.

travel back and forth on the congested and inefficient tram system.¹¹³ Rural migrants in low-income neighborhoods listened to the news about rural violence, while they suffered the injustices of urban modernization.

The modern agrarian nation had fundamentally changed. Rural migrants, those who once heard they were the heart of the nation and deserved to be fully integrated into national progress, had relied on Gaitán to communicate their grievances and defend their interests. “Gaitanismo” had provided them with a dignifying discourse and with the necessary political tools to deal with their problems. But this channel unexpectedly disappeared. On April 9, 1948, while the IX Pan-American Congress was debating, Gaitán was assassinated in one of those downtown streets. The crowd, Gaitán’s masses, took to the streets again. But this time they destroyed, burned down public and private buildings in the downtown area, where the renovation projects had concentrated. The mob started setting on fire the Conservative newspaper *El Siglo*’s headquarters and continued with almost all government buildings. The emblematic Granada Hotel, where politicians and businessmen used to meet, also fell prey of the destruction rage. Gaitán’s crowd also burned down tramcars, and looted and sacked stores. Bogotá’s “centro” was partially destroyed.¹¹⁴

Ironically, “*El Bogotazo*” encouraged, rather than questioned, urban modernization. The destruction of Bogotá by a leaderless crowd demonstrated to Liberal and Conservative politicians that they had in fact a serious social and political urban problem on their hands and that the transformation and modernization of the city needed to continue apace. In the meantime, *PROA*

¹¹³ Suárez Mayorga, *La ciudad de los elegidos*, 211. The cost of houses in the downtown areas was the most expensive in the entire city from 1940 to 1950: Jacques Aprile Gniset, *El impacto del 9 de abril sobre el centro de Bogotá*. (Bogotá: Centro cultural Jorge Eliécer Gaitán, 1983), chapter 8.

¹¹⁴ On the destructions during “El Bogotazo” see Braun, *The Assassination of Gaitán*, chapter 7;.

tirelessly pushed for its modernizing endeavor, making a comprehensive plan for the reconstruction of Bogotá. The crowd had already destroyed; the architects now just had to build.



Illustration 5. Sady González, “Machetes,” Bogotá, April 9, 1948. This is one of the most iconic images of “El Bogotazo,” in which drunken rioters, dressed in their suits, wielded their “machetes” and other destruction weapons, while posing for the Gaitanista photographer. *Foto Sady, Recuerdos de la realidad*. (Bogotá: Banco de la República, 2014), 92.

EPILOGUE

“In brief, the issue of planning can be presented like this: in every country, but mainly in such a backward country like ours, it is necessary to use public and private resources in such a way that they produce the greatest possible economic development...

It is about stirring citizens’ efforts, following the concept, which I had put forth other times, that the action of the state is not enough to achieve a quick national transformation. It is rather necessary to incite all the population’s involvement so that alongside the actions they undertake for their individual interest, the people also advance tasks that benefit them personally while offering progress to the community in general.”

Carlos Lleras Restrepo, Speech on Communal Action, 1958.¹

Private and Public

In 1945, the United States’ Department of State sponsored a tour of the prominent urban planners José Luis Sert and Paul Lester Wiener to Colombia, Peru, Brazil and Venezuela. Since the first contacts established with Sert by Colombian architects like Jorge Gaitán Cortés and Gabriel Serrano in the United States, there had been conversations about commissioning the planners for advancing studies and implementing ambitious, comprehensive master plans in Colombia’s biggest urban centers. A few years later, in June, 1947, Le Corbusier visited Bogotá. The visit had been arranged by the politician Eduardo Zuleta Ángel, the Colombian Ambassador to the United Nations, who, as a member of the commission to decide the place where the new UN headquarters would be located, met Le Corbusier while he was defending his proposal for the new building. In Bogotá, the Swiss architect delivered a conference, for administrators, architects, and prominent politicians, on the principles of planning, his perception of Bogotá’s strengths and problems, and how those issues could be addressed by “rationally” applying the science of planning. Le Corbusier echoed *PROA*’s criticisms of the irregular expansion and modernization that the city had experienced during Brunner’s era. Brunner, who was still living

¹ Carlos Lleras Restrepo, “La acción communal,” Jorge Gaitán Cortés, *Democracia y acción comunal. Programas de ayuda mutua*. (Bogotá: Fundación Universidad América, 1959), 9-12.

in Bogotá and working on its regulation, defended his role, claiming that not every city could be transformed into the same thing. For Brunner, the science of planning required acquiring knowledge of the city's habits, culture, and modes of living. This debate between the old modern precepts of planning and the new modernist conceptualizations, to which politicians from all stripes contributed with their opinions, was covered by the main newspapers. After Le Corbusier's visit to Bogotá, Sert and Wiener were hired by the Colombian government for the reconstruction of Tumaco, a poor port town located in the southern province of Nariño, which had been partially destroyed by a fire. Once in Colombia, the two planners were then contacted to draft Cali's and Medellín's master plans. Later, in the aftermath of "El Bogotazo," the Colombian government and Bogotá's municipal authorities finalized conversations with Le Corbusier, Sert, and Wiener, who were to cooperate in elaborating the city's master plan. In September 1948, the municipality created the "Oficina del Plan Regulador de Bogotá," (Office of Bogotá's Master Plan, OPRB), the institution that would be in charge of coordinating the elaboration—the international experts worked with a team of planners stationed in Bogotá who would collect information and draft basic, detailed maps of the city—, and the implementation of the plan.²

The network of connections between politicians, administrators and planners was a prevalent feature of Colombian politics during the mid-twentieth century. The political interest that urban planning raised—to the extent that the Department of State sponsored Sert and Wiener's South American tour or that Zuleta Ángel brought Le Corbusier to Bogotá—was no doubt a manifestation of the great political significance that the administration of the main urban centers had acquired. Cities seemed politically unstable places and architects and planners

² Fernando Arias Lemos, *Le Corbusier en Bogotá: El proyecto del "grand immeuble", 1950-1951*. (Bogotá: Universidad Nacional de Colombia, 2008), 185-188; Carlos Niño and Sandra Reina, *La carrera de la modernidad: construcción de la carrera décima. Bogotá (1945-1960)*. (Bogotá: Alcaldía Mayor de Bogotá, 2011).

provided municipal administrators and authorities with the tools and language with which they could intervene in the urban environment.

The development of neighborhoods for the middle class reveals the tight connection between the political interests behind urbanization and the architectonic solutions that planners offered in promoting urban development. In chapter 4, I showed that middle-class cooperatives, particularly in Medellín, found room to participate in the growth of urban centers and benefit from it by obtaining inexpensive, subsidized credit from the ICT. I argued that the interests of middle-class cooperatives in improving their associates' living conditions tallied with the interest of the state to guarantee the financial stability of its social institutions and real estate and urban development companies to advance their business interests. As early as 1941, the "Cooperativa de Empleados de Bogotá" (Cooperative of Bogotá's White-Collar Workers) drafted a project for developing "La Ciudad del Empleado," a garden city that the cooperative would fund, "applying the principles and laws about cooperativism." The new urbanization promised to be equipped with all public services and convenient access to the downtown area. To entice the participation of middle-class workers in the urbanization project, the Cooperative insisted that the assessed value of the plots, after urbanization and housing construction, would rise considerably. The Cooperative asked for state support for the development of the "Ciudad del Empleado" by offering financial facilities, "as it [was] currently doing with rural housing," to benefit "the hard-working, urban middle class, abandoned until today." Urbanizing for the middle-class was phrased by the Cooperative as "a task of national importance."³

This "Ciudad del Empleado" did not happen as a cooperative project. Instead, Bogotá's housing agency, the "Caja de Vivienda Popular," initiated in 1942 the construction of a middle-class neighborhood, which the "Instituto de Crédito Territorial" finally funded. Thus, the effort

³ *El mes financiero y económico* 50, July 1941, 85-87.

