Hegemony of real estate capital in the (re)production of space in the Atlantic coastal area of Salvador, Bahia, Brazil, between 2006 and 2018

Real estate capital has shown great dynamics in the (re)production of Brazilian urban spaces, especially in recent decades. In Salvador, the Atlantic coastal area stands out in this process, as in addition to being one of the main vectors of growth, it is an area aimed at the middle and upper income classes. In this sense, this study aimed to analyze the (re)production of space in the coastal area in Salvador, between 2006 and 2018. This is a period that includes changes to the city’s master plans and major changes in the coastal area, in addition to the actions of different agents involved in the process. The article is based on a qualitative and quantitative approach, using historical and comparative methods. The main results showed that real estate capital is the main agent of the (re)production of space in the city, as well as a heterogeneous but hegemonic group of private agents, and that the city space is being (re)developed with a view to the interests of these agents.

KEYWORDS: real estate capital; (re)production of space; Salvador; Brazil.

RESUMO

O capital imobiliário tem apresentado grande dinâmica na (re)produção do espaço urbano brasileiro, sobretudo nas últimas décadas. Em Salvador, a Orla Atlântica destaca-se nesse processo, pois além de ser um dos principais vetores de crescimento, é uma área voltada às classes de média e alta renda. Nesse sentido, este estudo se propôs analisar a (re)produção da Orla Atlântica de Salvador, entre 2006 e 2018, período que compreende as mudanças de planos diretores da cidade, as grandes modificações na Orla Atlântica, além da atuação dos diferentes agentes envolvidos no processo. O artigo ressalta-se em uma abordagem de cunho qualitativo e quantitativo, tendo como métodos de procedimentos o histórico e o comparativo. Os principais resultados mostraram que o capital imobiliário é o maior agente de...
(re)produção da cidade, bem como existe um grupo heterogêneo, porém hegemônico de agentes privados, e que a cidade vai sendo (re)prodzida com vistas aos interesses desses agentes.

**PALAVRAS-CHAVE:** capital imobiliário; (re)produção do espaço; Salvador; Brasil.

**RÉSUMÉ**

Le capital immobilier a montré une grande dynamique dans la (re)production de l’espace urbain brésilien, en particulier au cours des dernières décennies. À Salvador, le pourtour atlantique se distingue dans ce processus, car en plus d’être l’un des principaux vecteurs de croissance, c’est une zone destinée aux classes moyennes et supérieures. En ce sens, cette étude visait à analyser la (re)production du pourtour atlantique à Salvador, entre 2006 et 2018, une période qui comprend les changements dans les Plans d’Occupation du Sol de la ville, les changements majeurs du pourtour atlantique, en plus des actions des différents agents impliqués dans le processus. L’article est basé sur une approche qualitative et quantitative, utilisant comme procédure des méthodes historiques et comparatives. Les principaux résultats ont montré que le capital immobilier est le principal agent de (re)production de la ville, ainsi qu’un ensemble hétérogène mais hégémonique d’agents privés, et que la ville est en train d’être (re)produite en vue des intérêts de ces agents immobiliers.

**MOTS-CLÉS :** capital immobilier; (re)production d’espace; Salvador; Brésil.
INTRODUCTION

Historically, the development of the city of Salvador has always been guided by the interest of small groups, especially the so-called local elites, whose priorities affect the patterns of use and occupation of urban land and the public budget, with the aim of expanding their gains from the city’s economic growth. In addition to these elites, the role of external agents, such as the federal government, with developmental policies, whose objective is to encourage urban and economic growth in cities, driven by international agencies such as the United Nations (UN) and the World Bank, and transnational companies that directly influence urban and economic dynamics.

This situation has intensified in recent decades with neoliberal policies, in which real estate capital stands out for its role in the production of space on the Atlantic coast of Salvador (Figure 1). This context instills a redesign of public policies that favor and strengthen the action of markets and, consequently, cause changes in the role of the state in the governance of the city. In short, there is a shift from a government to a governance perspective, as Ferrião (2013) points out.

Fernandes (2013) and Pereira (2014) observe that from the year 2000 onwards there were such profound changes (housing policies, credit facilitation, etc.) that the real estate sector grew sharply. Concerning this, changes have also been observed, especially in the restriction of land occupation, as well as in the verticalization of the city.

In Salvador, at the beginning of this century, there were remarkable transformations in its urban laws. These reverberated in its municipal master plan, the result of an urban order planned and strategically undertaken by and based on power relations. These are coalitions of political and economic interests (LOGAN; MOLOTCH, 1987).

Figure 1. Study area: Salvador/BA’s Atlantic coastal area (2023)

1. It should be noted that the area of study involved the neighborhoods in the Salvador Atlantic coastal area — with the exception of Stella Maris, as it was not significant in terms of large buildings —, in addition to some adjacent neighborhoods (Imbuí and STIEP), as they have presented significant growth in recent years, thus being fundamental for this analysis.
In areas where capital is interested, public authorities (municipality and state), in a predatory action induced by the real estate sector, invest in infrastructure and urban equipment in a planned and strategic way, with a view to valuing urban land (ABRAMO, 1995). Several services, such as restaurants, hotels and shopping centers are installed with a view to attracting the middle and high-income classes to reside and consume in these places.

They also use marketing (VAINER, 2002) to promote the city as a business (CARVALHO; PEREIRA, 2013), creating an attractive space for private capital. On the other hand, in areas where there is no interest in real estate and speculative capital, the process of (re)production of space occurs spontaneously and without any urban infrastructure.