of urbanizing for the middle class indeed became an endeavor of national significance. Beginning in 1942, middle-class cooperatives reached out to the ICT to ask for the financial resources they had been expecting since 1941. Urban planners also stepped in to materialize the aspirations of these groups. Modern architects proposed concrete alternatives to spatially organize middle-class communities for the benefit of the individuals, the community and the city as a whole. Brunner thus developed several satellite cities in Bogotá and Medellín. Jorge Gaitán Cortés proposed the construction of a “ciudad del empleado” in downtown Bogotá and later developed “unidades vecinales” that would be exclusively inhabited by middle-class groups. Lastly, PROA architects and Le Corbusier also put great emphasis on white-collar workers’ collective housing in the plans they drafted for the renovation of Bogotá. In fact, a group of modernist architects designed the first collective housing neighborhood built in Colombia, the “Centro Urbano Antonio Nariño,” hired by the Conservative government in 1952. According to one high-ranking government official, the purpose of the new neighborhood was to “offer a hand to the abandoned and self-sacrificing middle-classes in our capital city” as a critical step in “fighting for social stability through avoiding great social polarizations between the ‘proletarian’ and the ‘upper classes’.” The architects translated the objective of social homogeneity into a cohesive neighborhood comprised of 5 residential towers, wide public spaces, green zones, and a community center.⁴

Another critical contribution of planners was to provide an apparent, discursive solution to the constant tension between public and private matters in the administration of municipal investments. In chapter 4, I focused on how the owners of urban land and urban investors directly—or indirectly through a network of political associates—participated in the public

⁴ *Fonoteca Radio Nacional de Colombia*, “Sin título,” June 7, 1952. CD10477; Carlos Niño, *Arquitectura y Estado. Contexto y significado de las construcciones del Ministerio de Obras Públicas. Colombia, 1905-1960*. (Bogotá: Universidad Nacional de Colombia, 1991), 313-315.

administration to make municipal investments beneficial for the ongoing urbanization of Medellín and Bogotá. For Ricardo Olano, any policy leading to the progress of Medellín should be implemented, independently of the individual benefits that real estate owners or developers might obtain from it. But, as I discussed in the chapter, those who defined what was beneficial for Medellín were often times the same individuals who profited from municipal investments. The role of planners and master plans was therefore to define what collective urban progress meant, and direct public investments toward the achievement of that ideal state. The boundaries between private and public in planners' conceptualizations of collective progress were also tenuous. For instance, planners, including Karl Brunner and Carlos Martínez or even Olano, pushed for the implementation of the special property assessment and expropriation of urban property for reasons of public interest. But public interest inevitably yielded to private gains, as the construction of a street or a public park, or the improvement of urban infrastructure was also meant to appraise private properties' value. In this fashion, by making urban investments—either private or public—profitable, urbanization could continue apace. Moreover, the political implications of urban development projects were determined, to a large extent, by how architects conceived of the multiple relationships between public and private matters in the functioning of an urban community. For instance, Sert's idea of the "unidad vecinal" was buttressed by the belief that by rationalizing public efforts through community planning, individuals in the community would attain a maximum material and "spiritual" benefit. The collective pay off of this investment was that, simultaneously, the individual would compensate the public effort by participating in the solution of the community's main problems.

This idea that public investments, materialized into particular architectural forms, could lead to almost immediate local political transformations would become central in the programs

of urban development implemented during the 1950s and 1960s. The contradictory and accelerated process of urbanization, manifested in the proliferation (since the late 1940s) of “barrios de invasion” or “tugurios,” shantytowns developed illegally by land speculators or squatters, or the persistent problems about public service provision and infrastructure in low-income neighborhoods, made clear that the state, as an urbanizing agent, now had to grapple with the problem of increasing urban poverty. Since urbanization for low-income sectors was based on credit, for the ICT it became necessary to rework credit alternatives to make them accessible to sectors that lived under conditions of great economic insecurity. The concepts of “unidad vecinal” and “self-help” housing construction would be strategies that emanated from the need to adapt the operational system of state housing financing and construction. Urban planners promoted these strategies during the 1950s and the ICT materialized them through its projects of urbanization and neighborhood improvement. The Organization of American States’ housing agency, the Inter-American Housing Center (CINVA), whose headquarters were located in Bogotá, was an important actor in reshaping ICT’s credit and construction programs, but CINVA architects, sociologists, and social workers did not reject ICT’s credit system altogether. They proposed a way to redirect that credit to the urban poor, or in other words, to make public investments benefit the improvement of poor urban communities by encouraging the community members’ individual participation.⁵

An architect deeply involved in translating the architectural model of “unidad vecinal” into the political language of community participation was Jorge Gaitán Cortés. After working for the ICT in the late 1940s, Gaitán Cortés combined his career as university Professor with an

⁵ On the new “social” programs the ICT would implement since the mid-1950s, see Instituto de Crédito Territorial, *Una política de vivienda para Colombia. Primer Seminario Nacional de Vivienda, 1955*. (Bogotá: Imprenta Nacional, 1956). On CINVA and community participation, see Martha Liliana Peña Rodríguez, *El programa CINVA y la acción comunal. Construyendo ciudad a través de la participación comunitaria*. (Bogotá: Universidad Nacional de Colombia, 2010).

active involvement in Bogotá's municipal administration. As a Council member in 1958, Gaitán Cortés was fundamental in developing the concept of "Acción Comunal" (Communal Action) and in implementing the "Juntas de Acción Comunal" in Bogotá. "Acción Comunal" was a strategy to institutionalize grassroots community participation in the political system. The axis of the program of the new alternate system of governance instituted in 1958 (the Liberal and Conservative Parties took turns to reach to power and administer government), "Acción Comunal" was the basic mechanism to reconstitute Colombia's democracy, greatly wounded by the ongoing rural conflict and the dictatorship of Gustavo Rojas Pinilla.⁶ According to Jorge Gaitán Cortés, the set up of Juntas de Acción Comunal in Bogotá's neighborhoods was part of the "effort of cementing between us the real democracy and social justice." Or according to Carlos Lleras Restrepo, one of the campaigners of the program in Congress, the policy of "Acción Comunal" was an effort of planning community development, by focalizing and rationalizing public investments at the community level to spur the active involvement of citizens in the solution of their own problems.

Gaitán Cortés considered that housing development and urbanization were key to promoting community participation. He made the case that the provision of housing was one of the basic elements that a plan of urban development for a fast growing city like Bogotá should take into consideration. Housing provision also constituted a strategy to organize local communities so they could contribute to the task of making living conditions better for all

⁶ Rojas Pinilla governed Colombia from 1953 to 1957. The "dictator" was initially supported by broad sectors within the Conservative and Liberal Parties and considered as the only alternative available to end the partisan conflict and pacify the countryside. Rojas Pinilla started losing the parties' endorsement as he moved away from their direct influence and elaborated his own, independent program. In an effort to augment his political constituency, which was not inconsiderable, Rojas Pinilla geared towards populism, hiring the Socialist economist Antonio García as his main economic advisor and spending large amounts of the national budget in social projects, which had a clear clientelistic overtone. The "dictator" was toppled by students and workers who marched against the government in the main urban centers in May 1957. A history focusing on the high politics during the Rojas Pinilla administration is: Eduardo Sáenz Rovner, *Colombia años 50. Industriales, política y diplomacia*. (Bogotá: Universidad Nacional de Colombia, 2002).

citizens. Housing development meant much more than simply granting a house to a family. It was in itself a political process of community building. For Gaitán Cortés, every community needed a place to gather, discuss their problems, make decisions through voting and, ideally, administer their collective funds, or the local credit union. This place was the neighborhood's school. The school was the true Communal Center, or the "organization, in a single architectonic solution, one nucleus" of the school for children and adults, the community's forum, the social club, the communal fund and the Cooperative Society. Gaitán Cortés explained: "[the] organization of a community around the School as a Forum is in reality the creation of a new political unit, conceptualizing differently what we have understood, up to now, as local politics. It would be a little, but true, democracy of the most pure and essential nature." Juntas would function independently from the municipal Council and the Mayor's Office and operate based on different committees that would coordinate the work of citizens. The construction committee, for example, would help the advancement of the model of "self-help" housing, by expediting construction licenses and access to public infrastructure.⁷