According to Santos (2012), real estate capital is a hegemonic force that coordinates, through its practices, the production and (re)production of urban space. It is the force that oppresses and submits capitalist city planning to its rules.

At the heart of this context, this study aimed to analyze the (re)production of space in Salvador’s Atlantic coastal area, in Bahia state, between 2006 and 2018. This is a period that includes changes to the city’s master plan, major changes in the coastal area, in addition to the performance of the different agents involved in the process.

Thus, for this work, a guiding question was established: How does real estate capital contribute and interfere in the (re)production of urban space on Salvador’s coastal area?

Regarding the methodology, the research had a qualitative and quantitative character and used the methods of historical and comparative procedures. The research was developed from the following stages:

(i) Review of national and international literature — books, book chapters, dissertations, theses, well-rated articles and annals of events. Even the more recent research and important works by classical authors were used in the work.
(iii) Survey of demographic and socioeconomic data, such as population profiles, income and annual balance sheets of the construction sector. This data was collected from the directors of companies in the Real Estate Market of Bahia Association, Bahia state Construction Industry Association, Economic and Social Studies Administration, Brazilian Institute of Geography and Statistics (IBGE) and the Salvador Neighborhood Observatory (OBSERVASSA)
(iv) Survey of data on licensed developments, commissioned and built in Salvador’s coastal area from 2006 to 2018. This data can be found on the portal of the Secretariat for Development and Urbanism of Salvador. The portals of builders, developers, real estate agents and some real estate sales websites were also analy-
The work was divided into five sections, the first being introductory. The second addresses the production of urban space and the market valuation of cities. The third brings a brief history of the neighborhoods in Salvador’s coastal area, pointing out the expansion and the factors that corroborated the appreciation of this stretch. The fourth section exposes the agents responsible for spatial changes, in addition to analyzing the main characteristics of the projects and how they are spatialized. Finally, the fifth section makes some final considerations.

The production of urban space and the market valuation of cities

The term production of space was developed by Henri Lefebvre (1976), based on the ideas disseminated by Karl Marx. According to this author, there are four hypotheses about the spatial issue in modernity. The first is that space is seen as a pure form, void of any material and immaterial construction, what Santos (2006, p. 39) defined as “wild nature”, without human interference, endowed with natural objects (elements) that were transformed by human action over time, generating “manufactured objects”.

The second hypothesis is that space is the result of human work and its division, assuming that space is a product of social relations and, therefore, is inextricably linked to historical time (LEFEBVRE, 1976).

The third hypothesis is related to the issue of domination by power, the appropriation of space that becomes territory, as Raffestin (1993), a contemporary of Lefebvre, rightly addressed by recognizing that territory is produced by social actors based on a relationship of power and what he called “process”. And, finally, the fourth hypothesis refers to the reproduction of space, that is, reproduction of the social relations of production of urban space, as masterfully discussed by Carlos (2001, 2007, 2015), Harvey (1996), Pinheiro (2011), and others.

David Harvey (1996) also analyzes urban space as a pro-
duct of social relations that occur through the action of different actors with different agendas and interests. In other words, space is the embodiment of social life, relationships, and not just physical, static space. By the way, Villaça (2001) warns space is constructed as a process and not as a state.

Geographer Roberto Lobato Corrêa (2005, p. 11) brought an important conception of urban space, understanding it as “[...] fragmented, articulated, social conditioning, full of symbols and fields of struggles”, thus, it is a product that is the result of actions carried out by society over time. It is fragmented, as it represents a set of different forms: residential areas, industrial parks, leisure areas, etc. It is articulated because everything is in a network of flows. Social conditioning exists in the sense of access to urban land and economic in the sense of acquisition. It is full of symbols, since the accumulation of human labor power is drawn in space over time. Finally, it is a field of struggle, since the production of this space is not something peaceful. On the contrary, it is a process with conflict, since the agents have divergent interests and, therefore, exercise different practices in order to achieve their objectives.

The people who build and consume these spaces are called by Corrêa (2005) “Producing agents of urban space”, which will be seen in the next sections. Although it does not happen peacefully, the concomitant construction of space by these agents is possible.

Another important collaboration in the construction of this concept so dear to Geography was given by Milton Santos, a Brazilian geographer, who focused on the spatial study throughout his academic life, leaving a vast and rich contribution.

In his work “The nature of space”, Santos (2006, p. 39) states that space is an inseparable set of “[...] systems of objects and systems of actions, not considered in isolation, but as the only framework where the story takes place”. Space must be studied with everything that exists in it (natural objects) and the human relationship with these objects and their production (manufactured objects), taking time into account, because “[...] systems of objects and systems of actions interact”. For him, the created objects lead through the action system (social relations) to a new production and, thus, the space is transformed and reproduced.

Associated with this, the reproduction of space also takes place in the same society that produces it, since space breaks down and renews itself continuously, that is, it is in constant movement and its agents are in increasing evolution (SANTOS, 1979). For Carlos (2015), this is due to the development of capitalism that realizes its historical objective, the reproduction.

For Pereira (2004), the city in the 19th century goes through an urban metamorphosis, when it begins to be produced as a commodity. In this way, modern and fragmented, it begins to be sold in lots with different prices, through
rent. Thus begins the formation of the buying and selling of land and the buildings market, stimulating the reproduction of urban space.

There are two trends in the rise of land prices, real estate rent, which predominates in more urbanized areas, spreading towards other cities, and land rent, which tends to predominate in new areas in transition from rural to urban. The two incomes have different origins, although they are presented in a single tribute, “income”, part of the surplus value that fluctuates, following the prices of the real estate market in the urbanization process. It is by breaking down into land rent and real estate rent, with the distinction of the origin of surplus profit with “land rent”, that one can more clearly identify the social relations involved in the valuation process (PEREIRA, 1988, p. 122).