This profound connection in Gaitán Cortés's program of "Acción Comunal" between architecture, community planning, and local politics should not come as a surprise. I showed in chapters 3 and 4, that architects conceived of planning as an intervention in the spatial organization of a community that would yield positive political consequences. Colombian architects who followed the precepts of the Garden City Movement surely believed that restructuring a rural community of property owners into a semi-independent garden city would contribute to the government's program of rural improvement. Moreover, urban planners would highlight that planning was in fact a social science with political repercussions. Brunner considered housing as the center of any planning effort, since providing hygienic, comfortable

⁷ Jorge Gaitán Cortés, *Democracia y acción comunal*, 35-53.

houses for low-income citizens would reduce social inequality and consequently alleviate social tensions. Ricardo Olano, a self-trained and self-identified urban planner, wholeheartedly supported Brunner's perspective. Moreover, Olano put the idea of "Civismo" at the heart of Medellín's planning initiatives. James Holston has shown that the CIAM architect's model of the ideal modernist city was in fact a political utopia, one in which by homogenizing, standardizing and collectivizing urban spaces and resources, social differences and segregation would vanish.⁸ However, it is not accurate to think that, for instance, Jorge Gaitán Cortés's campaign for the Juntas de Acción Comunal, or ICT's inexpensive credit initiatives and self-help housing programs were *only* a consequence of the adaptation in Colombia of international discussions about housing and planning. Colombian architects and reformers were no doubt part of an ongoing international conversation. The policies implemented in the 1950s and 1960s by agencies like the ICT were more than innovations imported from abroad; these policies were the re-adaptation of the ideas and practices about modernization and development that had been circulating and operating in Colombian circles since their formulation in the 1930s.

Rural and Urban

In mid-1948, while Sert and Wiener toured Cali and Medellín and the negotiations to conduct master plans of Colombia's main urban centers progressed, the Colombian government sent a request to the International Bank of Reconstruction and Development (IBRD, the World Bank), to direct and fund a different, although not unrelated, kind of planning. The emissary of the Colombian government, the World Bank's executive Emilio Toro, asked the Bank's President for a loan to reconstruct the Colombian economy after the unsettling events that had occurred in April 1948. The Colombian government envisioned investing the World Bank's

⁸ James Holston, *The Modernist City: An Anthropological Critique of Brasilia*. (Chicago: The University of Chicago Press, 1989).

money in the purchase of agricultural equipment, the construction of a steel plant, the expansion of the railroad and road systems and other public infrastructure. The request became the first mission ever sent to a “developing” country by the World Bank for advancing a comprehensive program of economic development. In the words of the mission’s chief, the Canadian economist Lauchlin Currie, such a program should aim at “raising the standard of living of all Colombians within a period of five to ten years.” The mission arrived in Colombia in August 1949 and undertook its investigation of the problems and needs of the country until November 1949. Currie published what would become an influential report on the Colombian economy, *The Basis of a Development Program for Colombia* (1950).⁹

Currie’s report highlighted that even though Colombia had experienced remarkable growth during the last decade, “the gains from this period of rapid development have been unequally diffused.” The consequences of uneven economic expansion were that, in relation to other “underdeveloped” nations, Colombia had great potential to achieve economic stability, however, that potential was still far from occurring. Therefore, it was necessary to implement a vast program of capital investment to create the conditions in which the majority of the population could enjoy better health, adequate nutrition, vocational training and formal education and become more productive at work. Two policies were proposed by Currie as critical for achieving this overarching goal. First, it was necessary to invest large amounts of capital in the improvement of the transportation system. Although Colombia’s diverse climate and topography were considered “great elements of economic strength,” at the same time they constituted “the source of the country’s greatest economic problem, transportation.” Facilitating greater connectivity between Colombia’s diverse and distant regions was thus a precondition to

⁹ On the negotiations leading to the set up of the mission, see: Michele Alacevich, *The Political Economy of the World Bank: The Early Years*. (Stanford: Stanford University Press, 2009), 15-24. The quote by Currie is on page 38.

consolidate the internal market. Second, Colombia was primarily a rural country and its economy still largely depended on agricultural production. Currie's analysis of the agricultural sector pointed out that the use of land was economically inefficient, since the most productive lands were being used, and constantly concentrated, for cattle raising, while food production was relegated to the hilly Andean region, where the majority of farmers lived. The solution to this problem was the implementation of a taxation system that would discourage the underutilization of land (those plots that yielded less than an estimated productivity average would be penalized), to make farmers move from the less productive hilly mountains, to the plains. In this way, it was easier to mechanize and technify production and therefore increase its overall productivity.¹⁰

That transportation and agricultural production were the axes of a program of development should have not surprised economic officials in Colombia. We now know that economic officials like Esteban Jaramillo had been involved in discussions about the need to improve the connectivity between consumption markets and productive regions since the 1920s. Moreover, Currie's analysis and suggestions about the agricultural sector are strikingly similar to what Alejandro López had argued in the 1920s and 1930s: land concentration for cattle was leading farmers to poverty. Thus, any program of agricultural improvement should attempt to disrupt that pattern. However, there was an important difference between the two perspectives. Alejandro López hoped that such a policy could deter somehow rural-to-urban migration and generate a more balanced distribution of the population. Currie phrased the problem of agriculture in different terms. For Currie, it was necessary to increase the *productivity* of agricultural production to improve living conditions of agricultural workers and farmers. But more importantly, agricultural production should supply the increasing demand for food from the

¹⁰ Lauchlin Currie, *The Basis of a Development Program for Colombia*. (Baltimore: The Johns Hopkins University Press, 1950), chapters I, V, and XVIII.

expanding industrial centers. Exports of agricultural products could also increase in a satisfactory way to provide the currency needed for capital investments. Agricultural production should complement industrialization and supply the demands of the urban population.

The model of development propounded by Currie was one based on the needs of urban, industrialized centers. Interestingly enough, in the late 1950s, Currie, who became one of the country's most influential economists until the 1980s, would propose a program he titled "Operación Colombia," which encouraged the expansion of agro-industry in the countryside and the construction sector in the cities. Urban development through construction would give employment to the mass of workers displaced by the technification of agriculture, while providing housing to the increasing number of rural migrants in the cities. Currie's "Operación Colombia" was initially rejected by Liberal President Alberto Lleras Camargo in 1958. At that moment, Carlos Lleras Restrepo, who as a Congressman campaigned for the implementation of a new project of agrarian reform, harshly criticized Currie's program and revisited some of the arguments he had used in the 1930s to defend the consolidation of the middle-sized rural property.¹¹ However, in spite of the debate between Lleras Restrepo and Currie over the terms in which the agricultural sector would be reactivated with a program of economic development, the connection between urban development and rural stagnation was not put at the center of political discussions. Politicians, reformers, and intellectuals did not revise the pattern of development that industrialization and urbanization was generating and their effects on the countryside. For instance, there was never a discussion about the important accumulation of wealth that

¹¹ Jesús Antonio Bejarano, "Industrialización y política económica, 1950-1976," Mario Arrubla, et.al., *Colombia hoy*. (Bogotá: Siglo XXI Editores, 1978). The "Operación Colombia" was finally implemented in the early 1970s, when Currie became the economic advisor of the government. By then, construction was formally recognized as an important engine for economic development.

urbanization itself was generating and assume the redirection of those urban capitals to the improvement of the countryside as a political and social responsibility.

In the 1950s, the developmentalist theory of modernization seemed to have foreclosed the possibility of imagining a desirable future for Colombian society in any other way than the planned industrial city. This dissertation has hinted at, perhaps in a schematic, limited way, the complicated and multiple relationships between cities and rural areas in shaping state policies in the mid-twentieth century. Ironically, the identification of modernization and development with the “modernist” industrial city might have stemmed from the collapse of a model that put the countryside at the center of modernization. Many things may have changed in Colombian rural and urban areas since the 1930s. But the profound ties between the two persist. And as the country strives to find a solution to the violent conflict that has affected it for many decades, state makers maybe should pay attention to past experiences and learn from history’s lessons. The contemporary state bureaucrat, who from Bogotá determines the requirements that the rural displaced population should fulfill to become beneficiaries of a program of micro-credit, maybe should review the discussions held by their predecessors, the nature of the policies that resulted from those discussions and their unintended consequences. Or the urban planner, who now claims to have “discovered” that his work is primarily a social task, might also find in this history that planning urban centers has always been a social and political endeavor. Erasing the history of how modernization and development were reconceptualized, as developmentalists did, confuses our interpretation of how modernization and development as ideas and practices emerged and evolved in twentieth-century Colombia and Latin America. But, more importantly, this erasure also contributes to the perpetual exercise of re-inventing, from centers of economic, political and intellectual power, what has been already working during a long period of time.

Maybe our work as historians can help that, due to erasures and political arrogance, history's lessons do not get missed.

BIBLIOGRAPHY

Archives and Manuscript Collections

Archivo General de la Nación, Bogotá.

Fondo Presidencia de la República.

Fondo Presidentes, Sección Alfonso López Pumarejo.

Biblioteca Luis Ángel Arango, Bogotá.

Archivo Carlos Lleras Restrepo.

Archivo Eduardo Santos.

Archivo del Instituto de Crédito Territorial (INSCREDIAL), Bodega "La Fragua," Bogotá.

Actas de la Junta Directiva.

Colección Patrimonial, Universidad EAFIT, Medellín.

Archivo de Jorge Restrepo Uribe

Archivo Histórico de Medellín, Medellín.

Fondo Alcaldía, Actas de Asuntos Sociales.

Fondo Concejo.

Fondo Personería.

Fonoteca Radio Nacional de Colombia, Bogotá.

Newspapers and Magazines

Cromos, Bogotá.

El Espectador, Bogotá.

El mes financiero y económico, Bogotá.

Revista Sábado, Bogotá.

PROA, Bogotá.

Progreso, Medellín.

Revista Temas, Medellín.

Government Publications

Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1928*. (Bogotá: Editorial Minerva, 1928).

Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1929*. (Bogotá: Editorial Minerva, 1929).

Banco Agrícola Hipotecario, *Informe del gerente y balance en 30 de junio de 1930*. (Bogotá: Editorial Minerva, 1930).

Banco Agrícola Hipotecario, *La parcelación de tierras en Colombia*. (Bogotá: Tipografía Lozano y Cía., 1937).

- Caicedo Castilla, José Joaquín. *Memoria del Ministro de Trabajo, Higiene y Previsión Social al Congreso de 1939*. (Bogotá: Imprenta Nacional, 1939).
- Censo de Población de la República de Colombia, levantado el 14 de octubre de 1918*. (Bogotá, Imprenta Nacional, 1921).
- Contraloría General de la República. *Censo general de población, 5 de julio de 1938*. Tomo XVI: Resumen general. (Bogotá: Imprenta Nacional, 1942).
- _____. *Primer censo nacional de edificios. Efectuado el 20 de abril de 1938*. (Bogotá: Imprenta Nacional, 1939).
- Departamento Administrativo Nacional de Estadística, DANE. *Censo de población de Colombia, 1951*, vol. 6: Resumen. (Bogotá: DANE, 1954).
- Departamento de Contraloría, Dirección General de Estadística. *Censo de Población de la República de Colombia, levantado el 14 de octubre de 1918 y aprobado el 19 de septiembre de 1921 por la Ley 8*. (Bogotá, Imprenta Nacional, 1924).
- Economía colombiana*, Bogotá.
- Figueredo Salcedo, Alberto. *Caja de la Vivienda Popular. Informe que rinde a los sindicatos y cooperativas de Bogotá, su representante en la Junta Directiva de la Caja de Vivienda Popular, Alberto Figueredo Salcedo, sobre las labores de la institución in el año de 1944*. (Bogotá: Caja de la Vivienda Popular, 1945).
- Gartner, Jorge. *Informe del Ministerio de la Economía Nacional, 1939*. (Bogotá: Imprenta Nacional, 1939).
- Guthardt, Emilio C. *Distribución demográfica de los municipios colombianos*. (Bogotá: Contraloría General de la República, 1938).
- Jaramillo, Esteban. *Memoria de Hacienda*. (Bogotá: Banco de la República, 1990).
- _____. *Memoria destinada a los miembros de la Conferencia Económica Internacional que se reunirá bajo los auspicios de la Sociedad de las Naciones y presentada al Comité preparatorio de dicha Conferencia por el Doctor Esteban Jaramillo*. (Paris: Imprenta París-América, 1926).
- Instituto de Crédito Territorial, *30 años de servicio*. (Bogotá: ICT, 1969).
- _____. *Apuntes sobre desarrollo urbano. Memoria al IV Congreso Nacional de Ingenieros, 1966*. (Bogotá: Instituto de Crédito Territorial, 1966).
- _____. *Informe al Señor Ministro de Fomento para su Memoria al Congreso Nacional, 1965*. (Bogotá: Instituto de Crédito Territorial, 1965).
- _____. *Una política de vivienda para Colombia. Primer Seminario Nacional de Vivienda, 1955*. (Bogotá: Imprenta Nacional, 1956).
- INURBE, Instituto de Crédito Territorial, ICT. *Medio siglo de vivienda social en Colombia, 1939-1989*. (Bogotá: Ministerio de Desarrollo Económico, INURBE, 1995).
- Lleras Restrepo, Carlos. *Memoria de Hacienda*, tomos I y II (1939-1942). (Bogotá: Banco de la República, 1991).
- Márquez Arbeláez, Hernando. *Crédito y fomento estatales. Informe del revisor fiscal de instituciones oficiales de crédito y fomento*. (Bogotá: Editorial Minerva).
- Ministry of Foreign Affairs, *The History of Architecture in Colombia*. (Ministry of Foreign Affairs, National University of Colombia, Andes University, 1986).

- Nannetti, Guillermo. *Proyecto de ley sobre acción agraria*. (Bogotá: Imprenta Nacional, 1938).
- _____. *Enseñanza industrial/ Protección a la mujer que trabaja*. (Bogotá: Imprenta Nacional, 1938).
- _____, Tamara López, Enrique, Garzón, Rafael, and Mondragón Guerrero, A. *Salario Mínimo*. (Bogotá: Imprenta Nacional, 1938).
- Pérez, Francisco de Paula. *Memoria de Hacienda, 1929, 1931, 1946*. (Bogotá: Banco de la República, 1990).
- Restrepo Álvarez, Gonzalo. *Arquitectura aldeana y rural*. (Bogotá: Biblioteca Aldeana de Colombia, 1935).
- Restrepo Jaramillo, Gonzalo. *Memoria del Ministro de Industrias y Trabajo al Congreso Nacional en sus sesiones de julio de 1938. Tomo I*. (Bogotá: Editorial “El Gráfico,” 1938).
- Revista del Banco de la República*, Bogotá.
- Revista Nacional de Agricultura*, Bogotá.

Secondary Sources

- Atlas histórico de Bogotá, 1911-1948*. (Bogotá: Corporación La Candelaria, Editorial Planeta, 2006).
- Guía de arquitectura, Bogotá, Colombia*. (Bogotá: Universidad de los Andes, Facultad de Arquitectura, Ediciones PROA, 1994).
- Aboy, Rosa. “‘The Right to a Home’: Public Housing in Post-World War II Buenos Aires.” *Journal of Urban History* 33 (3), March 2007, 493-518.
- Acción Comunal Distrital, *Bogotá, historia común. Menciones de honor, II Concurso de historias barriales y veredales*. (Bogotá: Acción Comunal Distrital, 1998).
- Alacevich, Michele. *The Political Economy of the World Bank: The Early Years*. (Stanford: Stanford University Press, 2009).
- Alba Castro, José Miguel. “El plano Bogotá Futuro. Primer intento de modernización urbana.” *Anuario Colombiano de Historia Social y de la Cultura*, 40 (2), July-December 2013: 180-208.
- Almandoz, Arturo. *Modernization, Urbanization and Development in Latin America, 1900s-2000s*. (London and New York: Routledge, 2015).
- _____. “From Urban to Regional Planning in Latin America.” *Planning Perspectives* 25 (1), February 2010: 87-95.
- Aprile Gniset, Jacques. *El impacto del 9 de abril sobre el centro de Bogotá*. (Bogotá: Centro Cultural Jorge Eliécer Gaitán, 1983).
- Arango, Silvia. *Historia de la arquitectura en Colombia*. (Bogotá: Universidad Nacional de Colombia, 1989).
- Anzola, Nicasio. *Conferencias sobre economía política, dictadas por el profesor de la materia Doctor Nicasio Anzola*. (Bogotá: Imprenta Nacional, 1936).
- Arango, Luz Gabriela. *Mujer, religión e industria: Fabricato, 1923-1982*. (Medellín: Editorial Universidad de Antioquia, 1989).