According to the Marxist tradition, land becomes a commodity, with a marketable price, but without representing, in its value, a direct portion of social work. Land rent did not derive from the remuneration of a production factor, but from the payment for the use permit (MARX, 1867).

Carlos also makes an important contribution by analyzing the urban space from the perspective of the reproduction of capital, especially private property, which the author considers as a condition for capitalist reproduction. Based on Lefebvre’s thinking, Carlos (2001, p. 11) understands urban space as “[...] condition, means and product of the realization of human society in all its multiplicity”. Still, according to the author, space is produced as a commodity, emerging as a new form of appropriation that guides the occupation, the logic of capital (CARLOS, 2007, p. 74). This generates spaces that are increasingly fragmented and exploited according to the purpose of those who produce them.

Space is a commodity with use value and exchange value, as well as all other products of the capitalist relationship based on the power of human labor: “[...] the extension of capitalism took space, made it its condition of production, first as a resource, then as a productive force and, finally, as a reproducible commodity, which opened the way for a new cycle of accumulation” (CARLOS, 2015, p. 26).

Consequently, each space that comes up for sale in the city has a different value and what will dictate this price is its location in relation to the surrounding infrastructure. The better located, the higher its price. The smaller its placement in space, the lower its added value. And it is this price that “[...] filters the access of different social groups to different regions of the city” (PEREIRA; SILVA; CARVALHO, 2017, p. 120), fragmenting and reproducing socio-spatial inequalities.

In this sense, Lefebvre (2008, p. 119) argues that:

Investment in real estate and in private and public constructions (in the production of space) is profitable because this production still involves, and will for a long time, a higher proportion of variable capital in relation to constant capital. And this despite considerable investments and technical progress. Earthworks and civil construction work involve a large number of workers [...]. Hence a higher rate of profit and the formation of a mass of surplus value, a part of which returns to enterprises.
For Pereira (2004), there is a need to update the notion of primitive or original accumulation in order to understand the coexistence of dispossessing processes, especially financial and real estate, with the “modern” exploitation of labor. This understanding leads to the conclusion that the combination of these processes, in the transition to the 21st century, means that financial globalization and real estate restructuring make the city even more unfair, segregated and exclusive.

According to professor Milton Santos, “[...] producing cities is a big business” and “[...] producing buildings is an excellent business for a few” (SOUZA, 1994, p. 150).

This production of space that has been written about so far is considered the formal logic, the one promoted by capital (market). But there is also an informal logic, that which takes place through necessity, what Abramo (2012, p. 36) called “popular cities”, self-production, which does not obey construction standards, but necessity itself.

Both the formal and the informal market produce, as a result, this double movement that will lead to an exhaustion of the central areas and an increasing verticalization in the areas of privileged location (in current Salvador it would be the coastal area) induced by the increasing cost of land leveraged by the scarcity of urban land, and a low-density territorial dispersion in non-central areas, with a high cost of providing transport, network infrastructure and urban services in peri-urban areas. (PEREIRA; SILVA; CARVALHO, 2017, p. 120).

Analyzing Salvador, Pereira, Silva and Carvalho (2017) verify that in the central areas of the city there is verticalization, therefore, concentration, both of population and of services produced by formal logic. With regard to dispersion, it is due to the horizontal production of peripheral areas where informal logic is used to build the logic of necessity, which the authors infer to be non-capitalist production.

In terms of space producing agents, for Roberto Lobato Corrêa (2005), space is produced by different agents, which he classifies as: a) the owners of the means of production; b) land owners; c) real estate developers; d) the state; e) excluded social groups.

Owners of the means of production consume the most space. It is the large industries that need locational attributes that favor their business. These companies are usually located in areas far from the center and the most valued residential areas. They play the role of space producer, both in the construction of these companies and in influencing the location/value of the land.

In turn, landowners act in the purchase and sale of urban land, continuously seeking to obtain higher income. They always have an eye on profit, creating land speculation with a view to investment in infrastructure by the state in order to increase valuation and double income. “The retention of land creates a scarcity of supply and an increase in its price, making it possible to increase land rent” (CORRÊA, 2005, p. 14).

According to Capel (2013), landlords play a key role in the configuration and reproduction of urban space.
Landlords are essential agents in the production of the city. Especially in the contemporary era, with the introduction of the liberal regime and the generalization of capitalist social relations. [...] Knowledge of the structure of the property is essential to understand the characteristics adopted for the growth of the city. From the point of view of ownership, the plan of a city can be considered, in a way, as a result of connecting fragments linked by the owners’ strategy (CAPEL, 2013, p. 53-59, translated from the original).

Real estate developers are a very heterogeneous group, and it is sometimes difficult to identify and analyze their urban activity. Corrêa (2005) classifies them as: developers, finance companies, technicians, builders and the commercialization of their developments through real estate agencies and/or real estate agents. It is important to remember that the developer can act in all these stages, and can be considered a “master key” in the real estate sector, since it can act from the idealization of the enterprise, its plan, financing, technical study, construction, advertising, sales and delivery of the keys.

Developers, then, are the agents who buy and plan the use and consumption of urban land, dealing with the legal procedures, the creation of new use values and the idealization of their forms of use. So, because they are directly involved in transforming the soil and creating a new commodity, they command the process of transforming the urban space. The exchange value is the objective for this agent (PINHEIRO, 2011, p. 43).