- Archila, Mauricio, et.al. *Bogotá, historia común. Ganadores del concurso de historias barriales y veredales*. (Bogotá: Alcaldía Mayor de Santafé de Bogotá, 1997).
- _____. *Cultura e identidad obrera. Colombia, 1910-1945*. (Bogotá: CINEP, 1991).
- Arias Lemos, Fernando. *Le Corbusier en Bogotá: El proyecto del "grand immeuble", 1950-1951*. (Bogotá: Universidad Nacional de Colombia, 2008).
- Ballent, Anahí. *Las huellas de la política: vivienda, ciudad, peronismo en Buenos Aires, 1943-1955*. (Buenos Aires: Prometeo, 2005).
- Barr-Melej, Patrick. *Reforming Chile: Cultural Politics, Nationalism, and the Rise of the Middle Class*. (Chapel Hill: University of North Carolina Press, 2001).
- Baskind, Irwin, Lerdao, Enrique and Mesmer, Theodore. *The Alliance for Progress in Chile and Colombia: Some Latin American Perceptions*. (Washington: Friends of the Alliance for Progress, 2008).
- Bejarano, Jesús Antonio. *Economía y poder. La SAC y el desarrollo colombiano, 1871-1984*. (Bogotá: SAC, Fondo Editorial CEREC, 1985).
- _____. "Industrialización y política económica, 1950-1976." In: Arrubla, Mario, et.al. *Colombia hoy*. (Bogotá: Siglo XXI Editores, 1978).
- Bergero, Adriana. *Intersecting Tango: Cultural Geographies of Buenos Aires, 1900-1930*. (Pittsburgh: University of Pittsburgh Press, 2008).
- Bergquist, Charles. *Labor in Latin America: Comparative Essays on Chile, Argentina, Venezuela and Colombia*. (Stanford: Stanford University Press, 1986).
- Blanco, Andrés. "Discourses of Land Allocation and Natural Property Rights: Land Entrepreneurialism and Informal Settlements in Bogotá, Colombia." In: *Planning Theory* 11 (1), January 2012, 20-43.
- Bliss, Katherine. *Compromised Positions: Prostitution, Public Health and Gender Politics in Revolutionary Mexico City*. (University Park: Pennsylvania State University Press, 2002).
- Bogotá, años 40*. (Bogotá, Alcaldía Mayor de Bogotá, Revista Número, 1999).
- Botero Herrera, Fernando. *Medellín 1890-1950. Historia urbana y juego de intereses*. (Medellín: Universidad de Antioquia, 1996).
- _____. *La industrialización en Antioquia. Génesis y consolidación, 1900-1930*. (Medellín: Universidad de Antioquia, 1984).
- Botero, María Mercedes. "Los bancos en Antioquia, 1905-1920," *Informe final*. (Proyecto presentado a la Fundación para la Promoción de la Ciencia y la Tecnología del Banco de la República, 1989).
- Braun, Herbert. *The Assassination of Gaitán: Public Life and Urban Violence in Colombia*. (Madison: Wisconsin University Press, 1985).
- Brunner, Karl. *Manual de urbanismo*, 2 vols. (Bogotá: Ediciones del Concejo de Bogotá, 1939).
- Brew, Roger. *El desarrollo económico de Antioquia desde la Independencia hasta 1920*. (Bogotá: Banco de la República, 1977).
- Buder, Stanley. *Visionaries and Planners: The Garden City Movement and the Modern Community*. (New York: Oxford University Press, 1990).
- Caballero, Lucas. *Memorias de la Guerra de los Mil Días*. (Bogotá: Instituto Colombiano de Cultura, 1980).

- Caemmerer, Paul H. *The Life of Pierre Charles L'Enfant, Planner of the City Beautiful: The City of Washington*. (Washington, D.C., National Republic Publishing Company, 1950).
- Caldeira, Teresa. *City of Walls: Crime, Segregation and Citizenship in São Paulo*. (Berkeley: University of California Press, 2000).
- Cárdenas, Enrique, Ocampo, José Antonio, and Thorp, Rosemary, eds. *Industrialización y estado en la América Latina*. (México: Fondo de Cultura Económica, 2003).
- _____, eds. *An Economic History of Twentieth Century Latin America, Volume I: The Export Age: The Latin American Economies in the Late Nineteenth and Early Twentieth Centuries*. (New York: Palgrave, Saint Anthony's College, 2000).
- Castro Carvajal, Beatriz. *Caridad y beneficencia, el tratamiento de la pobreza en Colombia 1870-1930*. (Bogotá: Universidad Externado de Colombia, 2007).
- CEPAL, *El estudio económico de América Latina*. (Santiago de Chile: CEPAL, 1949).
- Cooper, Frederick. "Modernizing Bureaucrats, Backward Africans, and the Development Concept." In Cooper, Frederick and Packard, Randall, eds., *International Development and the Social Sciences: Essays on the History and Politics of Knowledge*. (Berkeley: University of California Press, 1997).
- Corredor, Consuelo. "La modernización inconclusa." In: Misas, Gabriel, ed., *Desarrollo económico y social en Colombia, siglo XX*. (Bogotá: Universidad Nacional de Colombia, 2001).
- Cruz Santos, Abel. *Cuatro humanistas colombianos del siglo XIX al siglo XX*. (Bogotá: Editorial Kelly, 1975).
- Currie, Lauchlin. *The Basis of a Development Program for Colombia*. (Baltimore: The Johns Hopkins University Press, 1950).
- Dávila, Julio. *Planificación y política en Bogotá: la vida de Jorge Gaitán Cortés*. (Bogotá: Alcaldía Mayor de Bogotá, 200).
- Davis, Diane. *Urban Leviathan: Mexico City in the Twentieth Century*. (Philadelphia: Temple University Press, 1994).
- Drake, Paul. *The Money Doctor in the Andes: The Kemmerer Missions, 1923-1933*. (Durham: Duke University Press, 1989).
- Del Castillo Daza, Juan Carlos. *Bogotá. El tránsito a la ciudad moderna, 1920-1950*. (Bogotá: Universidad Nacional de Colombia, 2003).
- Dutra Rodrigues, Francisco. *Questões sobre o credito territorial. Estudos a proposito do Banco de Credito Real de São Paulo*. (São Paulo: Typographia de Provincia de São Paulo, 1883).
- Echavarría, Enrique. *Crónicas e Historia bancaria de Antioquia*. (Medellín: Instituto Tecnológico Metropolitano, 2003).
- Espinosa Restrepo, León Darío. "El Estado en la construcción de las áreas residenciales de Bogotá." *Urbanismos* 2, 2005: 56-73.
- Fabila, Alfonso. *La habitación rural en México*. (México, D.F., XVI Congreso Internacional de la Planificación y la Habitación, 1938).
- Fajardo, Darío. *Haciendas, campesinos y políticas agrarias en Colombia, 1920-1980*. (Bogotá, Fundación Friedrich Naumann, Editorial Oveja Negra, 1983).