Along with the real estate developers are the builders who are literally responsible for direct action in the space, modifying it through the construction of residential, tourist, commercial projects, etc., following the developer’s planning, shaping and materializing the city (PINHEIRO, 2011).

Real estate brokers are also responsible for marketing, acting as an intermediary between the developer and the consumer, stimulating consumption, purchase, associating with the idea of the home owner’s dream, or even, of living well, better, with comfort, security and the convenience of services always close to the location.

Finally, financial institutions can be considered as one of the real estate promoters, since they play a fundamental role in raising capital for developers (although some have their own capital), as well as in financing final units for individuals, in addition to offering different types of insurance.

To understand this financing, one must first pay attention to the observation that the production of real estate is not a low-cost process. On the contrary, the acquisition or construction of a property requires a high financial cost. Financial institutions act, then, in the acquisition of the land by the developer, in the construction of the enterprise and for the construction company and in the commercialization of the properties for the final consumers. These agents are represented by banks, insurance companies and building societies (PINHEIRO, 2011, p. 44).

Following on with the agents that produce space, there is the state, which is complex. It acts as a producer and consumer of space, as it is a major landowner, industrialist and real estate developer, acting through laws and regulations that regularize the occupation of urban land, gui-
BRIEF HISTORY OF

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Fiscal power, producing infrastructure and installing urban and communitarian facilities and fragmenting the city into zoned areas. It is usually the target of social movements. It is important to point out that the “state” is the public agent and can act at the federal, state or municipal level involving different ministries and secretariats.

Singer (1980, p. 85) noted that there are different spaces in the same city, different forms of organization, with the state being largely responsible for this mosaic, as it absorbs the “[...] costs of capital appreciation in the dynamics of urban growth” This happens because there is more investment in one place to the detriment of another, places that are generally already well-off in terms of infrastructure, but which seek to meet the interests of the market.

Capel (2013) has already indicated that the distinction between public and private agents is an arduous task in modern times, as it is confused. The public agent seeks to provide the population with quality of life and access to basic infrastructure, but is sometimes influenced by private agents who seek their own economic benefit. In addition, within the “state” there are public officials or family members who are the landowners or real estate companies themselves.

Casellas (2006) believes that the public power acts on two competences) and as a member of a public/private partnership.

Certainly, the state can sometimes impose its will, as it can also act as a mediator between the parties. However, as the complexity of local governance is imposed, the public sector cannot be studied simply as an agent of authority or regulatory mediator between conflicting interests, but as a mobilizing and coordinating agent of resources. (CASELLAS, 2006, p. 64).

Last but not least are the excluded social groups. They act in the production of space independently (self-construction) and generally occupy the most problematic areas of the city in several senses: socio-spatial segregation; urban violence; access to urban facilities; risk areas (slopes and/or swamps) and others. This is how these groups express themselves and claim their space in their right to the city.

Thus, these agents act on space, producing and reproducing it through particular practices that lead to unequal and fragmented spatial forms. It should also be noted that the action of an agent does not inhibit or cancel out the action of another, on the contrary it is a set of individual actions that over time form a whole that is never complete.

Corroborating this, the state, real estate companies (the producers) and consumers of the real estate market are the main agents that produce space and, consequently, expand the urban fabric of the metropolis.
BRIEF HISTORY OF THE EXPANSION AND VALORIZATION OF LAND IN SALVADOR’S ATLANTIC COASTAL AREA

The historical origins of some neighborhoods in the coastal area reveal the organization of space as a product of human relations from different periods and needs that provided dynamics to these spaces, and, above all, acquired new forms and functionalities. The occupation of some stretches and neighborhoods is old. Certain studies even date back to the period when Salvador was still part of the Portuguese colony.

Barra is one of those districts that, according to Vasconcelos (2016), in that period (1536), had a population of about 100 inhabitants, when it was still called Vila Velha. In the 20th century, with the implementation of Avenida Sete de Setembro, Barra was connected to the central area of the city, and in 1943 (inauguration), the construction of the first skyscraper in Salvador took place, the Edifício Oceania. In 1987, the Barra Shopping Center consolidated the circulation flow and occupation of the neighborhood (OBSERVASSA, 2020). It is noteworthy that, since its origin, the neighborhood has been prone to higher income classes.

In turn, Rio Vermelho, despite being an old district like Barra, was more heavily occupied in the 20th century. It received some important urban modifications, such as the installation of electric trams, which connected it to the old city center (OBSERVASSA, 2020), the expansion of public transport, which facilitated access and, consequently, led to the growth of summer tourist activity in the neighborhood. At the same time, the opening of Avenida Oceânica (1923), which connects Barra to Rio Vermelho, was of paramount importance for the expansion of the coast. The real estate market only gained prominence from the 1970s onwards, a period in which many commercial establishments (mainly related to tourism) and residences were built.

The other coastal districts, until the mid-1970s, were sparsely populated spaces with few buildings, whose houses were used as second homes and, in particular, as holiday homes, while the Rio Vermelho neighborhood was expanding, and new infrastructures were being installed on the coast. During this period, with the urban expansion of Salvador and the densification of other areas, and, later, with the policy of urban entrepreneurship and all the consolidated strategies of the master plan, this environment became one of the main vectors of expansion with the most expensive values per m² in the metropolis (SOUZA, 2017).

Imbui, in turn, in the 1970s, was practically uninhabited with few residents and a community of fishermen (SOUZA, 2019). The neighborhood was created to be occupied by civil servants from the state of Bahia, as they sought to live close to the recent construction of the Administrativa Center of Bahia (CAB).
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Over the years, the population has increased and today it is one of the most coveted neighborhoods in the real estate market, especially for the middle class population.

The implantation of the first condominiums (Rio das Pedras, Moradas do Imbuí and Vivendas do Imbuí) and the opening of the streets in 1978 constituted the starting point of its implantation in Salvador. Soon after, the Guilherme Marback complex that had been implemented by Habitação e Urbanização da Bahia S.A. (URBIS)² and that initially belonged to the Boca do Rio neighborhood, became integrated into Imbuí due to its contiguous location. In 1985, Avenida Jorge Amado, formerly Avenida Vale do Castilho, was implemented, gradually improving access between Avenida Paralela and the coastal area through Imbuí. (SOUZA, 2019, p. 21).

Bate Facho, a poor community in the Imbuí neighborhood, today represents a paradox, as it exists between middle-class residential towers, while “having an attenuated social distance in relation to them” (OBSERVASSA, 2020, s.p.). Areas like this are pressured by real estate capital and limited to basic services, tending to displacement to other places. This is what Rolnik (2015) calls the boundary between legality and illegality, while Barcelos (2015, p. 69) explains that:

The physical walls that will be established by these developments will delimit beyond their extensive areas, they will demarcate a territory that, although close to communities and peripheral neighborhoods, will have clear distances surrounded by factors of differentiation and segregation of use and space occupation. In this way, the city presents a delimited

2. The Housing and Urbanization of Bahia (URBIS) was created by Law no. 2,114, on the 4th of January 1965, as a private/public company, to operationalize the housing policy of the state government and was structurally linked to the then Secretariat of Work and Social Welfare. In more than three decades of activity, it has provided an important contribution to the process of urban expansion in Salvador and other cities in Bahia.

In general, in recent years, with the advance of real estate capital, almost all neighborhoods have been affected, modified and/or built in this perspective of verticalization, due to the added value and the scarcity of land conducive to the interests of companies, culminating in population densification (Figure 2) and increases in land prices.

As shown in Figure 2, Boca do Rio and Costa Azul are the most densely populated neighborhoods. In part, this is a result of the significant number of people living in local communities and in residences within the formal market, culminating in a density of housing, as well as the extension of these neighborhoods, which compared to others is proportionally smaller.

On the other hand, Pituaçu, Patamares and Piatã are less densely populated, reflecting the significantly large extension of the neighborhoods. In addition, there are the green areas of the Pituaçu Park, the Vale Encantado Urban Park, Lagoa do Abaeté, with families consisting of an average of three people (IBGE, 2010). In contrast, areas with a density of 50 to 149 inhabitants per hectare are older (Barra and Rio Vermelho) and more highly valued (Pituba, Imbuí and Patamares) by the real estate market, thus intensifying land use.

In Patamares you can also see a large enclave. This is Alpha-ville I, made up of vertical high standard constructions, as well as houses, where an apartment costs, on average, R$ 1 million.
It is worth remembering that this area was once made up of a remnant of Atlantic Forest vegetation, the Vale Encantado Urban Park, established in the Urban Development Master Plan of 2008, which suffers from real estate capital pressure, as well as its neighbor, Pituaçu Park.

Figure 3 also shows the process of densification in the Pataxós neighborhood, with the arrival of the Alphaville project. It is worth mentioning that:

In 2001, the Alphaville Group installed a housing project in the area that is considered an environmental reserve – specifically a store of value – in the same Natural Resources Protection Area that defined areas of environmental protection. The strategically and potentially reserved “green” (exchange value) is revealed in the real estate group’s advertising strategies, no longer as nature, but as a commodity landscape. In 24 hours, all the lots were sold – with a significant protest from environmental NGOs (mainly Gambá Group) – and, in one year, the lot values appreciated by 67%, constituting perhaps the most lucrative of the possible undertakings in capital (re)production of the city (VIEIRA, 2007, s.p.).

In short, from 2000 onwards, the coastal area became one of the city’s main expansion axes, attracting the attention of private financial capital and, in particular, real estate capital, which has played a fundamental role in the dynamics and transformations of this space. This is due, among other factors, to the natural and landscape attributes of the coastal area and some areas of environmental protection, which have greatly contributed to the intensification of occupation, and, consequently, the increase in the price of urban land and m² value for space.

It is observed that, between 2006 and 2018 (last years of the Urban Development Master Plan), in the main locations of the neighborhoods and where there is a greater concentration of buildings, there was a significant increase in land prices,
Figure 3. Images of the Alphaville I real estate development in Salvador (2006 and 2018)

Source: Google Earth Pro (2006, 2018). Adapted by the authors.

as a result of the emergence of shopping centers, universities, opening access roads and improvement in the landscape system, in addition to the demand for these areas. It should be noted that the highest percentages of appreciation were in the neighborhoods of Jardim Armação, STIEP, Patamares, Amaralina, Rio Vermelho and Imbuí, as shown in Table 1.