- Farnsworth-Alvear, Ann. *Dulcinea in the Factory: Myth, Morals, Men, and Women in Colombia's Industrial Experiment, 1905-1960*. (Durham: Duke University Press, 2000).
- Fisher, Brodwyn. *A Poverty of Rights: Citizenship and Inequality in Twentieth-Century Rio de Janeiro*. (Stanford: Stanford University Press, 2008).
- Fluharty, Vernon Lee. *Dance of the Millions: Military Rule and the Social Revolution in Colombia, 1930-1956*. (Pittsburgh: University of Pittsburgh Press, 1966).
- Foto Sady, Recuerdos de la realidad*. (Bogotá: Banco de la República, 2014).
- Froysland, Hayley. "Para el bien común": *Charity, Health, and Moral Order in Bogotá, Colombia, 1850-1936*. (Ph. D. Dissertation, University of Virginia, 2002).
- Gaitán Cortés, Jorge. *Democracia y acción communal. Programas de ayuda mutua*. (Bogotá: Fundación Universidad América, 1959).
- García Cadena, Alfredo. *Unas ideas elementales sobre problemas colombianos. Preocupaciones de un hombre de trabajo*. (Bogotá: Imprenta del Banco de la República, 1956).
- _____. *La tierra y el crédito. Conferencia dictada en el Paraninfo de la Universidad Javeriana el día 3 de junio de 1935*. (Bogotá: Juan Casís Editor, 1935).
- Graham, Richard. *Feeding the City: From Street Market to Liberal Reform in Salvador, Brazil, 1780-1860*. (Austin, University of Texas Press, 2010).
- Green, John. *Gaitanismo, Left Liberalism, and Popular Mobilization in Colombia*. (Gainesville: University Press of Florida, 2003).
- Guy, Donna. *Sex and Danger in Buenos Aires: Prostitution, Family, and Nation in Argentina*. (Lincoln: University of Nebraska Press, 1991).
- Hall, Peter. *Cities of Tomorrow: An Intellectual History of Urban Planning and Design in the Twentieth Century*. (Malden: Blackwell Publishing, 2002).
- Hartlyn, Jonathan. *The Politics of Coalition Rule in Colombia*. (Cambridge: Cambridge University Press, 1988).
- Healey, Mark. *The Ruins of the New Argentina: Peronism and the Remaking of San Juan after the 1944 Earthquake*. (Durham: Duke University Press, 2011).
- Henderson, James. *Modernization in Colombia: The Laureano Gómez Years, 1889-1965*. (Gainesville: University of Florida Press, 2001).
- Hirschmann, Albert. *Journeys toward Progress: Studies of Economic Policy-Making in Latin America*. (New York: The Twentieth Century Fund, 1963).
- Holston, James. *Insurgent Citizenship: Disjunctions of Democracy and Modernity in Brazil*. (Princeton: Princeton University Press, 2008).
- _____. *The Modernist City: An Anthropological Critique of Brasília*. (Chicago: The University of Chicago Press, 1989).
- Hofer, Andreas. *Karl Brunner y el urbanismo europeo en América Latina*. (Bogotá: El Áncora Editores, Corporación La Candelaria, 2003).
- International Federation for Housing and Planning, *International Housing and Town Planning Congress, Vienna, 1926. Papers and Reports*. (Vienna, 1926).
- International Institute of Agriculture, *Documentation for the European Conference on Rural Life 1939*. (Rome: Villa Umberto I, 1939).

- James, Daniel. *Resistance and Integration: Peronism and the Argentine Working Class, 1946-1976*. (New York: Cambridge University Press, 1988).
- Jaramillo, Esteban. *Conferencia sobre el concepto jurídico-social de la propiedad, dictada en la Universidad Javeriana el 6 de noviembre de 1934*. (Bogotá: Editorial Minerva, 1934).
- _____. *La carestía de la vida. Conferencia dictada en el Teatro Municipal de Bogotá por el doctor Esteban Jaramillo, por iniciativa de la Sociedad de Agricultores de Colombia*. (Bogotá: Imprenta Nacional, 1927).
- Jaramillo, Mario. *Esteban Jaramillo: indicador de la economía colombiana*. (Bogotá: Taurus, 2006).
- Jiménez, Luis Carlos. "Las áreas residenciales de origen popular," in: *Urbanismos* 3, 2005: 160-175.
- Jiménez, Michael. *The Limits of Export Capitalism: Economic Structure, Class, and Politics in a Colombian Coffee Municipality, 1900-1930*. (Ph. D. Dissertation, Harvard University, 1985).
- Kalmanovitz, Salomón. *Economía y nación: una breve historia de Colombia*. (Bogotá: Editorial Norma, 2003).
- Latorre, Luis Felipe. *Crédito hipotecario*. (Bogotá: Águila Negra Editorial, 1928).
- League of Nations. *European Conference on Rural Life 1939: Rural Housing and Planning, Report Prepared under the Auspices of the Health Committee*. (Geneva: Series of League of Nations Publications, 1939).
- _____. *European Conference on Rural Life 1939: Co-operative Action in Rural Life*. (Geneva: Series of League of Nation Publications, 1939).
- Lear, John. *Workers, Neighbors and Citizens: The Revolution in Mexico City*. (Lincoln: University of Nebraska Press, 2001).
- _____. *Urban and Rural Housing*. (Geneva: Series of League of Nations Publications, 1939).
- LeGrand, Catherine. *Frontier Expansion and Peasant Protest in Colombia, 1830-1936*. (Albuquerque: University of New Mexico Press, 1986).
- Levinson, Jerome and de Onís, Juan. *The Alliance that Lost its Way: A Critical Report on the Alliance for Progress*. (Chicago: Quadrangle Books, 1970).
- Lleras Acosta, Julio E. *Conferencia del señor Julio E. Lleras, Gerente del Banco Central Hipotecario (dictada en el salón de la Universidad Javeriana, el 18 de mayo, acerca de algunas medidas de emergencia y en especial sobre el Banco Central Hipotecario, y cartas cruzadas entre el Gerente de la Federación Nacional de Cafeteros y el Gerente del citado Banco)*. (Bogotá: Tipografía Regina, 1933).
- Lleras Restrepo, Carlos. *Crónica de mi propia vida*. (Bogotá: Stamato Editores, 1983).
- _____. *El cambio social*. (Bogotá: Editorial Argra, 1934).
- London, Christopher. *The Cultural Politics of Technical Change in Colombian Coffee Production*. (Cornell University, MS Thesis, 1994).
- Londoño Botero, Rocío. *Juan de la Cruz Varela: sociedad y política en la región de Sumapaz (1902-1984)*. (Bogotá: Universidad Nacional de Colombia, 2011).
- _____. and Saldarriaga Roa, Alberto. *La Ciudad de Dios en Bogotá. Barrio Villa Javier*. (Bogotá: Fundación Social, 1994).