Within the period, the most significant increase occurred in 2014, under the management of Mayor Antônio Carlos Magalhães Neto, when he assigned the real estate re-registration of the entire city. As a result, the Land and Property Tax, which uses, among other calculation variables, the Standard Land Unit Value per m², reached high levels. The Brazilian Bar Association filed a
Table 1. Standard unitary value of land per m² of addresses on the Atlantic coast of Salvador (2006 and 2018)

<table>
<thead>
<tr>
<th>Address</th>
<th>District</th>
<th>Value in 2006 (R$)</th>
<th>Value in 2018 (R$)</th>
<th>Approximate Valuation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Av. Amaralina</td>
<td>Amaralina</td>
<td>143.22</td>
<td>1786.47</td>
<td>1147</td>
</tr>
<tr>
<td>Av. Princesa Isabel</td>
<td>Barra</td>
<td>366.14</td>
<td>1925.71</td>
<td>426</td>
</tr>
<tr>
<td>Av. Jorge Amado</td>
<td>Boca do Rio</td>
<td>125.54</td>
<td>496.37</td>
<td>295</td>
</tr>
<tr>
<td>Rua Doutor Boureau</td>
<td>Costa Azul</td>
<td>141.11</td>
<td>1228.19</td>
<td>770</td>
</tr>
<tr>
<td>Rua das Patativas</td>
<td>Imbui</td>
<td>98.38</td>
<td>1082.99</td>
<td>1001</td>
</tr>
<tr>
<td>Av. Dorival Caymmi</td>
<td>Itapuã</td>
<td>237.54</td>
<td>807.98</td>
<td>240</td>
</tr>
<tr>
<td>Rua General B. Guimarães</td>
<td>Jardim Armação</td>
<td>74.86</td>
<td>1579.00</td>
<td>2009</td>
</tr>
<tr>
<td>Rua Prof. Sabino Silva</td>
<td>Ondina</td>
<td>313.85</td>
<td>1791.25</td>
<td>471</td>
</tr>
<tr>
<td>Rua Bicuíba</td>
<td>Patamares</td>
<td>52.30</td>
<td>1026.64</td>
<td>1863</td>
</tr>
<tr>
<td>Av. Prof. Pinto de Aguiar</td>
<td>Pituaçu</td>
<td>62.20</td>
<td>529.47</td>
<td>751</td>
</tr>
<tr>
<td>Rua Amazonas</td>
<td>Pituba</td>
<td>209.23</td>
<td>1952.13</td>
<td>833</td>
</tr>
<tr>
<td>Av. Cardeal da Silva</td>
<td>Rio Vermelho</td>
<td>83.69</td>
<td>1025.50</td>
<td>1125</td>
</tr>
</tbody>
</table>

Source: Produced by the authors, 2023, based on Salvador’s SEDUR (Urban Development Secretariat) data (2006-2018).

Finally, it should be noted that, recently, the Atlantic coast received public investment for the execution of the Requalification Project, including renovation of sidewalks, bike paths, BRT (bus rapid transit), removal of beach huts and creation of equipped and modern kiosks, in addition to changes in traffic and route of bus lines (in Barra), which was reported negatively in the media, as only a select group of users could consume this space, “that is, the selective spaces will be enjoyed by those who have the purchasing power to consume them” (SOUZA, 2017, p. 253).

THE AGENTS AND THE SPATIAL CONFIGURATION OF THE ATLANTIC COAST OF SALVADOR

The main form of capitalist (re)production of current society is through real estate capital, the main shaper of urban space. Interconnected with this repro-

verticalization to the detriment of added value and the scarcity of free areas for the expansion of the urban fabric; gentrification modifying the form and function of consolidated spaces and, finally, the reproduction of socio-spatial inequalities.

The tendency for urban land to become scarce around the economic and financial centers of the metropolis generates the need for new strategies to enable the reproduction of capital, ensuring by the possibility of getting around the problem of urban space as a commodity that has become rare as a result of the intensification of the urbanization process (CARLOS, 2007, p. 75).

In general, urban space is socially produced and transformed, that is, reproduced by that same society. It is the constructed, concrete space, and carries, in itself, characteristics of the society that produced it, while being shaped by the current society. Being a product of social relations, consequently it is the result, unfinished, of different inspirations, desires and interests.

Having said that, in a simple and summarized way, according
is through (1985) and (2013), agents act on space by producing and reproducing it through particular practices that lead to unequal and fragmented spatial forms.

In Salvador, developments are built on the basis of building permits, granted by the city hall. These permits range from the construction by individuals to legal entities, both residential and commercial establishments. Access to these permits is through the Secretariat for Urban Development, where it was possible to collect, tabulate and process data.

After analysis, we found 341 projects built in the period from 2006 to 2018, therefore, on average, 28 new vertical residential real estate projects per year. The developments were spatialized and are presented in Figure 4, pointing to a coastal area extremely dominated by verticalization and by the richest people.

**Figure 4.** Vertical real estate developments built in Salvador between 2006 and 2018

![Figure 4](image)

Source: Produced by the authors, based on Salvador’s SEDUR data (2006-2018).

The strong concentration in the neighborhoods of Pituba, Jardim Armação and Costa Azul. These neighborhoods are also home to important commercial centers, such as Salvador Shopping and Avenida Tancredo Neves itself, with business and cultural centers. Other districts like STIAP and Imbuí, also stand out.

It is worth remembering that the STIAP neighborhood lost an important attribute, the Bahia Convention Center, built by the State Government, for the Boca do Rio neighborhood, facing the sea, now rebuilt by the municipality of Salvador, whose bid was won by the Andrade Mendonça construction company. It should be noted that physical qualities (green areas and a privileged view of the sea), strategic establishments and infrastructure such as a convention center, hospitals and access roads), cultural and artistic (historical heri-

5. Classified by the Brazilian Institute of Geography and Statistics, as permanent private households.
QAS construction. Originally of (neighborhood with equivalent purchasing power) corroborate the demand for properties and, therefore, are attractive to real estate capital.