- Londoño Vega, Patricia. *Religion, Culture, and Society in Colombia: Medellín and Antioquia, 1850-1930*. (Oxford: Clarendon Press, 2002).
- Lonja de Propiedad Raíz, *30 aniversario, 1945-1975*. (Bogotá: Lonja de Propiedad Raíz, 1975).
- López, Alejandro. *Escritos escogidos*. (Bogotá: Instituto Colombiano de Cultura, 1976).
- López de Mesa, Luis. *Civilización contemporánea*. (Paris: Agencia Mundial de Librería, 1926).
- López Uribe, María del Pilar. *Salarios, vida cotidiana y condiciones de vida en Bogotá durante la primera mitad del siglo XX*. (Bogotá: Universidad de los Andes, 2011).
- López, Ricardo. “‘Nosotros también somos parte del pueblo’: gaitanismo, empleados y la formación histórica de la clase media en Bogotá, 1936-1948.” In: *Revista de Estudios Sociales* 7, December 2011, 84-105.
- Love, Joseph. “Economic Ideas and Ideologies in Latin America, 1930-1980.” In: Bethell, Leslie, ed. *Cambridge History of Latin America*, Vol. 6. (New York: Cambridge University Press, 1994).
- Maurlanda, Elsy. *Colonización y conflicto. Las lecciones del Sumapaz*. (Bogotá: Universidad Nacional, IEPRI; Tercer Mundo Editores, 1991).
- Maya Sierra, Tania. “Áreas residenciales y desarrollo urbano en Bogotá.” In: *Urbanismos* 2, 2005: 23-55.
- Mayor Mora, Alberto. *Ética, trabajo y productividad en Antioquia. Una interpretación sociológica sobre la influencia de la Escuela Nacional de Minas en la vida, costumbres e industrialización regionales*. (Bogotá: Ediciones Tercer Mundo, 1984).
- Mazuera, Fernando. *Cuento mi vida*. (Bogotá: Canal Ramírez – Antares, 1978).
- Meade, Teresa. “Civilizing” Rio: *Reform and Resistance in a Brazilian City, 1889-1930*. (University Park, Pennsylvania State University Press, 1997).
- Mejía Robledo, Alfonso. *Vidas y empresas de Antioquia. (Diccionario biográfico, bibliográfico y económico)*. (Medellín: Imprenta Departamental de Antioquia, 1951).
- Melo, Jorge Orlando, ed. *Historia de Medellín*. Tomos I y II. (Bogotá: Compañía Suramericana de Seguros, 1996).
- _____, comp. *Historia de Antioquia*. (Bogotá: Suramericana de Seguros, 1988).
- Middlebrook, Kevin. *The Paradox of Revolution: Labor, the State, and Authoritarianism in Mexico*. (Baltimore: Johns Hopkins University Press, 1995).
- Montoya, Jhon Williams. “Planificación, urbanismo y la construcción de la Bogotá moderna. De Brunner a Le Corbusier.” In: Isabel Duque Franco, ed., *Historiografía y planificación urbana en América Latina*. (Bogotá: Universidad Nacional de Colombia, 2013).
- Murphy, Edward. *For a Proper Home: Housing Rights in the Margins of Urban Chile, 1960-2010*. (Pittsburgh: University of Pittsburgh Press, 2015).
- Naranjo Giraldo, Gloria. *Medellín en zonas: monografías*. (Medellín: Corporación región, 1992).
- Niño Murcia, Carlos. *Arquitectura y Estado. Contexto y significado de las construcciones del Ministerio de Obras Públicas. Colombia, 1905-1960*. (Bogotá: Universidad Nacional de Colombia, 1991).
- _____, and Reina Mendoza, Sandra. *La carrera de la modernidad: construcción de la carrera décima. Bogotá (1945-1960)*. (Bogotá: Alcaldía Mayor de Bogotá, 2011)

- Noguera, Carlos Ernesto, et.al. *La ciudad como espacio educativo. Bogotá y Medellín en la primera mitad del siglo XX*. (Bogotá: Arango Editores, 2000).
- Ocampo, José Antonio and Montenegro, Santiago. *Crisis mundial, protección e industrialización*. (Bogotá: Editorial Norma, 2007).
- _____, et. al., *Historia económica de Colombia*. (Bogotá: Editorial Planeta, 2007).
- Olano, Ricardo. *Memorias*. Tomos I y II. (Medellín: Fondo Editorial Universidad EAFIT, 2004).
- Olsen, Patrice Elizabeth. *Artifacts of Revolution: Architecture, Society, and Politics in Mexico City, 1920-1940*. (Lanham: Rowman & Littlefield Publishers, 2008).
- Oquist, Paul. *Violence, Conflict and Politics in Colombia*. (New York: Academic Press, 1980).
- Osorio Lizarazo, José Antonio. *Novelas y crónicas*. (Bogotá: Instituto Colombiano de Cultura, 1978).
- Owensby, Brian. *Intimate Ironies: Modernity and the Making of Middle-Class Lives in Brazil*. (Stanford: Stanford University Press, 2002).
- Palacios, Marco. *¿De quién es la tierra? Propiedad, politización y protesta campesina en la década de 1930*. (Bogotá: Universidad de los Andes, Fondo de Cultura Económica, 2011).
- _____. *Between Legitimacy and Violence: A History of Colombia, 1875-2002*. (Durham: Duke University Press, 2006).
- _____. *Coffee in Colombia, 1850-1970: An Economic, Social, and Political History*. (Cambridge, UK: Cambridge University Press, 1980).
- Parker, David. *The Idea of the Middle Class: White-Collar Workers and Peruvian Society, 1900-1950*. (University Park: Penn State University Press, 1998).
- Patiño Rosselli, Alfonso. *La prosperidad a debe y la gran crisis, 1925-1935. Capítulos de historia económica de Colombia*. (Bogotá: Banco de la República, 1981).
- Pécaut, Daniel. *Orden y violencia: Colombia, 1930-1954*. (Bogotá: CEREC, 1987).
- Pecha Quimbay, Patricia. *Programas de vivienda popular en Bogotá (1942-1959): el caso de la Caja de Vivienda Popular*. (Bogotá: MA Thesis, Universidad Nacional de Colombia, 2011).
- Peña Rodríguez, Marta Liliana. *El programa CINVA y la acción comunal. Construyendo ciudad a través de la participación comunitaria*. (Bogotá: Universidad Nacional de Colombia, 2010).
- Pérez, Francisco de Paula. *Memoria de Hacienda, 1929, 1931, 1946*. (Bogotá: Banco de la República, 1990).
- Pérgolis, Juan Carlos. "Alberto Wills Ferro. Arquitecto," *Colección Escala/ IIE* 1 (June, 1986), 1-13.
- Piccato, Pablo. *A City of Suspects: Crime in Mexico City, 1900-1931*. (Durham: Duke University Press, 2001).
- Pineo, Ron and Bauer, James, eds., *Cities of Hope: People, Protests, and Progress in Urbanizing Latin America*. (Boulder: Westview Press, 1998).
- Poveda Ramos, Gabriel. *Historia económica de Colombia en el siglo XX*. (Medellín: Editorial Universidad Pontificia Bolivariana, 2005).

- Primera Asamblea de veteranos de vivienda campesina, *Mi casita campesina. Homenaje al Doctor José Vicente Garcés Navas*. (Bogotá: mimeo, 1963).
- Quién es quién en Colombia*, 3rd edition. (Bogotá, Oliverio Perry & Cía. Editores, 1961).
- Ramírez, Álvaro. “Estudio histórico sobre las actividades de parcelación de tierras agrícolas en Colombia.” *Proyecto 206 del Programa de Cooperación Técnica, IICA, OEA*. (Bogotá: IICA, 1966).
- Ramírez, Ernesto. *Poder económico y dominación política: el caso de la familia Ospina*. (Bogotá: Tesis en Sociología, Universidad Nacional de Colombia, 1983).
- Ramírez Patiño, Sandra Patricia. “Cuando Antioquia se volvió Medellín, 1905-1950. Los perfiles de inmigración pueblerina hacia Medellín.” *Anuario Colombiano de Historia Social y de la Cultura* 38 (2), julio-diciembre 2011, 217-253.
- Reyes Cárdenas, Catalina. *La vida cotidiana en Medellín, 1890-1930*. (Bogotá: Tercer Mundo Editores, 1996).
- Rippy, Fred. *The Capitalists and Colombia*. (New York: The Vanguard Press, 1931).
- Rodríguez, Julia. *Civilizing Argentina: Science, Medicine and the Modern State*. (Chapel Hill: University of North Carolina Press, 1987).
- Roldán, Mary. “Popular Cultural Action, Catholic Transnationalism, and Development in Colombia before Vatican II.” *Catholic Activism in the Americas, 1891-1962, Conference*. Catholic University of America, Washington D. C., October 18, 2013.
- _____. “Battle over the Airwaves: The Use of Public Radio to Shape Public Opinion in the Colombo-Peruvian Conflict.” *Committee on Latin American History Annual Meeting*. Boston, January 7, 2011.
- _____. “Radio and the Politics of Public Access in Colombia.” *New York City Workshop on Latin American History Seminar*. New York, November 6, 2009.
- _____. *Blood and Fire: La Violencia in Antioquia, Colombia, 1946-1953*. (Durham: Duke University Press, 2002).
- Rosenberg, Emily. *Financial Missionaries to the World: The Politics and Culture of Dollar Diplomacy*. (Durham: Duke University Press, 2007).
- Rostow, Walt Whitman. *The Stages of Economic Growth: a Non-Communist Manifesto*. (Cambridge: Oxford University Press, 1960).
- Sáenz Rovner, Eduardo. *Colombia años 50. Industriales, política y diplomacia*. (Bogotá: Universidad Nacional de Colombia, 2002).
- _____. *La ofensiva empresarial: industriales, políticos y violencia en los años 40 en Colombia*. (Bogotá: Tercer Mundo Editores, 1992).
- Saldarriaga Roa, Alberto, Corporación Colegio de Villa de Leyva, CEHAP (Medellín), and CITCE (Cali). *Estado, ciudad y vivienda. Urbanismo y arquitectura de la vivienda estatal en Colombia, 1918-1990*. (Bogotá: INURBE, 1996).
- Sánchez Torres, Fabio, comp., *Ensayos de historia monetaria y bancaria de Colombia*. (Bogotá: Tercer Mundo Editores, Fedesarrollo, Asobancaria, 1994).
- Sánchez, Gonzalo. *Las ligas campesinas en Colombia (auge y reflujos)*. (Bogotá: Ediciones Tiempo Presente, 1977).