Another important neighborhood in relation to the intense construction of real estate projects is Patamares, considered as a new area of expansion of the city. In addition to the aforementioned Alphaville I, there are several other developments, such as Greenville, Edif. Giardini Naxos, Terrazzo da Bahia Condominium, Baía de Santorini Mansion, Bosque Patamares Condominium, etc.

Fernandes (2013) points out some important relationships for the implementation of these projects to happen. In the first place, there are the relationships established between public and private authorities for the granting of the construction permit. The author considers that the government is often “hostage” to private pressure, as it needs to generate jobs, make its economy grow and compete with other cities, as mentioned earlier. However, it should be noted that everything is done with the consent of the public authorities, as it grants the “final permission”.

The second issue is the production of spaces. For Fernandes (2013), there is a hegemonic urbanism, because it serves the interest of agents that have social, political and national economic influence. It is not uncommon to see owners or family members of large corporations occupying political positions, such as with the Magalhães family; MRM Construction, whose owner is federal deputy Félix Mendonça Júnior and also president of the Democratic Labor Party (DLP) of Bahia; and Metro Engenharia e Consultoria Ltda., a company managed by Mauro Prates, cousin of Léo Prates, current federal deputy, among other examples. These companies usually finance election campaigns.

Third, and very striking, is that “everything is possible through the proper manipulation of concepts, brands and images” (FERNANDES, 2013, p. 103). It is very common and strategic to sell the image of an enterprise in contact with nature, next to a large shopping mall, leisure areas, and so on. The important thing is to sell to those who can pay for these privileges.

For example, in the Urban Development Master Plan 2016, macro areas of the city were demarcated, following the expansion vectors, for the creation of Consortium Urban Operations (OUCs)6. The OUCs cover densely inhabited or environmentally protected areas facing the Baía de Todos-os-Santos, with great tourist and landscape potential, but, for the most part, very lacking in urban infrastructure and with a lower-income population profile (traditional and historic center and spaces adjacent to the Ribeira, including the Itapagipana Peninsula); and the coastal area, comprising the neighborhoods from Boca do Rio to Jaguaribe, including the Metropolitan Park of Pituaçu.

6. Urban consortium operation is a Brazilian instrument to implement large urban projects. It aims to promote urban services and infrastructure in a specific area by selling construction benefits, which include changes in land uses and building rights.
The proposals, designed by the city hall together with the private sector which, through an Expression of Interest Procedure (EIP), had the OUCs project created by the company Odebrecht. According to Pinho (2017, p. 10):

[...][there was] no participation of public authorities and civil society in the process of preparing and finalizing the project. During the Urban Development Master Plan 2016 development process, no technical, political and social justifications were presented, and not even the project’s content presented to civil society. Therefore, it is not known what its social purpose is. Certainly, these facts constitute a risk for urban planning, for the city, and mainly, for the citizens of Salvador.

This can also be observed in other large intervention projects in the city, such as Novo Mané Dendé, which is part of the Urban Requalification and Environmental Sanitation Program for the Mané Dendé Creek Basin and covers an area of 800,000 m², encompassing the neighborhoods of Santa Terezinha, Plataforma, Ilha Amarela, Itacaranha and the river Sena. The investment is around 500.6 million, paid for by the city hall and by finance granted by the Inter-American Development Bank (IDB). According to the Correio newspaper (2018, s.p.), the bank also donated US $750,000 to the city hall to build the basic project, under the tutelage of the Mário Leal Ferreira Foundation (FMLF).

In line with this thought, Rodrigues (2016) argues that formal production always seeks spaces well served by urban facilities and adequate infrastructure, leading to a tendency to densify these neighborhoods. Therefore, this is the cradle of the usefulness that Logan and Molotch (1987) defended, the coalitions between public and private spheres marry and dictate how the city grows, and consequently the urban dynamics. For Vieira (2007, s.p):

Real estate developers play a central role in the transformation of capitalist urban space, as one of its main agents. They operate in a market that, by producing and consuming space, reorganizes it in a process that incorporates new areas and densifies occupation in existing areas.

In this context, regarding developers and builders operating in Salvador’s Atlantic coastal area, large companies with national and international capital were found (such as OAS, Cyrela, Odebrecht, etc.) and medium-sized local and regional companies. That is, the heterogeneity of companies and, consequently, of agents was observed. This is mainly due to the opening of the market in the 1990s and access to credit, enabling the emergence of several companies, as well as the international expansion of corporations such as OAS and Odebrecht, which previously predominated in the Bahian real estate market and gave rise to space for these other companies.

In the area under study, a total of 89 companies were found. A large number are from Bahia, although companies from Rio de Janeiro, São Paulo, Minas Gerais, Sergipe, Ceará, Pernambuco, Amazonas, the Federal District and Spain were also identified.
Table 2. Main developers/builders that operated on the Atlantic coast of Salvador (2006-2018)

<table>
<thead>
<tr>
<th>Company</th>
<th>Number of developments</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDG</td>
<td>10</td>
</tr>
<tr>
<td>Chroma empreendimentos</td>
<td>9</td>
</tr>
<tr>
<td>OAS</td>
<td>9</td>
</tr>
<tr>
<td>Cosbat Engenharia</td>
<td>6</td>
</tr>
<tr>
<td>Doto Engenharia</td>
<td>6</td>
</tr>
<tr>
<td>Nort Empreendimentos</td>
<td>6</td>
</tr>
<tr>
<td>Souza Neto Engenharia</td>
<td>5</td>
</tr>
<tr>
<td>Liz Construções</td>
<td>5</td>
</tr>
<tr>
<td>Franisa Empreendimentos</td>
<td>5</td>
</tr>
<tr>
<td>Everest Construmar</td>
<td>5</td>
</tr>
<tr>
<td>Concreta Incorporação e Construção</td>
<td>5</td>
</tr>
</tbody>
</table>


In the neighborhoods con- nected to the companies that stood out the most in the production of the Atlantic coastal space, that is, they built the most in the period studied. There are 11 companies that have five or more developments in this area, corresponding to 71 vertical residence condominiums, approximately 22% of real estate construction in this segment on the coast.