- Schmitter Castellanos, Patricia. *José Luis Sert y Colombia: de la Carta de Atenas a una carta del hábitat*. (Medellín: Universidad Pontificia Bolivariana, 2007).
- Serrano Camargo, Rafael. *Semblanza de Gabriel Serrano Camargo, arquitecto*. (Bogotá: Ediciones PROA, 1983).
- Serna, Alba Lucía, Londoño, Patricia, Betancur, John Jairo. *Composición social y movilización política en barrios populares de Medellín*. (Medellín: Universidad de Antioquia, Comité de Investigaciones de la Facultad de Ciencias Sociales, 1981).
- Silva, Renán. *República Liberal, intelectuales y cultura popular*. (Medellín: La Carreta Editores, 2005).
- Sowell, David. *The Early Colombian Labor Movement: Artisans and Politics in Bogotá, 1832-1919*. (Philadelphia: Temple University Press, 1984).
- Suárez Mayorga, Adriana María. *La ciudad de los elegidos: crecimiento urbano, jerarquización social y poder político. Bogotá (1910-1950)*. (Bogotá: Universidad Nacional, 2006).
- Taffet, Jeffrey. *Foreign Aid as Foreign Policy: the Alliance for Progress in Latin America*. (New York: Routledge, 2007).
- Téllez, Germán. *Cuéllar Serrano Gómez: Arquitectura, 1933-1983*. (Bogotá: Fondo Editorial ESCALA, 1988).
- Thorp, Rosemary. *Progress, Poverty and Exclusion: An Economic History of Latin America in the Twentieth Century*. (Washington: Inter-American Development Bank, 1998).
- Tirado Mejía, Álvaro. *Aspectos políticos del primer gobierno de Alfonso López Pumarejo, 1934-1938*. (Bogotá: Instituto Colombiano de Cultura, 1981).
- Unión Panamericana, Sección de Vivienda y Planificación. *Resultados del Primer Congreso Panamericano de Vivienda Popular, celebrado en Buenos Aires del 2 al 7 de octubre de 1939*. (Washington: Unión Panamericana, 1939 [1950]).
- Uribe Uribe, Rafael. *Obras selectas*. Tomo I. (Bogotá: Cámara de Representantes, 1979).
- Vargas Rubiano, Hernando and Vargas Caicedo, Hernando. "El terraconcreto en Colombia: apuntes para su historia," *Dearquitectura* 1 (October 2007), 120-141.
- Velandia, Roberto. *Silvania, pueblo agrario. El Chocho y su revolución rural*. (Bogotá: Junta Organizadora del Cincuentenario, 1985).
- Vélez, Bernardo. *Una campaña económica (1923-1929)*. (Medellín: Librería de Antonio Cano, 1930).
- Vélez White, Mercedes Lucía. *Arquitectura contemporánea en Medellín*. (Medellín: Instituto Tecnológico Metropolitano, Ediciones Biblioteca Básica de Medellín, 2003).
- Walter, Richard. *Politics and Urban Growth in Buenos Aires, 1910-1942*. (New York: Cambridge University Press, 1993).
- Williams, Raymond. *Keywords: A Vocabulary of Culture and Society*. (New York: Oxford University Press, 2015).
- _____. *The Country and the City*. (New York: Oxford University Press, 1973).
- Zambrano Pantoja, Fabio. *Historia de Bogotá, siglo XX*. (Bogotá: Alcaldía Mayor de Bogotá, Villegas Editores, 2007).

Weinstein, Barbara. *For Social Peace in Brazil: Industrialists and the Remaking of the Working Class in São Paulo, 1920-1964*. (Chapel Hill: The University of North Carolina Press, 1996).

Wood, Andrew Grant. *Revolution in the Street: Women, Workers, and Urban Protest in Veracruz, 1870 – 1927*. (Willmington: SR Books, 2001).

Electronic resources and websites

Biblioteca Luis Ángel Arango, *Colección Gumersindo Cuéllar Jiménez*, <http://www.banrepcultural.org/blaavirtual/gumercindo-cuellar> [accessed: October 8, 2013].

Biblioteca Pública Piloto, Colecciones Patrimoniales, Fondo Fotográfico, <http://patrimoniobibliografico.bibliotecapiloto.gov.co/fotografos/2-uncategorised/305-fondo-fotografico> [accessed: February 15, 2015].

Encyclical of Pope Leo XIII (1891), *Rerum Novarum*, http://www.vatican.va/holy_father/leo_xiii/encyclicals/documents/hf_l-xiii_enc_15051891_rerum-novarum_en.html [accessed: December 17, 2013].

Encyclical of Pope Pius XI (1931), *Quadragesimo Anno*, http://www.vatican.va/holy_father/pius_xi/encyclicals/documents/hf_p-xi_enc_19310515_quadragesimo-anno_en.html [accessed December 17, 2013].

Garrido Lopera, Rafael. “Lucas Caballero,” in: *Biografías Gran Enciclopedia de Colombia del Círculo de Lectores*, <http://www.banrepcultural.org/blaavirtual/biografias/cabaluca.htm> [accessed: November 3, 2013].

Gutiérrez Echeverri, Natalia. La casa de Jorge Gaitán Cortés en Bogotá, <https://nataliagutierrezcheverri.files.wordpress.com/2012/09/textos-casa-gaitan-cortes-12-sep.pdf> [accessed: April 10, 2015].

Ley 46, noviembre 19 de 1918, http://camacol.co/estudios_juridicos/Archivos/LEY_CONGRESO_NACION_0046_1918.html [accessed: 22 April, 2014].

Mayor Mora, Alberto. “López, Alejandro,” in: *Biografías Gran Enciclopedia de Colombia del Círculo de Lectores*, <http://www.banrepcultural.org/blaavirtual/biografias/lopealej.htm> [accessed May 8, 2014].

Meisel Roca, Adolfo. *Banco de la República: antecedentes, evolución y estructura*, <http://www.banrepcultural.org/blaavirtual/economia/banrep1/indice.htm> [accessed: February 21, 2013].

Obregón, Diana. “Lleras Acosta, Federico,” in: *Biografías Gran Enciclopedia de Colombia del Círculo de Lectores*, <http://www.banrepcultural.org/blaavirtual/biografias/llerfed.htm> [accessed: April 22, 2014].

Raymond, Pierre. “Santander, el algodón y los tejidos del siglo XIX: los primeros intentos fabriles,” *Revista Credencial Historia*, No. 255, <http://www.banrepcultural.org/blaavirtual/revistas/credencial/marzo2011/santander-algodon-tejidos-siglo-xix> [accessed: November 3, 2013].

“Reseña histórica de Tubos Moore, S.A.,” http://www.moore.com.co/index_archivos/RESENA.htm [accessed: October 5, 2014].

- Saldarriaga Roa, Alberto. "Arquitectura colombiana en el siglo XX: edificaciones en busca de ciudad," *Credencial Historia*, 114, June 1999, <http://www.banrepcultural.org/blaavirtual/revistas/credencial/junio1999/114arquitectura.htm> [accessed: October 8, 2013].
- Urrutia, Miguel, Namen, Olga Marcela. "La historia del crédito hipotecario en Colombia," in: Banco de la República, *Ensayos sobre política económica*, Vol. 30, 67, 2012, <http://www.banrep.gov.co/es/node/29659> [accessed: November 19, 2013].