Also gaining notoriety is the conversion of some construction companies to developers and real estate agents, thus ensuring greater profitability, as well as the diversification of investments, leaving the real estate sector to work in the construction of public works such as viaducts, tunnels, stadiums, ports and airports, dams, etc. (OAS, Odebrecht, PDG, Chroma, Franisa, among others).

Another pertinent observation is intrinsically related to the characteristics of the housing units, the neighborhood and the income of the residents/owners. Of the 89 companies, 26 built to high luxury standards, totaling 64 developments. In this classification, those constructions whose floor plan had 3 or 4 suites, accommodation for domestic staff, more than 100 m² and a sale value above R$ 1 million were considered high luxury.

Luxury standard (49 developments) are those with 2 to 3 bedrooms, one or two suites, optional accommodation for domestic staff, 80 to 99 m² and sales value between R$ 500 and 999 thousand. In the medium standard, there are 97 developments with 1 to 3 bedrooms, with the option of a suite, without accommodation for domestic staff, footage of less than 80 m² and with a sale value of less than R$ 500,000. Figure 5 demonstrates the spatial distribution according to the construction standard. It was also verified that the high luxury standard is restricted, almost entirely, to the neighborhoods already consecrated by their purchasing power: Barra, Ondina, Rio Vermelho, Pituba and, recently, Patamares, also housing luxury and medium standard developments, while in the neighborhoods of Imbui, Amaralina, Boca do Rio, STIEP, Pituaçu, Itapuã and Piatã, most are considered to be of medium standard.
Hegemony of real estate capital in the (re)production of space in the Atlantic coastal area of Salvador, Bahia, Brazil, between 2006 and 2018

Figure 5. Construction pattern of real estate developments by neighborhoods on the Atlantic coast in Salvador (2006-2018)

7. It should be noted that data on subnormal agglomerates is from 2010, the last Demographic Census with available data.

In the neighborhoods considered to be of high standard, it is possible to observe that there are few areas, compared to other spaces in the metropolis, of contradiction between closed condominiums and subnormal agglomerates' (Figure 6).

In relation to Piatã and Itapuã, it is observed that the occupation of space by these developments is less intense. Although it is considered to be of high standard, it is possible to observe that there are few areas, compared to other spaces in the metropolis, of contradiction between closed condominiums and subnormal agglomerates' (Figure 6).

Figure 6. Subnormal agglomerates and real estate developments by neighborhoods on the Atlantic coast in Salvador (2006-2018)

The income of the head of household was also verified in the Atlantic coast of Salvador (Figure 7).

The average salary range that predominates in 10 of the studied neighborhoods is between 5 and 9 minimum wages. In the other neighborhoods, with the exception of Patamares, the minimum range of 1 to 4 salaries was on account of Boca do Rio, Pituaçu and Itapuã.

Regarding the social groups that support the (re)production of this space according to the salary range of 1 to 4 salaries, there are civil servants, teachers, technicians, nurses and retirees. These participate in the (re)production of space in the consumption of medium-sized developments.

In the range of 5 to 9 salaries are lawyers, doctors, engineers, university professors and others, consuming medium-sized developments. In the stratum of classes with 10 or more salaries, there are high-ranking civil servants, high-ranking retired politicians and military personnel, in addition to big businessmen, among others.

When researching the main financial agents, that is, the banking institutions that finance these projects, it can be concluded that they are as mixed as the real estate agents, although Caixa Econômica Federal and Banco do Brasil, both Brazilian bank institutions, stand out.

**Figura 7.** Average income of the head of household by neighborhood on the Atlantic Coast of Salvador (2010)\(^8\)

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8. Data available from IBGE from the last Demographic Census of 2010.
Hegemony of real estate capital in the (re)production of space in the Atlantic coastal area of Salvador, Bahia, Brazil, between 2006 and 2018

It was seen that with the opening of the market with neoliberalism, especially in this century, in which financial capital has played a primordial role, there has been a rapid and significant growth in this expansion vector, since decades ago this area was a summer tourist resort with traditional communities. Thus, the increase in the price of land per m², in some cases, has reached more than 2000%.

Real estate capital interferes in the Atlantic coast of Salvador through the incorporation and construction of real estate projects, marketing and alliances formed with public authorities and financial capital, directing and transforming the city.

The results also point to a heterogeneous group of private agents, composed of companies (local, regional, national and transnational). In this way, the city is reproduced by the interest of those who hold the power to undertake actions supported by the public sphere, as they are the ones who have the autonomy to regulate laws, codes and decrees, which entails significant changes in governance and provision of infrastructure and public services.

In turn, among the agents, the municipality stands out – the Mayor with Municipal Secretariat for Urban Development, the Chamber of Deputies, the state government, the federal government, international agencies, such as the UN and banks that finance large projects being the main influencers of the insertion of urban entrepreneurship.

The results also showed, through mapping and satellite images, the new expansion, advancing into the few free areas and areas of environmental protection, accelerating the process of densification and verticalization on the Atlantic coast.

ACKNOWLEDGMENTS

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Fernandes, Ana. Decifra-me ou te devoro: Urbanismo
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